

Press Release

For immediate publication

Mumbai, India

July 29, 2008

India Infoline quarterly net profits up 127% yoy and income up 102% yoy

Results (consolidated) for the quarter ended June 30, 2008

- Income for the quarter at Rs.2.7bn, up 102% yoy
- Net profit* for the quarter at Rs495mn, up 127% yoy
- EBIDTA margins in Q1FY09 at 37.1% as compared to 33.5% in Q1FY08

Summary Consolidated Financials:

(INR Mn)

	<i>Quarter ended Jun.30, 2008</i>	<i>Quarter ended Jun.30, 2007</i>	<i>Growth% Year-on-year</i>
Income	2,690.5	1,334.1	102
EBIDTA	998.3	446.8	123
Profit Before Tax	777.0	343.4	126
Profit After Tax*	495.4	218.4	127

*before exceptional items

Highlights of the quarter:

- Awarded the 'Best Broker' award by FinanceAsia magazine
- Received in principle approval from IRDA for insurance broking
- IIFL Wealth's first product Nifty Enhancer receives overwhelming response with mobilization of Rs183 crores

Mr Nirmal Jain, Chairman, India Infoline, said 'Despite turbulent conditions in stock markets in the quarter, we have been able to maintain a robust growth. While our business still has a significant dependence on the Indian capital markets, our efforts to de-risk the business model, are already showing results. We look forward to further diversity in revenue streams as contribution from our newly commenced businesses of wealth management and consumer finance rises. Our strategy is to build multiple business lines with unwavering focus on financial services space, which is our core competency.'



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Broking – increasing market share despite turbulent markets

Our average daily turnover in Q1FY09 was INR 23.7bn, as against INR 14.0bn in Q1FY08, i.e. an increase of 70% yoy. However as compared to previous quarter (Q4-FY08), average daily turnover witnessed a fall of 11%, which however compares favorably as compared to a fall of 16.7% in aggregate volumes of NSE (CM & FNO) and BSE (CM). Consequently, our market share (on the NSE) improved further to 3.94%. Our client base for equities, has risen to about 0.5mn.

Our average daily volumes in the commodities market were INR 2.2bn during the quarter as against INR 1.5bn, a growth of 48%. When compared with the same in previous quarter i.e. Q4-FY08, there was a marginal dip of 1% in daily turnover, as against commodities exchanges corresponding volumes seeing a fall of 15%.

Life Insurance distribution – steady growth

During the quarter under review, our mobilization in terms of Weighted Annualized Premium Income in our life insurance distribution business grew 44% yoy to INR806mn. We have received the in-principle approval for insurance broking from IRDA. This will enable the company to start distributing multiple products by all principal insurance companies, by capitalizing on its existing well established sales channels. We expect our broking license to be activated by end of August 2008. Over the years, we have emerged as the leading corporate agent for ICICI Prudential, by investing in people, training and processes. We believe the broking license will help us build upon these competencies and offer a wider choice of products to our customers and accelerate business growth as well.

Retail consumer finance – gaining momentum

Moneyline, the consumer finance division of India Infoline has managed to achieve a significant size since launch of the business. The loans portfolio size now stands at Rs6.2bn. Moneyline has opened 31 branches across the country and 15 more locations are planned. The business mix includes products like loans to promoters, loans against shares, mortgages, and business loans.

Investment banking- Good medium term prospects

India Infoline's investment banking division has built strong placement capabilities across institutional, high networth and retail investors. The division is working on several private equity and public offering assignments. India Infoline is one of the Book Running Lead Managers (BRLM) to the Nu Tek India Ltd IPO, which opens for subscription today, i.e. July 29, 2008.

Wealth management – capitalizing on opportunities

IIFL Wealth Management Ltd (IIFLW), a subsidiary of India Infoline, has commenced operations in the quarter under review. IIFLW has managed to successfully raise Rs 183crores in the largest single-day debenture listing of its kind. Apart from that, the division has launched 3 different structured products with 'capital guarantee' for equity and debt substitution. IIFLW's unique 'marquee client' proposition enables complete advisory across assets for the client's portfolio. With the current market conditions, there is rising demand for products with capital protection.



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The company is catering to the high net worth and affluent individuals and SME's across the globe. The team strength comprises 70 advisors, with impeccable industry track record, including a few located outside India.

Mr Karan Bhagat, CEO- IIFL Wealth pointed out "IIFL wealth seeks to build long-term relationships with clients through a strong alignment of interests. We reward advisors only on out-performance to benchmarks as contrasted to current practice of charging profit share on absolute returns. With a strong alignment of interests, we alone can truly say, 'We are on the clients' side'"

About India Infoline Ltd (Bloomberg: IIFL)

The India Infoline group, comprising the holding company, India Infoline Ltd (NSE: INDIAINFO, BSE: 532636) and it's subsidiaries, is one of the leading players in the Indian financial services space. India Infoline offers advice and execution platform for the entire gamut of financial services covering products ranging from Equities and derivatives, Commodities, Wealth management, Asset management, Insurance, Fixed deposits, Loans, Investment Banking, Gol bonds and other small savings instruments. It owns and manages the website, www.indiainfoline.com, which is one of India's leading online destinations for personal finance, stock markets, economy and business.

India Infoline has recently been awarded the 'Best Broker, India' by FinanceAsia. A forerunner in the field of equity research, India Infoline's research is acknowledged by none other than Forbes as 'Best of the Web' and '...a must read for investors in Asia'. India Infoline's research is available not just over the Internet but also on international wire services like Bloomberg, Thomson First Call and Internet Securities where it is amongst one of the most read Indian brokers.

A network of 838 business locations spread over 350 cities across India facilitates the smooth acquisition and servicing of a large customer base. All our offices are connected with the corporate office in Mumbai with cutting edge networking technology. The group caters to a customer base of about a million customers, over a variety of mediums viz. online, over the phone and at our branches.

India Infoline refers to India Infoline Ltd and its subsidiaries.

The press release, results and presentation for analysts / press for the quarter ended June 30, 2008, is available under the 'Investors' Corner' section on our website www.indiainfoline.com

For further information please contact:

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India Infoline Limited (Consolidated)

Regd. Office : 75, Nirlon Complex, Off. Western Express Highway, Goregaon (E), Mumbai -400063

Unaudited Financial Results For The Quarter Ended June 30, 2008

(Rs Lacs)

S. No	Particulars	Quarter ended		Year ended Mar 31, 2008 (Audited)
		Jun 30, 2008	Jun 30, 2007	
1	Income from operations	26,839.96	13,209.14	102,012.13
	Equities brokerage and related	15,849.28	6,917.99	58,803.76
	Financing and Investment	6,498.38	1,906.35	19,374.63
	Life Insurance distribution	1,555.56	1,994.36	10,092.76
	Marketing and online media	1,757.82	1,616.73	8,391.29
	Commodities brokerage and related	499.38	392.73	1,663.90
	Wealth and Mutual fund advisory	635.27	365.97	2,071.29
	Merchant Banking	44.27	15.01	1,614.50
2	Others	64.57	131.97	346.73
3	Total Income	26,904.53	13,341.11	102,358.86
4	Total Expenditure			
	A Direct Cost	5,618.96	2,806.34	21,697.54
	B Employee Cost	6,261.52	3,460.70	24,257.43
	C Administration Expenses	5,041.28	2,605.59	16,182.40
	D Depreciation & Amortisation	850.45	594.48	2,820.37
5	Interest	1,361.88	440.43	9,125.81
6	Profit / (Loss) from Ordinary Activities before tax	7,770.44	3,433.57	28,275.31
7	Tax Expenses(Including Deferred and Fringe Benefit Tax)	2,430.75	1,250.02	8,979.59
	Minority Interest	385.78	-	403.59
8	Profit / (Loss) from Ordinary Activities after tax	4,953.91	2,183.55	18,892.13
9	Exceptional Item (Net of Tax)	-	2,904.44	2,904.44
10	Net Profit after tax	4,953.91	-720.89	15,987.69
11	Paid up Equity Share Capital (Face Value of Rs.10 each)	5,715.29	5,075.54	5,710.29
12	Reserves excluding Revaluation Reserve		-	169,411.29
13	Earnings Per Share			
	Basic before exceptional item (In Rs.)	8.67	4.30	35.65
	Basic after exceptional item (In Rs.)	8.67	-1.42	30.17
	Diluted before exceptional item (In Rs.)	6.84	3.98	29.56
	Diluted after exceptional item (In Rs.)	6.84	-1.31	25.01
14	Public Shareholding			
	No of Shares	38,046,357	34,266,857	37,998,657
	Percentage of Shareholding	66.57%	67.51%	66.54%

India Infoline Limited (Standalone)

Regd. Office : 75, Nirlon Complex, Off. Western Express Highway, Goregaon (E), Mumbai -400063

Unaudited Financial Results For The Quarter Ended June 30, 2008

(Rs Lacs)

S. No	Particulars	Quarter ended		Year ended Mar 31, 2008 (Audited)
		Jun 30, 2008	Jun 30, 2007	
1	Income from operations	16,133.26	7,365.52	61,610.59
2	Other income	765.84	552.07	5,633.42
3	Total Income	16,899.10	7,917.59	67,244.01
4	Total Expenditure			
	A Direct Cost	4,251.73	1,955.52	16,661.76
	B Employee Cost	3,448.45	2,025.39	13,478.56
	C Administration Expenses	2,230.72	1,040.65	9,378.30
	D Depreciation	563.37	450.26	1,943.96
5	Interest	212.00	124.71	2,116.26
6	Profit / (Loss) from Ordinary Activities before tax	6,192.83	2,321.06	23,665.17
7	Tax Expenses(Including Deferred and Fringe Benefit Tax)	2,074.45	811.37	7,892.05
8	Profit / (Loss) from Ordinary Activities after tax	4,118.38	1,509.69	15,773.12
9	Exceptional Item (Net of Tax)	-	2,904.44	2,904.44
10	Net Profit after tax	4,118.38	-1,394.75	12,868.68
11	Paid up Equity Share Capital (Face Value of Rs.10 each)	5,715.29	5,075.54	5,710.29
12	Reserves excluding Revaluation Reserve			97,283.92
13	Earnings Per Share			
	Basic before exceptional item (In Rs.)	7.21	2.97	29.77
	Basic after exceptional item (In Rs.)	7.21	-2.75	24.29
	Diluted before exceptional item (In Rs.)	5.69	2.75	24.68
	Diluted after exceptional item (In Rs.)	5.69	-2.54	20.13
14	Public Shareholding			
	No of Shares	38,046,357	34,266,857	37,998,657
	Percentage of Shareholding	66.57%	67.51%	66.54%

By order of the Board
For India Infoline Ltd

Date: 29 July 2008
Mumbai, India

Nirmal Jain
Chairman & Managing Director

Notes to Accounts

1. The Consolidated results are given as additional information. Standalone audited financial results are given as per the requirements of Clause 41 of the Listing Agreement.
2. The consolidated and standalone un-audited financial results for the quarter ended June 30, 2008 have been reviewed by the Audit Committee and approved by the Board at its meeting held on July 29, 2008. The standalone un-audited financial results of the Company have been subjected to limited review by the Statutory Auditors.
3. Consolidated financial results cover the operations of India Infoline Limited and its subsidiaries.
4. The Company (stand-alone) is primarily engaged in equity broking and related services. There are no other reportable segments in terms of Accounting Standard 17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India.
5. During the quarter ended June 30, 2008 the Company has allotted 50,000 equity shares pursuant to exercise of options granted under Employee Stock Option Scheme.
6. The shareholders have approved sub-division of equity share of the face value of Rs 10 each into 5 equity shares of the face value of Rs 2 each in the Annual General Meeting of the Company held on July 7, 2008. The record date for the sub-division of equity shares is fixed as August 18, 2008.
7. The Company's insurance related income in Q1FY08 included an amount of Rs7.21 crores for a special marketing project.
8. Depreciation has been provided for from the month of addition as compared to from the quarter of addition earlier. This has resulted in a lower depreciation provision of Rs19.4 lakhs in the standalone results and Rs 24.75lakhs in the consolidated results.
9. Number of investor complaints during the quarter ended June 30, 2008:
Opening: Nil; Received: 1; Disposed off: 1; Pending: Nil.
10. The Standalone and Consolidated financial results for the quarter and year to date are submitted to stock exchanges and are available on our website www.indiainfoline.com.
11. The figures for the quarter for previous year have been regrouped/ reclassified wherever necessary.

For India Infoline Limited

Date: July 29, 2008
Place: Mumbai

Nirmal Jain
Chairman and Managing Director