

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

**IIFL INC.**

1114 Ave of the Americas, 34th Floor  
New York, NY 10036  
Office: (212) 221-6800  
Fax: (212) 221-6818

FORM ADV, Part 2A  
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This brochure provides information about the qualifications and business practices of IIFL Inc. (the "Firm" or "IIFL"). If you have any questions about the contents of this brochure, please contact us at (212) 221-6800. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Item 2 Material Changes

Not Applicable.

Item 3 Table of Contents

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#### Item 4 Advisory Business

The Firm is a wholly owned subsidiary of India Infoline Limited (the "Parent"), which is a financial services conglomerate based in India, with a network of over 2,500 business locations spread over more than 500 cities and towns across India. Further details of the Parent can be found at the Parent's website [www.indiainfoline.com](http://www.indiainfoline.com).

Advisory Service: IIFL specializes in providing investment advice to its clients on investments in South East Asian markets, with a focus on India, Singapore, China and Sri Lanka. IIFL's clients are all institutions, which are predominately comprised of hedge funds, investment managers and banks. IIFL does not manage or hold any customer funds nor does it provide continuous on going services to its clients. Due to the nature of IIFL's clients and IIFL's reputation in the market, IIFL's clients reach out to IIFL for specific investment advice and IIFL responds accordingly. For example, a client may call IIFL requesting investment advice with respect to a specific market sector in India. IIFL will gather research materials, analyze the materials and provide the requesting client with investment advice. Whether the client executes or implements the investment advice IIFL provides is at the sole discretion of the client. Given the nature of IIFL's services, IIFL does not have any assets under management. Rather, IIFL provides advice to other investment advisers that do have assets under management, therefore, IIFL uses the term "assets under advice" to distinguish from "assets under management" when describing its advisory services.

Prior to registering with the State of New York, the Firm was a registered investment adviser with the SEC since May 5, 2008, providing the same services described in this brochure.

## Item 5 Fees and Compensation

IIFL does not have a set fee schedule. Instead, IIFL and its clients mutually agree on a fee, typically after the client discloses to IIFL the investment advice it is seeking. Fees are determined on a case by case basis that is largely dependent on the nature and complexity of the client's request. For example, if a client requests investment advice on a sector or company that has very little research coverage and information, IIFL will have to expend more time and resources, resulting in a higher fee for the client. Alternatively, if a client requests investment advice on a sector or company that has wide coverage and available information, IIFL will have to expend less time and resources, resulting in a lower fee for the client.

IIFL's fee is payable upon delivery of its advice. IIFL's fee is due and payable regardless of whether or not the client executes the investment advice provided by IIFL. Given the nature of IIFL's business, IIFL does not typically provide refunds for its services.

Item 6      Performance-Based Fees and Side-By-Side Management

Not Applicable.

Item 7      Types of *Clients*

As described in Item 4, IIFL's clients consist of all institutions, which are primarily hedge funds, investment managers and banks.

IIFL utilizes both fundamental and technical analysis methods. IIFL's main source of information are research materials prepared by its affiliated entities. As described in Item 4, IIFL is parent of the larger Indian Infoline umbrella, which is widely known for its research materials. IIFL analyzes the research materials produced by its affiliates in determining its investment advice.

Since IIFL focuses on the South East Asian markets, which are foreign markets, investing in these markets carry with them, risk associated with the different cultural and language barriers, customs and business practices, rules and regulations and other matters. In addition, since IIFL focuses on India, China, Singapore and Sri Lanka, these countries are typically considered in the "emerging markets" and therefore, carry additional risks that are not traditionally present in more robust markets. Emerging markets are often viewed as carrying a large degree of volatility, which are associated with certain increases risks including: political and social instability including human rights and labor issues, economic stability, currency fluctuations, lack of transparency, corruption and liquidity risk.

IIFL is uniquely positioned, as a part of the India Infoline umbrella, in that it has in depth and access to extensive information and knowledge of these markets.



Item 9      Disciplinary Information

None.

Item 10 Other Financial Industry Activities and Affiliations

The Firm is also a member of FINRA. According to its membership with FINRA, IIFL is currently permitted to engaged as a private placement broker dealer. In addition, the Parent of the Firm is a registered broker dealer with SEBI. Pursuant to the Firm's FINRA registration, the Parent and IIFL are parties to an Expense Sharing Agreement whereby the Parent has agreed to pay for IIFL's expenses and to fund IIFL in the event that its net capital falls below its net capital requirement.

The Firm's President, Mr. Purushothaman splits his time equally between IIFL's broker dealer services and investment advisory services. Due to the nature of the services IIFL provides to its investment advisory clients as further described in Item 4 and that IIFL is currently only a private placement broker dealer, the Firm does not foresee any conflicts of interest at this time.

Item 11      Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

Due to the size of the Parent, in certain instances, it is possible that IIFL will recommend to its client an investment product in which its Parent or affiliates may have a financial interest or may make a recommendation in the Parent itself. The Parent, which is listed on the National Stock Exchange of India, the Bombay Stock Exchange of India and Bloomberg as "IIFL" – is one of the largest brokerage firms in India and as such has many subsidiaries. Therefore, if a client of the Firm is looking to make investments in financial institutions in India, IIFL may recommend purchasing or selling the Parent company's stock in its investment recommendation.

Attached is a copy of IIFL's code of ethics, which is available upon request by a client or a prospective client.

Item 12      Brokerage Practices

Due to the nature of the Firm's business as described in Item 4, the Firm does not typically recommend broker-dealers for client transactions. This decision of what broker-dealer to utilize is the decision of the client. Furthermore, due to the nature of the Firm's clients, these clients typically have their own broker-dealer that may effectuate the trade or existing relationships with other broker-dealers.

Item 13      Review of Accounts

Not Applicable. Please see Item 4.

Item 14      Client Referrals and Other Compensation

Not Applicable.

Item 15      Custody

Not Applicable. Please see Item 4.

Item 16 Investment Discretion

Not Applicable. Please see Item 4.



Item 17      Voting Client Securities

Not Applicable. Please see Item 4.

Item 18 Financial Information

Not Applicable.

**Ranganathan Purushothaman (DOB: 3/13/1965) - President and Chief Compliance Officer**

Mr. Purushothaman worked with Color Edge Inc. from April 22, 2002 to May 17, 2005 as Finance Controller. He then worked at Kotak Mahindra Inc. from May 18, 2005 to March 25, 2008 as Associate Vice President of Finance, Operations, and Compliance. Mr. Purushothaman joined IIFL Inc. as Chief Operating Officer and Chief Compliance Officer on March 26, 2008, and became the President in March 2011.

Mr. Purushothaman earned a Bachelors Degree in Commerce from the University of Madras in India in September of 1985. Mr. Purushothaman is an Associate Member of the Institute of Cost and Works Accountants of India, a Chartered Accountant with the Instituted of Chartered Accounts of India, and a Certified Public Accountant with the American Institute of Certified Public Accountants.