



February 9, 2011

To,

Mr. Nehal Vora, Vice President
Surveillance & Investigation Department
Bombay Stock Exchange Limited
Rotunda Building, Mumbai Samachar
Marg, Fort, Mumbai 400 023
BSE Scrip Code: 532636

To,

Mr. Ravi Varanasi, Senior Vice President
Market Surveillance & Investigation Department,
The National Stock Exchange of India Ltd,
"Exchange Plaza", Bandra-Kurla Complex, Bandra
(East), Mumbai-400 050
NSE Symbol: INDIAINFO

Dear Sir(s):

Subject: Clarification on recent rumors being circulated in the market about India Infoline Limited

There have been rumors in the market in the last few days that our company has been raided by enforcement agencies including Income Tax department etc. We wish to clarify that there have been no raids, searches or surveys in any of our offices or with any of our people. These rumors are false, baseless and malicious. We also suspect that these rumors are being spread by certain vested interests with a malicious intent to cause undue volatility in our share price, so that vested interests could benefit. We are sending this communication to the exchanges as an alert. In the recent past, there were also baseless rumors about some key people leaving our company. We are frequently questioned by media, our clients, shareholders and other people to clarify the same. In these circumstances, we are also requesting the regulator SEBI, through a separate letter to investigate the trading in cash and derivatives segment in our stock in the recent past against any fraudulent and manipulative acts.

If you require any additional information, kindly inform us.

For India Infoline Limited

Sunil Lotke

Company Secretary & Compliance Officer

Email id. Sunil.lotke@indiainfoline.com

Tel No. 022-42499162

India Infoline Ltd.

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