

September 21, 2018

**The National Stock Exchange of India Ltd
Corporate Communications Department
"Exchange Plaza", 5th Floor,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051**

**BSE Limited
Department of Corporate Services
25th Floor, P J Towers
Dalal Street, Mumbai - 400 001**

Scrip Symbol: RELIGARE

Scrip Code: 532915

Subject: Annual Report for the Financial Year 2017 - 18

Dear Sir(s),

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith copy of Annual Report of the Company for the Financial Year 2017 - 18 which have been duly approved and adopted at the 34th Annual General Meeting of the Company held on Thursday, September 20, 2018.

This is for your information and record.

Thanking You,

Yours faithfully,

For **Religare Enterprises Limited**


**Reena Jayara
Company Secretary**



Enclosure: As above



RELIGARE ENTERPRISES LIMITED

ANNUAL REPORT 2017-18



Religare is a Latin word that means ‘to bind together’

We chose this name to reflect the integrated nature of our services. Our name is paired with the symbol of a four-leaf clover. Traditionally, it is considered good fortune to find a four-leaf clover as there is only one four-leaf clover for every 10,000 three-leaf clovers found.



Each leaf of the Religare clover has a special meaning. It is a symbol of Hope, Trust, Care and Good Fortune.



The first leaf of the clover represents **HOPE**

The aspirations to succeed. The dream of becoming. Of new possibilities. It is the beginning of every step and the foundation on which a person reaches for the stars.



The second leaf of the clover represents **TRUST**

The ability to place one's own faith in another. To have a relationship as partners in a team. To accomplish a given goal with the balance that brings satisfaction to **all**, not in the binding, but in the bond that is built.



The third leaf of the clover represents **CARE**

The secret ingredient that is the cement in every relationship. The truth of feeling that underlines sincerity and the triumph of diligence in every aspect. From it springs true warmth of service and the ability to adapt to evolving environments with consideration to **all**.



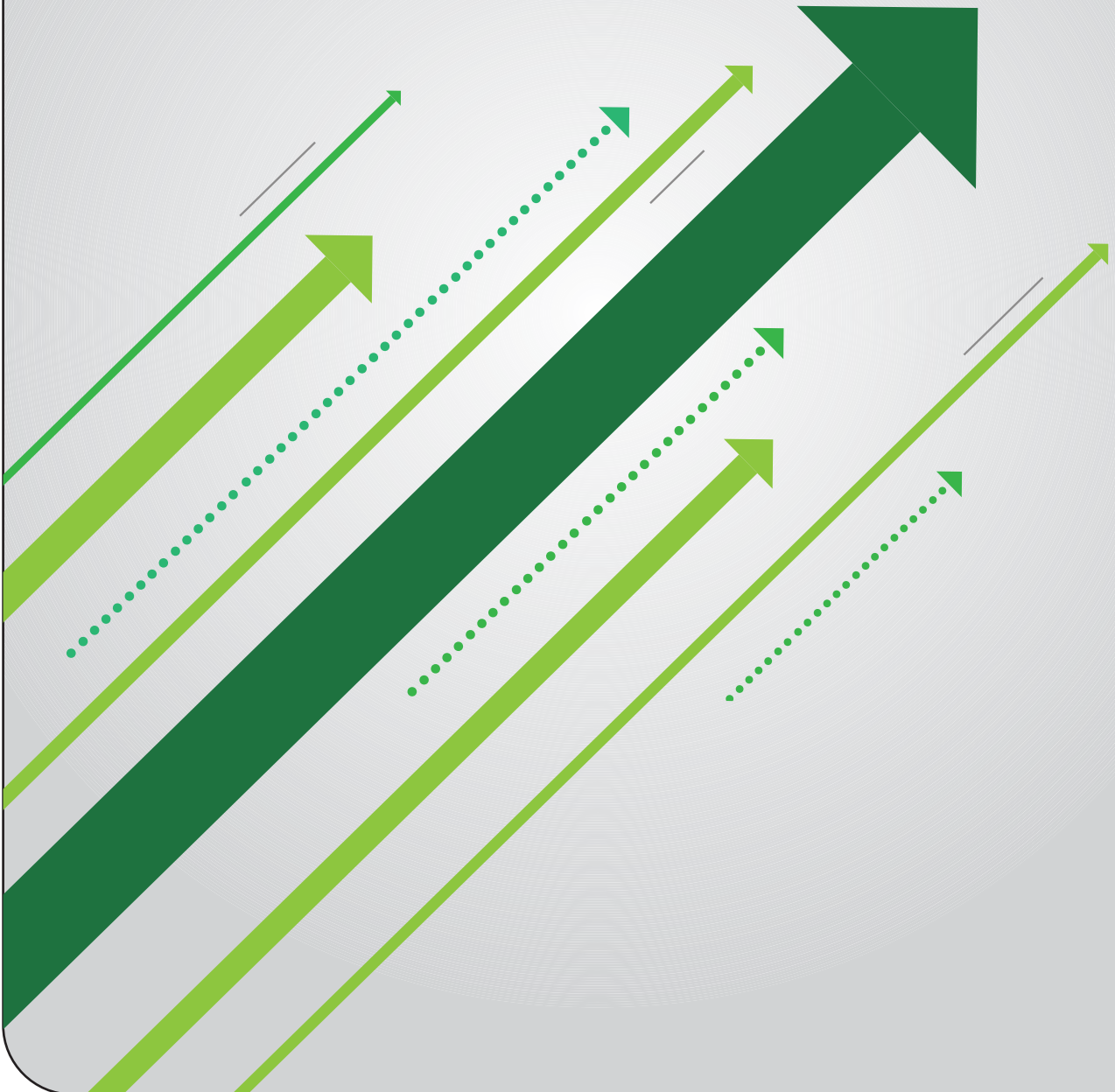
The fourth and final leaf of the clover represents **GOOD FORTUNE**

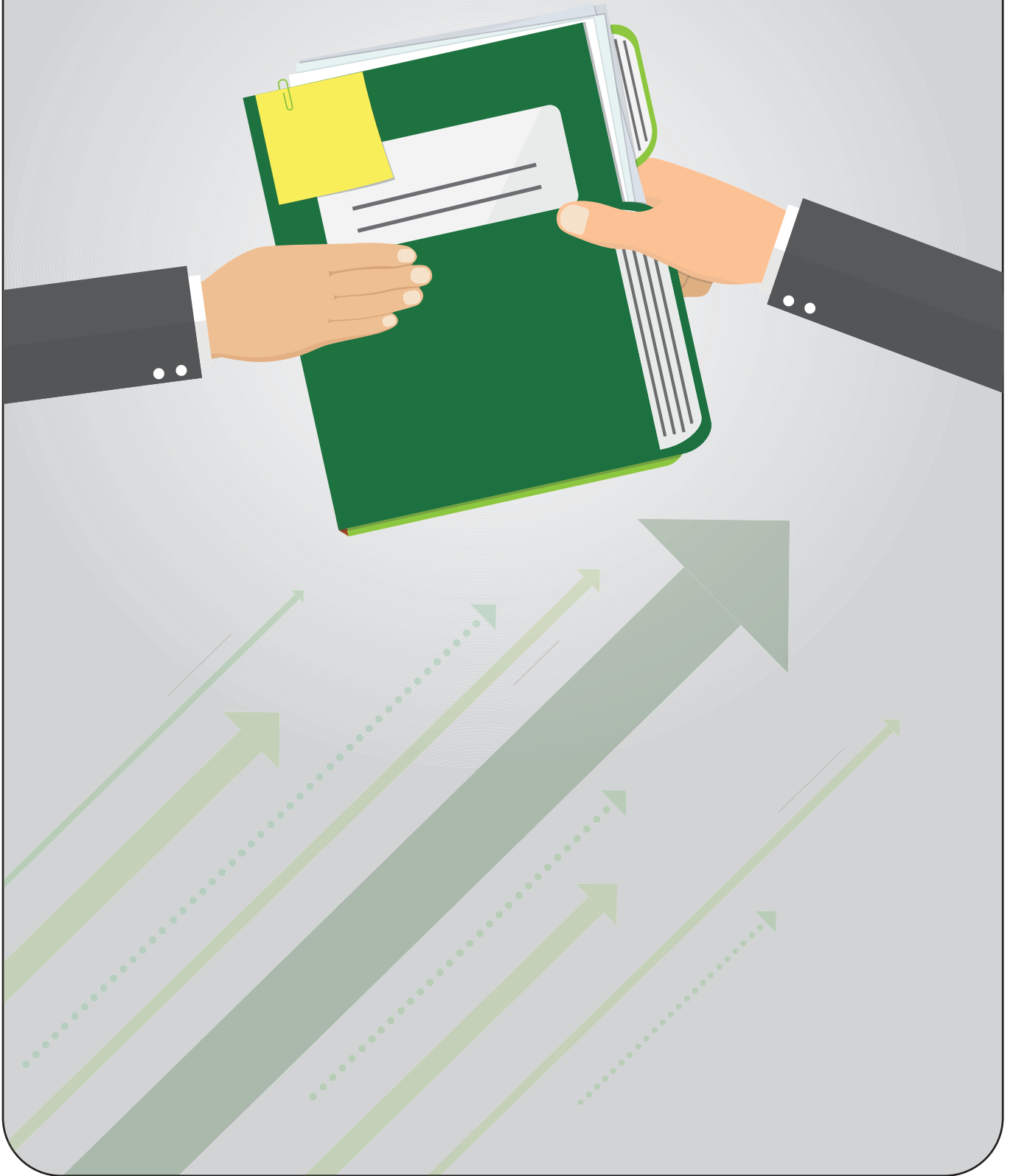
Signifying that rare ability to meld opportunity and planning with circumstance to generate those often looked for remunerative moments of success.



| | |
|---|---------|
| • Company Information | 2-5 |
| • Our Businesses | |
| Lending | 8 |
| Health Insurance | 9 |
| Retail Broking | 9 |
| • Board of Directors | 10-13 |
| • Awards and Recognitions | 14-17 |
| • Financial Declaration | |
| Directors' Report | 20-44 |
| Business Responsibility Report | 45-50 |
| Management Discussion and Analysis | 51-62 |
| Report on Corporate Governance | 63-91 |
| • Consolidated Financials | |
| Auditors' Report | 94-100 |
| Balance Sheet | 101 |
| Profit and Loss Account | 102 |
| Cash Flow Statement | 103-104 |
| Schedules forming part of the Balance Sheet and Profit & Loss Account | 105-189 |
| • Standalone Financials | |
| Auditors' Report | 192-198 |
| Balance Sheet | 199 |
| Profit and Loss Account | 200 |
| Cash Flow Statement | 201-202 |
| Schedules forming part of the Balance Sheet and Profit & Loss Account | 203-251 |

COMPANY INFORMATION







Noida Corporate Office

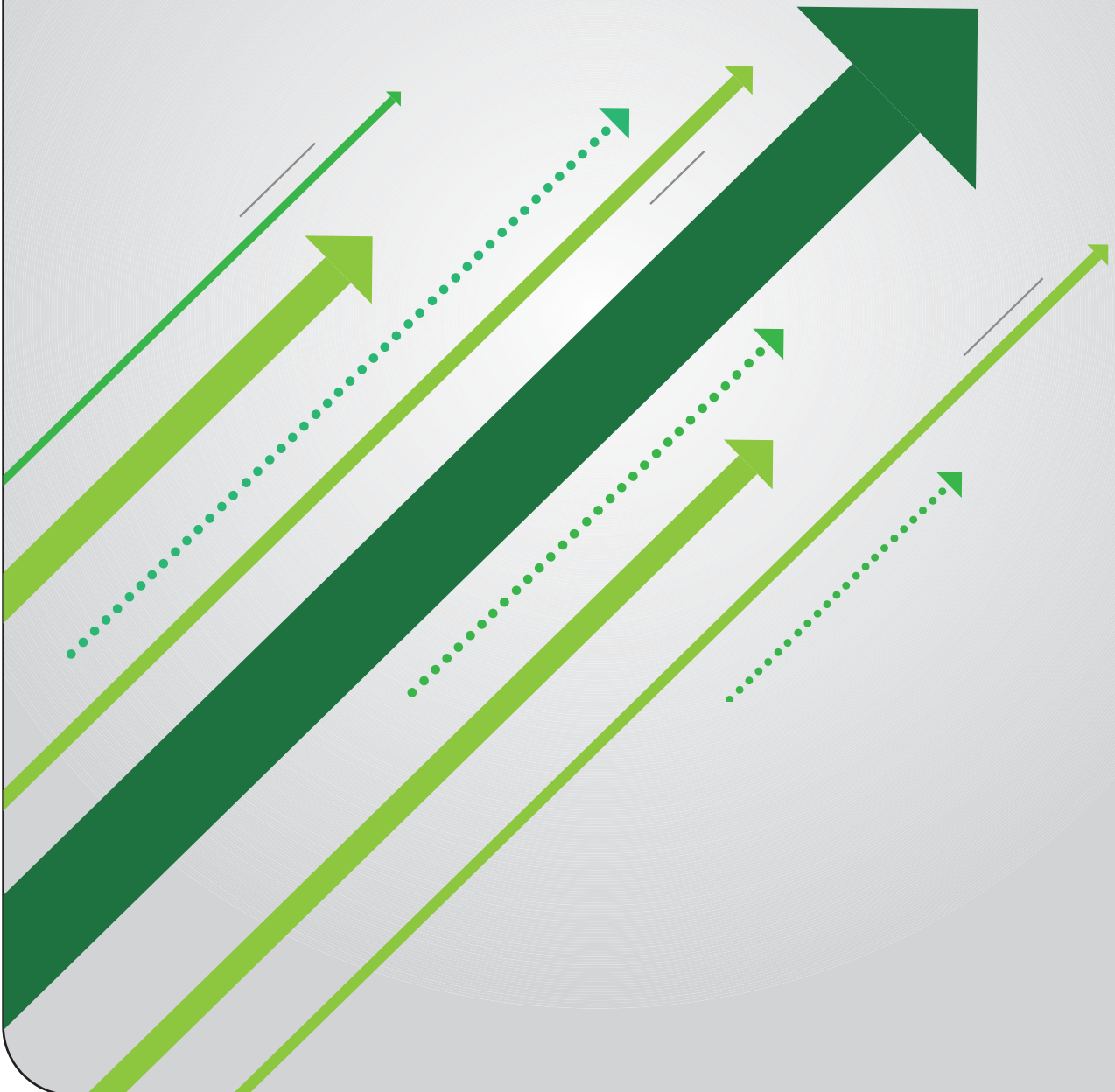


Gurugram Office Reception Area



| | |
|---|--|
| BOARD OF DIRECTORS | : Mr. Vikram Talwar (Independent Director) Mr. Malay Kumar Sinha (Independent Director) Mr. Sushil Chandra Tripathi (Independent Director) Mrs. Vijayalakshmi Rajaram Iyer (Independent Director) Mrs. Sabina Vaisoha (Independent Director) Mr. Krishnan Subramanian (Whole-Time Director) |
| COMPANY SECRETARY | : Mrs. Reena Jayara |
| REGISTERED OFFICE | : 2 nd Floor, Rajlok Building, 24, Nehru Place, New Delhi – 110 019 |
| CIN | : L74899DL1984PLC146935 |
| Phone | : +91– 11– 4627 2400 |
| E-mail | : investorservices@religare.com |
| Website | : www.religare.com |
| BANKERS TO THE COMPANY | : HDFC Bank Limited Axis Bank Limited Standard Chartered Bank |
| AUDITORS | : M/s. S.S. Kothari Mehta & Co., Chartered Accountants Plot No. 68, Okhla Industrial Area, Phase -III, New Delhi - 110020 |
| REGISTRAR & SHARE TRANSFER AGENT | : Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31–32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 |

OUR BUSINESSES







Our Structure and Portfolio of Businesses

Religare Enterprises Limited (REL) is a Core Investment Company that has seeded, nurtured and built businesses across the financial services spectrum. The individual businesses within the Religare portfolio are operated out of subsidiaries that are independently managed by the most distinguished professionals hand-picked by REL for running the businesses. On its part, REL has a four-fold role to play in ensuring the success of the businesses:

- Allocating **Capital** – a key factor of production for any enterprise, and indeed, the raw material for financial services businesses – to the operating companies
- Ensuring that the **Brand and Group Ethos** are safeguarded – our portfolio companies carry the Religare brand in their names and the businesses are required to operate in a manner that upholds the values that Religare stands for
- Determining **Governance Structures and Risk Management & Control** mechanisms – such that there are checks and balances at every level and the businesses are safeguarded against undue perils
- Undertaking **Performance Management** – to ensure that the capital invested is being deployed in a manner that furthers REL's ultimate objective

Our portfolio companies operate across three verticals within financial services, viz., Lending (SME Finance and Affordable Housing Finance), Health Insurance and Retail Broking.

Lending

Religare Finvest Limited (RFL) is a Non-Banking Financial Company (NBFC) that focusses on providing debt capital to help Small and Medium Enterprises (SMEs) augment their productive capacity.

RFL is in the business of supporting SMEs by providing debt financing for capacity creation ("SME-Secured" loans, typically secured by a mortgage on residential or commercial property) as well as capacity utilisation ("SME-Unsecured" loans, offered for enhancing working capital). In addition to the core focus on SME lending, RFL has been providing financing against shares and securities, both to retail customers and to promoters of listed companies, ESOP financing and IPO financing (collectively referred to as Capital Market Lending). As a founding philosophy, RFL's focus is on loans that have enhancement of productive capacity rather than consumption as their end-use and undertakes a rigorous credit assessment based on cash-flow forecasts. Given the challenges in the business in the recent past, Reserve Bank of India has placed RFL under a Corrective Action Plan which entails a prohibition on expansion of its credit/investment portfolio other than investment in government securities. RFL is working towards resolving all issues and restoring normalcy in its business operations at the earliest.

RFL's subsidiary, Religare Housing Development Finance Corporation Limited (RHDFC) provides home loans with a focus on the affordable housing segment. RHDFC has established a robust platform to the enormous funding opportunity in the affordable housing segment.



Committed to helping realise the dreams of India's entrepreneurs, Religare Finvest Limited is a Non-Banking Financial Company that provides debt capital to power the growth of the Small and Medium Enterprises, the backbone of India's economy.



Health Insurance

Religare Health Insurance Company Limited (RHICL) commenced commercial operations in July 2012 to become the fourth standalone health insurer operating in India. Traditionally, health insurance has been one of the lines of business conducted by general insurance companies in India. As the market evolves and the market structure emulates that in the developed world, health insurance is moving towards becoming a specialised business. Specialist health insurers are resonating with customers – standalone health insurers as a group have been consistently gaining market-share – and the law too has taken note – amendments to legislation have provided recognition to standalone health insurance as a category of insurers.

RHICL has rapidly made a mark based on its ability to innovatively design products that address unmet customer needs and deliver superior customer service – as evidenced by the low grievance rate. As a founding principle, RHICL has pursued a balanced distribution mix across the traditional agency channel, alternate channels (including bancassurance) and direct sales. Corporation Bank and Union Bank of India are partners in the venture since inception with over 4% equity each.



Religare Health Insurance Company Limited (RHICL) has built a distinctive health insurance platform underpinned by rigorous underwriting and superior customer service

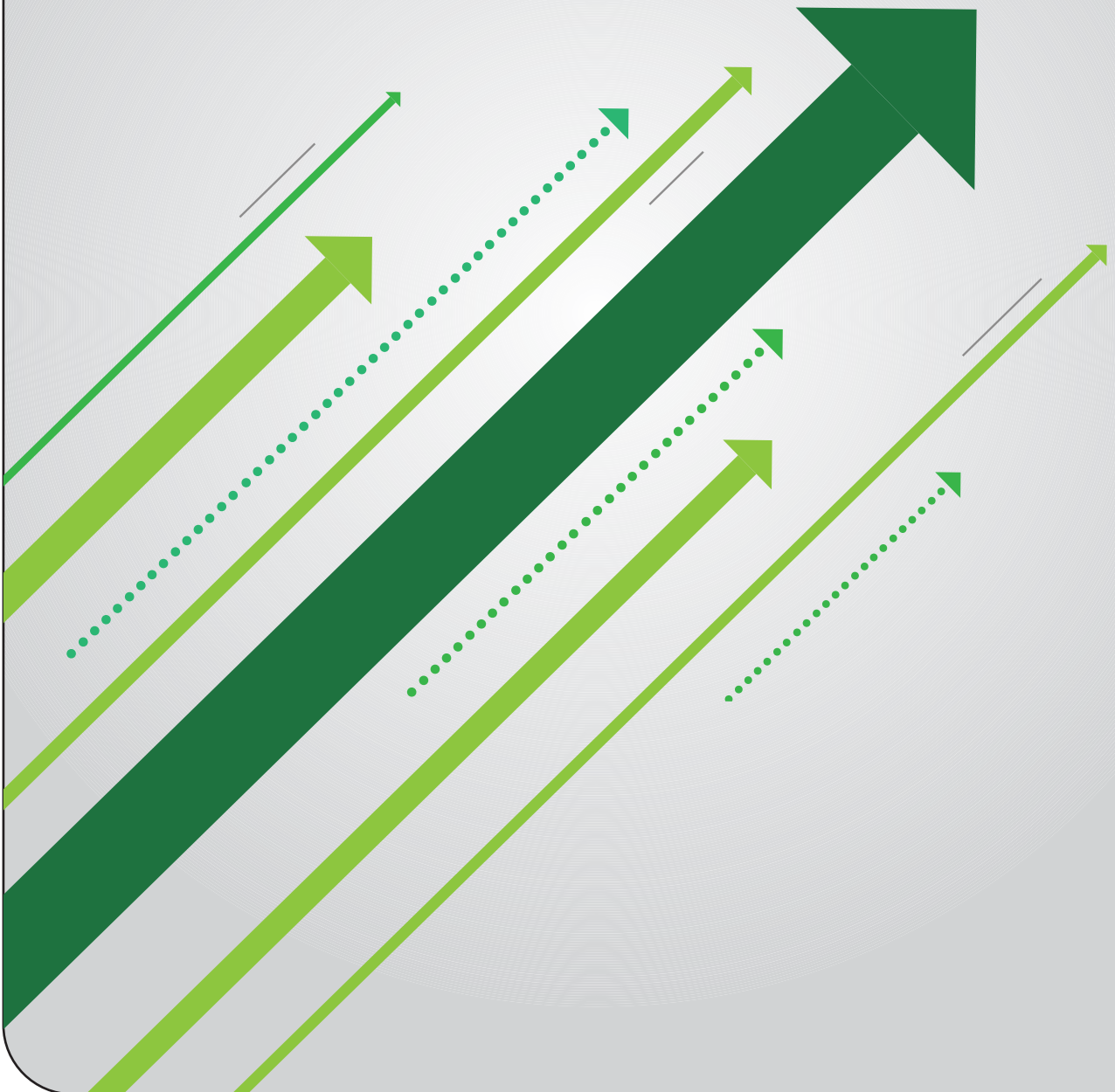
Retail Broking

Religare Broking Limited (RBL), along with its subsidiary, Religare Commodities Limited (RCL), operates Religare's Retail Broking business and provides trading capabilities across all product segments – cash equities, equity derivatives, currency derivatives and mutual funds – on all major stock and commodities exchanges in India. RBL has more than 1,100 points of presence spanning over 400 towns and cities across the length and breadth of India, that service more than 1 million unique customers. RBL's distribution strategy entails a judicious combination of its own branches and a strong network of sub-brokers and franchisees that help extend RBL's presence and make the Religare brand visible in the far corners of India.



Providing investors access to profitable opportunities in the capital markets, or linking agriculturists and traders in the mandis of India to global commodity markets, Religare has a solution for every need in the retail Capital Markets space

BOARD OF DIRECTORS







MR. VIKRAM TALWAR

INDEPENDENT DIRECTOR

Mr. Vikram Talwar is a highly experienced finance professional who worked at Bank of America for 26 years in several senior management roles in Asia and the US. In 2000, he founded EXL Holdings Inc, a major business process outsourcing company that was listed on the Nasdaq in 2006. Amongst his various positions he has been on the board of ING Vysya Bank from 2011 to 2015. He has also held board positions in various companies in Singapore and the US. Vikram is a MBA from Indian Institute of Management (IIM), Ahmedabad and attended St. Stephen's College, Delhi.

MR. MALAY KUMAR SINHA

INDEPENDENT DIRECTOR

Mr. Malay Kumar Sinha has done his B.A. (Hons) and M.A. from Delhi University in Humanities and M.Phil. from Madras University in Strategic Studies.

He started his career as an Executive in TISCO, Jamshedpur and in 1981 joined the Indian Police Service. After serving in UP Police and IB, MHA, in different capacities, both in India and abroad, he worked as Joint Secretary in the MEA and finally as Secretary Security, Cabinet Secretariat, Rashtrapati Bhawan, from where he superannuated in September 2016.

He is an alumnus of FBI National Academy, Quantico, Virginia, USA and National Defence College, New Delhi. As Joint Secretary in the MEA he had led the evacuation of Indians in Bengazi area from the sea during the war in Libya in 2011. He has been a keen sportsperson and was Secretary of All India Police Sports Control Board for several years. He is a recipient of Police Medal for Meritorious Service and President's Police Medal for Distinguished Service.

MR. SUSHIL CHANDRA TRIPATHI

INDEPENDENT DIRECTOR

Mr. Sushil Chandra Tripathi M.Sc. (Phy), LL.B., PG Diploma in Development (Cantab), AIMADiploma in Management, began his professional career as an Asst. Professor of Physics in Allahabad University (1964-68). He joined IAS in 1968 and retired from service on 31st Dec 2005.

He served in many positions in State Govt. of Uttar Pradesh and the Govt. of India during his long service career and spent nearly twenty years in Finance and Industry sectors as Chief Executive/Head of Department or Secretary to Govt. In UP, besides being Dist. Magistrate, Almora (1974-76) and Aligarh (1977), he was Officer in Charge Mahakumbh 1976-77, founder CEO of NOIDA township (1978-80), Managing Director Industrial & Investment Corporation of UP (1980-85), Secretary in the Dept. of Rural Development, Panchayatiraj & 20 Point. Programme(1985-86), Heavy Industry, Taxation & Institutional Finance (1992-93) and Commissioner Agra Division (1993-94) before getting elevated to Principal Secretary Industry (1994-95), Principal Secretary to Governor during President's Rule (1995-96), Adviser Industry & Finance(1996-97) and Principal Secretary Finance (1997-2000). In Govt. of India, he served as Joint Secretary, Banking (1986-87), Secretary BIFR (1987-88), Joint Secretary, Eco. Affairs (1988-89), Minister, Economic & Commercial, Embassy of India, Tokyo (1989-92).

He later became Addl. Secretary, Mines (2000-02) and CMD BALCO (2000-01) as well as CMD, NALCO (2001-02). He worked as Secretary to Govt. of India for nearly four years, two and half years in the departments of School Education & Literacy and Higher & Technical Education and one and half year in the Ministry of Petroleum & Natural Gas. After retirement, he is associated with a number of think tanks in Education, Energy, Economy and Governance. He is also Independent Director on the Boards of several Public Limited Companies. He has also been Chairman, Board of Governors of two National Institutes of Technology, Calicut (2005-11) and Surathkal (2011-14). He is a Fellow, Energy Institute, UK; Fellow, Institution of Electronics & Telecommunications Engineers, India; Life Member, Indian Institute of Public Administration; Member, Computer Society of India; Professional Member, All India Management Association; Member, Institute for Constitutional & Parliamentary Studies; Member, Indian Council for Arbitration; and a Member of the Supreme Court Bar Association.

**MRS. VIJAYALAKSHMI RAJARAM IYER**
INDEPENDENT DIRECTOR

Mrs. Vijayalakshmi Rajaram iyer joined Insurance Regulatory and Development Authority of India (IRDAI) as Member (Finance & Investments) in June 2015 on a two year engagement till May 2017.

Prior to joining IRDAI, Mrs. Iyer was the Chairperson and Managing Director of Bank of India which is among the top three Nationalised Banks of the country. She has powered the Bank ahead in various areas of business and control. The Bank has seen quantum growth in business during her tenure and the Bank turned out to be a leader in the PSU banking space.

She started her career in Union Bank of India in December 1975. She has rich and varied exposure to branch banking, having headed very large branches in Mumbai. She was instrumental in setting up the Risk Management Department in 2000, inter alia, putting in place various Risk Policies, developing Risk measures and structuring the reporting framework. In 2006-2007, she was responsible for bringing all the branches of Union Bank on a single Core Banking platform and later on went to head both the IT and Risk Management Verticals of the Bank, as its General Manager. She was also instrumental in the Bank expanding to Hong Kong, China and Dubai.

In September 2010, Mrs. Iyer was elevated as Executive Director of Central Bank of India. During her tenure in Central Bank, she oversaw Credit, HR, IT, Treasury, Risk Management, Credit Monitoring and Audit & Inspection. She also spearheaded implementation of Core Banking in that Bank, as well as rolling out Alternate Delivery Channels and other initiatives on the Technology front.

MRS. SABINA VAISOHA
INDEPENDENT DIRECTOR

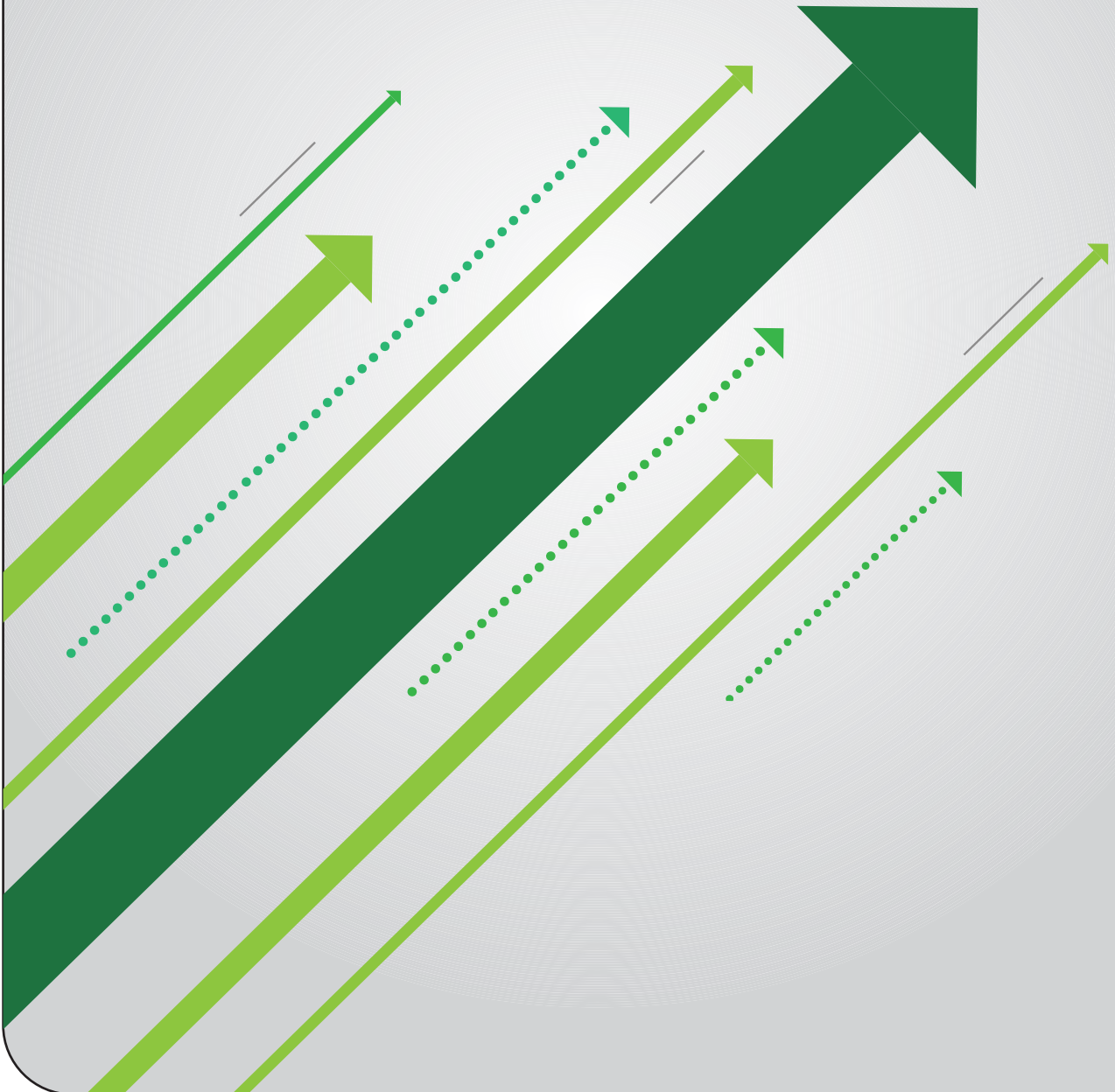
Mrs. Sabina Vaisoha holds Bachelor's degree in Arts from Punjab University. She has been associated with India's leading news network, New Delhi Television (NDTV) for over 16 years. During this period she has been a part of some of the most revolutionary and cutting edge programming and national events like the Elections, Fiscal Budget and Awards.

She is currently a consultant with NDTV, working on nationwide campaigns to spread awareness of important social issues to bring about a change in society.

MR. KRISHNAN SUBRAMANIAN
DIRECTOR - FINANCE

Mr. Krishnan Subramanian has over 25 years of experience in Finance & Business Strategy, Planning, Budgeting, Treasury and driving Growth Initiatives. As Whole Time Director at Religare, he leads the Finance function, including fund raising and investor relations, and also oversees the Information Technology operations of the Company. Prior to joining Religare, he has been part of the leadership team in a leading cancer care focused healthcare group which got listed in March 2016 as Group CFO. Previous to that, he was associated with Fortis Healthcare Limited and an associate company of ITC Limited. He is a qualified Cost Accountant, Company Secretary and PGDBA Finance, and has a Diploma in IFRS from ACCA, UK.

AWARDS AND RECOGNITIONS







Religare Health Insurance Co. Ltd. : 'Bancassurance Leader of the Year' – The Insurance India Summit & Awards 2018

Religare Health Insurance Co. Ltd. : 'Best Claims Service Provider of the Year' – The Insurance India Summit & Awards 2018



Religare Health Insurance Co. Ltd. : 'Bronze Skoch Award' in the Micro Insurance Category for 'Grameen Swaasthya Suraksha'

Religare Health Insurance Co. Ltd. : 'India's Most Preferred Travel Insurance Product' for the Product – Explore by 'India's Most Preferred Travel & Tourism Brands'



Religare Broking Ltd. : 'Pension Champion Trophy' for achieving targets under the National Pension System (NPS) campaign (Non-Bank Category)



Religare Securities Ltd. : 'NSDL Star Performer Awards – 2017' Top Performer in New Account Opened (Non-Bank Category)

Religare Commodities Ltd. : 'Krishi Pragati Award, 2017' by NCDEX for 'Outstanding Contribution' in NCDEX Agri Markets



Mr. Jayant Manglik, President - Retail Distribution,
Religare Securities Ltd. : Top Equity Personality of the Year Award' - BSE COMMODITY EQUITY OUTLOOK (CEO) Weekend Awards 2017

Religare Commodities Ltd. : 'Skoch BSE Award – Order of Merit, 2017' under the category 'Training and Innovation'

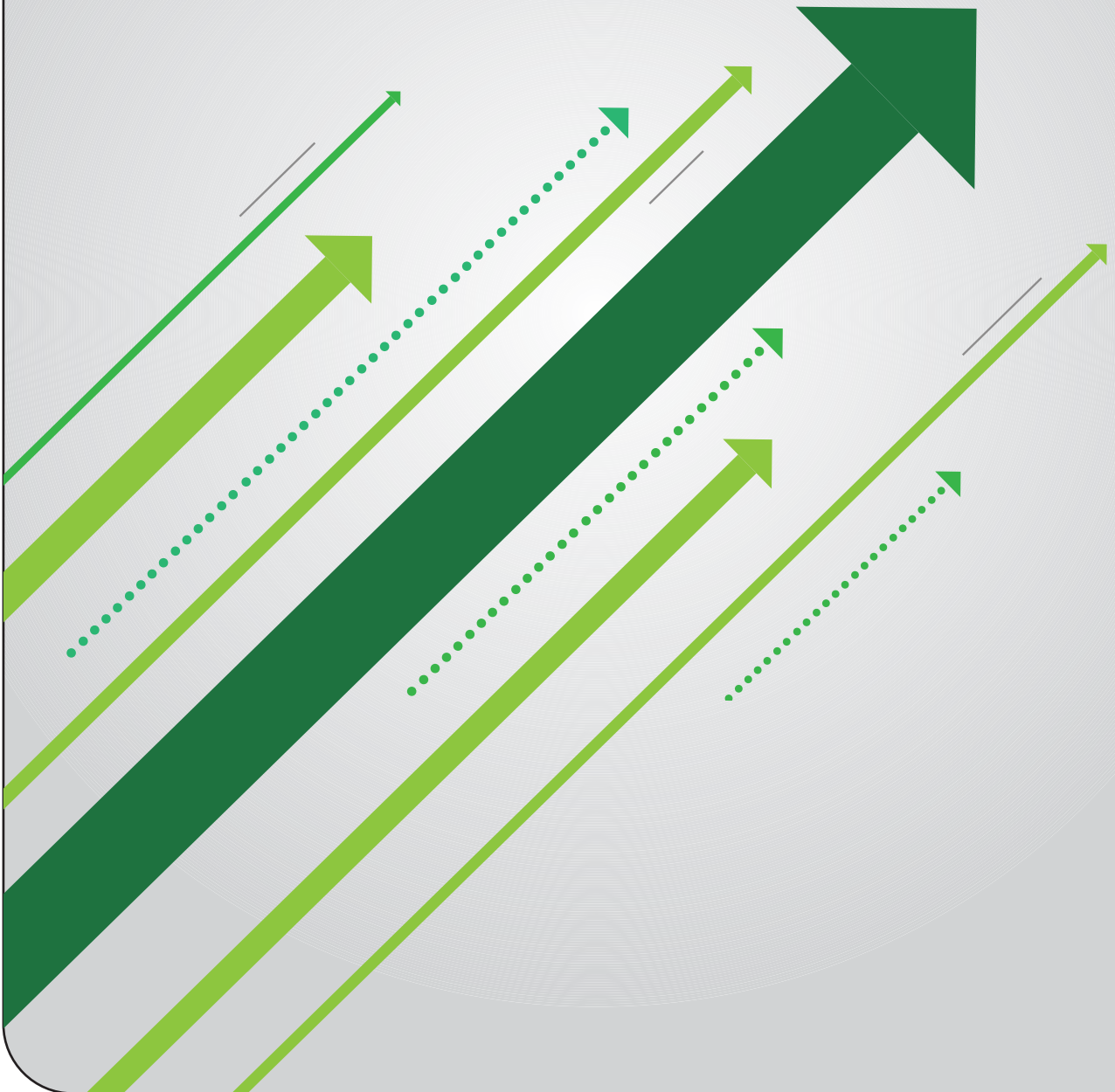


Religare Finvest Ltd. : 'Great Place to Work-Certified™' by the Great Place to Work® Institute

Religare Finvest Ltd. : 'CIBIL Commercial Bureau Data Quality Award 2017' under the 'NBFC' category



FINANCIAL DECLARATION







To,
The Members,
Religare Enterprises Limited

Your Directors have pleasure in presenting this 34th Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2018.

FINANCIAL RESULTS AND BUSINESS OPERATIONS

The highlights of standalone and consolidated financial results of the Company for the Financial Years 2017-18 and 2016-17 are as under:

| PARTICULARS | STANDALONE | | CONSOLIDATED | |
|---|--------------|----------|--------------|----------|
| | (₹ in Crore) | | (₹ in Crore) | |
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| Total Income (Before Exceptional Items) | 71.00 | 35.09 | 2,693.14 | 3,841.02 |
| Total Expenditure | 188.33 | 182.20 | 4,270.99 | 3,535.50 |
| Profit / (Loss) Before Exceptional Items and Tax | (117.33) | (147.11) | (1,577.85) | 305.52 |
| Profit / (Loss) After Exceptional Items and Before Tax | (117.33) | (158.25) | (1,577.85) | (136.40) |
| Profit / (Loss) After Tax Before Minority Interest and Share in Associate | (110.18) | (159.24) | (1,350.42) | (123.36) |
| Adjustment: Share of (Profit) / Loss Transferred to Minority | - | - | 157.92 | (50.71) |
| Share of (Profit) / Loss in Associates (Net) | - | - | - | (0.20) |
| Profit / (Loss) After Tax and Minority Interest and Share in Associate | (110.18) | (159.24) | (1,192.50) | (174.27) |
| Exceptional Items, net of tax (including deferred tax) | - | (11.14) | - | (250.82) |
| Profit / (Loss) for the year before Exceptional Items | (110.18) | (148.10) | (1,192.50) | 76.55 |

(i) Consolidated Results

We recorded a 'Loss After Exceptional Items and Before Tax' of ₹1,577.85 crore, for Financial Year 2017-18 as compared to Loss After Exceptional Items and Before Tax' of ₹136.40 crore for Financial Year 2016-17. 'Loss After Tax, Minority Interest and Share in Associates' was ₹1,192.50 crore for Financial Year 2017-18 as compared to 'Loss After Tax, Minority Interest and Share in Associates' of ₹174.27 crore for Financial Year 2016-17. However, 'Loss Before Exceptional Items' was ₹1,192.50 crore for Financial Year 2017-18 as compared to 'Profit Before Exceptional Items' of ₹76.55 crore for Financial Year 2016-17. Reported basic earnings per share decreased to ₹(66.84) in Financial Year 2017-18 from ₹(9.79) in Financial Year 2016-17. The Company has incurred a loss on consolidated basis during the financial year under reporting due to onetime provision of ₹1,017.85 crore taken by Religare Finvest Limited, subsidiary company on its corporate loan book.

(ii) Standalone Results

We recorded a 'Loss After Exceptional Items and Before Tax' of ₹117.33 crore, for Financial Year 2017-18 as compared to Loss After Exceptional Items and Before Tax' of ₹158.25 crore, for Financial Year 2016-17. 'Loss After Tax' was ₹110.18 crore for Financial Year 2017-18 as compared to 'Loss After Tax' of ₹159.24 crore for Financial Year 2016-17. 'Loss before Exceptional Items' was ₹110.18 crore for Financial Year 2017-18 as compared to Loss before Exceptional Items of ₹148.10 crore for Financial Year 2016-17. Reported basic earnings per share increased to ₹(6.19) in Financial Year 2017-18 from ₹(8.94) in Financial Year 2016-17.

(iii) Operating Performance of Businesses

In the Lending business, our subsidiary Religare Finvest Limited ("RFL"), which is focused primarily on providing debt capital to the SME segment, had total loans and advances (net of repayments and assignments) of ₹9,797 crore as at March 31, 2018 as against ₹13,974 crore at the end of the earlier year. The book size has declined because fresh disbursements were significantly lower than the principal amounts of loans repaid. Further, RFL has been put on Corrective Action Plan by RBI vide its letter dated January 18, 2018 through which RFL has been prohibited from expansion of credit/investment portfolio



other than investment in government securities. RFL is working towards resolving all issues and restoring normalcy in its business operations at the earliest. RFL closed the year with revenue of ₹1,430 crore and Loss after Tax of ₹1,103 crore. The loss was largely on account of provision of ₹1,018 crore made against a sizable default in RFL's corporate loan book, compounded by a reduction in RFL's book size. RFL's subsidiary, Religare Housing Development Finance Corporation Limited ("RHDFC"), which focuses on providing loans to the affordable housing segment, disbursed loans totaling ₹186 crore, and the corresponding total loans outstanding as at March 31, 2018 stood at ₹898 crore and has established a network of 30 branches as at March 31, 2018.

Our Health Insurance business, Religare Health Insurance Company Limited ("RHICL") crossed ₹1,100 crore of Gross Written Premium during the Financial Year 2017-18, a growth of 53% over the previous financial year and reported a loss of ₹16 crore during the financial year as against a profit of ₹2 crore during the previous financial year. As at March 31, 2018, RHICL has established a pan-India distribution network of 74 offices and has 14 approved products spanning retail health, group health, excess of loss, maternity, travel insurance, personal accident and critical illness policies and various riders.

The Retail Broking business, which comprises of Religare Broking Limited ("RBL"), Religare Commodities Limited ("RCL") and its subsidiaries, reported a consolidated revenue of ₹379 Crores which is lower than the earlier year on a reported basis. A substantial portion of the decline was the effect of the Composite Scheme of Arrangement under which the erstwhile Religare Securities Limited broking entity was merged with the Company while the Broking business was demerged into RBL, and as such, the financial results for the year under review are not comparable with the earlier year. On an operating basis, the business was impacted by the financial challenges at the group-level. The broking business of RBL and RCL reported a Profit After Tax of ₹12.63 crores in FY 2017-18, as against Profit After Tax of ₹6.71 crore during the earlier year.

Furthermore, an exceptional provision of ₹129 crore was made owing to default in advances given by Religare Comtrade Limited ("RCTL"), a subsidiary of RCL. Consequently, the subsidiary incurred a Loss after Tax of ₹10.22 crore in FY 2017-18 on a reported basis, as against Profit After Tax of ₹139.07 crore during the earlier year. The value of investment of RCL in RCTL is not impaired as the Company is supporting RCTL.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review detailing economic scenario and outlook, as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI LODR Regulations") is presented in a separate section and forms integral part of this Report.

DIVIDEND AND RESERVES

In view of the losses in the Company, the Board of Directors has decided not to recommend any dividend for the financial year ended March 31, 2018. Since there were losses during the period and no dividend was declared, no amounts were transferred to reserves.

The Company had formulated and approved a Dividend Distribution Policy ("the Policy") pursuant to the requirement under the SEBI (Listing Obligations and Disclosure Requirement) (Second Amendment) Regulations, 2016 in its meeting held on October 26, 2016. Details of the same have been uploaded on the website of the Company and can be accessed through the link i.e. http://www.religare.com/pdf/Rel_Dividend_PolicyNov2016.pdf

SUBSIDIARIES

As at March 31, 2018, your Company has 27 direct and indirect subsidiaries. During the year under review, there have been no material changes in the business of the subsidiaries except for Religare Finvest Limited which has been explained elsewhere in this report. In terms of Section 129(3) of the Companies Act, 2013 ("Act"), your Company has prepared a statement containing the salient features of the Financial Statements of our subsidiaries in the prescribed format AOC-1 which is attached to the Consolidated Financial Statements of the Company. The said statement contains a report on the performance and financial position of each of the subsidiaries and hence is not repeated here for the sake of brevity. Further, the details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management's Discussion and Analysis Report.

During the year under review, the following companies ceased to be subsidiaries of the Company:

1. Charterpace Limited
2. Religare Heal Fund Advisors LLP



3. Cerestra Advisors Private Limited
4. Religare Commodity DMCC
5. Religare Securities Limited*
6. Religare Commodity Broking Private Limited*
7. RGAM Investment Advisers Private Limited*
8. Religare Venture Capital Limited*
9. Religare Arts Investment Management Limited*
10. Religare Capital Finance Limited*
11. RGAM Capital India Limited*
12. Religare Investment Advisors Limited*
13. Religare Support Services Limited*
14. Religare Arts Initiative Limited*
15. Religare Capital Markets (India) Limited*

**merged into the Company pursuant to the Composite Scheme of Arrangement*

Subsequent to March 31, 2018, Argil Advisors LLP, a subsidiary of the Company, has been struck off from the register of Limited Liability Partnerships w.e.f. April 06, 2018 and accordingly ceased to be subsidiary of the Company.

Religare Finvest Limited

1. Settlement Agreement with Strategic Credit Capital Private Limited (“SCCPL”)

As disclosed in previous year Annual Report 2016-17, RFL has, in the Statement of Profit and Loss for the half year ended September 30, 2016, written off of entire ₹5,199,151,636 due from SCCPL. Further, the loans given to Perpetual Credit Services Private Limited (“Perpetual”), (a group company of SCCPL) and loan purchased from Nishu Finlease Pvt Ltd. of ₹2,737,568,540 were also written off.

Thereafter, in the financial year under reporting, RFL had entered into the Settlement Agreement with the counterparties pursuant to which the various cases against each other at various courts and tribunals were withdrawn on consent terms, however RFL retained its right to recover the amounts due from SCCPL and Perpetual. However, despite the settlement agreement, SCCPL has again filed suits against RFL at various forums. The matters are sub-judice as on date.

RFL is in the process of detailed diligence on these and connected transactions and is pursuing appropriate legal remedies to recover the amounts due to it and expect that there will not be any obligation on RFL out of these cases.

2. Fixed Deposits with Lakshmi Vilas Bank

RFL had made certain fixed deposits with Lakshmi Vilas Bank (“LVB”) in November 2016 and January 2017. LVB vide its letter dated 7th February 2018 had confirmed fixed deposits of ₹79,144.77 Lakhs to the Company.

RFL received a letter dated February 9, 2018 from LVB purporting to allude to certain loans disbursed by LVB to third parties allegedly in consideration of security of the RFL’s Fixed Deposits (“FDs”) with LVB. By means of this letter, LVB also purported to call upon RFL to execute the security documentation in connection with the alleged loans.

Vide RFL’s letter dated February 16, 2018, LVB was expressly informed that not only RFL was not party to any loans that were allegedly sanctioned or granted by LVB to any third party, as also that no authorization, sanction or approval had ever been provided by RFL to LVB permitting the creation of any security or encumbrance of the FDs for any third party loans or borrowings. LVB was also forewarned that any attempt to subject the FDs to illegal encumbrance would not only be violative of RFL’s rights, but also constitute deliberate contempt by LVB of the Order dated January 5, 2018 passed by the Hon’ble Delhi High Court, a copy of which was served on LVB vide Legal notice dated February 16, 2018.

While things stood thus, RFL came to be in receipt of a copy of the letter dated April 24, 2018 addressed by LVB to the statutory auditors of RFL that LVB had “closed the said deposits on 20.02.2018 to liquidate the loans availed” by third parties. This was contrary to the confirmation received by the Statutory Auditors in November 2017 via email confirming the fixed deposits.



RFL at no point in time, instructed, authorized or consented to the liquidation of the fixed deposits or the adjustment thereof against loans availed of by any third parties or the creation of any encumbrance on the fixed deposits, whether by way of a lien, security, charge or pledge in connection with the loans availed of by any third parties. RFL has filed a suit for recovery of the Fixed Deposit amounts aggregating ₹79,144.77 lakhs appropriated by LVB before the Hon'ble Delhi High Court on May 31, 2018.

3 Corporate Loan Book

RFL has an exposure of ₹203,670 Lakhs towards the Corporate Loan Book. Reserve Bank of India ("RBI") has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by RFL in respect of this book.

In view of RBI concerns, the first step the new Board/management has taken immediately after taking charge was that it has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans. As a part of the recovery process, the management issued legal notices to the borrowers and has initiated corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016, against the said entities comprising the Corporate Loan Book.

RFL has also appointed a reputed law firm to undertake a detailed diligence on this loan book. Post submission of the report and the steps outlined for recovery, RFL intends to pursue all legal means for recovering the loans.

In the interim based on the security available, maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, the RFL, on a prudent basis, made a provision of ₹101,285.00 Lakhs against this portfolio.

Religare Capital Markets Limited

As disclosed in previous year Annual Report 2016-17, the Company has taken its shareholders' approval for Religare Capital Markets Limited ('RCML') capitalization through postal ballot on September 11, 2017, since it was a material related party transaction in terms of SEBI (LODR) Regulations, 2015, but no money has been infused in RCML pursuant to this approval by the Company till date.

Further, Axis Bank has filed an original application ("OA") before the DRT-II for recovery of approx. ₹313 Cr. under Standby Letter of Credit Facility ('SBLC facility') of US\$72.5 million availed by Religare Capital Markets International (Mauritius) Limited ("RCMIML"), an indirect wholly owned subsidiary of REL through RCML which is inter alia secured by personal guarantees executed by Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh, hypothecation of a capitalization agreement between RHC Holding Pvt Ltd and RCML as well as shares of the Company and Fortis Healthcare Limited owned by certain promoter group companies. The Company has not provided any guarantee or security in relation to the facility. The Company has been made a party to the proceedings based on a Non-Disposal Undertaking in favour of Axis Bank. The DRT has passed an interim order dated 21.3.2018 directing that Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh ("Promoters") to deposit ₹313 Cr with the DRT within 3 days failing which inter alia certain assets of defendants shall stand attached. Such sums have not been deposited by the Promoters. REL has recently filed two applications for deletion of REL as a party and recall of the order dated 21.03.2018 against REL. Axis Bank has filed its replies to the two applications, pursuant to which, REL has filed rejoinders.

Religare Health Insurance Company Limited

Arbitration proceedings in relation to the Health Insurance business

On April 9, 2017, your Company had entered into definitive agreements with a consortium of investors led by True North, an India based private equity fund (formerly known as India Value Fund Advisors) to divest its entire stake in its subsidiary, Religare Health Insurance Company Limited. On January 11, 2018, your Company entered into a supplemental agreement and deed of novation for increase in the consideration and extension of long-stop date, among other changes in certain terms and conditions of sale. Certain conditions precedent including regulatory and third party approvals were not received till the extended long-stop date triggering automatic termination of the agreement. In March 2018, certain parties of the buyer consortium filed a petition under Section 9 of the Arbitration and Conciliation Act, 1996, in the Delhi High Court seeking ad interim injunctive relief including towards extension of the Long Stop Date, and also invoked arbitration under the definitive agreement. The Hon'ble Delhi High Court, in May 2018, dismissed the petition seeking interim relief and directed the petitioners to proceed with arbitration. The arbitration tribunal has been constituted by LCIA. However, arbitration proceedings have not commenced since the parties have not placed a fee deposit with the LCIA yet.



MAJOR EVENTS

Issue of Warrants

On March 19, 2018, your Company approved issue of 175,559,960 convertible warrants at a price of ₹52.20 each ("Warrant Issue Price") on a preferential basis to various persons / entities entitling the subscribers to an equal number of equity shares, aggregating over ₹916 crore ("Preferential Issue"). The Warrant Issue Price was later on revised to ₹52.30 each due to revision of minimum allotment price of Warrants from ₹52.18 each to ₹52.28 each in terms of Chapter VII of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Subsequent to the end of the year under review, your Company allotted 111,497,914 warrants to 38 resident Indian subscribers and received ₹145.78 crore as upfront payment which is equivalent to 25% of the total consideration as per the terms of the Preferential Issue.

Furthermore, six resident subscribers have exercised conversion option on 18,825,621 warrants by paying the balance 75% of the consideration, aggregating ₹73.84 crore and have been allotted an equivalent number of equity shares in the Company. The Company had applied to the Department of Economic Affairs ("DoEA"), Ministry of Finance for approval of foreign investment in respect of 63,601,510 warrants intended to be subscribed to by two foreign investors. The said approval was not acceded to by the DoEA citing reasons of various investigations by multiple Government agencies / regulators. The Company is considering to re-submit the application to the DoEA in the matter.

Divestment of Cerestra Advisors Pvt. Ltd.

During the year under review, your Company divested its stake in Cerestra Advisors Pvt. Ltd. ("Cerestra Advisors"), part of the erstwhile Global Asset Management business. Cerestra Advisors is the fund manager to the Cerestra Edu Infra Fund, which invested in education infrastructure assets. The financial impact of the divestment is accounted for in the financial statements for year ended March 31, 2018.

Composite Scheme of Arrangement

In order to simplify the Company's corporate structure, the composite scheme of arrangement ("Scheme") was filed by the Company with the Hon'ble National Company Law Tribunal ("NCLT") on March 31, 2017. The Scheme was approved by the NCLT vide order dated December 08, 2017.

The Scheme was filed with the Registrar of the Companies, NCT of Delhi & Haryana ("ROC") on December 29, 2017. Consequently, eleven (11) wholly owned subsidiaries, direct or indirect, of Religare Enterprises Limited namely, Religare Securities Limited (excluding broking business which was demerged into Religare Broking Limited, a wholly owned subsidiary of the Company), Religare Commodity Broking Private Limited, RGAM Investment Advisers Private Limited, Religare Venture Capital Limited, Religare Arts Investment Management Limited, Religare Capital Finance Limited, RGAM Capital India Limited, Religare Investment Advisers Limited, Religare Support Services Limited, Religare Arts Initiative Limited and Religare Capital Markets (India) Limited merged with/into Religare Enterprises Limited w.e.f. December 29, 2017. The Appointed Date of the Scheme was April 01, 2016.

The members are informed that Roto Power Private Limited ("RPPL") filed a winding up petition no. 150/2016 against Religare Support Services Limited ("RSSL"), formerly known as (REL Infrafacilities Limited) on December 17, 2015 alleging recovery of ₹72,05,937 (Rupees Seventy Two Lakhs Five Thousand Nine Hundred Thirty Seven Only) which RPPL claims to be due for payment for services provided by it under agreements/arrangement between the RPPL and RSSL. RSSL invoked arbitration against RPPL under a service provider agreement entered into between RPPL and RSSL for an aggregate claim amount of ₹1.09 Cr. Pursuant to Scheme, RSSL merged into the Company. Clause 18 of the Scheme provides that on and from the April 1, 2016 being the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date being December 29, 2017 shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. In view of the provisions of the scheme of arrangement, the winding up petition referred to above shall continue against the Company.

REGULATORY UPDATES

During the year under review, your Company was subject to various inspections / investigations by the Regulatory / Government authorities as under:



Reserve Bank of India (“RBI”)

RBI conducted an ad-hoc inspection of the Company under section 45N of the Reserve Bank of India Act, 1934 in the month of January 2018. Further, thereafter in the month of July 2018 an inspection was again carried out by the RBI for the records of the Company for the FY 2017-18. The Company is yet to receive the final reports of RBI on these inspections.

Securities and Exchange Board of India (“SEBI”)

The Company has received a Summons dated February 22, 2018 from the SEBI *inter-alia* requesting the Company’s cooperation in relation to an investigation in the matter of Company. SEBI has asked the Company to provide factual data and information pertaining to the Company, its associates and subsidiaries. The Summons is issued only for seeking information from the Company which is being provided and there are no accusations or any observations made against the Company. SEBI has also appointed an external agency for carrying out the further investigation to which the Company is providing the requisite information.

Serious Fraud and Investigations Office (“SFIO”)

The Company has received a letter dated February 28, 2018 from the SFIO, Ministry of Corporate Affairs (“MCA”), Government of India, intimating the Company that the MCA has ordered an investigation into the affairs of the Company by the SFIO. The Letter is issued only for seeking information from the Company which is being provided and there are no accusations or any observations made against the Company or any other companies. Vide letter dated May 30, 2018, SFIO sought further information in the matter which has been provided by the Company.

EQUITY SHARE CAPITAL

Consequent to the Scheme getting effective on December 29, 2017 as stated above, the Authorized Share Capital of the Company was increased from ₹350,00,00,000/- (Rupees Three Hundred and Fifty Crores only) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of ₹10/- (Rupees Ten only) each and 10,00,00,000 (Ten Crores) Redeemable Preference Shares of ₹10/- (Rupees Ten only) each to ₹816,45,00,000/- (Rupees Eight Hundred Sixteen Crores Forty Five Lakhs only) divided into 65,44,50,000 (Sixty Five Crores Forty Four Lakhs and Fifty Thousand) Equity Shares of ₹10/- (Rupees Ten only) each and 16,20,00,000 (Sixteen Crores Twenty Lakhs) Redeemable Preference Shares of ₹10/- (Rupees Ten only) each.

During the year under review, the Company has allotted 120,750 equity shares under ESOP scheme 2006 on May 19, 2017. Post allotment the issued, subscribed and paid up equity share capital of the Company was increased from ₹178,33,44,980/- (Rupees One Hundred Seventy Eight Crores Thirty Three Lakhs Forty Four Thousand Nine Hundred and Eighty only) to ₹178,45,52,480/- (Rupees One Hundred Seventy Eight Crores Forty Five Lakhs Fifty Two Thousand Four Hundred and Eighty only).

The issued, subscribed and paid up equity share capital as on March 31, 2018 is ₹178,45,52,480/-consisting of 17,84,55,248 (Seventeen Crores Eighty Four Lakhs Fifty Five Thousand Two Hundred and Forty Eight) equity shares of ₹10/- (Rupees Ten only) each.

Subsequent to the end of Financial Year, on April 19, 2018, the Company has allotted 111,497,914 convertible warrants at a price of ₹52.30 each on a preferential basis to various entities/persons entitling them to subscribe to an equivalent number of equity shares of face value of ₹10/- each at a premium of ₹42.30 per share as per provisions of Chapter VII of ICDR Regulations.

Thereafter, the Company allotted 38,24,091 equity shares on May 29, 2018, 4,54,556 equity shares on June 29, 2018, 127,46,974 equity shares on July 26, 2018 and 18,00,000 equity shares on July 30, 2018 upon the exercise of rights for conversion of warrants into equity shares by six warrant holders to whom warrants were allotted on April 19, 2018.

Consequently, the paid up equity share capital of the Company has been increased from ₹178,45,52,480/- (Rupees One Hundred Seventy Eight Crores Forty Five Lakhs Fifty Two Thousand Four Hundred and Eighty only) to ₹1,972,808,690/- (Rupees One Hundred and Ninety Seven Crores Twenty Eight Lakhs Eight Thousand Six Hundred and Ninety) comprising of 197,280,869 equity shares of the face value of ₹10/- each .

During the financial year under reporting, no funds were raised by way of public issue, rights issue, preferential issue etc. by stating any object in the offer document or explanatory statement to the notice for the general meeting. Therefore, no explanation is required to be given in this report pursuant to Regulation 32(4) of SEBI LODR Regulations. However, the process of Preferential Issue of Convertible warrants by the Company was initiated during the financial year, the proceeds from which were received by the Company subsequent to the end of the financial year. The complete details of said issue are provided in the Major Events section of this report.



NON-CONVERTIBLE DEBENTURES

During the period under review, your Company made a scheduled redemption of 1,361 Non-Convertible Debentures of face value of ₹1,000,000/- each on June 30, 2017, allotted under ISIN INE621H07017.

On August 28, 2017, the Company has allotted 300 Zero coupon Unsecured Unrated Unlisted Non-Convertible Redeemable Non-Convertible Debentures ("NCDs") of face value of ₹1,000,000/- each having 11% yield and maturity of 15 months on a private placement basis to one of its then existing wholly-owned subsidiary i.e. Religare Securities Limited ("RSL"). However, said NCDs got cancelled upon the merger of the said wholly owned subsidiary RSL into the Company pursuant to the Composite Scheme of Arrangement as explained elsewhere in this report.

Interest on all outstanding non-convertible debentures was duly paid on time. There are no outstanding non-convertible debentures as on date.

PUBLIC DEPOSITS

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the period under review.

ANNUAL RETURN

The Annual Return extract in Form No MGT 9 as required to be prepared in terms of Section 92(3) of the Act is being uploaded on website of the Company and can be accessed through the link <http://www.religare.com/Annual>Returns.aspx>

CAPITAL ADEQUACY

Your Company is registered with the Reserve Bank of India ("RBI")¹ as a Non-Deposit Taking Systemically Important Core Investment Company ("CIC-ND-SI") vide Certificate No. N-14.03222 dated June 03, 2014. The Company primarily functions as an investment holding company with more than 90% of its total assets consisting of investments in shares of subsidiary companies/ joint venture companies.

As a CIC-ND-SI, the Company is required to –

- maintain minimum Adjusted Net Worth of 30% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items as on the date of the last audited balance sheet as at the end of the financial year; and
- restrict the outside liabilities up to 2.5 times of its Adjusted Net Worth as on the date of the last audited balance sheet as at the end of the financial year.

The Company is in compliance with the abovementioned requirements as at March 31, 2018.

RELIGARE EMPLOYEES STOCK OPTION SCHEMES – 2006, 2010 & 2012

Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Schemes of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (erstwhile Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999) ('the SEBI Guidelines'). Details as required under the SEBI Guidelines, for Religare Employees Stock Option Scheme 2006, Religare Employees Stock Option Scheme 2010 and Religare Employees Stock Option Scheme 2012 have been uploaded on the website of the Company and can be accessed through the link <http://www.religare.com/Employee-Stock-Option-Schemes.aspx>.

During the year under review, the Religare Enterprises Limited Employees Stock Option Scheme, 2006, which became effective on 15th November, 2006 was terminated w.e.f. June 29, 2017 as per the terms of the said scheme.

There is no other material change in the ESOP schemes of the Company during the year.

¹ **RBI Disclaimer:** (a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company; (b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/ body corporate.



Certificate from Auditors confirming that schemes have been implemented in accordance with the SEBI Regulations will be placed at the forthcoming Annual General Meeting of the Company for inspection by the members.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulations 16 SEBI LODR Regulations.

Following changes occurred in the directorships / key managerial positions (KMP) of the Company during the FY 2017-18:

| Sr. No. | Name of Director / Key Managerial Personnel | Particulars of Change (Appointment / Resignation/Others) | Effective Date of change |
|---------|---|--|--------------------------|
| 1 | Mr. Ravi Mehrotra | Resigned as Non-Executive Director | April 12, 2017 |
| 2 | Mr. Monish Kant Dutt | Resigned as Nominee Director - International Finance Corporation | April 24, 2017 |
| 3 | Mrs. Sangeeta Talwar | Resigned as Non-Executive Independent Director | July 28, 2017 |
| 4 | Mr. Sunil Godhwani | Resigned as Whole Time Director of the Company | September 06, 2017 |
| 5 | Mr. Virendra Kumar Madan | Resigned as Non-Executive Director | September 29, 2017 |
| 6 | Mrs. Sabina Vaisoha | Appointed as Non-Executive Independent Director | October 04, 2017 |
| 7 | Mr. Malvinder Mohan Singh | Stepped down as Non-Executive Chairman of the Company but continues as Non-Executive Non-Independent Director on the Board | November 14, 2017 |
| | | Resigned as Non-Executive Director | February 14, 2018 |
| 8 | Mr. Rashi Dhir | Resigned as Non-Executive Independent Director | November 14, 2017 |
| 9 | Mr. Subramanian Lakshminarayanan | Appointed as Executive Chairman of the Company & designated as KMP | November 14, 2017 |
| | | Ceased to be Executive Chairman and Director, pursuant to resignation | January 22, 2018 |
| 10 | Mrs. Kishori Udeshi | Appointed as Non-Executive Independent Director | November 14, 2017 |
| | | Ceased to be Non-Executive Independent Director, pursuant to resignation | January 22, 2018 |
| 11 | Mr. Francis Daniel Lee | Appointed as Executive Director | November 17, 2017 |
| | | Re-designated from Executive Director to Non-Executive Director | January 24, 2018 |
| | | Resigned as Non-Executive Director | February 13, 2018 |
| 12 | Mr. Avinash Chander Mahajan | Resigned as Non-Executive Independent Director | November 29, 2017 |
| 13 | Mr. Ashok Mehta | Appointed as Non-Executive Independent Director | January 24, 2018 |
| 14 | Mr. Krishnan Subramanian | Appointed as CFO and designated as KMP | November 14, 2017 |
| | | Stepped down from position of CFO and elevated as Whole Time Director in capacity of Director-Finance | January 24, 2018 |
| 15 | Mr. Harpal Singh | Resigned as Non-Executive Director | January 24, 2018 |
| 16 | Mr. Tejpreet Singh Chopra | Resigned as Non-Executive Independent Director | January 30, 2018 |
| 17 | Mr. Shivinder Mohan Singh | Resigned as Non-Executive Director and Vice-Chairman of the Company | February 14, 2018 |



| Sr. No. | Name of Director / Key Managerial Personnel | Particulars of Change (Appointment / Resignation/Others) | Effective Date of change |
|---------|---|--|--------------------------|
| 18 | Mr. Vikram Talwar | Appointed as Non-Executive Independent Director | February 17, 2018 |
| 19 | Mr. P. Vijaya Bhaskar | Appointed as Non-Executive Independent Director | February 17, 2018 |
| 20 | Mr. Maninder Singh | Resigned as Group CEO | November 14, 2017 |
| 21 | Mr. Anil Saxena | Resigned as Group CFO | November 14, 2017 |
| 22 | Mr. Mohit Maheshwari | Stepped down as Company Secretary and Compliance Officer | November 14, 2017 |
| 23 | Mrs. Reena Jayara | Appointed as Company Secretary and Compliance Officer | November 17, 2017 |

Further, the Board of Directors in its meeting held on February 17, 2018 has also approved the following appointments subject to RBI approval and effective date of same will be the date on which RBI approves the appointment:

| Sr. No. | Name of Director | Designation |
|---------|---------------------|---|
| 1 | Mr. Siddharth Mehta | Appointed as Non-Executive Non-Independent Director, subject to the approval of RBI |
| 2 | Mr. Ashok Mehta | Appointed as Whole-time Director and Interim CEO, subject to the approval of RBI |

Following changes occurred in the directorships / key managerial positions (KMP) of the Company subsequent to the end of the financial year

| Sr. No. | Name of Director | Particulars of Change (Appointment / Resignation/Others) | Effective Date of change |
|---------|---------------------------------|---|--------------------------|
| 1 | Mr. Ashok Mehta | Resigned as Independent Director & appointed as an Interim CEO (without being on the Board) | April 17, 2018 |
| 2 | Mr. P. Vijaya Bhaskar | Ceased to be Independent Director of the Company due to sudden and sad demise | May 04, 2018 |
| 3 | Mrs. Vijayalakshmi Rajaram Iyer | Appointed as Non-Executive Independent Director | May 08, 2018 |
| 4 | Mr. Deepak Ramchand Sabnani | Resigned as Non-Executive Independent Director | May 18, 2018 |
| 5 | Mr. Malay Kumar Sinha | Appointed as Non-Executive Independent Director | May 28, 2018 |
| 6 | Mr. Padam Narain Bahl | Resigned as Non-Executive Independent Director | June 04, 2018 |
| 7 | Mr. Rama Krishna Shetty | Resigned as Non-Executive Independent Director | June 30, 2018 |
| 8 | Mr. Ashok Mehta | Being Interim CEO, appointed as KMP in place of Mr. Krishnan Subramanian | May 16, 2018 |
| 9 | Mr. Sushil Chandra Tripathi | Appointed as Non-Executive Independent Director | August 01, 2018 |

Mrs. Sabina Vaisoha, Mr. Vikram Talwar, Mrs. Vijayalakshmi Rajaram Iyer, Mr. Malay Kumar Sinha, Mr. Krishnan Subramanian and Mr. Sushil Chandra Tripathi hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notices in writing from member(s) of the Company proposing the candidature of Independent Directors of the Company and other Executive Director(s) of the Company.

Brief resume and other details relating to the directors, who are to be appointed/ re-appointed as stipulated under Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standards issued by ICSI, are furnished in the Notice of Annual General Meeting forming part of the Annual Report.



BOARD EVALUATION

Pursuant to the provisions of the Act and SEBI LODR Regulations, the Board is required to carry out an annual performance evaluation of its own performance, the performance of the directors individually as well as the evaluation of the working of its Committees.

However, during the year under review there have been many changes in the composition of the Board of Directors of the Company so much so that the majority of the Directors on the Board at the time of carrying the evaluation exercise were newly appointed. The evaluation exercise for FY 2017-18 was initiated by the Company but same could not be completed as the Board decided that considering the short span of the current directors on the Board of the Company, they are not in a position to complete the evaluation exercise for functioning the Committees, Board as a whole and individual directors. Accordingly, the performance evaluation exercise was deferred which will be done in current year. The Board has also reviewed the current Board Evaluation Policy of the Company.

REMUNERATION POLICY

Remuneration Policy formed by the Board on the recommendation of the Nomination and Remuneration Committee is in place for selection and appointment of Directors, Key Managerial Personnel and their remuneration as well as policy on other employees' remuneration. The Remuneration Policy is stated in the Corporate Governance Report. The relevant Policy(ies) have been uploaded on the website of the Company and can be accessed through the link http://www.religare.com/pdf/Directors_Appointment_and_Remuneration_Policy.pdf

BOARD/COMMITTEE COMPOSITION AND MEETINGS

A calendar of meetings is prepared and circulated in advance to the Directors. The details of composition of Board and Committee and their meetings held during the year are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the SEBI LODR Regulations.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has established a Corporate Social Responsibility (CSR) Committee. The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The strategic intent was to adopt a unified cause across the Religare Group and hence the CSR policy and program to be supported was cascaded across all Group entities.

The belief and philosophy of the group is that being a responsible corporate citizen, it would strive to bring about overall positive impact in societies/local communities. The group has identified provision of healthcare assistance, and health and wellness related awareness relevant to the local underprivileged /marginalized communities as the areas of focus for CSR objectives.

Earlier, the group had engaged the Fortis Charitable Foundation ("FCF") as its implementation partner to pursue and drive the identified agenda/programs. However, subsequent to the end of the financial year under review, the Board of Directors reviewed the engagement with FCF and decided to terminate the same. The Company will be looking for a new agency for undertaking the CSR activities of the group.

For the year ended March 31, 2018, the Company was not required to spend amount under CSR for FY 2017-18 as prescribed under Section 135 of the Act.

Annual Report on CSR in the format prescribed in Companies (Corporate Social Responsibility) Rules, 2014 is attached as "Annexure A".

AWARDS & RATINGS

The company and its subsidiaries have received the following awards and recognitions during the period under review –

AWARDS

- **Religare Health Insurance Co. Ltd.** : 'Bancassurance Leader of the Year' – The Insurance India Summit & Awards 2018
- **Religare Health Insurance Co. Ltd.**: 'Best Claims Service Provider of the Year' – The Insurance India Summit & Awards 2018



- **Religare Health Insurance Co. Ltd.:** 'Bronze Skoch Award' in the Micro Insurance Category for 'Grameen Swaasthya Suraksha'
- **Religare Health Insurance Co. Ltd.:** "India's Most Preferred Travel Insurance Product" for the Product – Explore 'India's Most Preferred Travel & Tourism Brands'
- **Religare Broking Ltd. :** 'Pension Champion Trophy' for achieving targets under the National Pension System (NPS) campaign (Non- Bank Category)
- **Religare Securities Ltd. :** 'NSDL Star Performer Awards – 2017' Top Performer in New Account Opened (Non- Bank Category)
- **Religare Commodities Ltd. :** 'Krishi Pragati Award, 2017' by NCDEX for 'Outstanding Contribution' in NCDEX Agri
- **Mr. Jayant Manglik, President- Retail Distribution, Religare Securities Ltd. :** 'Top Equity Personality of the Year Award' - BSE COMMODITY EQUITY OUTLOOK (CEO) Weekend Awards 2017
- **Religare Commodities Ltd. :** 'Skoch BSE Award – Order of Merit , 2017' under the category 'Training and Innovation'
- **Religare Finvest Ltd. :** 'Great Place to Work-Certified™' by the Great Place to Work® Institute
- **Religare Finvest Ltd. :** 'CIBIL Commercial Bureau Data Quality Award 2017' under the 'NBFC' category

RATINGS

In July 2017, India Ratings & Research Private Limited ('Ind-Ra', a Fitch Group Company) revised the Long Term Issuer Rating and the rating for the Company's secured redeemable non-convertible debentures to "IND A/Watch Negative", while the rating for the Company's short term debt was revised to "IND A". Ind-Ra stated that the rating downgrade reflected revision in ratings of REL's principal operating subsidiary, RFL. Further, the Company has voluntarily withdrawn the rating assigned to the Company's Commercial Paper/Short Term Debt by ICRA Limited as there was no amount outstanding against the rated instrument.

In January 2018, Ind-Ra further downgraded the Long Term Issuer Rating to "IND BBB-/ Rating Watch Negative" for the Company. Ind-Ra attributed the downgrade to the downgrade in ratings of RFL.

Following the downgrade of the Company's issuer rating, ratings for specific issuances of the Company were downgraded by Ind-Ra:

- The Company's ₹176 cr. secured redeemable non-convertible debentures: "IND BBB-/ Rating Watch Negative".
- The Company's Short Term Debt Facility/Commercial Paper of ₹50 cr.: "IND A3/ Rating Watch Negative".

However, the Company has no outstanding NCDs as on March 31, 2018 or thereafter till the date of adoption of this report.

LISTING ON STOCK EXCHANGES

The Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. The annual listing fees for the year 2018-19 have been paid to both the Stock Exchanges.

STATUTORY DISCLOSURES

None of the Directors of your Company is disqualified as per provision of section 164(2) of the Act. The Directors of the Company have made necessary disclosures, as required under various provisions of the Act and the SEBI LODR Regulations.

CONSOLIDATED FINANCIAL STATEMENTS

As required under the Regulation 34 of SEBI LODR Regulations and Section 129(3) of the Act, consolidated financial statements of the Company and its subsidiaries are attached to the Annual Report. The consolidated financial statements have been prepared in accordance with Accounting Standard 21, Accounting Standard 23 and Accounting Standard 27 issued by The Institute of Chartered Accountants of India. The audited consolidated financial statements together with Auditor's Report forms part of the Annual Report.

In terms of the tripartite agreement between the Company, Religare Capital Markets Limited ("RCML", a subsidiary of the Company) and RHC Holding Private Limited ("RHCPL"), severe long term restrictions have been imposed on RCML. The financial



statements of RCML and its subsidiaries have been excluded from the consolidated financial statements of the Company w.e.f. October 01, 2011, in accordance with Para 11(b) of Accounting Standard-21 – ‘Consolidated Financial Statements’ (“AS-21”), and the investment held by the Company in equity and preference share capital of RCML has been accounted for as long term investment in accordance with Accounting Standard-13 - ‘Accounting for Investments’ in compliance with Para 23 of AS-21.

Therefore, the Consolidated Financial Statements presented by your Company, pursuant to AS-21 includes financial information of all its subsidiaries, excluding RCML and RCML’s subsidiaries, have been duly audited by the Statutory Auditors and the same is published in your Company’s Annual Report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis. In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption are not applicable to the Company and hence have not been provided.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has incurred expenditure of ₹1.23 crore (previous year: ₹0.24 crore) in foreign exchange and earned Nil (previous year: nil) in foreign exchange during the year under review on a standalone basis.

MAINTAINANCE OF COST RECORDS

The Company is in the financial services industry. In view of the nature of activities which are being carried on by the Company, the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act is not applicable on the Company and hence such accounts and records are not maintained.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Amount of ₹208,918/- lying unpaid in the Unpaid Dividend Account of the Company in respect of dividend declared in year 2010 and not claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, which was due to be transferred to the fund on April 08, 2017, has been transferred to the Investor Education and Protection Fund, pursuant to Section 125 of the Act on April 21, 2017.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; ;
- (d) they have prepared the annual accounts on a going concern basis ;
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to uphold the highest standards of Corporate Governance and adhere to the requirements set out by the Securities and Exchange Board of India.



The Company's Board has taken various steps to enhance the corporate governance and compliance at group level which encompasses from change in top management including appointment of a new interim CEO and Group Compliance Head at REL level to re-organization of Boards of subsidiaries of the Company.

A detailed report on Corporate Governance along with the Certificate of M/s Sanjay Grover & Associates, Company Secretaries confirming compliance with conditions of Corporate Governance as stipulated in Part C of Schedule V of the SEBI LODR Regulations forms integral part of this Report.

The members may please note that for the financial year ended March 31, 2017 finalisation of annual audited accounts had taken more than anticipated time. Hence, the Company was not able to declare its audited financial results within the prescribed timelines under SEBI LODR Regulations. The Company declared its audited financial results on June 29, 2017.

Further, BSE & NSE vide their respective letters dated June 15, 2017 had levied a fine of ₹2,142,841 and ₹1,863,345 respectively as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI LODR Regulations, 2015 by not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company has paid the fines.

NSE further vide its letter dated October 06, 2017 raised the demand for balance fine of ₹70,000 which was paid on October 13, 2017.

Members are also apprised that NSE & BSE vide their respective communications dated June 15, 2018 & June 18, 2018 respectively levied the fine of ₹5,000/- and 5,900/- respectively for delayed submission of financials for the period ended March 31, 2018 by one day. In view of the fact that the meeting of the Board of Directors to consider and approve the Audited Financial Results for the FY 2017-18 held on May 30, 2018 commenced at 10:30 a.m. on May 30, 2018 and ended at 2.30 a.m. on Thursday, May 31, 2018, the Company has requested to waive off the fine imposed on the Company by condoning the marginal delay of approximately three hours in submission of the Audited Annual Financials. The Company is yet to receive any further communications from the exchanges in the matter.

The members may please also note that the Board of Directors of the Company had formulated and approved a Dividend Distribution Policy ("the Policy") pursuant to the requirement under the SEBI (Listing Obligations and Disclosure Requirement) (Second Amendment) Regulations, 2016 in its meeting held on October 26, 2016. Same was uploaded on the website of the Company i.e. http://www.religare.com/pdf/Rel_Dividend_PolicyNov2016.pdf. However, Company inadvertently missed to make a reference of the Policy in its Annual Report for the year ended March 31, 2017. Accordingly, the Company is issuing a corrigendum to the Annual Report 2017 giving intimations to the shareholders about the placement of the Policy on the website of the Company.

AUDITORS

M/s S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N), were appointed as statutory auditors of the Company by the shareholders at the 33rd Annual general Meeting of the Company ("AGM") held on September 21, 2017, to hold office for a period of five consecutive years commencing from the financial year 2017-18 i.e. from the conclusion of 33rd AGM until the conclusion of the 38th AGM of the Company to be held in the year 2022 (subject to the ratification of appointment at every AGM as per provisions of Section 139(1) of the Act).

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

AUDITORS' REPORT

Management's response on the Statutory Auditors' Qualification / Comments on the Company's standalone financial statements

a. Qualification in the report on internal financial controls regarding:

- (i) **material weakness in Internal Financial Control over Financial Reporting in the credit evaluation process in respect of Corporate Loans;**

As a strategy the management has decided not to extend any further loans under Corporate Loan Book

- (ii) **Review of process of identification and updation of documentation of Micro Small & Medium Enterprises as MSMED Act 2006 and Information Technology General Control;**



Management has identified the gaps. The systems and processes have already been implemented to identify and categorize the vendors under MSMED Act 2006.

(iii) Strengthening of internal control process in respect of process of initiating payment accounting entries and closure of outstanding entries in Bank Reconciliation Statements:

Management has identified the gaps. The systems and processes are being implemented to mitigate the pendency of overdue open items, if any in Bank Reconciliation Statements.

Management's response on the Statutory Auditors' Qualification / Comments on the Company's consolidated financial statements

- a. Qualification pertaining to Lakshmi Vilas Bank adjusting the fixed deposits of Religare Finvest Ltd., subsidiary of the Company (RFL):** RFL had made certain fixed deposits with Lakshmi Vilas Bank ("LVB") in November 2016 and January 2017. LVB vide its letter dated 7th February 2018 had confirmed fixed deposits of ₹79,144.77 Lakhs to RFL. RFL received a letter dated February 9, 2018 from LVB purporting to allude to certain loans disbursed by LVB to third parties allegedly in consideration of security of the RFL's Fixed Deposits ("FDs") with LVB. By means of this letter, LVB also purported to call upon RFL to execute the security documentation in connection with the alleged loans.

Vide RFL's letter dated February 16, 2018, LVB was expressly informed that not only RFL was not party to any loans that were allegedly sanctioned or granted by LVB to any third party, as also that no authorization, sanction or approval had ever been provided by RFL to LVB permitting the creation of any security or encumbrance of the FDs for any third party loans or borrowings. LVB was also forewarned that any attempt to subject the FDs to illegal encumbrance would not only be violative of RFL's rights, but also constitute deliberate contempt by LVB of the Order dated January 5, 2018 passed by the Hon'ble Delhi High Court, a copy of which was served on LVB vide Legal notice dated February 16, 2018.

While things stood thus, RFL came to be in receipt of a copy of the letter dated April 24, 2018 addressed by LVB to the statutory auditors of RFL that LVB had "closed the said deposits on 20.02.2018 to liquidate the loans availed" by third parties. This was contrary to the confirmation received by the Statutory Auditors in November 2017 via email confirming the fixed deposits. RFL has now filed a suit for recovery of the Fixed Deposit amounts aggregating ₹79,144.77 Lakhs appropriated by LVB before the Hon'ble Delhi High Court.

- b. Qualification pertaining to Corporate Loan Book of Religare Finvest Ltd., subsidiary of the Company (RFL):** RFL has an exposure of ₹203,670 Lakhs towards the Corporate Loan Book. RBI has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by RFL in respect of this book. The management of RFL has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans.

As a part of the recovery process, RFL has already issued legal notices to the borrowers and has initiated corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016 against the said entities forming part of Corporate Loan Book of RFL. RFL has also appointed a law firm of repute to undertake a detailed diligence on this loan book. Post submission of the report and the steps outlined for recovery, RFL intends to pursue all legal means for recovering the loans.

In the interim based on the security available, maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, the RFL, on a prudent basis, made a provision of ₹101,285.00 Lakhs against this portfolio.

c. Disclaimer of opinion in the report on internal financial controls pertaining to RFL

- (i) Material weakness in Internal Financial Control over Financial Reporting in the Credit evaluation process in respect of Corporate Loan Book and loan against property & shares;**

As a strategy RFL management has decided not to extend any further loans under Corporate Loan Book and loan against shares. Further, adequate controls exist for loans granted under Loans against property (SME-Secured Loans) and Loans against shares. As a matter of fact, during FY 2017-18, a total of ₹ 94 Crores of SME secured loans were disbursed. No loan against shares was disbursed during FY 2017-18.

- (ii) Updated documentation for Micro Small & Medium Enterprises as MSMED Act 2006 and control over Information Technology General Controls;** RFL Management has identified the gaps. The systems and processes have already been implemented to identify and categorize the vendors under MSMED Act 2006.



- (iii) **Strengthening of internal control process in respect of regular updation of risk control matrix, comprehensiveness for coverage of all process:** RFL management has identified material weaknesses in Internal Financial Control over Financial Reporting in respect of certain specific segments and steps have been taken to strengthen controls and design a robust evaluation process.

SECRETARIAL AUDITOR REPORT

As per provisions of Section 204 of the Act, the Board of Directors of the Company has appointed M/s P I & Associates as the Secretarial Auditor of the Company to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2018, is annexed to this Report. Management comments on qualifications given by auditors in the report are as follows:

- (a) **Non-compliance with Secretarial Standards issued by The Institute of Company Secretaries of India:** The Company has complied with Secretarial Standards except in few cases where draft and signed minutes were circulated to the Board members beyond prescribed timelines due to frequent changes at Board and management level during year under review. The management will take steps to ensure that same is not repeated in future.
- (b) **Non-disclosure of Dividend Distribution Policy in Annual Report 2016-17:** The Company inadvertently missed to make a reference of the Policy in its Annual Report for the year ended March 31, 2017. Accordingly, the Company is issuing a corrigendum to the Annual Report 2017 giving intimations to the shareholders about the placement of the Policy on the website of the Company along with address.
- (c) **Delayed submission of audited financial results to Stock Exchanges for the quarter and year ended March 31, 2017 :** For financial year ended March 31, 2017, finalisation of annual audited accounts has taken more than anticipated time. Hence, the Company was not able to declare its audited financial results within the prescribed timelines under SEBI Listing Regulations. The Company declared its audited financial results on June 29, 2017. Further, BSE & NSE vide their letter dated June 15, 2017 had levied a fine of ₹2,142,841 and ₹1,863,345 respectively as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI Listing Regulations, 2015 by not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company has paid the fine. NSE further vide its letter dated October 06, 2017 raised the demand for balance fine of ₹70,000 which was paid on October 13, 2017.
- (d) **Appointment of CFO :** The office of CFO became vacant on January 24, 2018. The Company was required to appoint CFO within six months i.e. by July 23, 2018. The Company is actively searching for suitable candidate for office of CFO with vast and diversified rich experience in the financial services sector and shall appoint the same at the earliest to meet the statutory requirements of the Act.

PARTICULARS OF INVESTMENTS, LOANS AND GUARANTEES

The Company, being an NBFC, is exempted from the provisions of Section 186 [except sub-section (1)] of the Act. Accordingly, details of particulars of loans, guarantees or investments as required to be provided as per Section 134(3)(g) of the Act are not provided.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions entered by the Company with related parties which may have a potential conflict with the interest of the Company.

All Related Party Transactions are placed before the Audit Committee for approval as per the Related Party Transactions Policy of the Company as approved by the Board. The policy is also uploaded on the website of the Company & can be accessed through the link http://www.religare.com/pdf/ReligareRPTPolicy_May16.PDF

Since all related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and there was no material related party transaction entered by the Company during the year as per Related Party Transactions Policy, no details are required to be provided in Form AOC-2 prescribed under clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The details of the transactions with related parties are provided in the notes to accompanying standalone financial statements.



RISK MANAGEMENT

The Board of Directors of the Company has constituted a Risk Management Committee, which is responsible for framing, implementing, monitoring and periodically review the effectiveness of the risk management plan and make appropriate changes as and when necessary. The details of the Committee are set out in the Corporate Governance Report forming part of the Board's Report.

The Company / REL is not an operating company and therefore major risk lies with management and operation of its subsidiary / group companies. The Company being an investment holding company, has a comprehensive Risk Management framework and overarching Risk Management policy, which is adopted by each of the key subsidiaries while formulating their Risk Policy. Risk Management Policy is aimed at identification, evaluation, mitigation, monitoring and reporting of identifiable risks. Respective functional head and/or risk management department of subsidiaries are responsible for implementation of the Risk Management system and maintenance of record of risk and mitigation plan in Risk & Control Matrix (RCM), which is tested and updated periodically. Therefore, the risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identification of risks and their classification in High, Medium and Low categories on the basis of likelihood, impact and velocity. .

The subsidiary company's Risk Management Committee authorized by the respective Board, or in its absence the respective Audit Committee, reviews the risk management policy and appropriateness of systems and controls in this regard and submits its report to the Risk Management Committee of your Company on periodical basis.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of unethical practices, fraud and mismanagement or gross misconduct by the employees of the Company, if any, that can lead to financial loss or reputational risk to the organization. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company & can be accessed through the link http://www.religare.com/pdf/Religare_Whistle_Blower_Policy_10072018.pdf

In order to further strengthen the vigil mechanism, the Company has been doing the following activities at the group level:

1. In order to ensure awareness among the employees of the organization, the policy is explained in detail as part of the employee induction for new employees , the details are mentioned on the HR portal/ intranet, the policy is periodically circulated to all employees through e-mail and Electronic Direct Mailers (EDMs) giving specific details and 'call to action' are regularly circulated
2. Drop boxes have been kept at all major locations for employees to drop their complaints in the boxes

During the year, no complaint pertaining to the Company was received under the Whistle Blower mechanism.

INTERNAL FINANCIAL CONTROLS AND INTERNAL CONTROL SYSTEM

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the comprehensive agreement with the internal audit agency, which is reviewed and approved by the Audit Committee of the Company and its respective subsidiaries. The Company has appointed M/s KPMG as the Internal Auditor of the Company as approved by the Audit Committee. KPMG also assist the Company and its key subsidiaries in testing and reporting of Internal Financial Controls (IFC) on quarterly basis through an integrated system of internal audit and IFC testing. To maintain its objectivity and independence, the Internal Auditor agency directly reports to the Audit Committee.

The Internal Auditor evaluates the efficacy and adequacy of the internal control system and internal Financial Controls in the Company, its compliance with operating systems, accounting procedures, policies and regulatory requirements at all locations of the Company and its subsidiaries. Based on the integrated report of internal audit function and IFC, process owners undertake corrective action in their respective areas and thereby strengthen the internal controls. Significant audit observations and corrective actions thereon along with IFC dashboard are presented to the Audit Committee on periodical basis.

HUMAN RESOURCES

This year has been a challenging year for a few Businesses and they have gone through high volatility during the year that has reflected in the organization's capacity to perform to its potential. However, as part of our transformational effort, there have been positive changes at the Religare Board and Management level with greater focus being brought on corporate governance,



compliance and service standards. We are well set to rebuild the institution and establish a strong platform from where we can offer our valued customers, an integrated suite of financial services.

Employees are our vital and most valuable assets. Over this period, we have developed a strong culture of transparency through constant employee communication. In order to boost the employee morale, the organization has recognized the commitment, loyalty and contribution of its internal stakeholders. Our employee partnership ethos reflects the Company's longstanding business principles with the prime focus to identify, assess, groom and build leadership potential for future.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. An Internal Complaints Committee (ICC) is in place as per the requirements of the said Act to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No case has been reported during the year under review.

PARTICULARS OF EMPLOYEES

The details required under Section 197(12) of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed as "Annexure B" to this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its operations in future.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments adversely affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relate (i.e. March 31, 2018) and as of date of the report i.e. August 01, 2018.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Company's Bankers, Regulatory Bodies, Stakeholders including Financial Institutions and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors also wish to place on record their deep sense of gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company during the year under review. Your Directors would also like to thank all shareholders for their continued faith in the Company and look forward to your continued support in the future.

**By order of the Board of Directors
Religare Enterprises Limited**

Place: Gurugram
Date: August 01, 2018

Sd/-
Krishnan Subramanian
Director-Finance

Sd/-
Malay Kumar Sinha
Director



Annexure A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programs.**

Company has adopted its CSR Policy which aims at supplementing the role of the Government in enhancing the welfare measures for the underprivileged communities and aims to ensure that the communities receive good quality healthcare facilities. It also aims at promoting holistic health awareness and education to empower communities thus helping them lead a fuller and healthier life at large.

CSR Policy of the Company provides the overview of projects or programs which are proposed to be undertaken by the Company..

The CSR Policy of the Company can be assessed at the company's website through the link:

http://www.religare.com/pdf/REL_CSR_policy_2017.pdf

2. **The Composition of the CSR Committee.**

Mrs. Sabina Vaisoha (Member)

Mr. Krishnan Subramanian (Member)

Mr. Malay Kumar Sinha (Member)

3. **Average net profit of the company for last three financial years**

Loss of ₹78.27 crores

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)**

Nil

5. **Details of CSR spent during the financial year.**

a. **Total amount to be spent for the financial year:** Nil

b. **Amount unspent, if any:** Nil

c. **Manner in which the amount spent during the financial year is detailed below :-**

| S. No | CSR project or activity identified | Sector in which the project is covered | Projects or programme: (i) Local area or other (ii) Specify the State or District where the projects or programmes was undertaken | Amount outlay (Budget) project or programme wise (Amount in ₹) | Amount spent on project or programs: Sub head: 1. Direct expenditure on project or programme; 2. Overhead (Amount in ₹) | Cumulative expenditure up to the date of reporting (Amount in ₹) | Amount spent: Direct or through implementing agencies* |
|--------------|--|---|---|--|---|--|--|
| 1 | Umeed-Dhadkan and Umeed-Smile Initiatives of the Aanchal program | Healthcare and Health related education and awareness | All India level | Nil | Nil | Nil | Nil |
| Total | | - | - | - | - | - | - |

*Give details of implementing agencies

6. For the year ended March 31, 2018 due to losses during past three years, the Company was not required to spend amount under CSR for FY 2017-18.
7. CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and CSR Policy of the Company.

For Religare Enterprises Limited

Sd/-

Ashok Mehta
Interim CEO

Sd/-

Malay Kumar Sinha
Director

Date: August 01, 2018
Place: Gurugram



Annexure B

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| Name & Designation | Ratio to Median REL Remuneration |
|---|---|
| Mr. Sunil Godhwani – Whole-time Director | NA (Exited during the year) |
| Mr. Subramanian Lakshminarayanan – Executive Chairman | NA (Exited during the year) |
| Mr. Francis Daniel Lee – Executive Director | NA (Exited during the year) |
| Mr. Krishnan Subramanian – Director-Finance | NA (Has been appointed during the year, hence not comparable) |

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| Name & Designation | % increase in REL remuneration in the financial year |
|---|--|
| Mr. Sunil Godhwani – Whole-time Director | NA (Employee exited during the year) |
| Mr. Subramanian Lakshminarayanan – Executive Chairman | NA (Employee exited during the year) |
| Mr. Francis Daniel Lee – Executive Director | NA (Employee exited during the year) |
| Mr. Krishnan Subramanian – Director-Finance | NA (Has been appointed during the year, hence not applicable) |
| Mr. Maninder Singh – Group CEO | NA (Employee exited during the year) |
| Mr. Anil Saxena - Group CFO | NA (Employee exited during the year) |
| Mr. Mohit Maheshwari - Company Secretary | NA (Employee exited during the year) |
| Ms. Reena Jayara - Company Secretary | NA (Has been appointed during the year, hence not applicable) |

- (iii) The percentage increase in the median remuneration of employees in the financial year: **NA** (Not comparable since all of the current employees have either been appointed during the year or have returned after end of deputation from group companies)
- (iv) The number of permanent employees on the rolls of company: **34 (as on 31 March'18)**
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **All of the current employees have either been appointed during the year or have returned after end of deputation from group companies, hence not applicable.**
- (vi) Affirmation that the remuneration is as per the remuneration policy of the company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



Religare Enterprises Limited

Statement of Employee remuneration pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| S. No. | Name | Age | Designation | Gross Remuneration (₹) | Qualification | Experience (years) | Date of Commencement of Employment | Last Employment |
|--------|---|-----|---|------------------------|--|--------------------|------------------------------------|--|
| 1 | Sunil Godhwani ¹ | 57 | Whole Time Director | 6,500,000 | M.Sc. (Industrial Engineering & Finance), B.Sc. (Chemical Engineering) | 31 | 9-Apr-07 | Religare Securities Limited |
| 2 | Anil Saxena ² | 49 | Group Chief Finance Officer | 3,444,430 | B.Com, C.W.A, C.A, | 27 | 1-May-07 | Religare Securities Limited |
| 3 | Mohit Maheshwari ³ | 38 | EVP - Compliance & Company Secretary | 5,303,049 | ACS, B.Sc. | 16 | 30-May-14 | Finserve Shared Services Limited |
| 4 | Maninder Singh ² | 53 | Group CEO | 25,244,824 | B. Com, CA | 29 | 22-Mar-17 | Sun Pharma |
| 5 | Subramanian Lakshminarayanan ⁴ | 72 | Executive Chairman | 8,261,290 | M.Sc., PGD In Advance Social and Economic Studies | 37 | 14-Nov-17 | Ministry of Home Affairs, Govt. of India |
| 6 | Krishnan Subramanian | 46 | Director - Finance | 3,348,164 | B.Com, PGDBA, ACS, AICWA | 25 | 14-Nov-17 | Cloud Nine Hospitals |
| 7 | Amarjeet Singh Arora | 55 | Director - Legal & Recovery* | 1,399,440 | B.Com | 36 | 1-Jan-18 | Religare Support Services Limited |
| 8 | Gurvinder Singh Juneja | 43 | Director - Group M&A* | 2,260,742 | MBA and B Tech | 19 | 1-Jan-18 | Religare Support Services Limited |
| 9 | Saurabh Srivastava | 39 | SVP - Information Technology | 1,918,010 | BCA, MCA | 16 | 1-Jan-18 | Religare Support Services Limited |
| 10 | Kishore Belai | 43 | Director - Corporate Strategy & Investor Relations* | 1,819,272 | B.Com, AICWA, ACS | 23 | 1-Jan-18 | Religare Support Services Limited |

¹ Resigned w.e.f. September 06, 2017

² Resigned w.e.f. November 14, 2017

³ Resigned w.e.f. December 28, 2017

⁴ Resigned w.e.f. January 22, 2018

* Non Board members



Statement of Employee remuneration pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(Employed for the part of the year with an average salary above ₹8.5 Lakhs per month not covered above)

| S. No. | Name | Age | Designation | Gross Remuneration (₹) | Qualification | Experience (years) | Date of Commencement of Employment | Last Employment |
|--------|---------------------------------|-----|--------------------|------------------------|---------------|--------------------|------------------------------------|------------------------------|
| 1 | Francis Daniel Lee ¹ | 42 | Executive Director | 435,555 | MBA-Marketing | 17 | 17-Nov-17 | Not available in the records |

¹ Appointed as Executive Director on November 17, 2017 and redesignated to Non-Executive Director on January 24, 2018

Notes:

- 1) Persons named above are/ were permanent employees of the Company.
- 2) Remuneration includes salary, allowances, leave encashment, bonus, leave travel concession, reimbursement of medical expenses to employees. In addition, the employees are entitled to gratuity, employer's contribution to Provident Fund and group insurance in accordance with Company's Rules.
- 3) The appointment of the above employees is non-contractual and are governed by the company policy and rules
- 4) None of the employees above has equity shareholding in the company exceeding 2% of the equity shares as on March 31, 2018
- 5) None of the employees mentioned above are relative of any Director of the Company
- 6) None of the employees were in receipt of remuneration which in the aggregate , is in excess of that drawn by Managing Director of the Company and also holds by himself or along with his spouse and dependent children, 2% of the equity shares of the Company

**By order of the Board of Directors
Religare Enterprises Limited**

Place: Gurugram
Date: August 01, 2018

Sd/-
Krishnan Subramanian
Director-Finance

Sd/-
Malay Kumar Sinha
Director



FORM MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

To,
The Members,
Religare Enterprises Limited
(L74899DL1984PLC146935)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Religare Enterprises Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2018, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/confirmation, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**not applicable to the Company during the audit period**);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**not applicable to the Company during the audit period**)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**not applicable to the Company during the audit period**)
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'LODR, 2015'),



(vi) We, based upon the Management Representation, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company:-

- The Reserve Bank of India Act, 1934 (RBI) to the extent it is applicable to Core Investment Companies (CIC),
- Master Directions on Core Investment Companies (Reserve Bank) Directions, 2016 ("CIC Directions")
- NBFC (Approval of Acquisition or Transfer of Control) Directions, 2015
- The Prevention of Money Laundering Act, 2002 read with the rules made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. *However, the Company is generally regular in complying with the standards except in few occasions.*
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:-

1. *Whereas as per the Requirement of the LODR 2015, the Dividend Distribution Policy was not disclosed in the Annual Report for the Financial Year 2016 - 17.*
2. *Whereas in terms of Regulation 33 of the LODR 2015, the Company did not submit the audited financial results for the quarter and year ended March 31, 2017 within the sixty days thereof. Further, in this regard BSE Limited and National Stock Exchange Limited had also levied penalty of ₹21, 42, 841/- and ₹19,33,345/- respectively, which was duly paid by the Company.*
3. *Whereas in terms of the provisions of Section 203 of the Companies Act, 2013, the Company was required to appoint Chief Financial officer but the same has not been appointed upto the date of this report.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except that of Board Meeting held on June 29, 2017, November 17, 2017, January 24, 2018 and February 17, 2018 which were held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has following events.

- i. That the Company had passed Special Resolution on June 26, 2017 through Postal Ballot for sale of entire investment of the Company in Religare Health Insurance Company Limited, a Subsidiary Company and withdrawal of earlier special resolution passed for shifting of Registered Office of the Company from "National Capital Territory (NCT) of Delhi" to the "State of Maharashtra".
- ii. That the Hon'ble NCLT, New Delhi Bench passed the order vide letter dated December 08, 2017 approving the composite scheme of arrangement under section 230-232 of the Companies Act, 2013 between Religare Securities Limited (Transferor Company 1/ Demerged Company), Religare Commodity Broking Private Limited (Transferor Company 2), RGAM Investment Advisers Private Limited (Transferor Company 3), Religare Venture Capital Limited (Transferor Company 4), Religare Arts Investment Management Limited (Transferor Company 5), Religare Capital Finance Limited (Transferor Company 6), RGAM



Capital India Limited (Transferor Company 7), Religare Investment Advisors Limited (Transferor Company 8), Religare Support Services Limited (Transferor Company 9), Religare Arts Initiative Limited (Transferor Company 10), Religare Capital Markets (India) Limited (Transferor Company 11), Religare Broking Limited (Resulting Company) and Religare Enterprises Limited (Transferee Company). Further, the Scheme of Arrangement has become effective on December 29, 2017 on filing of certified copy of NCLT order with the Registrar of Companies.

- iii. That the Company had passed Special Resolution in its Extra - Ordinary General Meeting held on March 19, 2018 to create, issue, offer and allot, in one or more tranches up to 175,559,960 (Seventeen Crores Fifty Five Lakhs Fifty Nine Thousand Nine Hundred and Sixty) warrants ("Warrants") of ₹52.20 each ("Warrants Issue Price"), exercisable into equal number of Equity Shares of face value of ₹10/- each of the Company on a preferential basis to entities/persons. Further, the minimum Warrants Issue Price under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 was revised from ₹52.20 to ₹52.30 per warrant for which newspaper publication was made on April 04, 2018.
- iv. That the Company has received a letter dated February 28, 2018 from the office of Serious Fraud Investigation Office ("SFIO"), Ministry of Corporate Affairs ("MCA"), Government of India, sought information from the former and as informed to us, the information and documents have been provided to the latter.
- v. The Company has also received Summons dated February 22, 2018 from the Securities and Exchange Board of India ("SEBI") inter alia requesting the Company's cooperation in relation to an investigation in regard to factual data and information pertaining to the Company, its associates and subsidiaries. Further, as informed to us, the information and documents have been provided to the SEBI.

**For PI & Associates,
Company Secretaries**

**Sd/-
Nitesh Latwal
Partner**

**ACS No.: 32109
C P No.: 16276**

**Date : July 31, 2018
Place : New Delhi**

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.



“Annexure A”

To,
The Members,
RELIGARE ENTERPRISES LIMITED

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PI & Associates,
Company Secretaries**

Sd/-
**Nitesh Latwal
Partner**

**ACS No.: 32109
C P No.: 16276**

**Date : July 31, 2018
Place : New Delhi**



SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

| | |
|---|---|
| Corporate Identity Number(CIN) of the Company | L74899DL1984PLC146935 |
| Name of the Company | Religare Enterprises Limited |
| Registered address | 2 nd Floor, Rajlok Building, 24, Nehru Place, New Delhi – 110019 |
| Website | www.religare.com |
| E-mail id | investorservices@religare.com |
| Financial Year reported | 2017-18 |
| Sector(s) that the Company is engaged in | Investment activity (NIC Code – 64200) |
| List three key products/services that the Company manufactures/provides (as in balance sheet) | Investment activity (NIC Code – 64200) Support Services (NIC Code – 78300) |
| Total number of locations where business activity is undertaken by the Company | |
| (a) Number of International Locations | Nil |
| (b) Number of National Locations | Two offices (Delhi and Noida) |
| Markets served by the Company | India |

SECTION B: FINANCIAL DETAILS OF THE COMPANY

| | |
|---|---------------------------------------|
| Paid up Capital (INR) | 2,049,552,480 |
| Total Turnover (INR) | 709,959,427 |
| Total profit after taxes (INR) | (1,101,829,127) |
| Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | Refer Annual Report on CSR activities |
| List of activities in which expenditure in 4 above has been incurred | Refer Annual Report on CSR activities |

SECTION C: OTHER DETAILS

| | |
|--|---|
| Does the Company have any Subsidiary Company/Companies? | Yes (27 direct and indirect subsidiaries) |
| Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) | In general, the Company's approach is to develop and adopt policies relating to BR at the Group level, which are adopted and implemented by all Indian subsidiaries to the extent relevant. As such, all Indian subsidiaries with operating businesses directly or indirectly participate in the BR initiatives of the Company. |
| Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] | No |



SECTION D: BR INFORMATION

Details of Director/Directors responsible for BR

| | |
|---|-----------------------------------|
| (a) Details of the Director/Directors responsible for implementation of the BR policy/policies | |
| 1. DIN Number | 08038047 |
| 2. Name | Mr. Krishnan Subramanian |
| 3. Designation | Director - Finance |
| (b) Details of the BR head | |
| 1. DIN Number (if applicable) | 08038047 |
| 2. Name | Mr. Krishnan Subramanian |
| 3. Designation | Director - Finance |
| 4. Telephone number | 0120 -339 5132 |
| 5. e-mail id | Krishnan.subramanian@religare.com |

2. Principle-wise (as per NVGs) BR Policy/policies

| | |
|------------------|---|
| Principle 1 (P1) | Businesses should conduct and govern themselves with ethics, transparency and accountability |
| Principle 2 (P2) | Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle |
| Principle 3 (P3) | Businesses should promote the well being of all employees |
| Principle 4 (P4) | Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized |
| Principle 5 (P5) | Businesses should respect and promote human rights |
| Principle 6 (P6) | Businesses should respect, protect, and make efforts to restore the environment |
| Principle 7 (P7) | Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner |
| Principle 8 (P8) | Businesses should support inclusive growth and equitable development |
| Principle 9 (P9) | Businesses should engage with and provide value to their customers and consumers in a responsible manner |



(a) Details of compliance (Reply in Y/N)

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|--|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 1 | Do you have a policy/ policies for.... | Y | N.A | Y | Y | N* | Y | Y | Y | N.A |
| 2 | Has the policy being formulated in consultation with the relevant stakeholders? | Y | - | Y | Y | - | Y | Y | Y | - |
| 3 | Does the policy conform to any national / international standards? If yes, specify? (50 words) | - | - | - | - | - | - | - | - | - |
| 4 | Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director? | Y | - | Y | Y | - | Y | Y | Y | - |
| 5 | Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? | Y | - | Y | Y | - | Y | Y | Y | - |
| 6 | Indicate the link for the policy to be viewed online? | Relevant policies and code of conduct are available on our website www.religare.com | | | | | | | | |
| 7 | Has the policy been formally communicated to all relevant internal and external stakeholders? | The policies are communicated to key internal and external stakeholders and it is an ongoing process. | | | | | | | | |
| 8 | Does the company have in-house structure to implement the policy/ policies. | Y | - | Y | Y | - | Y | Y | Y | - |
| 9 | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | Y | - | Y | Y | - | Y | Y | Y | - |
| 10 | Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? | Y | - | Y | Y | - | Y | Y | Y | - |

* The Company is dedicated to uphold the human rights of all its employees and it strictly ensures compliance with all applicable laws of the land pertaining to human rights. The Company did not receive any complaint relating to violation of human rights during the year 2017-18.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1 | The company has not understood the Principles | - | - | - | - | - | - | - | - | - |
| 2 | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | - | - | - | - | √ | - | - | - | - |
| 3 | The company does not have financial or manpower resources available for the task | - | - | - | - | - | - | - | - | - |
| 4 | It is planned to be done within next 6 months | - | - | - | - | - | - | - | - | - |
| 5 | It is planned to be done within the next 1 year | - | - | - | - | - | - | - | - | - |
| 6 | Any other reason (please specify) | | | | | | | | | |
| | The Company is a holding and investment company and is not involved in any manufacturing activity or services under the purview of BRR. | - | √ | - | - | - | - | - | - | - |
| | The Company being a holding and investment company does not have any direct customers under the scope of the BRR | - | - | - | - | - | - | - | - | √ |



3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board and Board Committees assess the BR performance of the Company on a periodic basis.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Starting from 2016-17, the Company publishes the information on BR which forms part of the Annual report of the Company. The Annual report is available on the website of the Company at www.religare.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company?

No

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Whistleblower policy covers all the stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

| Stakeholder's Complaints | | | |
|--------------------------|---------------------------|----------------------------|--------------------------|
| Complaints | No of Complaints received | No. of Complaints resolved | % of complaints resolved |
| Shareholders Complaints | 21 | 21 | 100% |

Principle 2 : Not Applicable

The Company is a holding and investment company and is not involved in any manufacturing activity or services under the purview of BRR.

Principle 3

- Please indicate the Total number of employees : 34
- Please indicate the Total number of employees hired on temporary/contractual/casual basis : Nil
- Please indicate the Number of permanent women employees. : 7
- Please indicate the Number of permanent employees with disabilities : Nil
- Do you have an employee association that is recognized by management. : No
- What percentage of your permanent employees is members of this recognized employee association? : NA
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| No. | Category | No of complaints filed during the financial year | No of complaints pending as on end of the financial year |
|-----|---|--|--|
| 1 | Child labour/forced labour/involuntary labour | Nil | Nil |
| 2 | Sexual harassment | Nil | Nil |
| 3 | Discriminatory employment | Nil | Nil |



8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees - None
- (b) Permanent Women Employees - NA
- (c) Casual/Temporary/Contractual Employees - NA
- (d) Employees with Disabilities - NA

Principle 4

- 1. Has the company mapped its internal and external stakeholders? :** Yes
- 2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.:** Yes
- 3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Yes, We have a Group CSR policy which targets the underprivileged and marginalized sections of the society.

Principle 5

- 1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Company does not have a policy on human rights. However, the Company is dedicated to uphold the human rights of all its employees and it strictly ensures compliance with all applicable laws of the land pertaining to human rights.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

The Company did not receive any complaint relating to violation of human rights during the year 2017-18.

Principle 6

- 1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

Social and Environmental Management Policy of the Company extends to subsidiaries of the Company, wherever applicable.

- 2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

The Company continually endeavors to ensure effective social & environmental management practices in all its activities, products and services as per Social and Environmental Management Policy

- 3. Does the company identify and assess potential environmental risks? Y/N**

Yes

- 4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No

- 5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis.

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Not applicable



7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Not Applicable

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

No

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Not Applicable

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has adopted a Group CSR Policy which seeks to create significant social impact and promote inclusive growth. However, during FY2017-18, the Company was not required to undertake any CSR initiatives due to absence of average profits based on the previous three years' financial performance.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The Company's approach has been to partner with organisations that have the relevant experience and expertise in implementing community welfare and development programmes to maximise the societal impact from CSR spend.

3. Have you done any impact assessment of your initiative?

Not Applicable

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Nil – as the Company was not required to undertake any CSR initiatives. Refer to the Annual Report on CSR activities for further information

Principle 9 : Not Applicable

The Company being a holding and investment company does not have any direct customers under the scope of the BRR



1. Industry Overview and Macro-economic Developments

World economic growth improved to 3.8% in 2017 from 3.2% in 2016, with underlying strength witnessed across advanced economies as well as the emerging market and developing economies groups. Recovery in the US economic growth was pivotal in pulling the growth rate up for the world in 2017 and is likely to help sustain this momentum in the current year. On the other hand, China's GDP growth continued to remain subdued and stayed below the 7% mark.

As for India, the economic growth rate dropped marginally in 2017-18 to 6.7% from 7.1% during the earlier year. The slowdown was led by the lingering impact of demonetisation, as well as on account of the biggest tax reform in the country since Independence i.e. Goods and Services Tax (GST), which was implemented in the first half of FY18. Further, higher crude oil price and rupee depreciation posed challenges for the economy during the latter half of FY18. Notably, though consecutive hurdles impacted India's growth on an annual basis, GDP growth of 7.7% in Q4 of 2017-18 has once again made India the world's fastest growing major economy, outpacing China's growth by nearly a percentage point. Furthermore, with the implementation of structural reforms like GST - aimed at increasing economic productivity - supported by concerted efforts by the Reserve Bank of India (RBI) towards controlling inflation coupled with a favourable monetary policy stance and a possible third consecutive year of good monsoon, India's GDP looks set to clock a higher growth rate on an annual basis.

The Indian market had an eventful year with the implementation of GST during the second quarter of FY2017-18 and the re-introduction of long-term capital gains tax in the Budget for 2018-19, presented in February 2018. Despite the economic challenges, on account of the various reform measures implemented by the government, Foreign Portfolio Investors (FPIs) continued to pose their faith in the Indian market as evident from their net investments surging to ~₹1.45 lakh cr. in 2017-18. High global investor confidence was also reflected in the record Foreign Direct Investment (FDI) inflows into the country during the year.

A strong year for markets

Post a strong 2016-17 performance, expectations as well as apprehensions were running high with respect to the likely performance of the market during 2017-18. While the last couple of months of 2017-18 would have made a large section of the market nervous, the Sensex managed to deliver a return of 11.3% for the year as a whole. The broader markets outperformed the Sensex with the Mid-cap index delivering a return of 13.2% while the Small-cap index ended the year with a gain of 17.7%.

| Sensex Returns (year-on-year) ¹ | | | | |
|--|-----------|-----------|-----------|-----------|
| FY2013-14 | FY2014-15 | FY2015-16 | FY2016-17 | FY2017-18 |
| 18.9% | 24.9% | -9.4% | 16.9% | 11.3% |

Bold reform initiatives have a transitory negative impact on GDP growth

The Indian GDP growth rate slowed down for the second consecutive year in 2017-18 on account of the lingering effects of demonetisation from 2016 and the implementation of GST on July 1, 2017, which impacted trade temporarily as businesses adjusted to the new tax system. The GDP growth rate declined from 7.1% in 2016-17 to 6.7% in 2017-18.

GDP Growth Rate²
(new GDP series; base year: 2011-12)



Growth by Sector³
(based on the new GDP series)

| Sector | FY2015-16 | FY2016-17 | FY2017-18 |
|-------------|-----------|-----------|-----------|
| Agriculture | 0.7% | 4.9% | 3.4% |
| Industry | 8.8% | 5.6% | 5.5% |
| Services | 9.7% | 7.7% | 7.9% |

Note: The above is Gross Valued Added (GVA) growth which is marginally different from GDP growth

GDP growth in 2017-18 was propped up by support from public investments, while private investments remained a drag. Agriculture lent some support to overall growth thanks to a second consecutive good monsoon. Going forward, with 2018-19 being the year just before the General Elections of 2019 and also laced with several important state elections, public investments are unlikely to moderate. Any pick-up in private investment will provide further impetus to GDP growth. Moreover, with global economies being strong, exports are expected to rebound in 2018-19. Lastly, since meteorologists expect India to have a third consecutive year of good monsoon, agriculture will continue to contribute to economic growth. Having said this, the challenges for the economy remain in the form of potentially higher oil prices, a weaker currency, PSU banks' NPA challenges, which will prevent any sharp recovery in lending activities from this segment, and protectionist rhetoric emanating from the US in particular getting converted into a global trade war.

¹Source: Bloomberg

²Source: Bloomberg

³Source: CSO, MOSPI and CMIE



Note: In 2015, the Central Statistical Organisation (CSO) revised the methodology of computing Indian National Accounts, by revising the constant base year to 2011-12 against 2008-09 used earlier, thereby impacting growth numbers. In addition, it has also changed the basis of measurement of GDP to GVA at Basic Prices as against Factor Cost used earlier. The discussion above is based on the new series numbers.

Since mid-2014, global crude oil had been under tremendous pressure, which had seen the price crash to USD 30 per barrel in early 2016. However, since then, crude oil price had seen a gradual increase. Thus, after having firmed up by ~3% year-on-year in 2016-17, average Brent crude oil price strengthened further by ~16% year-on-year to USD 58 per barrel, hitting a high of ~USD 70 per barrel in 2017-18. The start of 2018-19 has seen a further rise in prices to USD 80 per barrel. Prices rallied sharply due to supply disruption from Venezuela and over concerns of renewed sanctions on Iran by the US. However, an expected increase in supplies from OPEC and non-OPEC members along with a rise in US oil production will help counter the threat of potential supply shortfalls.

On the currency front, the scenario remained relatively favourable in 2017-18 with the Indian Rupee (INR) strengthening against the US Dollar (USD) to an average of ₹64.5 per USD from ₹67.1 per USD in the previous fiscal on account of reigned in inflation and crude oil price around the USD 60 per barrel mark. Also, the weakness in the US dollar index, which witnessed one of its worst falls in a decade due to uncertain US government policies alongside the large inflows in Indian equities during most part of 2017-18 aided the appreciation in the Indian Rupee. However, with oil and currency trends against the Indian economy at the beginning of 2018-19, the Indian currency has started to feel the heat.

The Wholesale Price Index (WPI) firmed up from 1.7% in 2016-17 to 3.0% in 2017-18⁴. On the other hand, retail inflation, as measured by the Consumer Price Index (CPI), which has been witnessing a sustained decline since 2015-16, dropped further from 4.5% in 2016-17 to 3.6% in 2017-18⁵. Sustained control over food inflation partly aided by government price monitoring and partly by two good years of monsoon leading to better agricultural production, helped control retail inflation. However, going into 2018-19, the low base of last fiscal coupled with the firm up in commodity prices, especially crude, and a depreciated currency, has increased the risks of imported inflation considerably.

Current Account Deficit under stress

India's Current Account Deficit (CAD) is expected to have widened from 0.7% in the previous fiscal to around 2% for 2017-18 on the back of a higher trade deficit driven by a combination of higher global commodity prices and export growth being below potential on account of GST related issues. However, strong capital inflows mitigated this to an extent. Nonetheless, sustained higher crude oil prices and a weaker rupee are expected to put additional pressure on the CAD in 2018-19. Amidst this, India's foreign exchange reserves touched a record of ~USD 424 billion by end-March 2018, which puts India in a relatively comfortable position in the backdrop of firming crude oil prices and tightening central bank policies globally.

RBI remains neutral; Government deviates marginally from fiscal path

The RBI, having changed its Monetary Policy stance from accommodative to neutral in February 2017, sounded alarm bells periodically with respect to inflation rearing its head. Nonetheless, with the aim of lending some support to the economy which had been reeling under the transitory impact of GST implementation, the RBI cut the policy rate by 25 bps in August 2017, bringing the benchmark rate down from 6.25% to 6.00%⁶. However, with the threat of domestic inflation on the horizon and a rising interest rate environment globally, the RBI opted to adopt a wait-and-watch policy. Going forward, global commodity price, the USD/INR equation, inflation (impending higher MSP), strengthening economic growth and monsoon behaviour (impact on food price) would be the key parameters on RBI's radar to determine policy rates.

On the fiscal front, the government marginally deviated from its path of fiscal consolidation. India's fiscal deficit came in at 3.5% for 2017-18⁷, in-line with the revised estimates of the government. Notably, during the year, the government had increased its fiscal deficit target for 2017-18 from 3.2% to 3.5% and from 3% to 3.3% for 2018-19 to accommodate higher demand for expenditure.

Performance of the financial services sector

Banking and Credit

Credit Growth: Banks' credit growth improved in 2017-18 post the slowdown witnessed in 2016-17, clocking in at ~9.5%⁸ as against 4.7% in the previous fiscal. The key drivers of credit growth were the retail and services sectors, whereas industrial and agriculture demand continued to remain tepid. Credit growth was largely led by private banks, which collectively reported a growth of ~20.9%. On the other hand, PSU banks' credit grew at a sluggish pace of ~4.7%, largely impacted by their asset quality issues.

⁴Source: Office of the Economic Advisor

⁵Source: Open Government of India (<http://data.gov.in>)

⁶Source: Reserve Bank of India Monetary Policy Statement

⁷Source: "Medium Term Fiscal Policy Statement", India Budget FY 18

⁸Source: RBI Quarterly Statistics Data



Deposit Growth: Banks' deposit growth in 2017-18 fell to a five decade low of 6.8%⁸ as against 11.7% in 2016-17. The slower pace of growth was mainly on account of the expansion of the base due to demonetization in 2016. Further, the movement of savings away from traditional bank deposits to other financial assets like mutual funds and insurance also affected the growth in deposits. Private sector banks led deposit growth too, with a 17.4% increase year-on-year. On the other hand, PSU banks' deposits grew at meagre 3.1% in 2017-18.

Equity Market

During the year, NSE equity cash market volumes increased by 22.1%⁹ to approximately ₹61.7 lakh crore as against 19.3% in the previous fiscal. Aided by hectic action in the primary market and sustained participation by institutional and retail investors alike, the market capitalization of NSE-listed companies swelled by 17.2% to ₹140 lakh crore after a strong growth of 28.7% in 2017-18. This growth was despite the challenges on the domestic economy front in the form of the implementation of GST affecting businesses / GDP and on the global economy front in the form of US-Korea standoff w.r.t. the latter's nuclear program and rise in global trade war rhetoric.

Insurance

The first year premium (new business premium) of life insurance companies witnessed a growth of 10.8%¹⁰ in 2017-18 as against growth of 26.2% in 2016-17. The first year premium income was ₹1.93 lakh crore in 2017-18 compared to ₹1.75 lakh crore in 2016-17. The growth was mainly led by private players, which grew at 17.2%, whereas LIC's first year premium growth was a meagre 8.2% year-over-year. The total number of policies increased by 6.6% in 2017-18. On the non-life insurance front, the gross written premium increased from ~₹1.28 lakh crore in 2016-17 to ~₹1.51 lakh crore in 2017-18¹⁰, a surge of 17.5% year-over-year.

Outlook

Global growth witnessed a recovery in 2017 driven by the recovery in advanced economies, sustained growth in emerging Asia and signs of recovery in several commodity exporting countries. The Indian economy, however, grew at a relatively sluggish pace of 6.7% in 2017-18 as against 7.1% in 2016-17 mainly on account of multiple reform measures being implemented over the past 18-24 months. However, the silver lining last fiscal was that India's GDP growth picked up from 5.6% in Q1FY2018 to 7.7% in Q4FY18. Going forward, economic activity is expected to strengthen and real GDP growth is projected at 7.5% for 2018-19. Higher government spending and pickup in consumption demand augurs well for the Indian economy. Further, a normal monsoon forecast by the India Meteorological Department bodes well for the agriculture sector and rural spending. While the economy is increasingly driven by domestic consumption, any strengthening of external demand will further abet India's economic growth. On the flipside, the risks to India's near-term growth trajectory are rising crude oil prices, a weakening domestic currency and a higher interest rate scenario in the backdrop of inflationary pressures.

Overview of our Business

Religare Structure and Business Model

Religare Enterprises Limited (REL) has seeded and built businesses across the financial services spectrum with the objective of creating scale businesses that generate sustained profitability and create equity value for REL. Religare's businesses operate across three key verticals of the financial services industry in India – Lending (SME Finance and Affordable Housing Finance), Health Insurance and Retail Broking.

REL is a Core Investment Company registered with the Reserve Bank of India (RBI)¹¹. The operating businesses are housed in subsidiaries and have independent management teams to conduct their day-to-day operations. REL has provided the operating companies with the requisite capital, governance structures, risk management mechanisms and oversight, and helped the operating businesses attain critical scale.

Risk Monitoring and Mitigation

REL has devised a comprehensive framework for risk management and controls for the operating entities. The implementation of the risk management framework is overseen by the Boards of the respective entities, which have representation from REL. The risk management framework has been designed to identify, measure, report, monitor and mitigate various risks inherent in the financial services business, and mandates the Risk Management Committee of the respective Boards to monitor such risks. REL has a comprehensive Internal Audit function to review and evaluate the efficacy and adequacy of internal control systems, compliance with operating systems, accounting procedures and policies. The Internal Audit function is carried out by a reputed external firm and the findings and recommendations are presented to the respective Audit Committees.

⁹Source: National Stock Exchange of India Ltd.

¹⁰Source: Insurance Regulatory Development Authority of India

¹¹**RBI Disclaimer:** (a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company; (b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/ body corporate



Key Subsidiaries

REL being a Core Investment Company, the businesses are operated out of various subsidiaries. The table below lists our key subsidiaries as at March 31, 2018, and their major areas of operation:

| Company | Status | REL's stake | Major Area(s) of Operation |
|--|-------------------------------|-------------|--|
| Lending | | | |
| Religare Finvest Limited (RFL) | Subsidiary | 85.64% | <ul style="list-style-type: none"> SME Finance Capital Market Finance |
| Religare Housing Development Finance Corporation Limited (RHDFC) | Subsidiary (held through RFL) | 87.50% | <ul style="list-style-type: none"> Housing Finance |
| Health Insurance | | | |
| Religare Health Insurance Company Limited (RHICL) | Subsidiary | 90.78% | <ul style="list-style-type: none"> Health insurance and related products |
| Retail Broking | | | |
| Religare Broking Limited (RBL) | Subsidiary | 100% | <ul style="list-style-type: none"> Retail Equity Broking Retail Currency Broking Online Investment Portal Depository Services E-Governance Services |
| Religare Commodities Limited (RCL) | Subsidiary (held through RBL) | 100% | <ul style="list-style-type: none"> Retail Commodity Broking |

Lending

Our lending business is operated by RFL and its 87.50%-owned subsidiary, RHDFC. RFL is registered with RBI as a non-deposit taking, systemically important Non-Banking Financial Company (NBFC-ND-SI). RFL is focused on providing debt capital to Small & Medium Enterprises (SMEs) to enable them to enhance their productive capacity and throughput – it is amongst the first NBFCs in India to focus on this segment, having started the business in 2008. India's SME sector accounts for nearly 45% of its manufacturing output and approximately 40% of its exports, contributes close to 17% to the nation's GDP and employs about 73 million people, according to the "Trends in SME Financing" study by CRISIL. Yet, the sector is woefully under-funded, giving RFL, which has an early-mover advantage in this segment, tremendous headroom for growth.

Offerings

Given its focus on the SME sector, RFL's offerings have been tailor-made to suit the unique requirements of this sector and comprise:

SME-Secured: RFL's SME-Secured product enables its customers to obtain loans against their residential or commercial property. Loans offered under this product may be utilized towards different purposes including business expansion and purchase of plant and machinery.

SME-Unsecured: This product caters to working capital and other financial requirements of small and medium enterprises, self-employed businessmen and professionals. Loans are granted after an in-depth and detailed financial analysis and credit underwriting of the clients.

In addition to its primary focus on lending to SMEs, RFL provides financing against shares and securities, both to retail customers and to promoters of listed companies against their holdings in their own companies, collectively referred to as Capital Marketing Lending. Specifically, RFL offers Loans Against Securities (to retail customers, secured by marketable securities held by them); IPO Financing (providing liquidity to high net-worth individuals to enable them to subscribe to public offerings of shares); ESOP Financing (granting loans to salaried individuals against vested stock options and shares allotted on exercise of such options, which is typically facilitated by the employer); and Promoter Financing (lending to promoters of reputed mid-sized and large corporates against shares held by them in their companies, as well as other collateral, in order to augment the resources at the disposal of the promoters).



In the past, RFL offered SME Commercial Asset funding for commercial vehicles (new or used) and construction equipment (heavy or light) segments to priority sector small operations as well as high end strategic operators. This line of business has been discontinued.

Presence in SME clusters

SME units tend to be concentrated in clusters in or around large cities to take advantage of the infrastructure and ancillary services that are available in such centres. Nearly 80% of the SME financing opportunity in India is concentrated in 25 such clusters and RFL has systematically built its branch network to cover all these locations – as at March 31, 2018, RFL's network comprised 32 branches across 13 states and 1 Union Territory. In addition, RFL conducts business in clusters that are in proximity of those where it has a branch using the hub-and-spoke model and in this manner services markets where it does not have a branch presence. RFL has developed robust and comprehensive infrastructure to ensure that all critical processes – including credit assessment, risk management, collections and recoveries – are performed in-house and has made substantial investments towards building best-in-class infrastructure to support its business operations.

Operational Performance

The total loans and advances (net of repayments and assignments) was ₹9,797 crore as at March 31, 2018 from ₹13,974 crore at the end of the earlier year. RFL had consciously restrained fresh lending during the previous year to conserve its capital in view of the stressed credit environment and RFL continued with this approach during the year under review as well. In addition, during the year, RBI has directed RFL to adhere to a corrective action plan that, amongst other conditions, stipulates that RFL shall not expand its credit portfolio. Consequently, fresh disbursements were significantly lower than the principal amounts of loans repaid during the year leading to a decline in the book size. The total number of active accounts as at March 31, 2018 stood at 9,025. RFL's gross non-performing assets (90-day basis) as at March 31, 2018 stood at 34.3% and net non-performing assets (NPAs) stood at 20.4%; the increase in NPAs reflects the challenging credit conditions across the economy in general, and a sizable default in RFL's corporate loan book in particular, compounded by a reduction in RFL's book size.

Balance Sheet and Credit Ratings

Shareholders' funds in RFL as at March 31, 2018 (including retained earnings) amounted to ₹1,938 crore and balance sheet size stood at ₹12,532 crore. Shareholders' funds take into account the significant provisions made towards non-performing assets during the year.

The following table lists the ratings on RFL's debt as at March 31, 2018:

| Rating Type | Rating by ICRA ¹² | Amount (₹ crore) | Rating by India Ratings ¹² | Amount (₹ crore) |
|-------------------------|------------------------------|---------------------|--|---------------------|
| Commercial Paper | [ICRA] A3 (WDI) | 2,000 | IND A3+ (RWN) | 3,000 |
| Long Term Debt | [ICRA] BBB (WDI) | 1,000 | IND BBB (RWN) | 3,000 |
| Long Term Bank Loans | [ICRA] BBB (WDI) | 12,000 | IND BBB (RWN) | 15,000 |
| Short Term Bank Loans | - | - | IND A3+ (RWN) | 3,000 |
| Tier-2 Subordinate Debt | - | - | IND BBB (RWN) | 750 |

WDI = Watch with developing implications and RWN = Rating Watch Negative

Additionally, RFL has a Long-Term Rating of 'CARE BBB (watch with developing implications)' from CARE¹² for an amount of ₹36.93 crore.

During the financial year under review, the credit rating agencies have revised short-term ratings assigned to RFL to 'A3+ (Rating Watch Negative)' and 'A3 (Watch with developing implications)' and the long term ratings to 'BBB (Rating Watch Negative)' and 'BBB (Watch with developing implications)'. The rating agencies have attributed the revision to delay in incremental capital infusion, delay in wind-down of the corporate loan book, deteriorating financial flexibility, and stressed loan portfolio.

¹²ICRA stands for ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited), an associate of Moody's Investor Services; India Ratings refers to India Ratings and Research Private Limited, a Fitch Group Company; CARE stands for CARE Ratings Limited (formerly Credit Analysis and Research Limited).



Affordable Housing Finance

RFL's subsidiary RHDFC is licenced by National Housing Bank (NHB) as a Housing Finance Company (HFC) and focuses on providing loans for acquisition, construction and repair of dwelling units in the affordable housing segment. The "Report on Trend and Progress of Housing in India, 2016" by NHB estimates a total deficit of 43.7 million dwelling units in rural India and 18.8 million dwelling units in urban India with 90% of the deficit in the urban areas being in affordable housing segment. This gap between the demand and supply needs to be closed rapidly if the aspirations of a fast-growing nation are to be met, and has created an enormous opportunity for funding of affordable housing. The ability to assess the credit worthiness of potential borrowers is crucial for succeeding in this segment; robust credit assessment processes position RHDFC extremely well to capitalise on this opportunity.

RHDFC operated through 30 branches as at March 31, 2018 and has a presence in Delhi NCR, Rajasthan, Maharashtra, Gujarat, Madhya Pradesh, Tamil Nadu, Karnataka, Telangana and Andhra Pradesh.

During FY2017-18, RHDFC disbursed loans totalling ₹186 crore in the affordable housing segment, and the corresponding total loans outstanding as at March 31, 2018 stood at ₹898 crore. Due to financial challenges at RFL and REL, its ultimate parent, the book size of RHDFC remained similar to the previous year. However, with the distribution reach intact and the scale of operations maintained, RHDFC is set to make a meaningful impact in its target segment.

As at March 31, 2018 RHDFC's long term rating was '[ICRA] BBB' and on watch with developing implications and the short term rating was '[ICRA] A3' and on watch with developing implications. ICRA Limited has revised the ratings downward following a similar rating action on RHDFC's immediate parent, RFL, in light of the strong operational linkages between RHDFC and RFL.

Health Insurance

Our subsidiary RHICL is licenced by IRDAI to offer health insurance and related products. Two leading public sector banks, viz., Corporation Bank and Union Bank of India, are co-promoters in this venture holding over 4% equity each. RHICL has been formed to capitalise on the vast opportunity in the health insurance space in India, stemming from low insurance penetration (high proportion of out-of-pocket expenditure by patients) coupled with the fast rising cost of medical treatment.

RHICL launched its products in July 2012 and totally has 14 approved products spanning retail health, group health, excess of loss, maternity, travel insurance, personal accident and critical illness policies, and various riders. RHICL has developed a multi-channel distribution model that provides a balanced revenue contribution from the direct, agency, bank and alternate channels. Designing innovative products to address unmet customer needs and providing best-in-class customer service experience have been the key tenets of doing business for RHICL: besides enabling this through a state-of-the-art technology platform that RHICL has developed, RHICL has since inception managed claims for all retail policies in-house as the claims experience is the chief determinant of the customer's perception of the insurer.

Operational Performance

FY2017-18 marked the completion of five full years of operations for RHICL and Gross Written Premium crossed an important milestone of ₹10 billion. Gross Written Premium garnered was ₹1,111 crore during the year as against ₹726 crore in FY2016-17, representing growth of 53%. Over 6,500 hospitals have been enrolled for providing cashless treatment to the insured. RHICL has established a pan-India distribution network of 74 offices. RHICL has benefitted from robust operational processes and scale effects; the ratio of claims to earned premium for FY2017-18 was 52% only slightly higher than 51% in the earlier year.

Retail Broking

The Retail Broking business facilitates trading and investment in equities and equity derivatives, currencies and commodities for its clients and is operated by RBL and its subsidiaries.

Retail Equity Broking: The retail equity broking business was operated by RSL [a wholly owned subsidiary of the Company for part of the year, which was merged with the Company pursuant to the Composite Scheme of Arrangement approved by National Company Law Tribunal ('NCLT')]. Pursuant to the order of NCLT, the broking business of RSL was transferred and now vests with RBL. RBL is a member of the National Stock Exchange of India Limited (NSE), BSE Limited (BSE, formerly the Bombay Stock Exchange) and Metropolitan Stock Exchange of India Limited (MSEI, formerly MCX Stock Exchange Limited) in cash equities, futures & options and currency derivatives segments. In addition, RBL is a Depository Participant with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) which facilitates smooth settlement of clients' delivery-based transactions.

Retail Currency Broking: Trading in currency futures and options allows clients to hedge the capital and trading exposures they may have in currencies other than the Indian rupee. These products are offered by RBL as a member of the currency segment on NSE, BSE and MSEI. Currently, the exchanges permit futures trading in four currency pairs, viz. US dollar-Indian rupee, Euro-Indian rupee, Pound Sterling-Indian rupee and Japanese yen-Indian rupee, and options trading in the US dollar-Indian rupee pair.



Retail Commodity Broking: RCL was a wholly owned subsidiary of RSL for part of the year. RCL became a wholly owned subsidiary of RBL after the approval from NCLT of the Composite Scheme of Arrangement. RCL, now a wholly owned subsidiary of RBL, is a member of the two major electronic commodities futures exchanges in India, viz., Multi-Commodity Exchange of India Limited (MCX) and the National Commodities & Derivatives Exchange Limited (NCDEX). Exchange-based trading of futures in various agricultural products, bullion, metals and oil & gas provides producers, end-users and intermediaries who are exposed to price risks in these commodities, a platform for locking-in future prices and thereby hedging their exposures. Further more, commodities have emerged as an alternative investment avenue to investors looking for diversification of their investments. RCL has established a presence in various agricultural markets ('*mandis*') and centres where physical trading in other commodities takes place in addition to financial centres where investors are concentrated to facilitate hedging of price risks and to provide a convenient means of investing in an emerging asset class.

Ancillary Services: RBL is also a TIN (Tax Information Network) and PAN (Income Tax Permanent Account Number) facilitation partner of NSDL and offers services relating to PAN, TAN (Tax Deduction and Collection Account Number), and filing of TDS/ TCS (Tax Deduction at Source/Tax Collection at Source) returns at select branches, to help its customers fulfil their major financial services needs under a single roof. RBL is also empanelled with Unique Identification Authority of India as an Enrolment Agency for generation of Aadhaar, with E-mudra as Registering Authority/ Agent for issuance of Digital Signature Certificate and is an AMFI registered mutual fund distributor. RBL is also registered as Point of Presence (POP) with Pension Fund Regulatory Development Authority ('PFRDA') under PFRDA Point of Presence Regulations, 2015 and with Insurance Regulation & Development Authority as a composite corporate agent to distribute insurance products.

The services of the Retail Broking business are targeted at various categories of non-institutional investors, including high net worth individuals and family offices, high-volume traders and arbitrageurs, savvy mass affluent investors and occasional investors. To meet the trading and investing needs of such a diverse set of clients, the business has developed product propositions for every type of client, ranging from personalised full-service offerings for high net worth individuals to execution-only services that operate without any face-to-face contact for occasional investors. Religare is the pioneer of building a nation-wide network of branches to reach out to investors and this continues to remain a major strength: as at March 31, 2018, the physical presence of the Retail Broking business comprised more than 1,100 branches, of which 91 are owned branches and more than 1,000 are Business Partner locations. In addition, RBL has built nine specialised dealing rooms to facilitate trading over the phone and these dealing rooms have been located in various cities across India to provide regional language support to customers.

Religare has always been at the cutting edge of trading technology. In addition to the "brick-and-mortar" branch channel, the Retail Broking business provides its clients the ability to trade over the phone ("Call-N-Trade"), on the internet (through its portal www.religareonline.com) and using feature-rich apps on the leading mobile phone platforms (through its application "Dynam"). RBL has entered into tie-ups with various banks – known as the 'Bancinvest' channel – whereby RBL provides online trading facilities to the banks' customers by integrating RBL's trading platform with the banks' internet banking platform. RBL's partner banks currently include Andhra Bank, Bank of Maharashtra, Corporation Bank, Dhanlaxmi Bank Limited, IndusInd Bank Limited, Karur Vysya Bank Limited, Saraswat Co-operative Bank Limited, South Indian Bank Limited, Tamilnadu Mercantile Bank Limited, The Vijay Co-Operative Bank Ltd., UCO Bank and Union Bank of India.

Operational Performance

FY2017-18 was a strong year for the equity market as trading volumes increased each quarter and average daily turnover for FY2018 was ₹7.57 lakh crore. The share of the lower yielding Futures & Options segment with the overall market turnover was at 95% from 94% during the earlier year and the share of the better yielding cash equities segment was 5% with adverse implications continuing for blended yields. RBL's total traded volume was ₹10.03 lakh crore in FY18 compared to ₹11.89 lakh crore in FY17.

Over the last few years, the industry has undergone structural changes and in response to the changing structure of the industry, our Retail Broking business has altered its operating model to become an asset-light, flexible and predictable business. During the year, we re-evaluated a large number of our Business Partner relationships. Consequently, the number of Business Partners was reduced to 1,058 as at March 31, 2018, as against 1,119 at the end of the earlier year. However, the distribution footprint has not been compromised and our Retail Broking business continues to be present in 404 cities and towns and services close to 1 million unique customers. The financial challenges at the group-level have adversely affected the perception of the Retail Broking business in the eyes of its counterparties and impeded the growth of the business.

During the financial year ended March 31, 2018, RBL's credit ratings were downgraded due to significant deterioration of the financial flexibility of the group as a whole. Short term rating for RBL's commercial paper programme (for an amount of ₹1,200 crore reduced to ₹400 crore after the end of the financial year) and short term bank lines (for an amount of ₹600 crore) are rated '[ICRA] A3' and are on watch with developing implications.



3. Review of Financial Performance

Consolidated Results of Operations

| Particulars | FY2017-18 | | FY2016-17 | | Growth % |
|--|---------------------|----------------------|---------------------|----------------------|----------------|
| | Amount (₹ crore) | % of total income | Amount (₹ crore) | % of total income | |
| Revenue from Operations | 2,586.76 | 96.05 | 3,771.76 | 98.20 | (31.42) |
| Other Income | 106.38 | 3.95 | 69.26 | 1.80 | 53.60 |
| Total Revenue | 2,693.14 | 100.00 | 3,841.02 | 100.00 | (29.88) |
| Expenses | | | | | |
| Employee Benefits Expense | 498.35 | 18.50 | 644.99 | 16.79 | (22.74) |
| Finance Costs | 1,261.02 | 46.82 | 1,836.30 | 47.81 | (31.33) |
| Depreciation and Amortization Expense | 37.61 | 1.40 | 30.97 | 0.81 | 21.44 |
| Other Expenses | 2,474.02 | 91.86 | 1,023.25 | 26.64 | 141.78 |
| Total Expenses | 4,270.99 | 158.59 | 3,535.50 | 92.05 | 20.80 |
| Profit/(Loss) before Exceptional Items & Tax | (1,577.85) | (58.59) | 305.52 | 7.95 | N.A. |
| Exceptional Items | | | | | |
| Write Back of Provision for Diminution in the value of non-current Investments in a subsidiary | - | - | 450.00 | 11.72 | N.A. |
| Write off Investment in lieu of Reduction of Share Capital by subsidiary company | - | - | - | - | N.A. |
| Provision for diminution in value of non-current investment in a subsidiary | - | - | (15.00) | (0.39) | N.A. |
| Profit on sale of non-current investment in a Joint Venture | - | - | - | - | N.A. |
| Profit / (Loss) on sale of investment in subsidiaries (Net) | - | - | (83.25) | (2.17) | N.A. |
| Impairment of Goodwill on Consolidation | - | - | - | - | N.A. |
| Loans / Sundry Balances written off | - | - | (793.67) | (20.66) | N.A. |
| Profit/(Loss) after Exceptional Items & before Tax | (1,577.85) | (58.59) | (136.40) | (3.55) | N.A. |
| Tax Expenses | (227.43) | (8.44) | (13.04) | (0.34) | N.A. |
| Profit/(Loss) after Tax and before Minority Interest and Share in Associates | (1,350.42) | (50.14) | (123.36) | (3.21) | N.A. |
| Profit/(Loss) attributable to Minority | (157.92) | (5.86) | 50.71 | 1.32 | N.A. |
| Share of Profit in Associates (Net) | - | - | (0.20) | (0.01) | N.A. |
| Profit / (Loss) for the year | (1,192.50) | (44.28) | (174.27) | (4.54) | N.A. |
| Exceptional Items, net of tax | - | - | (250.82) | (6.53) | N.A. |
| Profit / (Loss) for the year before Exceptional Items | - | - | (76.55) | (1.99) | N.A. |
| Earnings per equity share (₹) | | | | | |
| Basic | (66.84) | | (9.79) | | |
| Diluted | (66.84) | | (9.79) | | |

Note: 1. REL, RCML and RHC Holding Pvt. Ltd. have entered into a tripartite agreement that places severe long term restrictions on RCML, significantly impairing its ability to transfer funds to REL. Owing to this restriction RCML's consolidated financial statements have been excluded from REL's consolidated financial statements since October 1, 2011.



Our income from operations was ₹2,586.76 crore for the FY2017-18, as compared to ₹3,771.76 crore for the FY2016-17, representing a decrease of 31%. We recorded 'Loss before Exceptional Items & Tax' of ₹1,577.85 crore as compared to 'Profit before Exceptional Items & Tax' of ₹305.52 crore for FY2016-17. Loss for FY2017-18 was ₹1,192.50 as compared to Loss for FY2016-17 was ₹174.27. The increase in loss for the financial year ended March 31, 2018 is primarily due to a provision of ₹1,018 crore made against the delinquent accounts from the corporate loan book of a subsidiary. We reported basic earnings per equity share of (₹ 66.84) in FY2017-18 as against basic earnings per equity share of (₹9.79) in FY2016-17. The consolidated financial results are a reflection of the underlying performance of the various segments which have been analysed below.

Segment-wise Performance

Our income from operations is comprised of income from lending activities, income from insurance premium, income from broking operations, interest income from fixed deposits with banks, income from non-current investments, income from current investments, interest income from delayed payments, profit on assignment of loans, income from advisory services, investment management and advisory fees and income from arbitrage and trading of securities and derivatives.

A comparison of the income from our operations in FY2017-18 and in FY2016-17 is tabulated below, and an analysis of the variance under the major heads between the two years follows thereafter.

| Particulars | FY2017-18 | | FY2016-17 | |
|---|---------------------|----------------------|---------------------|----------------------|
| | Amount (₹ crore) | % of Total Income | Amount (₹ crore) | % of Total Income |
| Income from Lending Activities | 1,358.58 | 50.45 | 2,415.94 | 62.90 |
| Income from Insurance Premium (Net of Premium on re-insurance ceded) | 678.42 | 25.19 | 479.29 | 12.48 |
| Income from Broking Operations | 267.19 | 9.92 | 289.47 | 7.54 |
| Interest Income from Fixed Deposits with Banks | 76.48 | 2.84 | 53.56 | 1.39 |
| Income from Non- Current Investments | 69.19 | 2.57 | 63.75 | 1.66 |
| Income from Current Investments | 57.35 | 2.13 | 70.92 | 1.85 |
| Interest Income from Delayed Payments | 53.69 | 1.99 | 72.15 | 1.88 |
| Profit on Assignment of Loans | 19.72 | 0.73 | 33.36 | 0.87 |
| Income from Advisory Services | 3.29 | 0.12 | 10.01 | 0.26 |
| Investment Management and Advisory Fees | 2.55 | 0.09 | 272.26 | 7.09 |
| Income from Arbitrage and Trading of Securities and Derivatives (Net) | 0.29 | 0.01 | 7.80 | 0.20 |
| Total | 2,586.76 | 96.05 | 3,771.76 | 98.20 |

Income from Lending Activities

Our subsidiary RFL, being an NBFC, offers lending products. The interest income from our lending operations decreased by 43.77% to ₹1,358.58 crore for FY2017-18, constituting 50.45% of our total income from ₹2,415.94 crore for FY2016-17, constituting 62.90% of our total income. Below is a comparison of the constituents of income from financing activity:

| Particulars | FY2017-18 | | FY2016-17 | |
|-----------------|---------------------|----------------------|---------------------|----------------------|
| | Amount (₹ crore) | % of Total Income | Amount (₹ crore) | % of Total Income |
| SME Financing | | | | |
| - SME-Secured | 962.90 | 35.75 | 1,560.65 | 40.63 |
| - SME-Unsecured | 122.96 | 4.57 | 262.01 | 6.82 |
| - Others | 0.18 | 0.01 | 1.56 | 0.04 |



| Particulars | FY2017-18 | | FY2016-17 | |
|---------------------------|---------------------|----------------------|---------------------|----------------------|
| | Amount (₹ crore) | % of Total Income | Amount (₹ crore) | % of Total Income |
| Capital Market Financing | | | | |
| - Loan Against Securities | 20.86 | 0.77 | 76.69 | 2.00 |
| - IPO Funding | 0.01 | 0.01 | 2.26 | 0.06 |
| Housing Loan | 132.83 | 4.93 | 138.14 | 3.60 |
| Other Loans | 118.84 | 4.41 | 374.63 | 9.75 |
| Total | 1,358.58 | 50.45 | 2,415.94 | 62.90 |

SME Financing

SME-Secured: Interest income from SME-Secured portfolio decreased by 38% to ₹962.90 crore for FY2017-18 as compared to ₹1,560.65 crore for FY2016-17 mainly due to decrease in average book size and reversal of interest income due to loans becoming non-performing. Total Book Size (net of repayments & assignments) as at March 31, 2018 was ₹6,495 crore as compared to ₹10,463 crore as at March 31, 2017. SME-Secured is a well-diversified portfolio covering customers from over 80+ different industries. The product is well secured with asset coverage of around 2x.

SME-Unsecured: The revenue generated through this activity decreased to ₹123 crore constituting 4.57% of our total income for FY2017-18 from ₹262.01 crore constituting 6.82% of our total income for FY2016-17. Total book size (net of repayments & assignments) as at March 31, 2018 was ₹530 crore.

Others: 'Others' represents the erstwhile SME-Commercial Assets business line which has been discontinued. Interest income from 'Others' was ₹0.2 crore for FY2017-18 as compared to ₹1.56 crore for FY2016-17. Interest income decreased in FY2017-18 as the product has been discontinued and book size (net of repayments & assignments) decreased from ₹5 crore as at March 31, 2017 to ₹0.1 crore as at March 31, 2018.

Capital Market Financing: Interest income from our capital markets financing activities was ₹20.9 crore for FY2017-18 as compared to ₹78.96 crore for FY2016-17 primarily due to decrease in the average book size.

Income from Insurance Premium

Income from Insurance Business was ₹678.42 crore for FY2017-18 as compared to ₹479.29 crore for FY2016-17. RHICL's Net Earned Premium increased by 41.55% to ₹678.42 crore for FY2017-18 as compared to ₹479.29 crore for FY2016-17 primarily on account of increase in scale of operations.

Broking Related Operations

Our brokerage business receives commissions for equities, derivatives and commodities traded on the exchanges on behalf of clients; earns fees from distribution of third party products such as mutual funds and insurance; generates income from depository operations; and recovers transactions fees from clients.

The income arising out of our broking activities was ₹267.19 crore for FY2017-18 constituting 9.92% of our total income as compared to ₹289.47 crore for FY2016-17, constituting 7.54% of our total income. Tabulated below are the details of constituents of our broking income.

| Particulars | FY2017-18 | | FY2016-17 | |
|---|---------------------|----------------------|---------------------|----------------------|
| | Amount (₹ crore) | % of Total Income | Amount (₹ crore) | % of Total Income |
| Equities & Currencies | 175.05 | 6.50 | 180.89 | 4.71 |
| Others | 34.54 | 1.28 | 45.20 | 1.18 |
| Recovery of Transaction Fees from Clients | 31.36 | 1.16 | 31.11 | 0.81 |
| Commodities | 15.62 | 0.58 | 20.24 | 0.53 |
| Income from Depository Operations | 10.61 | 0.39 | 12.03 | 0.31 |
| Total | 267.19 | 9.92 | 289.47 | 7.54 |



Equities & Currencies: Our income from equity & currency broking operations decreased by 3.23% to ₹175.05 crore for FY2017-18 from ₹180.89 crore for FY2016-17 primarily due to a 13.64% decrease in retail average daily turnover.

Commodities: The revenue from our commodities broking activities decreased from ₹20.24 crore for FY2016-17 to ₹15.62 crore for FY2017-18 primarily due to a 25% decrease in average daily volume of trades executed on the exchanges.

Other Income

Other income primarily includes balances written back/bad debts and loans written off recovered, reversal of earlier years' provision for doubtful debts/ expenses/ NPAs, interest income on loans and fixed deposits with banks etc. Our other income increased to ₹106.38 crore during FY2017-18 constituting 3.95% of our total income for such period as compared to ₹69.26 crore for FY2016-17 constituting 1.80% of our total income for such period. Below is a comparison of the components of our Other Income during FY2017-18 with that in FY2016-17.

| Particulars | FY2017-18 | | FY2016-17 | |
|---|---------------------|----------------------|---------------------|----------------------|
| | Amount (₹ crore) | % of Total Income | Amount (₹ crore) | % of Total Income |
| Balances Written Back (Net)/Bad Debts and Loans written off recovered | 55.84 | 2.07 | 20.45 | 0.53 |
| Interest Income On- | | | | |
| Inter Corporate Loans | 9.05 | 0.34 | 11.99 | 0.31 |
| Fixed Deposits with Banks | 5.40 | 0.20 | 7.57 | 0.20 |
| Others | 0.08 | 0.003 | 0.46 | 0.01 |
| Miscellaneous Income | 15.07 | 0.56 | 12.14 | 0.32 |
| Reversal of Earlier Years Provision for Doubtful Debts/Expenses/ NPAs | 20.18 | 0.75 | 16.27 | 0.42 |
| Rental Income | - | - | 0.22 | 0.01 |
| Profit on Sale of Assets Acquired In Satisfaction Of Debt (Net) | - | - | 0.16 | 0.01 |
| Profit on Sale of Fixed Assets | 0.39 | 0.01 | - | - |
| Profit on Sale of Capital Work In Progress | 0.37 | 0.01 | - | - |
| Total | 106.38 | 3.95 | 69.26 | 1.80 |

Key Ratios

| ₹ crore | FY2017-18 | FY2016-17 |
|---|----------------|---------------|
| Total Revenue | 2,693.14 | 3,841.02 |
| EBITDA | (279.22) | 2,172.79 |
| Margin (%) | (10.37) | 56.57 |
| Profit Before Exceptional Items and Tax | (1,577.85) | 305.52 |
| Margin (%) | (58.59) | 7.95 |
| PAT | (1,192.50) | (174.27) |
| Margin (%) | (44.28) | (4.54) |



4. Human Resources – Contribution to Business Success

Human Resource function focused on employee communication, enhancing productivity and optimisation of people resources across group companies. Our continued belief in people being key differentiators has guided our key initiatives towards leveraging potential of key employees to take additional responsibilities and help the organization achieve its business goals. Our leadership and senior management team focused on employee communication and participated in several employee communication initiatives through multiple town halls, social media and e-channels and one on one meeting to ensure that employees are aligned to the group's business strategy. Our group wide Human Resource initiatives including employee engagement activities, talent management initiatives and employee reward and recognition initiatives have been the key delivery areas along with reviewing and aligning group wide HR practices in line with group's philosophy.

Your Company has been successful in retaining key employees and was able to attract high quality talent through multiple recruitment channels (employee referrals, recruitment agencies, job portals, social networking sites, train-and-hire model and premier campuses). As at March 31, 2018, we had a dedicated team of 7,466 professionals across our operating subsidiaries. The organization has a robust performance management system to facilitate goal setting and mid-term as well as annual appraisal process for each and every employee based on the Balance Scorecard approach on the online Human Resource management system. Through our talent management programs, we have been successful in creating a strong pipeline of internal talent which has contributed in maintaining stable middle and top management teams across businesses. Group Business and Human Resource leadership team has significantly contributed towards business performance by ensuring adherence to established human resource processes and policies, maintaining transparent and credible communication channels with employees at all levels and further reinforcing and celebrating our culture of Passion, Innovation, Ambition, Diligence and Teamwork.

In our continuous effort to provide improved employee experience and support to business we have been continuously investing in Human Resource technology platforms. The Human Resource function has been a strategic enabler for the business and is committed to promote a high performing culture and protect the interest of all stakeholders.



In compliance with Regulation 34(3) read with schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company submits the Corporate Governance Report for the year ended 31st March, 2018:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to ensure that all stakeholders' interests are protected, by continuously striving to increase the efficiency of the operations as well as the systems and processes for use of corporate resources. The Company aims at achieving not only the highest possible standards of legal and regulatory compliances, but also of effective management.

While working to enhance the corporate value of the group in the medium to long term, we place the highest importance on strengthening and further developing your company's corporate governance initiatives. The corporate structure, business and disclosure practices have been aligned to Corporate Governance Philosophy, transparency, accountability, fairness and intensive communication with stakeholders which are integral to your company's functioning. We believe in performance oriented systems. We accord highest priority to these systems and protect the interests of all shareholders, particularly the minority shareholders.

The Board of Directors, guided by above philosophy, formulate strategies and policies having focus on optimizing value for various stakeholders like consumers, shareholders and the society at large. Your Company's Corporate Governance framework ensures that we make the timely disclosures and share correct information regarding our financials and performance as well as business of the Company.

Your Company has complied with the requirements of Corporate Governance as laid down under Chapter IV of the SEBI Listing Regulations except as mentioned in the Report.

2. BOARD OF DIRECTORS

A. BOARD'S COMPOSITION AND CATEGORY

The Board comprises of eminent persons with high credentials of considerable professional experience and expertise in diverse fields who effectively contribute to the Company's growth and policy decisions. The Composition of Board of Directors of the Company is in conformity with the requirements of Regulation 17 of SEBI Listing Regulations as well as provisions of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company. The category wise composition of Board of Directors under Regulation 17 of SEBI Listing Regulations as on March 31, 2018 is as under:

| S. No. | Category | No. of Directors |
|--------------|--|------------------|
| 1 | Executive Director (Whole Time Director in the capacity of Director - Finance) | 1 |
| 2 | Non-Executive, Independent Director (including Woman Director)* | 7 |
| 3 | Other Non- Executive Director (including Nominee Director)* | Nil |
| Total | | 8 |

*None of the Non-Executive Directors are responsible for the day to day affairs of the Company.

The details relating to Composition & Category of Directors, Directorships held by them in other companies and their membership and chairmanship on various Committees of Board of other companies, as on March 31, 2018 are as follows:

| S. No. | Name of the Director | DIN | Category | No. of Directorships held in other Companies (other than in Religare Enterprises Limited) | No. of Memberships/ Chairmanships in various other Board Committees (other than Religare Enterprises Limited) | |
|--------|------------------------------------|----------|------------------------------------|---|---|----------|
| | | | | | Member | Chairman |
| 1 | Mr. Vikram Talwar ¹ | 00416236 | Independent Non-Executive Director | 1 | 1 | 0 |
| 2 | Mr. P. Vijaya Bhaskar ² | 06629884 | Independent Non-Executive Director | 8 | 2 | 2 |



| S. No. | Name of the Director | DIN | Category | No. of Directorships held in other Companies (other than in Religare Enterprises Limited) | No. of Memberships/ Chairmanships in various other Board Committees (other than Religare Enterprises Limited) | |
|--------|--|----------|------------------------------------|---|---|----------|
| | | | | | Member | Chairman |
| 3 | Mr. Padam Narain Bahl ³ | 01314395 | Independent Non-Executive Director | 5 | 2 | 1 |
| 4 | Mr. Deepak Ramchand Sabnani ⁴ | 01312836 | Independent Non-Executive Director | 0 | 0 | 0 |
| 5 | Mr. Rama Krishna Shetty ⁵ | 01521858 | Independent Non-Executive Director | 5 | 3 | 0 |
| 6 | Mrs. Sabina Vaisoha ⁶ | 00207306 | Independent Non-Executive Director | 7 | 2 | 0 |
| 7 | Mr. Ashok Mehta ⁷ | 00199165 | Independent Non-Executive Director | 12 | 0 | 0 |
| 8 | Mr. Krishnan Subramanian ⁸ | 08038047 | Executive Director | 4 | 0 | 0 |

¹Appointed as Director w.e.f. February 17, 2018;

²Appointed as Director w.e.f. February 17, 2018. Further he passed away on May 04, 2018 and therefore ceased to be Director w.e.f. May 04, 2018;

³Resigned as Director w.e.f. June 04, 2018;

⁴Resigned as Director w.e.f. May 18, 2018;

⁵Resigned as Director w.e.f. June 30, 2018;

⁶Appointed as Director w.e.f. October 04, 2017;

⁷Appointed as Director on January 24, 2018. Subsequently, he was re-designated as Whole Time Director and Interim CEO on February 17, 2018 to get effective from date of RBI approval. However, he resigned as Independent Director on April 17, 2018 and appointed as Interim CEO (without being on Board) w.e.f. April 17, 2018;

⁸Appointed as Director w.e.f. January 24, 2018.

Notes:

- I. The Independence of a Director is determined by the criteria stipulated under Regulation 16(1)(b) of the SEBI Listing Regulations & Section 149 (6) of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under the Regulation 16(1)(b) of the SEBI Listing Regulations.
- II. None of the directors of the Company holds office of directorship in more than 20 companies. This includes alternate directorship but does not include the directorships held in Foreign Companies, dormant companies and companies under Section 8 of the Act.
- III. The Committees considered for the purpose are those prescribed under Regulation 26 of the SEBI Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies.
- IV. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- V. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees (as specified in Regulation 26 of the SEBI Listing Regulations) across all the public companies in which the person is a Director. Necessary disclosures regarding Committee positions in other Public Limited Companies as on March 31, 2018 have been made by the Directors.
- VI. No directors of the Company are holding position of Independent Director in more than seven listed companies.
- VII. As required under second proviso to Section 149(1) of the Act, Mrs. Sabina Vaisoha, a Woman Director, has been appointed as an Independent Director on the Board of the Company.
- VIII. Whole Time Director of the Company is not holding position of Independent Director in more than three listed entities.



B. BOARD MEETINGS & ATTENDANCE

Minimum four pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting except in cases where meetings are held on shorter notice period. Each agenda item is provided with sufficient background and all material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Video conferencing or other audio visual facilities are used to facilitate Directors residing abroad or who are not able to attend meetings physically in India and present at other locations, to participate in the meetings. In case of exigencies or urgencies, resolutions are considered by Circulation as well.

The Board is given presentations covering the Company's major business segments and their operations, overview of business operations of major subsidiary companies, global business environment, the Company's business areas, including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

New directors to be inducted are identified by Nomination and Remuneration Committee and updated by senior management regarding the Company's business and operations, governing documents, detailed business strategy for various businesses, information on key personnel, and financial information through personal orientation in separate meetings.

During the financial year 2017-18, **eight (8)** Board meetings were held: June 29, 2017, August 10, 2017, November 14, 2017, November 17, 2017, January 24, 2018, February 14, 2018, February 17, 2018, and March 20, 2018. Time gap between two consecutive board meetings was not more than 120 days. Notices of the Board meeting are generally given at least 7 days before the meeting except few meetings which were held at shorter notice period.

The last Annual General Meeting of the Company was held on September 21, 2017.

Details of attendance of Directors at various Board Meetings and at the Annual General Meeting held during the financial year 2017-18 are as under:

| S. No. | Name of Director | No. of Board meetings attended | Whether attended last AGM |
|--------|---|--------------------------------|---------------------------|
| 1 | Mr. Malvinder Mohan Singh ¹ | 5/6 | YES |
| 2 | Mr. Shivinder Mohan Singh ¹ | 4/6 | YES |
| 3 | Mr. Harpal Singh ² | 4/5 | YES |
| 4 | Mr. Avinash Chander Mahajan ³ | 3/4 | NO |
| 5 | Mr. Sunil Naraindas Godhwani ⁴ | 0/2 | NA |
| 6 | Mr. Tejpreet Singh Chopra ⁵ | 1/5 | NO |
| 7 | Mr. Rashi Dhir ⁶ | 2/3 | NO |
| 8 | Mrs. Sangeeta Talwar ⁷ | 1/1 | NA |
| 9 | Mr. Subramanian Lakshminarayanan ⁸ | 2/2 | NA |
| 10 | Mrs. Kishore Udeshi ⁸ | 1/1 | NA |
| 11 | Mr. Francis Daniel Lee ⁹ | 1/1 | NA |
| 12 | Mr. Virendra Kumar Madan ¹⁰ | 2/2 | NO |
| 13 | Mr. Vikram Talwar ¹¹ | 1/1 | NA |
| 14 | Mr. P. Vijaya Bhaskar ¹² | 1/1 | NA |
| 15 | Mr. Padam Narain Bahl ¹³ | 8/8 | YES |
| 16 | Mr. Deepak Ramchand Sabnani ¹⁴ | 4/8 | NO |
| 17 | Mr. Rama Krishna Shetty ¹⁵ | 8/8 | NO |
| 18 | Mrs. Sabina Vaisoha ¹⁶ | 6/6 | NA |



| S. No. | Name of Director | No. of Board meetings attended | Whether attended last AGM |
|--------|--|--------------------------------|---------------------------|
| 19 | Mr. Ashok Mehta ¹⁷ | 3/3 | NA |
| 20 | Mr. Krishnan Subramanian ¹⁸ | 3/3 | NA |

¹Resigned as Director w.e.f. February 14, 2018;

²Resigned as Director w.e.f. January 24, 2018;

³Resigned as Director w.e.f. November 29, 2017;

⁴Resigned as Director w.e.f. September 06, 2017;

⁵Resigned as Director w.e.f. January 30, 2018;

⁶Resigned as Director w.e.f. November 14, 2017;

⁷Resigned as Director w.e.f. July 28, 2017;

⁸Appointed as Director w.e.f. November 14, 2017. Resigned as Director on December 29, 2017 which got effective on January 22, 2018 upon confirmation from the Reserve Bank of India ("RBI") under RBI directions on the Company;

⁹Resigned as Director w.e.f. February 13, 2018;

¹⁰Resigned as Director w.e.f. September 29, 2017;

¹¹Appointed as Director w.e.f. February 17, 2018;

¹²Appointed as Director w.e.f. February 17, 2018; Further he passed away on May 04, 2018 and therefore ceased to be a Director w.e.f. May 04, 2018.

¹³Resigned as Director w.e.f. June 04, 2018;

¹⁴Resigned as Director w.e.f. May 18, 2018;

¹⁵Resigned as Director w.e.f. June 30, 2018;

¹⁶Appointed as Director w.e.f. October 04, 2017;

¹⁷Appointed as Director on January 24, 2018. Subsequently, he was re-designated as Whole Time Director and Interim CEO on February 17, 2018 to get effective from date of RBI approval. However, he resigned as Independent Director on April 17, 2018 and appointed as Interim CEO (without being on Board) w.e.f. April 17, 2018. .

¹⁸Appointed as Director w.e.f. January 24, 2018.

Information available to the Board

During the year 2017-18, minimum information as mentioned in Schedule II of the SEBI Listing Regulations, wherever applicable, has been placed before the Board for its consideration.

The aforesaid information is generally provided as a part of the agenda of the board meeting and/or is placed at the table during the course of the meeting. Key Managerial Personnel and other senior management staff are also invited to the Board Meetings to present reports on the Company's operations and internal control systems. The Company Secretary, in consultation with the Chairman, prepares the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item'. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

Separate Meeting of Independent Directors & Familiarization Programme for Independent Directors

During Financial Year 2017-18, Separate Meetings of the Independent Directors of the Company were held on August 10, 2017 and February 14, 2018 without the presence of non-independent directors and members of management. Along with other matters, Independent Directors discussed the matters specified in Schedule IV of the Act and Regulations 25(4) SEBI Listing Regulations.

Company has also carried out Familiarization Programme for its Non – Executive Independent Directors on August 10, 2017 and February 14, 2018 in accordance with the Regulation 25(7) of SEBI Listing Regulations read with Independent Director's Training Policy of the Company. Details of Familiarization Programmes conducted are uploaded on the website of the Company & can be accessed through the link <http://www.religare.com/Familiarisation-Prgm-for-ID.aspx>.

SHAREHOLDING OF EXECUTIVE DIRECTORS

The shareholding of Executive Directors of the Company as on March 31, 2018 is Nil. Also no Executive Director of the Company holds any shares or convertible instruments of the Company as on March 31, 2018.



3. COMMITTEES OF THE BOARD

The Board has constituted 8 Committees viz. Audit and Governance Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Investment, Borrowing and Share Allotment Committee, Risk Management Committee, Asset Liability Committee and RPT Sub-Committee.

Details of the role and composition of Board Committees constituted as per requirements of the Act and SEBI Listing Regulations including number of meetings held during the financial year and attendance thereat are provided below:

A. Audit and Governance Committee

(i) **Composition**

The Composition of the Audit and Governance Committee as at March 31, 2018 is as under:

| S. No. | Name of Member/Chairman | Position |
|--------|-------------------------|----------|
| 1 | Mr. P. Vijaya Bhaskar | Chairman |
| 2 | Mr. Vikram Talwar | Member |
| 3 | Mr. Padam Narain Bahl | Member |

The Composition of the Committee and terms of reference are in compliance with Section 177 of the Act and Regulation 18 of SEBI Listing Regulations. The Chairman of the Committee is an Independent Director. The Company Secretary of the Company acts as the Secretary of the Committee. All the members of the Committee have the ability to read and understand the Financial Statements.

(ii) **Terms of Reference:**

Primarily, the Audit and Governance Committee is responsible for:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Reviewing independence and performance of auditors, effectiveness of audit process.



- 8) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 9) Discussion with internal auditors any significant findings and follow up there on.
- 10) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 11) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 13) Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
- 14) Approval or any subsequent modification of transactions of the company with related parties.
- 15) Scrutiny of inter-corporate loans and investments.
- 16) Valuation of undertakings or assets of the company, wherever it is necessary.
- 17) Evaluation of internal financial controls and risk management systems.
- 18) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 19) To review the functioning of the Whistle Blower mechanism.
- 20) Such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company and specified in SEBI Listing Regulations.

(iii) Meetings and attendance during the year

During the financial year 2017-18, **seven (7)** meetings of the Audit Committee were held: May 18, 2017, June 26, 2017, June 29, 2017, August 10, 2017, November 14, 2017, February 14, 2018, and March 19, 2018.

The attendances of Members at the meetings of the Committee held during the year are as follows:

| S. No. | Name of the Member/Chairman | No. of Meetings Attended |
|--------|---------------------------------------|--------------------------|
| 1 | Mr. Padam Narain Bahl ¹ | 6/7 |
| 2 | Mr. Rama Krishna Shetty ² | 6/6 |
| 3 | Mr. Rashi Dhir ³ | 3/5 |
| 4 | Mr. P. Vijaya Bhaskar ⁴ | 1/1 |
| 5 | Mr. Vikram Talwar ⁵ | 1/1 |
| 6 | Mr. Krishnan Subramanian ⁶ | 1/1 |

¹Resigned Director w.e.f. June 04, 2018;

²Resigned Director w.e.f. June 30, 2018;

³Resigned Director w.e.f. November 14, 2017;

⁴Appointed as Director w.e.f. February 17, 2018, further he passed away on May 04, 2018 and therefore he ceased to be a Director w.e.f. May 04, 2018;

⁵Appointed as Director w.e.f. February 17, 2018;

⁶Appointed as Director w.e.f. January 24, 2018.

Chief Executive Officer, Chief Financial Officer, President Treasury and representatives of the Statutory and Internal Auditors normally attend the Audit Committee meetings by invitation.

Separate Meeting with Statutory Auditors: As a good governance practice and in order to get the inputs and



opinion of the Statutory Auditors, the Committee used to hold one separate one-to-one meeting with Statutory Auditors without the presence of the Management.

B. Nomination and Remuneration Committee

(i) Composition

The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of the section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The composition of the Nomination and Remuneration Committee as at March 31, 2018 is as under:-

| S. No. | Name of Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mr. Vikram Talwar | Chairman |
| 2 | Mr. Rama Krishna Shetty | Member |
| 3 | Mr. Deepak Ramchand Sabnani | Member |

Chairman of the Committee is an Independent Director. The Company Secretary of the Company acts as the Secretary of the Committee.

(ii) Terms of Reference

The role of the Nomination and Remuneration Committee includes:

- I. Formulation, superintendence and administration of Director's appointment & remuneration policy;
- II. Formulation, superintendence and administration of Key Managerial Personnel's appointment and remuneration policy;
- III. Formulation, superintendence and administration of Employees remuneration policy;
- IV. Formulation, superintendence and administration of Annual Performance Evaluation Policy of the Board;
- V. Oversee the Company's nomination process for the top level management and specifically to identify, screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with the criteria approved by the Board and to recommend for approval by the Board nominees for election at the Annual General Meeting of the Company;
- VI. Superintendence and administration of the Employee Stock Option Schemes of the Company;
- VII. Such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company or mentioned in the SEBI Listing Regulations.

(iii) Meetings and attendance during the year

During the financial year 2017-18, **five (5)** meetings of the Committee were held: June 29, 2017, November 14, 2017, November 17, 2017, January 24, 2018, and February 17, 2018.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Malvinder Mohan Singh ¹ | 4/4 |
| 2 | Mr. Padam Narain Bahl ² | 5/5 |
| 3 | Mr. Deepak Ramchand Sabnani ³ | 1/1 |
| 4 | Mr. Rama Krishna Shetty ⁴ | 5/5 |
| 5 | Mr. Virendra Kumar Madan ⁵ | 1/1 |
| 6 | Mr. Tejpreet Singh Chopra ⁶ | 1/4 |

¹Resigned Director w.e.f. February 14, 2018;

²Resigned as Director w.e.f. June 04, 2018;

³Resigned as Director w.e.f. May 18, 2018;

⁴Resigned as Director w.e.f. June 30, 2018;

⁵Resigned as Director w.e.f. September 29, 2017;

⁶Resigned as Director w.e.f. January 30, 2018.



C. Stakeholders Relationship Committee

(i) **Composition**

The Stakeholders Relationship Committee has been constituted to specifically look into the redressal of Shareholders and Investors complaints and other shareholders related issues.

The composition of Stakeholders Relationship Committee as at March 31, 2018 is as under:-

| S. No. | Name of the Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mrs. Sabina Vaisoha | Chairman |
| 2 | Mr. Rama Krishna Shetty | Member |
| 3 | Mr. Krishnan Subramanian | Member |

Chairman of the Committee is a Non-Executive Director. The Company Secretary of the Company acts as the Secretary to the Committee.

(ii) **Terms of Reference**

The role of the Stakeholders Relationship Committee includes:

1. Overseeing and reviewing all matters connected with securities of the Company.
2. Redressal of Shareholders'/Investors'/Debenture holders'/other security holders complaints/queries related to transfer/transmission/consolidation/splitting of shares, non-receipt of Balance Sheet, dividend etc.
3. Overseeing the performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of Investor services.
4. Such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company or mentioned in the SEBI Listing Regulations.

(iii) **Meetings and attendance during the year**

During the year ended March 31, 2018, **two (2)** meetings of the Committee were held – June 29, 2017, February 07, 2018.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Harpal Singh ¹ | 0/1 |
| 2 | Mr. Rama Krishna Shetty ² | 0/1 |
| 3 | Mr. Virendra Kumar Madan ³ | 1/1 |
| 4 | Mr. Avinash Chander Mahajan ⁴ | 1/1 |
| 5 | Mrs. Sangeeta Talwar ⁵ | 1/1 |
| 6 | Mrs. Sabina Vaisoha ⁶ | 1/1 |
| 7 | Mr. Krishnan Subramanian ⁷ | 1/1 |

¹Resigned as Director w.e.f. January 24, 2018;

²Resigned as Director w.e.f. June 30, 2018;

³Resigned as Director w.e.f. September 29, 2017.

⁴Resigned as Director w.e.f. November 29, 2017.

⁵Resigned as Director w.e.f. July 28, 2017.

⁶Appointed as Director w.e.f. October 04, 2017;

⁷Appointed as Director w.e.f. January 24, 2018.



The details of investor complaints received and resolved during the period April 1, 2017 to March 31, 2018 is as under:

| No. of Investor Complaints pending at the beginning of April 1, 2017 | No. of Investor Complaints received from April 1, 2017 to March 31, 2018 | No. of Investor Complaints resolved from April 1, 2017 to March 31, 2018 | No. of Investor Complaints pending at the end of March 31, 2018 |
|--|--|--|---|
| 0 | 21 | 21 | 0 |

The Company addresses all complaints/grievances, suggestions and grievances expeditiously and replies have been sent/ issues resolved within 15 days from the date of lodgement of complaint's/grievances.

Mrs. Reena Jayara, Company Secretary is the Compliance Officer of the Company.

D. Corporate Social Responsibility Committee

(i) Composition

The Corporate Social Responsibility Committee of the Board ("CSR Committee") has been constituted to oversee the CSR Policy of the Company and recommend and monitor the amount of expenditure to be incurred on the activities mentioned in the Schedule VII of the Act. The composition of CSR Committee as at March 31, 2018 is as under:-

| S. No. | Name of the Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mrs. Sabina Vaisoha | Member |
| 2 | Mr. Rama Krishna Shetty | Member |
| 3 | Mr. Krishnan Subramanian | Member |

(ii) Meetings and attendance during the year

During the year ended March 31, 2018, **two (2)** meetings of the Committee were held – June 29, 2017 and August 10, 2017.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Harpal Singh ¹ | 1/2 |
| 2 | Mr. Rama Krishna Shetty ² | 2/2 |
| 3 | Mr. Avinash Chander Mahajan ³ | 2/2 |
| 4 | Mr. Rashi Dhir ⁴ | 1/2 |
| 5 | Mrs. Sangeeta Talwar ⁵ | 1/1 |

¹Resigned as Director w.e.f. January 24, 2018,

²Resigned as Director w.e.f. June 30, 2018;

³Resigned as Director w.e.f. November 29, 2017;

⁴Resigned as Director w.e.f. November 14, 2017;

⁵Resigned as Director w.e.f. July 28, 2017.

E. Investment, Borrowing and Share Allotment Committee

(i) Composition

The Board of Directors decided to merge the Investment and Borrowing Committee and Share Allotment Committee and accordingly renamed the same as Investment, Borrowing and Share Allotment Committee w.e.f January 24, 2018.

The composition of Investment, Borrowing and Share Allotment Committee as at March 31, 2018 is as under:-

| S. No. | Name of the Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mr. Vikram Talwar | Chairman |
| 2 | Mr. P. Vijaya Bhaskar | Member |
| 3 | Mr. Ashok Mehta | Member |



(ii) Terms of Reference

The amended Terms of Reference of the Committee are as under:

- To invest the funds of the Company; borrow monies and make loans in the form of subscription/acquisition/ purchase of securities, loans, Guarantees, (including Corporate and Counter Guarantee), Inter Corporate Deposits [ICDs] in Subsidiaries/Joint Ventures or otherwise and providing security on behalf of subsidiaries as may be decided by the Committee from time to time up to Rs. 6000 Crores* and to borrow monies from Banks, other Bodies Corporate or Individuals in the form of term loan, ICD's, Working Capital Loan or otherwise as may be decided by the members of the Committee from time to time up to ₹ 3000 Crores;
- To look after the matters pertaining to the issue, offer, allotment and cancellation of securities including ESOP/SAR/ Equity / Preference shares / instruments convertible into Equity Shares, whether optionally or otherwise and GDRs, of the Company, to make call on securities, to invite & accept further subscription money on securities, to issue share certificates / receipts, to redeem / convert securities and to do all such acts, deeds and things as may be considered necessary and incidental thereto.

(iii) Meetings and attendance during the year

Share Allotment Committee (Till January 24, 2018)

During the year ended March 31, 2018, **one (1)** meeting of the Committee was held – May 19, 2017.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|---------------------------------------|--------------------------|
| 1 | Mr. Harpal Singh ¹ | 1/1 |
| 2 | Mr. Virendra Kumar Madan ² | 1/1 |
| 3 | Mr. Rashi Dhir ³ | 0/0 |
| 4 | Mrs. Sabina Vaisoha ⁴ | 0/0 |

¹Resigned as Director w.e.f January 24, 2018;

²Resigned as Director w.e.f. September 29, 2017;

³Resigned as Director w.e.f. November 14, 2017;

⁴Appointed as Director w.e.f. October 04, 2017.

Investment, Borrowing & Share Allotment Committee

During the year ended March 31, 2018, **three (3)** meetings of the Committee were held –June 29, 2017, August 24, 2017 and February 19, 2018.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Harpal Singh ¹ | 1/2 |
| 2 | Mr. Padam Narain Bahl ² | 1/2 |
| 3 | Mr. Virendra Kumar Madan ³ | 2/2 |
| 4 | Mr. Rashi Dhir ⁴ | 0/1 |
| 5 | Mr. Ashok Mehta ⁵ | 1/1 |
| 6 | Mr. Vikram Talwar ⁶ | 1/1 |
| 7 | Mr. P. Vijaya Bhaskar ⁷ | 0/1 |
| 8 | Mrs. Sabina Vaisoha ⁸ | 0/0 |
| 9 | Mr. Rama krishna Shetty ⁹ | 0/0 |
| 10 | Mr. Krishnan Subrananian ¹⁰ | 0/0 |

¹Resigned as Director w.e.f January 24, 2018;

²Resigned as Director June 04, 2018;

³Resigned as Director w.e.f. September 29, 2017;

⁴Resigned as Director w.e.f. November 14, 2017;

⁵Appointed as Director w.e.f. January 24, 2018. Subsequently, he was re-designated as Whole Time Director and Interim CEO on February 17, 2018 to get effective from date of RBI approval. However, he resigned as Independent Director on April 17, 2018 and appointed as Interim CEO (without being on Board) w.e.f. April 17, 2018



⁶Appointed as Director w.e.f. February 17, 2018;

⁷Appointed as Director w.e.f. February 17, 2018, further passed away on May 04, 2018 and therefore he ceased to be Director w.e.f. May 04, 2018.

⁸Appointed as Director w.e.f. October 04, 2017;

⁹Resigned as Director w.e.f. June 30, 2018;

¹⁰Appointed as Director w.e.f. January 24, 2018.

F. Risk Management Committee

(i) **Composition**

The Risk Management Committee has been constituted to review integrated risk of the company and to provide operational and policy guidance to the Company which paves the way for an effective risk management. The composition of Risk Management Committee as at March 31, 2018 is as under:-

| S. No. | Name of the Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mr. P. Vijaya Bhaskar | Chairman |
| 2 | Mr. Vikram Talwar | Member |
| 3 | Mr. Padam Narain Bahl | Member |

(ii) **Meetings and attendance during the year**

During the year ended March 31, 2018, **two (2)** meetings of the Committee were held – June 29, 2017 and February 14, 2018.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Malvinder Mohan Singh ¹ | 1/2 |
| 2 | Mr. Padam Narain Bahl ² | 1/1 |
| 3 | Mr. Avinash Chander Mahajan ³ | 1/1 |
| 4 | Mrs. Sangeeta Talwar ⁴ | 1/1 |
| 5 | Mr. Krishnan Subramanian ⁵ | 1/1 |
| 6 | Mr. Vikram Talwar ⁶ | 0/0 |
| 7 | Mr. P. Vijaya Bhaskar ⁷ | 0/0 |

¹Resigned as Director w.e.f. February 14, 2018;

²Resigned as Director w.e.f. June 04, 2018;

³Resigned as Director w.e.f. November 29, 2017;

⁴Resigned as Director w.e.f. July 28, 2017;

⁵Appointed as Director w.e.f. January 24, 2018;

⁶Appointed as Director w.e.f. February 17, 2018

⁷Appointed as Director w.e.f. February 17, 2018, further passed away on May 04, 2018 and therefore he ceased to be Director w.e.f. May 04, 2018.

G. Asset Liability Committee

(i) **Composition**

The Asset Liability Committee has been constituted to manage liquidity and interest rate risk and to put in place the ALM system and to decide the product pricing for the loans, maturity profile and mix of the incremental assets and liabilities. The composition of Assets Liability Committee as at March 31, 2018 is as under:-

| S. No. | Name of the Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mr. Vikram Talwar | Member |
| 2 | Mr. Ashok Mehta | Member |
| 3 | Mr. Rama Krishna Shetty | Member |
| 4 | Mr. Krishnan Subramanian | Member |



(ii) **Meetings and attendance during the year**

During the year ended March 31, 2018, **two (2)** meetings of the Committee were held – June 29, 2017 and February 14, 2018.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Shivinder Mohan Singh ¹ | 0/2 |
| 2 | Mr. Rama Krishna Shetty ² | 1/1 |
| 3 | Mr. Avinash Chander Mahajan ³ | 1/1 |
| 4 | Mrs. Sangeeta Talwar ⁴ | 1/1 |
| 5 | Mr. Krishnan Subramanian ⁵ | 1/1 |
| 6 | Mr. Vikram Talwar ⁶ | 0/0 |
| 7 | Mr. P. Vijaya Bhaskar ⁷ | 0/0 |

¹Resigned as Director w.e.f. February 14, 2018;

²Resigned as Director w.e.f. June 30, 2018;

³Resigned as Director w.e.f. November 29, 2017;

⁴Resigned as Director w.e.f. July 28, 2017;

⁵Appointed as Director w.e.f. January 24, 2018.

⁶Appointed as Director w.e.f. February 17, 2018

⁷Appointed as Director w.e.f. February 17, 2018, further passed away on May 04, 2018 and therefore he ceased to be Director w.e.f. May 04, 2018.

H. RPT Sub-Committee

(i) **Composition**

RPT Sub-Committee has been constituted to monitor and regulate transactions between the Company and its Related Parties in terms of shareholder agreement with International Finance Corporation. The composition of RPT Sub-committee as at March 31, 2018 is as under:-

| S. No. | Name of the Member/Chairman | Position |
|--------|-----------------------------|----------|
| 1 | Mr. Padam Narain Bahl | Member |
| 2 | Mr. Rama Krishna Shetty | Member |
| 3 | Mr. Krishnan Subramanian | Member |

(ii) **Meetings and attendance during the year**

During the year ended March 31, 2018, **Two (2)** meetings of the Committee were held –August 10, 2017 and November 14, 2017.

The attendances of Members at the meetings of the Committee held during the year are as follows:-

| S. No. | Name of the Member/Chairman | No. of Meetings attended |
|--------|--|--------------------------|
| 1 | Mr. Harpal Singh ¹ | 2/2 |
| 2 | Mr. Avinash Chander Mahajan ² | 1/2 |
| 3 | Mr. Rashi Dhir ³ | 2/2 |
| 4 | Mr. Padam Narain Bahl ⁴ | 0/0 |
| 5 | Mr. Rama Krishna Shetty ⁵ | 0/0 |
| 6 | Mr. Krishnan Subramanian ⁶ | 0/0 |

¹Resigned as Director w.e.f. January 24, 2018;

²Resigned as Director w.e.f. November 29, 2017;

³Resigned as Director w.e.f. November 14, 2017;

⁴Resigned as Director w.e.f. June 04, 2018;

⁵Resigned as Director w.e.f. June 30, 2018;

⁶Appointed as Director w.e.f. January 24, 2018.



4. POLICIES ON APPOINTMENT & REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Nomination and Remuneration Committee ("NRC") has determined the criteria to identify the Directors and Key Managerial Personnel (KMP) in accordance with the criteria laid down, and recommended to the Board following policies relating to the appointment and remuneration for the Directors, Key Managerial Personnel and other employees which were approved by the Board:

1. Employee Remuneration Policy
2. Director's Fit & Proper Policy
3. Director's Appointment & Remuneration Policy
4. KMP's Appointment & Remuneration Policy

Appointment

NRC determines the criteria of appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. In evaluating the suitability of a person for appointment / continuing to hold appointment as a Director, the NRC takes into account apart from others, Board diversity, person's eligibility, qualification, expertise, track record, general understanding of the business, professional ethics, integrity, values and other fit and proper criteria's. Based on recommendation of the NRC, the Board evaluates the candidate(s) and decide on the selection of the appropriate member. In case of re-appointment of any Board member, NRC basis evaluation scores of the concerned Board member pursuant to performance evaluation, recommends its decision to the Board to extend or continue the term of appointment of the Board member.

The authority to identify right candidates for appointment of KMP's is vested with the Group CEO. The Group CEO along with HR Head identifies candidates internally or externally and proposes to NRC for its approval for appointment along with proposed remuneration. The remuneration proposed used to be consistent with the strategy of the company and in line with the comparable market & internal remuneration benchmarks.

In case of CEO's appointment & remuneration, NRC initiates the process of identifying the CEO. After identification of the candidate, NRC proposes the candidature to Board for its approval for appointment.

Remuneration

The remuneration of Executive / Non-Executive Directors and KMPs is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards and decided by NRC in accordance of abovementioned policies. NRC conducts a review of director compensation on a periodic basis to ensure directors of the Company are compensated effectively in a manner consistent with the strategy of the Company and to further ensure that the Company will be able to attract, retain and reward those who contribute to the success of the Company. CEO's remuneration is determined keeping in view the industry benchmark & the relative performance of the company to the industry performance. It is proposed by NRC and subsequently approved by the Board.

(a) Remuneration of Executive Directors

Remuneration of Executive Directors is decided by the Board based on recommendation of Nomination and Remuneration Committee within the ceiling fixed by the Shareholders and permissible under the Act. Remuneration paid to the Executive Directors for the year ended March 31, 2018 and the disclosure as per the requirement of Schedule V of the Act and SEBI Listing Regulations, are as follows:

(Amount in Rs)

| Name of the Director | Salary & Allowances | Commission payable | Perquisite | Retiral Benefits | Total | Stock Options Granted |
|---|---------------------|--------------------|------------|------------------|-----------|--|
| Mr. Sunil Godhwani ¹ | 65,00,000 | Nil | Nil | Nil | 65,00,000 | *120,750 REL ESOS 2006 & 1,350,000 REL ESOS 2012 |
| Mr. Subramanian Lakshminarayanan ² | 82,61,290 | Nil | Nil | Nil | 82,61,290 | Nil |
| Mr. Francis Daniel Lee ³ | 4,35,555 | Nil | Nil | Nil | 4,35,555 | Nil |
| Mr. Krishnan Subramanian ⁴ | 33,48,164 | Nil | Nil | Nil | 33,48,164 | Nil |

¹Resigned as Whole Time Director w.e.f. September 06, 2017;



²Appointed as Executive Chairman w.e.f. November 14, 2017. Further, he resigned on December 29, 2017 which became effective upon receipt of RBI approval on January 22, 2018;

³Appointed as Executive Director w.e.f. November 17, 2017, re-designated as Non-Executive Director on January 24, 2018 and further he resigned w.e.f. February 13, 2018;

⁴Appointed as Whole Time Director (in the capacity of Director Finance) w.e.f. January 24, 2018.

*As per the Religare Enterprises Limited Employees Stock Options Scheme, 2006, 120,750 Stock Options at the price of Rs. 140/- per share and as per Religare Employee Stock Option Scheme 2012, 1,350,000 Stock Options at the price of Rs. 387/- per share have been granted. Presently, no Stock Option is exercised under ESOS Scheme 2012 and according to the aforesaid Scheme the same can be exercised over a period of nine years from the date of vesting. 120,750 stock options granted under ESOS Scheme 2006 were exercised and accordingly 120,750 Equity Shares were allotted on May 19, 2017.

The Company has not granted any fresh stock options to any of its Executive Director for the financial year under the review.

(b) Remuneration of Non-Executive Directors

Non-Executive Directors including Independent Directors do not have any pecuniary relationship or transactions with the Company. They are paid only the sitting fees for attending the meetings of the Board of Directors and Committee meetings within the limits as prescribed under the Act. Independent Directors are paid sitting fees of ₹ 100,000/- per meeting for attending the Board and Committee meetings. Non-Independent Non-Executive Directors are paid sitting fees of ₹ 25,000/- per meeting for attending the Board and Committee meetings.

Details of remuneration paid to Non-Executive Directors during FY 2017-18 and their shareholding in the Company as at 31st March 2018 are as follows:

| S. No | Name of Director | Sitting Fees (Rs.) | Salary (Rs.) | Benefits or Bonuses | Stock Options | Shareholding (Number of Share) |
|-------|--|--------------------|--------------|---------------------|---------------|--------------------------------|
| 1 | Mr. Avinash Chander Mahajan ¹ | 9,00,000 | Nil | Nil | Nil | Nil |
| 2 | Mr. Deepak Ramchand Sabnani ² | 5,00,000 | Nil | Nil | Nil | Nil |
| 3 | Mr. Harpal Singh ³ | 2,25,000 | Nil | Nil | Nil | Nil |
| 4 | Mr. Padam Narain Bahl ⁴ | 21,00,000 | Nil | Nil | Nil | 500 |
| 5 | Mr. Rama Krishna Shetty ⁵ | 22,00,000 | Nil | Nil | Nil | 100 |
| 6 | Mrs. Sangeeta Talwar ⁶ | 5,00,000 | Nil | Nil | Nil | Nil |
| 7 | Mr. Virendra Kumar Madan ⁷ | 1,75,000 | Nil | Nil | Nil | Nil |
| 8 | Mr. Malvinder Mohan Singh ⁸ | 2,50,000 | Nil | Nil | Nil | 1,023,525 |
| 9 | Mr. Shivinder Mohan Singh ⁸ | 1,00,000 | Nil | Nil | Nil | 926,602 |
| 10 | Mr. Rashi Dhir ⁹ | 8,00,000 | Nil | Nil | Nil | Nil |
| 11 | Mr. Tejpreet Singh Chopra ¹⁰ | 2,00,000 | Nil | Nil | Nil | Nil |
| 12 | Mrs. Sabina Vaisoha ¹¹ | 7,00,000 | Nil | Nil | Nil | Nil |
| 13 | Mrs. Kishore Udeshi ¹² | 1,00,000 | Nil | Nil | Nil | Nil |
| 14 | Mr. Ashok Mehta ¹³ | 1,00,000 | Nil | Nil | Nil | Nil |
| 15 | Mr. Vikram Talwar ¹⁴ | 3,00,000 | Nil | Nil | Nil | Nil |
| 16 | Mr. P. Vijaya Bhaskar ¹⁵ | 2,00,000 | Nil | Nil | Nil | Nil |

¹Resigned as Director w.e.f. November 29, 2017;

²Resigned as Director w.e.f. May 18, 2018;

³Resigned as Director w.e.f. January 24, 2018;

⁴Resigned as Directors w.e.f. June 04, 2018;

⁵Resigned as Director w.e.f. June 30, 2018;

⁶Resigned as Director w.e.f. July 28, 2017;

⁷Resigned as Director w.e.f. September 29, 2017;



⁸Resigned as Director w.e.f. February 14, 2018;

⁹Resigned as Director w.e.f. November 14, 2017;

¹⁰Resigned as Director w.e.f. January 30, 2018;

¹¹Appointed as Director w.e.f. October 04, 2017;

¹²Appointed as Director w.e.f. November 14, 2017, resigned on December 29, 2017 which became effective on January 22, 2018 upon receipt of RBI approval;

¹³Appointed as Director w.e.f. January 24, 2018. Subsequently, he was re-designated as Whole Time Director and Interim CEO on February 17, 2018 to get effective from date of RBI approval. However, he resigned as Independent Director on April 17, 2018 and appointed as Interim CEO (without being on Board) w.e.f. April 17, 2018;

¹⁴Appointed as Director w.e.f. February 17, 2018

¹⁵Appointed as Director w.e.f. February 17, 2018. Further, he passed away on May 04, 2018 and therefore he ceased to Director w.e.f. May 04, 2018.

No Independent Director holds any convertible instruments i.e. convertible into equity shares of the Company as on March 31, 2018.

Apart from receiving sitting fees, no Non-Executive Director including Independent Directors received any fixed component & performance linked incentives from the Company during the period under review.

Further, there were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

5. ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board is required to carry out an annual performance evaluation of its own performance, the performance of the directors individually as well as the evaluation of the working of its Committees.

However, during the year under review there have been many changes in the composition of the Board of Directors of the Company so much so that the majority of the Directors on the Board at the time of carrying the evaluation exercise were newly appointed. The evaluation exercise for FY 2017-18 was initiated by the Company but same could not be completed as the Board decided that considering the short span of the current directors on the Board of the Company, they are not in a position to complete the evaluation exercise for functioning the Committees, Board as a whole and individual directors. Accordingly, the performance evaluation exercise was deferred which will be done in current year. The Board has also reviewed the current Board Evaluation Policy of the Company.

6. GENERAL BODY MEETINGS

(A) Annual General Meetings

Details of the Annual General Meetings held in the last three years:

| Year | Date | Day | Time | Venue | Special Resolutions Passed |
|-----------|------------|----------|-----------|---|--|
| 2014-2015 | 14.09.2015 | Monday | 4:00 P.M. | Air Force Auditorium, Subroto Park, New Delhi – 110010 | *3 Special Resolutions were passed |
| 2015-2016 | 05.09.2016 | Monday | 4:00 P.M. | Air Force Auditorium, Subroto Park, New Delhi – 110010 | **2 Special Resolutions were passed |
| 2016-2017 | 21.09.2017 | Thursday | 4:00 P.M. | Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi- 110003 | ***1 Special Resolution which was not passed |

* Resolutions pertaining to the following matters were passed as Special Resolutions:

- Adoption of new set of Articles of Association in conformity with the Act
- Raising of funds upto ₹ 1500 Crores through further issue of Capital
- Raising of funds upto ₹ 1000 Crores through further issue of Non-Convertible Debentures on private placement basis.

**Resolutions pertaining to the following matters were passed as Special Resolutions:

- Raising of funds through issue of Non-convertible Debentures aggregating upto ₹ 1,250 crores on private placement basis
- Change in designation of Mr. Sunil Godhwani (DIN: 00174831) from “Chairman & Managing Director” to “Whole



Time Director & Chief Executive Officer”

The above Resolutions were passed with requisite majority.

***Resolutions pertaining to the following matter was proposed to be passed as Special Resolution:

- Raising of funds through issue of non-convertible debentures on private placement basis.

The above Resolution failed to receive requisite approval and hence was not passed.

No Special Resolution was put through Postal Ballot at the last Annual General Meeting nor is proposed at the ensuing Annual General Meeting.

(B) Extra-ordinary General Meeting

During the period under review, an Extra-ordinary General Meeting was held on March 19, 2018.

| Year | Date | Day | Time | Venue | Special Passed | Resolutions |
|-----------|------------|--------|------------|--|----------------------------------|-------------|
| 2017-2018 | 19.03.2018 | Monday | 11:00 A.M. | Air Force Auditorium, Subroto Park, New Delhi – 110010 | *1 Special Resolution was passed | |

*Resolution pertaining to the following matter was passed as Special Resolution:

- Issue of convertible warrants on private placement basis.

The above Resolution was passed with requisite majority.

(C) Postal Ballot

During the financial year 2017-18, the Company has conducted two Postal Ballots in compliance with Regulation 44 of SEBI Listing Regulations and in pursuance of Section 108 read with Section 110 and other applicable provisions of the Act read with Companies (Management and Administration) Rules, 2014:

| Postal Ballot 1 | Postal Ballot 2 |
|--|--|
| 1. Sale of entire investment of the Company in Religare Health Insurance Company Limited, a subsidiary company (Special Resolution) . 2. Withdrawal of earlier special resolution passed for shifting of Registered Office address of the Company from “National Capital Territory (NCT) of Delhi” to the State of Maharashtra (Special Resolution) . | 1. Approval of Related Party Transaction in form of investment upto ₹ 500,00,00, 000/- (Rupees Five Hundred Crores) in Religare Capital Markets Limited, a subsidiary company (Ordinary Resolution) . |
| Resolutions were passed on June 23, 2017 results of which were declared on June 26, 2017. | Resolution was passed on September 09, 2017 results of which were declared on September 11, 2017. |

Persons responsible for the postal ballot 1 and postal ballot 2 exercises:

Mr. Malvinder Mohan Singh, Chairman of the Company, Mr. Maninder Singh, Group CEO, Mr. Anil Saxena, Group CFO and Mr. Mohit Maheshwari, Company Secretary of the Company were appointed as persons responsible for conducting postal ballot process in a fair and transparent manner. Mr. Nitesh Latwal, Partner, PI & Associates, Practicing Company Secretary, was appointed as Scrutinizer for conducting the Postal Ballot process. Mr. Nitesh Latwal conducted the process and submitted his report to the Chairman.

A detailed procedure followed by the Company for conducting the Postal Ballot process is provided hereunder:

Procedure followed for postal ballot 1:

- The Company issued the Postal Ballot Notice dated May 11, 2017, for the above-mentioned resolutions. The draft resolutions together with the explanatory statement, the Postal Ballot forms and self-addressed postage pre-paid envelope were sent to the Members through e-mail and courier. As per requirements of SEBI Listing Regulations, e-voting facility was also provided to Shareholders of the Company;
- Members were advised to read carefully the instructions printed on the Postal Ballot form and return the duly completed form in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before close of working hours on June 23, 2017;



- After due scrutiny of all the Postal Ballot forms received & considering the voting through electronic mode upto the close of working hours on June 23, 2017, Mr. Nitesh Latwal submitted his report on June 24, 2017;
- The results of the Postal Ballot were declared on June 26, 2017 at the registered office by placing on the notice board of the Company. The date of receipt of the requisite majority of postal ballot i.e. June 23, 2017 has been taken as the date of passing of the resolutions;
- The results of the postal ballot were published in Financial Express (English edition) and Jansatta (Hindi edition) and also placed at the website of the Company.

Procedure followed for postal ballot 2:

- The Company issued the Postal Ballot Notice dated July 26, 2017, for the above-mentioned resolutions. The draft resolutions together with the explanatory statement, the Postal Ballot forms and self-addressed postage pre-paid envelope were sent to the Members through e-mail and courier. As per requirements of SEBI Listing Regulations, e-voting facility was also provided to Shareholders of the Company;
- Members were advised to read carefully the instructions printed on the Postal Ballot form and return the duly completed form in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before close of working hours on September 09, 2017;
- After due scrutiny of all the Postal Ballot forms received & considering the voting through electronic mode upto the close of working hours on September 09, 2017, Mr. Nitesh Latwal submitted his report on September 11, 2017;
- The results of the Postal Ballot were declared on September 11, 2017 at the registered office by placing on the notice board of the Company. The date of receipt of the requisite majority of postal ballot i.e. September 09, 2017 has been taken as the date of passing of the resolutions;
- The results of the postal ballot were published in Financial Express (English edition) and Jansatta (Hindi edition) and also placed at the website of the Company.

Details of Voting Pattern of Postal Ballot 1:

After scrutinizing all the postal ballot forms received, the scrutinizer reported as under:

RESOLUTION NO. 1 - Sale of entire investment of the Company in Religare Health Insurance Company Limited, a subsidiary company

Details of voting through e-voting and postal ballot forms on the resolution are given below in A1 and A2, respectively:

A1. VOTING THROUGH E-VOTING:

| Particulars | No. of shareholders | No. of Equity Shares | Paid-up value of the Equity Shares (In ₹) | % of Total Paid-up Equity Capital |
|------------------------------|---------------------|----------------------|---|-----------------------------------|
| (a) Total votes received | 36 | 122,072,013 | 1,220,720,130 | 68.4511 |
| (b) Less: Invalid Votes | 1 | 7 | 70 | Negligible |
| (c) Net Valid votes received | 35 | 122,072,006 | 1,220,720,060 | 68.4511 |
| (d) Votes with Assent | 35 | 122,072,006 | 1,220,720,060 | 68.4511 |
| (e) Votes with Dissent | 0 | 0 | 0 | 0 |

A2. VOTING THROUGH PHYSICAL POSTAL BALLOT FORM:

| Particulars | No. of Share-Holders | No. of Equity Shares | Paid-up value of the Equity Shares (In ₹) | % of Total Paid-up Equity Capital |
|------------------------------|----------------------|----------------------|---|-----------------------------------|
| (a) Total votes received | 15 | 60 | 600 | 0.0003 |
| (b) Less : Invalid Votes | 0 | 0 | 0 | 0.0000 |
| (c) Net Valid votes received | 15 | 60 | 600 | 0.0003 |
| (d) Votes with Assent | 15 | 60 | 600 | 0.0003 |
| (e) Votes with Dissent | 0 | 0 | 0 | 0.0000 |

RESOLUTION NO. 2 - Withdrawal of earlier special resolution passed for shifting of Registered Office address of the Company from "National Capital Territory (NCT) of Delhi" to the State of Maharashtra.

Details of voting through e-voting and postal ballot forms on the resolution are given below in A1 and A2, respectively:



A1. VOTING THROUGH E-VOTING:

| Particulars | No. of shareholders | No. of Equity Shares | Paid-up value of the Equity Shares (In ₹) | % of Total Paid-up Equity Capital |
|------------------------------|---------------------|----------------------|---|-----------------------------------|
| (a) Total votes received | 36 | 122,072,013 | 1,220,720,130 | 68.4511 |
| (b) Less: Invalid Votes | 1 | 7 | 70 | Negligible |
| (c) Net Valid votes received | 35 | 122,072,006 | 1,220,720,060 | 68.4511 |
| (d) Votes with Assent | 35 | 122,072,006 | 1,220,720,060 | 68.4511 |
| (e) Votes with Dissent | 0 | 0 | 0 | 0 |

A2. VOTING THROUGH PHYSICAL POSTAL BALLOT FORM:

| Particulars | No. of Share-Holders | No. of Equity Shares | Paid-up value of the Equity Shares (In ₹) | % of Total Paid-up Equity Capital |
|------------------------------|----------------------|----------------------|---|-----------------------------------|
| (a) Total votes received | 15 | 60 | 600 | 0.0003 |
| (b) Less : Invalid Votes | 0 | 0 | 0 | 0.0000 |
| (c) Net Valid votes received | 15 | 60 | 600 | 0.0003 |
| (d) Votes with Assent | 15 | 60 | 600 | 0.0003 |
| (e) Votes with Dissent | 0 | 0 | 0 | 0.0000 |

Details of Voting Pattern of Postal Ballot 2:

After scrutinizing all the postal ballot forms received, the scrutinizer reported as under:

RESOLUTION NO. 1 - Approval of Related Party Transaction in form of investment upto ₹500,00,00,000/- (Rupees Five Hundred Crores) in Religare Capital Markets Limited, a subsidiary company.

Details of voting through e-voting and postal ballot forms on the resolution are given below in A1 and A2, respectively:

A1. VOTING THROUGH E-VOTING:

| Particulars | No. of shareholders | No. of Equity Shares | Paid-up value of the Equity Shares (In ₹) | % of Total Paid-up Equity Capital |
|------------------------------|---------------------|----------------------|---|-----------------------------------|
| (a) Total votes received | 55 | 22,688,130 | 226,881,300 | 12.7136 |
| (b) Less: Invalid Votes | 0 | 0 | 0 | 0 |
| (c) Net Valid votes received | 55 | 22,688,130 | 226,881,300 | 12.7136 |
| (d) Votes with Assent | 48 | 12,592,863 | 125,928,630 | 7.0566 |
| (e) Votes with Dissent | 6 | 10,095,261 | 100,952,610 | 5.6570 |
| (e) Votes Abstained | 1 | 6 | 60 | Negligible |

A2. VOTING THROUGH PHYSICAL POSTAL BALLOT FORM:

| Particulars | No. of Shareholders | No. of Equity Shares | Paid-up value of the Equity Shares (In ₹) | % of Total Paid-up Equity Capital |
|------------------------------|---------------------|----------------------|---|-----------------------------------|
| (a) Total votes received | 1 | 65,833 | 658,330 | 0.0369 |
| (b) Less : Invalid Votes | 0 | 0 | 0 | 0.0000 |
| (c) Net Valid votes received | 1 | 65,833 | 658,330 | 0.0369 |
| (d) Votes with Assent | 1 | 65,833 | 658,330 | 0.0369 |
| (e) Votes with Dissent | 0 | 0 | 0 | 0.0000 |



(D) Unclaimed Shares

Pursuant to Regulation 39(4) read with Schedule VI of the SEBI Listing Regulations unclaimed shares i.e. shares issued pursuant to the Public Issues but remaining unclaimed despite of the best efforts of the Registrar to Issue or the Company, such shares and any other corporate benefit related to these shares are required to be transferred to a separate Demat Suspense Account.

Therefore, the Company opened a separate Demat Suspense Account in the name and style of “**Religare Enterprises Limited – IPO Suspense Account**” and the shares lying unclaimed as on that date were transferred to the above said suspense account on July 27, 2009.

The details of such equity shares as on 31st March 2018 are as follows:

| S. No. | Description | Number of Shares / Shareholders |
|--------|--|---------------------------------|
| 1 | Total number of Shareholders in the Suspense Account at the beginning of the year | 14 Shareholders |
| 2 | Total number of outstanding equity shares in the Suspense Account lying at the beginning of the year | 490 Equity Shares |
| 3 | Number of Shareholders who approached the Company for transfer of shares and to whom shares were transferred from Suspense Account during the year | 0 |
| 4 | Number of shares transferred from Suspense Account to Beneficiary Account during the year | 0 |
| 5 | Total number of Shareholders in the Suspense Account at the end of the year | 14 Shareholders |
| 6 | Total number of outstanding equity shares in the Suspense Account lying at the end of the year | 490 Equity Shares |

Further, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

7. DISCLOSURES

A. Related Party Transactions

All the transactions entered into with Related Parties as per the Act and Regulation 23 of the SEBI Listing Regulations during the Financial Year 2017-18 were in ordinary course of business and on an arm's length basis and do not attract provisions of Section 188 of the Act. Further, there was no material related party transaction which required shareholder's approval and was required to be disclosed quarterly along with the compliance report on Corporate Governance. However, the Company has taken approval of shareholders for proposed investment of Rs. 500 crores in Religare Capital Markets Limited (RCML), being a material related party transaction. But the Company has not made any investment in RCML pursuant to such approval till date.

The required statements / disclosures with respect to the related party transactions are placed before the Audit Committee on regular basis. Suitable disclosures as required by the Accounting Standard-18 have been made in notes to the Financial Statements.

Further, the Company has not entered into any transaction of material nature with Promoters, the Directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interest of the Company. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, and the Company's long term strategy for investments, profitability, legal requirements, liquidity and capital resources of subsidiaries, associates and group companies.

The Company has formulated a policy relating to the dealing with Related Party Transactions. Same is also uploaded on the website of the company & can be accessed through the link http://www.religare.com/pdf/ReligareRPTPolicy_May16.PDF.

B. Disclosure of accounting treatment in preparation of Financial Statements

The Company has followed the Guidelines of Accounting Standards notified under the Act and laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.



C. Management Discussion and Analysis Report

The Management Discussion and Analysis report forms part of the Annual Report.

D. Details of non-compliance by the Company

Neither any penalty nor any stricture has been imposed by SEBI or any other Statutory Authority on any matter relating to capital markets, during the last three years.

However, members may please note that for financial year ended March 31, 2017, finalisation of annual audited accounts has taken more than anticipated time. Hence, the Company was not able to declare its audited financial results within the prescribed timelines under SEBI Listing Regulations. The Company declared its audited financial results on June 29, 2017.

Further, BSE & NSE vide their letter dated June 15, 2017 had levied a fine of ₹ 2,142,841 and ₹ 1,863,345 respectively as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI Listing Regulations by not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company has paid the fine.

NSE further vide its letter dated October 06, 2017 raised the demand for balance fine of Rs. 70,000 which was paid on October 13, 2017.

Further more, the members may please be apprised that NSE & BSE vide their communications dated June 15, 2018 & June 18, 2018 respectively levied a fine of Rs. 5,000/- and 5,900/- respectively for delayed submission of financials for the period ended March 31, 2018 by one day. In view of the fact that the meeting of the Board of Directors to consider and approve the Audited Financial Results for the FY 2017-18 held on May 30, 2018 commenced at 10:30 a.m. on May 30, 2018 and ended at 2.30 a.m. on Thursday, May 31, 2018, the Company has requested to waive off the fine imposed on the Company by condoning the marginal delay of approximately three hours in submission of the Audited Annual Financials for FY 18. The Company is yet to receive any further communications from the exchanges in the matter.

The members may also note that the Board of Directors of the Company had formulated and approved a Dividend Distribution Policy ("the Policy") pursuant to the requirement under the SEBI (Listing Obligations and Disclosure Requirement) (Second Amendment) Regulations, 2016 at its meeting held on October 26, 2016. Same was uploaded on the website of the Company i.e http://www.religare.com/pdf/Rel_Dividend_PolicyNov2016.pdf. However, Company inadvertently missed to make a reference of the Policy in its Annual Report for the year ended March 31, 2017. Accordingly, the Company is issuing a corrigendum to the Annual Report 2017 giving intimations to the shareholders about the placement of the Policy on the website of the Company along with address.

E. Details of Compliance with mandatory requirements

The Company has complied with the mandatory requirements of SEBI Listing Regulations except mentioned as above.

M/s Sanjay Grover & Associates, Practicing Company Secretaries have certified that the Company has complied with the mandatory requirements of corporate governance as stipulated in SEBI Listing Regulations.

F. Whistle-Blower Policy/ Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism in form of Whistle Blower Policy ("Policy or Mechanism") of reporting illegal or unethical behaviour for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. Policy is applicable to all the Directors of the Company, Permanent & contractual employees of the Company based in India or outside, Employees of other agencies deployed for the Company, Contractors, vendors, suppliers or agencies (or any of their employees), Customers of the Company and any other person having an association with the Company. Mechanism also provide for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The detail of establishment of such Policy/Mechanism is also uploaded on the website of the Company & can be accessed through the link http://www.religare.com/pdf/Religare_Whistle_Blower_Policy_10072018.pdf. It is hereby confirmed that no personnel has been denied access to the Audit Committee.



G. Details of Adoption of Non-Mandatory requirements

The Company has complied with and adopted the following non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the SEBI Listing Regulations.

i. Shareholders' Rights

The quarterly results of the Company are published in English (Financial Express) and a Hindi newspaper (Jansatta), having wide circulation in Delhi. Further, the quarterly results are also posted on the website of the Company – <http://www.religare.com/QAR-FY2011-12.aspx>. In view of the forgoing, the half yearly results of the Company are not sent to the Shareholders individually.

ii. Modified Opinion(s) in Audit Report

The Company believes in maintaining its accounts in a transparent manner and aims at receiving unqualified report of auditors on the financial statements of the Company. However the auditors have qualified their auditor report in financial year 2016-17 and 2017-18. Management response on the qualified opinion has been provided in respective Directors Report as on March 31, 2017 and March 31, 2018.

iii. Separate Posts of Chairman and CEO

As on March 31, 2018, the Company does not have a designated Chairman. The Company has appointed Mr. Ashok Mehta as Interim CEO without being on Board of Directors w.e.f. April 17, 2018.

iv. Reporting of Internal Auditor

The Internal Auditors of the Company i.e. M/s KPMG report to the Audit Committee of the Company.

H. CEO/ CFO Certification

The certificate duly signed by the Interim CEO and Director – Finance was placed before the Board at its meeting and the same is annexed and forms part of this Annual Report.

I. Code of Conduct

In compliance with Regulation 17 of the SEBI Listing Regulations, the Company has formulated and adopted a Code of Conduct applicable to the Board Members as well as the Senior Management and the same has been placed on the web-site of the Company i.e. http://www.religare.com/pdf/REL_CodeofConductforBoardMembers_May16.pdf. The Code of Conduct inter alia includes the duties of the Independent Directors as prescribed under the Act. All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2018.

A declaration to this effect, duly signed by Interim Chief Executive Officer, is annexed and forms part of this Annual Report.

J. Procedures for fair disclosure of Unpublished Price Sensitive Information and Prevention of Insider Trading

The Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code") and Code of Conduct for Prevention of Insider Trading ("Insider Code") with a view to deal with Unpublished Price Sensitive Information and trading in securities by Directors, employees of the Company, Designated Employees and Connected Persons. The Company Secretary is Compliance Officer for the purpose of Insider Code. Mr. Kishore Belai, Director – Corporate Strategy & Investor Relations is the Chief Investor Relations Officer for the purposes of Fair Disclosure Code. Both Fair Disclosure Code and Insider Code have been posted on the website of the Company i.e. http://www.religare.com/pdf/Fair_Disclosure_of_Price_Sensitive_InformationMay16.pdf and http://www.religare.com/pdf/REL_Insider_%20Code_May2016.pdf respectively.

K. Risk Management Framework

The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews through Risk Management Committee to ensure that critical risks are controlled by the management. The details of the Risk Management Committee are provided elsewhere in this Report and details of Risk Management Framework are provided in Director's Report.

L. Compliance with Corporate Governance Requirements

During the financial year, the Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub regulation (2) of Regulation 46 of the SEBI Listing Regulations.



M. Dividend Distribution Policy:

In pursuant to introduction of Regulation 43A of the SEBI Listing Regulations, the Company had adopted a Dividend Policy on October 26, 2016 which defines the financial parameters and factors that were considered for declaration and payment of dividend to its shareholders. The declaration and distribution of dividends, whether interim or final, will, at all times, be in accordance with the Act and SEBI Listing Regulations, such other applicable laws and Article of Association of the Company as amended.

The Dividend Policy of the Company is posted on the website of the Company i.e. http://www.religare.com/pdf/Rel_Dividend_PolicyNov2016.pdf

There has been no change in the said Policy for the Financial Year ended March 31, 2018.

8. SUBSIDIARY COMPANIES

During the period under review, Religare Finvest Limited (RFL), Religare Securities Limited (RSL) and RGAM Investment Advisers Private Limited (RGAM) were 'material non-listed Indian subsidiaries' as defined under Regulation 24 of the SEBI Listing Regulations. Further RSL and RGAM were merged with the Company w.e.f. December 29, 2017 in pursuant to the order dated December 08, 2017 passed by National Company Law Tribunal approving the Composite Scheme of Arrangement between the Company and its wholly owned subsidiaries.

The Company has formulated a policy for determining 'material' subsidiaries and such policy is uploaded on the Company's website and can be accessed through the link http://www.religare.com/pdf/Rel_Policy_on_Subsidaries_May16.pdf

As a holding company, the performance of subsidiaries is monitored by the following means:

- The Audit committee / Board of the Company quarterly reviews the financial statements of the unlisted subsidiary companies, in particular the investments made by these companies.
- Minutes of all Board meetings of the unlisted subsidiary companies are placed before at the Board meeting of the Company periodically.
- A statement containing all significant transactions and arrangements entered into by the material unlisted subsidiary companies is placed at the Board meeting of the Company periodically.

9. MEANS OF COMMUNICATION

In accordance to Regulation 46 of SEBI Listing Regulations, the Company has maintained a functional website at www.religare.com. The Company regularly intimates un-audited Financial Results as well as Audited Financial Statements to the Stock Exchanges immediately after these are approved by the Board in accordance with the requirements of the SEBI Listing Regulations. These financial results are generally published in one of the leading newspapers of country that is Financial Express in English and Jansatta in Hindi and are displayed on the website of the Company i.e. www.religare.com.

Press Releases are sent to NSE and BSE before sending the same to media and are also displayed on the Company's website i.e. www.religare.com. The Annual Report of the Company, the quarterly and the annual results of the Company are also placed on the Company's website i.e. www.religare.com and can be downloaded. There is a separate dedicated section under "Investors Relations" on the Company's website which gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

All the corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically on BSE's on-line portal i.e. BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NSE Electronic Application Processing System (NEAPS) portal. The Stock Exchange filings are also made available on the website of the Company www.religare.com

The Company has designated an e-mail ID called investorservices@religare.com exclusively for redressal of Shareholders/ Investors complaints / grievances.

The Company's website (www.religare.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The presentations made to the Investors are available on the website.



10. SHAREHOLDERS INFORMATION

(i) Annual General Meeting

Date : September 20, 2018
Time : 11.30 A.M
Venue : Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi - 110003

(ii) Financial Calendar (tentative)

The financial year covers the period starting from 1st April and ending on 31st March.

Adoption of Quarterly Results

| For the Quarter ended | on or before (tentative) |
|-----------------------|--|
| June 30, 2018 | September 13, 2018 (Subject to Limited Review) |
| September 30, 2018 | December 13, 2018 (Subject to Limited Review) |
| December 31, 2018 | February 14, 2019 (Subject to Limited Review) |
| March 31, 2019 | May 30, 2019 (Audited) |

(iv) Dividend Payment Date

The Company has not recommended/ paid any dividend for the period under review.

(v) Listing

Equity Shares of the Company are currently listed at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) are the depositories for the equity shares of the Company. The annual listing fees for the year 2017-18 & 2018-19, have been paid to both NSE and BSE where the Company's equity shares are listed. The equity shares of the Company have not been suspended from trading on the Stock Exchanges or by any Regulatory/Statutory Authority.

Payment of Depository Fees

Annual Custody/Issuer fee for the year 2018 -2019 has been paid by the Company to NSDL and CDSL.

(vi) Scrip Symbol / Code

| | |
|---------------------------------------|-----------------------|
| NSE | RELIGARE |
| BSE | 532915 |
| Corporate Identification Number (CIN) | L74899DL1984PLC146935 |

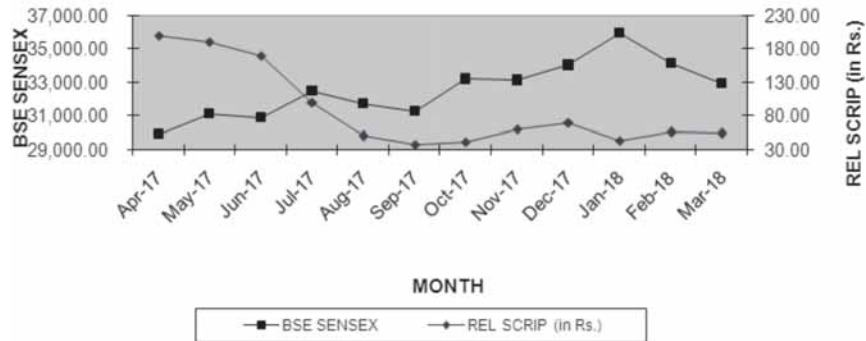
(vii) Market Price Data

(In Rs.)

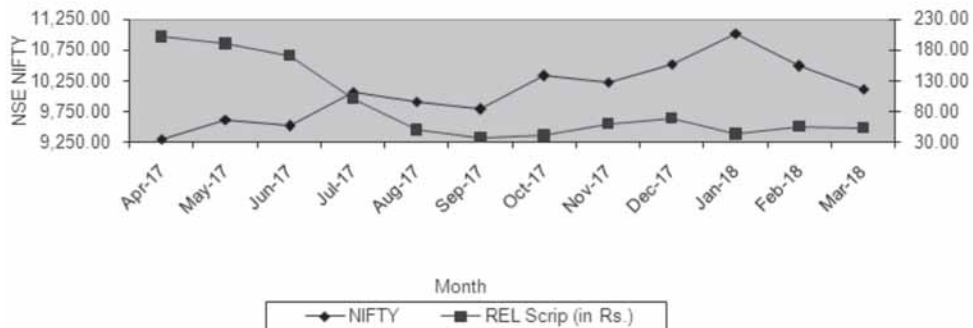
| Month | Bombay Stock Exchange (BSE) | | | National Stock Exchange (NSE) | | |
|----------------|-----------------------------|--------|----------------------------------|-------------------------------|--------|----------------------------------|
| | High | Low | Volume (Number of Shares) | High | Low | Volume (Number of Shares) |
| April 2017 | 237.60 | 195.00 | 3,55,361 | 235.00 | 195.70 | 27,91,869 |
| May 2017 | 209.45 | 174.00 | 3,14,429 | 207.00 | 172.10 | 10,81,739 |
| June 2017 | 195.00 | 169.00 | 4,32,649 | 195.60 | 169.35 | 4,29,444 |
| July 2017 | 171.00 | 92.15 | 54,40,977 | 170.15 | 92.20 | 2,37,71,634 |
| August 2017 | 108.00 | 48.95 | 45,46,967 | 108.40 | 48.90 | 2,02,80,166 |
| September 2017 | 51.45 | 34.25 | 1,36,43,745 | 51.10 | 34.10 | 5,89,38,348 |
| October 2017 | 59.50 | 37.00 | 1,15,26,415 | 59.40 | 37.00 | 4,03,38,502 |
| November 2017 | 64.35 | 40.10 | 2,03,23,702 | 64.40 | 40.05 | 8,90,62,226 |
| December 2017 | 80.50 | 54.90 | 3,42,71,776 | 80.50 | 55.05 | 11,59,63,937 |
| January 2018 | 73.60 | 42.80 | 2,07,84,053 | 73.70 | 42.90 | 8,89,03,854 |
| February 2018 | 64.95 | 37.25 | 1,96,76,936 | 64.90 | 37.05 | 7,71,67,897 |
| March 2018 | 59.20 | 50.75 | 87,31,669 | 59.20 | 50.55 | 3,04,47,914 |



**COMPARATIVE CHART OF RELIGARE ENTERPRISES LIMITED
SCRIP WITH BSE SENSEX**



**COMPARATIVE CHART OF RELIGARE ENTERPRISES LIMITED SCRIP
WITH NSE NIFTY**



(viii) Registrar & Transfer Agent (RTA)

Karvy Computershare Private Limited

Karvy Selenium Tower B,

Plot 31-32, Gachibowli, Financial District,

Nanakramguda, Hyderabad - 500032

Telephone: +91 40 4465 5000, Fax: +91 40 2342 0814

Email: einward.ris@karvy.com Website: www.karvycomputershare.com



(ix) Share Transfer System

The Company has appointed Karvy Computershare Private Limited as the Registrar and Share Transfer Agent. The Company's Equity share being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Stakeholders Relationship Committee of the Company. The share transfer process is reviewed by the said Committee. Share transfers in physical form are processed and the share certificates are generally issued to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects. Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

Further, SEBI vide its circular dated 20th April, 2018, has mandated to submit the PAN and Bank Account details by all shareholders to the Registrar and Transfer Agent of the Company. In this regard, the Company through its Registrar and Transfer Agent has already sent notices on July 09, 2018 to the shareholders for submission of their PAN and Bank Account details for registration / updation.

SEBI has also made an amendment to Regulation 40 of SEBI Listing Regulations with respect to mandatory dematerialization for transfer of securities. Pursuant to the aforesaid amendment to SEBI Listing Regulations, Listed Companies and their Registrars and Transfer Agents (RTAs) are advised to ensure that shares which are lodged for transfer are mandatory in dematerialized form with effect from December 05, 2018. Therefore, shareholders are requested to get their physical shareholding dematerialized for any further transfers.

As per the provisions of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or Registrar of the Company. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in practice as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the certificate simultaneously with the Stock Exchanges under Regulation 40(10) of the SEBI Listing Regulations.

(x) Shareholding Pattern as on March 31, 2018

| | Category | No. of Shares held | Percentage of Shareholding (%) |
|-----|---|---------------------|--------------------------------|
| (A) | Shareholding of Promoter and Promoter Group¹ | | |
| 1 | Indian | 5,496,349 | 3.08 |
| 2 | Foreign | 50 | 0.00 |
| | Total Shareholding of Promoter and Promoter Group | 5,496,399 | 3.08 |
| (B) | Public Shareholding² | | |
| 1 | Institutions | | |
| | Mutual Funds/Trusts | 95 | 0.00 |
| | Financial Institutions/Banks | 17,423,614 | 9.76 |
| | Foreign Portfolio Investors | 42,126,217 | 23.61 |
| 2 | Non-institutions | | |
| | Bodies Corporate | 33,655,791 | 18.86 |
| | NBFC's | 1,639,919 | 0.92 |
| | Indian Public and Others | 78,113,213 | 43.77 |
| | Total Public Shareholding | 17,29,58,849 | 96.92 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | | |
| 1 | Promoter and Promoter Group | - | - |
| 2 | Public | - | - |
| | TOTAL (A) + (B) + (C) | 178,455,248 | 100.00 |

¹For definitions of "Promoter" and "Promoter Group" refer to Regulation 2(w) of SEBI Listing Regulations.

²For definition of "Public Shareholding", refer to Regulation 2(y) of the SEBI Listing Regulations.



List of Public Shareholders holding more than 1% shareholding the Company as on March 31, 2018

| Sr. No. | Name of the shareholder | No. of Shares held | Percentage of Shareholding (%) |
|---------|---------------------------------------|--------------------|--------------------------------|
| 1 | India Horizon Fund Ltd | 17,838,467 | 9.99 |
| 2 | Resilient India Growth Fund | 17,638,579 | 9.88 |
| 3 | Axis Bank Limited | 15,789,000 | 8.85 |
| 4 | International Finance Corporation | 12,818,331 | 7.18 |
| 5 | Naina Mahesh Buxani | 5,833,584 | 3.27 |
| 6 | IL And FS Securities Services Limited | 4,375,647 | 2.45 |
| 7 | Dilipkumar Lakhi | 4,747,161 | 2.66 |
| 8 | CB Green Ventures Pte Limited | 3,841,875 | 2.15 |
| 9 | Mahesh Udhav Buxani | 3,408,441 | 1.91 |
| 10 | ARCH Finance Limited | 3,468,268 | 1.94 |
| 11 | Bay Capital Advisors Private Limited | 2,125,294 | 1.19 |
| 12 | Samco Securities Limited | 2,281,922 | 1.28 |
| 13 | Manish Lakhi | 1,815,806 | 1.02 |
| 14 | RHC Finance Private Limited | 1,815,134 | 1.02 |
| | TOTAL : | 97,797,509 | 54.79 |

(xii) Distribution of Shareholding as on March 31, 2018

| From – To | No. of Shareholders | | No. of Shares | |
|----------------|---------------------|-------------|--------------------|-------------|
| | Number | % Total | Number | %Total |
| 1-5000 | 41,785 | 84.79% | 4,414,654 | 2.47% |
| 5001-10000 | 3198 | 6.49% | 2,705,260 | 1.52% |
| 10001-20000 | 1775 | 3.60% | 2,832,328 | 1.59% |
| 20001-30000 | 654 | 1.33% | 1,713,665 | 0.96% |
| 30001-40000 | 302 | 0.61% | 1,104,749 | 0.62% |
| 40001-50000 | 375 | 0.76% | 1,811,216 | 1.02% |
| 50001-100000 | 524 | 1.06% | 4,223,098 | 2.37% |
| 100001 & Above | 665 | 1.35% | 159,650,278 | 89.46% |
| Total | 49,278 | 100% | 178,455,248 | 100% |

(xiii) Dematerialization of Shares and Liquidity

The Company's Equity Shares are in compulsory demat segment and are available for trading under dematerialized form with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2018, 178,450,091 Equity Shares of the Company, forming 99.99% of the total issued and paid up Equity Share Capital of the Company, were in dematerialized form.

The ISIN of the Company is INE621H01010 (with NSDL and CDSL).

(xiv) Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any other Convertible instruments, conversion date and likely impact on equity

Details of outstanding Stock Options are being uploaded on the website of the Company and same can be accessed through web link <http://www.religare.com/Employee-Stock-Option-Schemes.aspx>.

Other than above, the Company has no outstanding ADR/GDR, options or rights to convert debentures, loans or other instruments into the Equity Shares as on March 31, 2018.



In pursuant to Special Resolution passed by the shareholders of the Company on March 19, 2018, the Company allotted 111,497,914 convertible warrants at offer price of ₹ 52.30/- each to various investors on April 19, 2018, exercisable into equal number of Equity Shares of the Company. Further, the Company allotted equity shares to certain warrant holders upon exercise of their rights on conversion of warrants as per details provided elsewhere in the Annual Report.

(xv) Plant Locations: Not Applicable

(xvi) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 and Section 125 of the Act, and pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividend, if not claimed for a consecutive period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to Investor Education and Protection Fund (IEPF). Further there is nil unpaid and unclaimed amounts lying with the Company as on September 21, 2017 (date of last Annual General Meeting).

Amount lying unpaid in the Unpaid Dividend Account of the Company in respect of dividend declared in year 2010 and not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, which was due to be transferred to the fund on April 08, 2017, has been transferred to the Investor Education and Protection Fund, pursuant to Section 125 of the Act within the prescribed time lines.

(xvii) Address for Correspondence with the Company

For Securities held in Physical form

Karvy Computershare Private Limited

Karvy Selenium Tower B,

Plot 31-32, Gachibowli, Financial District,

Nanakramguda, Hyderabad - 500032

Telephone: +91 40 4465 5000, Fax: +91 40 2342 0814

Email: einward.ris@karvy.com Website: www.karvycomputershare.com

For Securities held in Demat form

To the Investors' Depository Participant (s) and/or Karvy Computershare Private Limited

Any query on Annual Report

Mrs. Reena Jayara

Company Secretary

Plot No.A-3/4/5, Prius Global Tower 'A', Sector-125, Noida -201301

E-mail: investorservices@religare.com

For retail investors

E-mail: investorservices@religare.com and / or einward.ris@karvy.com

For institutional investors' / analysts' queries

E-mail: investorrelations@religare.com



CEO /CFO CERTIFICATION

We, Ashok Mehta, Interim CEO, and Krishnan Subramanian, Director – Finance, of Religare Enterprises Limited, hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that –
 - (i) there has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year under review; and
 - (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Gurugram
Date : May 30, 2018

Sd/-
Ashok Mehta
Interim CEO

Sd/-
Krishnan Subramanian
Director-Finance

DECLARATION BY CEO

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz. www.religare.com.

It is further certified that the Directors and Senior Management have affirmed their compliance with the Code for the year ended 31st March, 2018.

Place : Gurugram
Date : May 16, 2018

Sd/-
Ashok Mehta
Interim CEO



CORPORATE GOVERNANCE CERTIFICATE

To
The Members
Religare Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by **Religare Enterprises Limited** ("the Company"), for the financial year ended March 31, 2018, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

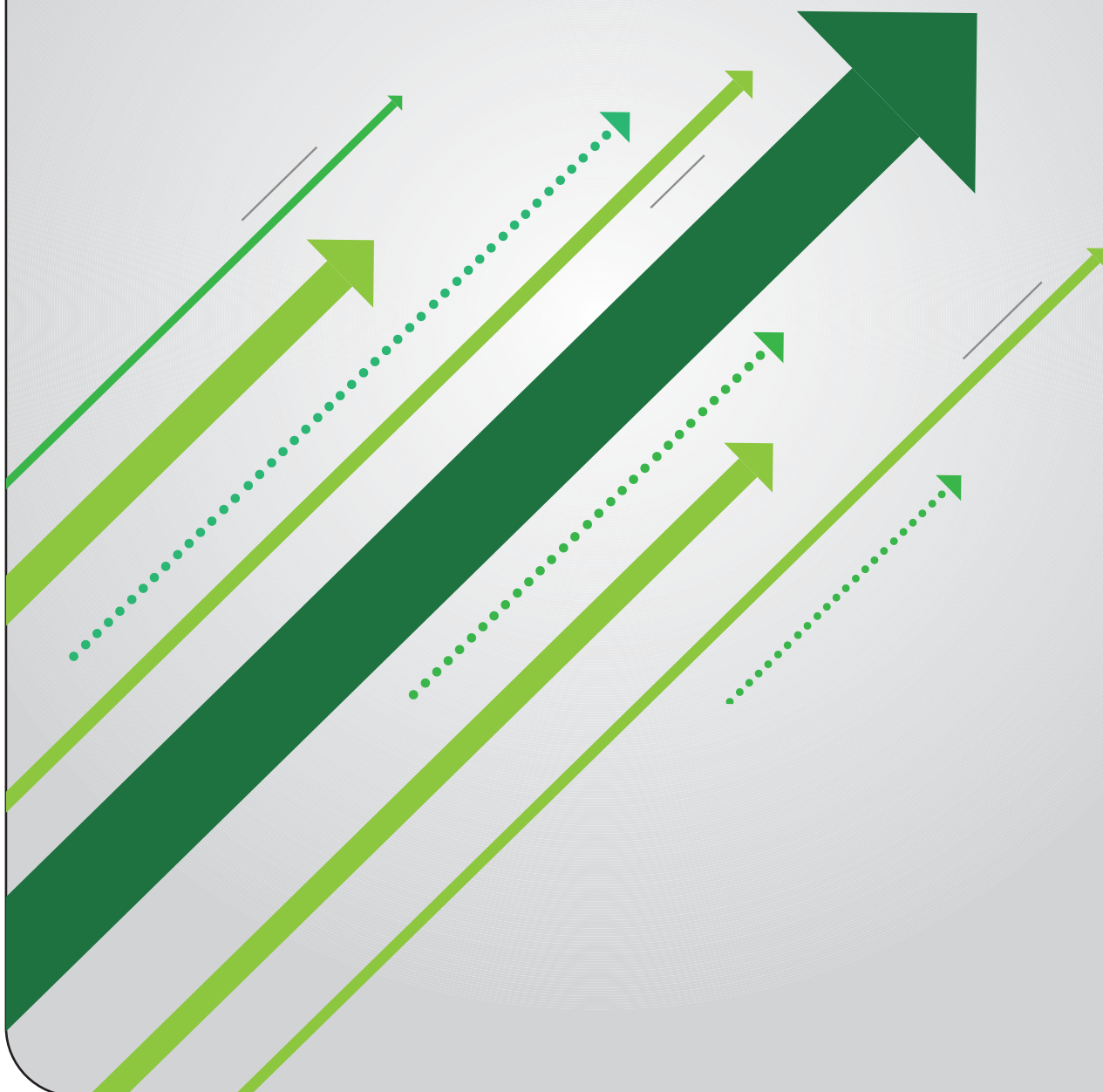
We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: **P2001DE052900**

Date : July 31, 2018
Place : New Delhi

Sd/-
Sanjay Grover
Managing Partner
C.P. No.: 3850

CONSOLIDATED **FINANCIALS**







To The Members, Religare Enterprises Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Religare Enterprises Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss, the consolidated Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014, as amended, and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and Rules made thereunder including the accounting standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The Qualification given in Auditors Report of Religare Finvest Limited is reproduced here under.

The Lakshmi Vilas Bank (LVB) has adjusted Fixed Deposit of ₹ 75,000 Lakhs (representing ₹ 79,145 Lakhs as per financial statement as on March 31, 2018) due to the Company against the loans granted by LVB to RHC Holding Pvt. Ltd. and Ranchem Pvt. Ltd.; Company has claimed the reinstatement of the said fixed deposits and has filed a suit before to the Hon'ble Delhi High



Court for declaration and recovery. Pending disposal of the case, we are unable to comment on the status and classification.

Attention is invited to note no. 24.2 (v) to consolidated financial statement relating to Corporate Loan Book (CLB portfolio) aggregating to ₹ 203,670 Lakhs as on March 31, 2018 given to certain companies. The Reserve Bank India ('RBI') in its letter dated January 27, 2017 to the Company, had also raised concerns about the credit worthiness of the borrowers, credit appraisals and loan sanctioning mechanism. The RBI further directed the Company to reduce its CLB portfolio and to submit action plan to this effect. The Company was required to submit an action plan approved by Board for ensuring that unsecured loans to corporates are not sanctioned in future. We have been explained by the management that it has initiated legal recourse and has issued legal notices to the borrowers. We have also been explained by the management that a law firm of repute has been appointed to undertake a detailed diligence on this loan book. The Company has, on prudent basis made a provision amounting to ₹ 101,285 Lakhs against this portfolio based on an assessment of security available, maturity dates of loans, recovery steps instituted and the financial position of the borrowers. Pending outcome of the said diligence & recovery steps taken by the management, we are unable to comment on the appropriateness of the provision so made.

Further, the RBI had also observed that some of these select borrowers had passed on funds to the promoter/ erstwhile Director controlled companies. We are unable to comment on the violations of NBFC Group Exposure Guidelines or to violations of Companies Act, 2013, if any, as we do not have access to the records of the borrower companies.

Also, in previous year auditor's report, there was modified opinion in this regard.

The Emphasis of Matter given in Auditors Report of subsidiary companies is reproduced here under.

Religare Finvest Limited

Attention is invited to note no. 25.1 to Consolidated financial statement, during the year ended March 31, 2016, there were certain assignment of loans by RFL to Strategic Credit Capital Private Limited ('SCCPL') and during the year ended March 31, 2017, the amounts recoverable from SCCPL and Perpetual Credit Services Private Limited ('Perpetual') aggregating to ₹ 79,367 Lakhs were written off by the Company and various legal proceedings were initiated by the parties against each other. During the year ended March 31, 2018 the Company entered into a settlement agreement with the counterparties pursuant to which the various cases against each other at various courts and tribunals were withdrawn on consent terms, however the Company retained its right to recover the amounts due from SCCPL and Perpetual. Despite the settlement agreement SCCPL has filed suits against the Company at various forums. RFL is in the process of detailed diligence on these and connected transactions and is pursuing appropriate legal remedies to recover the amounts due to it and expect that there will not be any obligation on RFL out of these cases.

Religare Comtrade Limited (RCTL)

We draw attention towards note no. 33.4 to consolidated financial statements. Based on the letter of comfort from the holding company, the financial statements have been prepared on a going concern basis.

Religare Wealth Management Ltd (RWML)

We draw attention to note no. 40 (m) to consolidated financial statements regarding the preparation of the financial statements on realizable value basis in the financial year 2016-17 in view of the sale of commercial operations of RWML and the other reasons mentioned in the aforesaid note and regarding non appointment of Company Secretary, which have been reappointed subsequently.

Our opinion is not qualified in respect of these matters.

Qualified Opinion

Except for the effect of matters as stated in basis for qualified opinion, the aforesaid consolidated financial statements gives the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated financial position of the Group as at March 31, 2018, their consolidated loss and their consolidated financial performance, and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We have been informed by the management of the company that RBI has concluded its inspection on the records of the



company as on March 31, 2017, however report of the same is yet to be received by the company. Pending receipt of such report, its impact on the financials of the company, if any cannot be ascertained.

- b) We did not audit the financial statement of 4 Subsidiary Companies (including subsidiaries incorporated outside India) whose financial statement reflect total assets of ₹ 986.32 Lakhs as at March 31, 2018, total revenue of ₹ 470.33 Lakhs, net cash inflows amounting to ₹ 180.45 Lakhs, Loss after Tax of ₹ 80.94 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the certificate furnished by the management.
- c) We did not audit the financial statement of 2 Subsidiary Companies whose financial statement reflect total assets of ₹ 109,865.64 Lakhs as at March 31, 2018, total revenue of ₹ 73,943.41 Lakhs, net cash out flows amounting to ₹ 1,121.93 Lakhs, Loss after Tax of ₹ 1,625.67 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the report of the other auditors.
- d) Consolidated Financial statement includes group share of total assets of ₹ 111.31 Lakhs as at March 31, 2018, total revenue of ₹ 127.43 Lakhs, net cash out flows amounting to ₹ 7.27 Lakhs, Loss after Tax of ₹ 724.67 Lakhs for the year ended on that date in respect of one joint venture company, as considered in the consolidated financial statements. These financial statements are audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Joint venture is based solely on the certificate furnished by the management.
- e) The consolidated financial results/ comparative financial information of the Company for the year ended on March 31, 2017 included in the Statement were audited by the predecessor auditors who issued their modified audit report dated June 29, 2017. These reports have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the statement.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to reliance on the work done and the reports of the other auditors and financial statement certified by the management.

Report on Legal and Other Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.
 - (b) In our opinion, except for indeterminate effect of the matter referred to in Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Holding company, its subsidiaries included in group, jointly controlled entity so far as it appears from our examination of those books and records of Holding Company and the reports of the other auditors.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flows statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding company, its subsidiaries included in the group and jointly controlled entity incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matter referred to in paragraph – Qualified Opinion & Emphasis of Matter above may have an adverse effect on functioning of Group.
 - (f) On the basis of written representation received from the Directors of the Holding company as on March 31, 2018, taken on record by the Board of Directors of Holding company and the reports of the statutory auditors of its subsidiary



companies, jointly controlled entity incorporated in India, none of the Directors of Group companies, subsidiary companies, jointly controlled entity incorporated in India are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note no 33 to consolidated financial statements.
 - (ii) The Company has made provisions as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 7 to consolidated financial statements. The Company did not have any derivative contracts as at March 31, 2018.
 - (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018 – Refer Note 10.1 to consolidated financial statements.

For **S. S. KOTHARI MEHTA & CO.**

Chartered Accountants

Firm Registration Number:000756N

Sd/-

NAVEEN AGGARWAL

Partner

Membership Number: 094380

Place : Gurugram

Date : May 30, 2018



"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Religare Enterprises Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Religare Enterprises Limited ('the Holding Company') and its subsidiary Companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Group internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Opinion

8(a) Qualified Opinion as mentioned in the audit report on standalone financial statement of the Holding Company

Based on our review, information & explanation during the year we have observed the following material weaknesses:

- a) As stated in Note No. 24.4 to the consolidated financial statement and according to information and explanation furnished to us and based on our audit, continuing material weakness has been identified in the Internal Financial Control Over Financial Reporting in the Credit evaluation process, recovery mechanism in respect of Corporate Loan which was not operating effectively as at March 31, 2018.
- b) Review of process of identification and updation of documentation of Micro Small & Medium Enterprises as per MSMED Act 2006 and Information Technology General Controls.
- c) The Company's internal control process need to be strengthened in respect of process of initiating payment accounting entries and closure of outstanding entries in Bank Reconciliation Statements.

8(b) The basis for Disclaimer of Opinion given in Auditors Report of subsidiary company (RFL) is reproduced here under:

Based on our review, information & explanation during the year we have observed the following material weaknesses;

- a) The Company's internal financial control system over financial reporting is not operating effectively in respect of Corporate Loan Book, loan against property & loan against shares due to weak credit appraisal, no system for verification of end use of money after sanction, loan sanctioning mechanism & assessment of credit worthiness of the borrower, documents for follow up post disbursement were not operating effectively.
- b) Updated documentation for Micro Small & Medium Enterprises as per MSMED Act 2006 and control over Information Technology General Controls.
- c) The Company's internal control process for its business in respect of the following needs to be strengthened in respect of regular updation of risk control matrix, comprehensiveness for coverage of all process;

Some of the aspects were disclaimed in the predecessor statutory auditor's report issued for the financial year 2016-17.

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, the Holding Company except for the matters referred in paragraph 8(a) above, its subsidiary companies, except for matters referred in paragraph 8(b) above, its jointly controlled entity, which are companies incorporated in India have in all material aspects has maintained adequate internal control over financial reporting as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by ICAI and were operating effectively as at March 31, 2018.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2018 and the disclaimer in subsidiary company (RFL) has affected our opinion on the financial statements of the Group and we have issued a qualified opinion on the financial statement for the year ended on that date.



Other Matters

- a) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies and one jointly controlled entity, which is company incorporated in India, is based on the corresponding reports of the auditors of such Company.
- b) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting does not include reporting on four subsidiary companies including subsidiary company incorporated outside India and whose audit reports are not available . In our opinion and according to information and explanation given to us by the management, financial statement / financial information of such companies is not material to the Group.

Our opinion is respect of point (a) and (b) above is not qualified.

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration Number:000756N

Sd/-
NAVEEN AGGARWAL
Partner
Membership Number: 094380

Place : Gurugram
Date : May 30, 2018



| Particulars | Note No. | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) |
|--|----------|---------------------------------------|---------------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 2,049,552,480 | 2,048,344,980 |
| Reserves and Surplus | 4 | 14,796,888,135 | 25,468,640,389 |
| Share Application Money Pending Allotment | 4A | - | 16,905,000 |
| Minority Interest | | 3,412,538,589 | 4,943,532,320 |
| Non - Current Liabilities | | | |
| Long - Term Borrowings | 5 | 58,286,975,373 | 89,165,837,342 |
| Other Long Term Liabilities | 6 | 364,863,483 | 411,331,140 |
| Long - Term Provisions | 7 | 7,099,406,717 | 7,411,332,975 |
| Current Liabilities | | | |
| Short - Term Borrowings | 8 | 10,619,836,076 | 21,586,663,674 |
| Trade Payables | 9 | - | - |
| Total outstanding dues of micro enterprises and small enterprises | | 2,293,252,929 | 3,140,737,256 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 43,869,951,752 | 52,646,853,522 |
| Other Current Liabilities | 10 | 15,968,189,662 | 3,537,407,997 |
| Short - Term Provisions | 11 | - | - |
| TOTAL | | 158,761,455,196 | 210,377,586,595 |
| ASSETS | | | |
| Non - Current Assets | | | |
| Fixed Assets | | | |
| Property, Plant and Equipment | 12 | 264,063,444 | 338,916,914 |
| Intangible Assets | 13 | 532,770,736 | 690,476,508 |
| Capital Work - in - Progress | 14 | - | - |
| Intangible assets under development | 15 | 111,854,624 | 119,074,086 |
| Non - Current Investments | 16 | 14,244,605,520 | 11,458,617,010 |
| Deferred Tax Asset (Net) | 17 | 5,098,816,580 | 2,821,203,925 |
| Long - Term Loans and Advances | 18 | 61,290,339,159 | 103,083,083,508 |
| Other Non - Current Assets | 19 | 1,058,746,005 | 1,332,598,521 |
| Current Assets | | | |
| Current Investments | 20 | 4,407,344,895 | 8,371,673,414 |
| Inventories | 21 | 404,890 | 7,652,481 |
| Trade Receivables | 22 | 2,848,207,949 | 6,120,008,137 |
| Cash and Bank Balances | 23 | 17,448,069,808 | 20,215,089,330 |
| Short - Term Loans and Advances | 24 | 48,512,751,952 | 52,659,981,768 |
| Other Current Assets | 25 | 2,943,479,634 | 3,159,210,993 |
| TOTAL | | 158,761,455,196 | 210,377,586,595 |
| Overview, Principles of Consolidation and Significant Accounting Policies | 1&2 | | |

The notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Balance Sheet referred to in our report of even date For and on behalf of the Board of Directors

For SS Kothari Mehta & Co.

Firm Registration No. 000756N

Chartered Accountants

Sd /-

NAVEEN AGGARWAL

Partner

Membership No: 094380

Sd /-

RAMA KRISHNA SHETTY

Director

(DIN-01521858)

Sd /-

KRISHNAN SUBRAMANIAN

Director Finance

(DIN- 08038047)

Sd /-

ASHOK MEHTA

Interim CEO

Sd /-

REENA JAYARA

Company Secretary

Membership No: A19122

Place : Gurugram

Date : May 30, 2018

Place : Gurugram

Date : May 30, 2018



Statement of Consolidated Profit and Loss

For the year ended March 31, 2018

| Particulars | Note No. | For the Year Ended March 31, 2018 Amount (₹) | For the Year Ended March 31, 2017 Amount (₹) |
|--|----------|--|--|
| Revenue | | | |
| Revenue From Operations | 26 | 25,867,567,953 | 37,717,594,550 |
| Other Income | 27 | 1,063,845,565 | 692,613,217 |
| Total Revenue | | 26,931,413,518 | 38,410,207,767 |
| Expenses | | | |
| Employee Benefits Expense | 28 | 4,983,480,760 | 6,449,870,116 |
| Finance Costs | 29 | 12,610,217,541 | 18,362,979,884 |
| Depreciation and Amortization Expense | 30 | 376,069,291 | 309,687,564 |
| Other Expenses | 31 | 24,740,163,918 | 10,232,476,437 |
| Total Expenses | | 42,709,931,510 | 35,355,014,001 |
| Profit / (Loss) Before Exceptional Items and Tax | | (15,778,517,992) | 3,055,193,766 |
| Exceptional Items (Refer Note 40(a)) | | | |
| Write Back of Provision for Diminution in the value of non-current Investments in a subsidiary | | - | 4,500,000,000 |
| Provision for diminution in value of non-current investment in a subsidiary | | - | (150,000,000) |
| Loans / Sundry Balances written off | | - | (7,936,720,176) |
| Profit / (Loss) on sale of investment in subsidiaries (Net) | | - | (832,508,465) |
| | | - | (4,419,228,641) |
| Profit / (Loss) After Exceptional Items and Before Tax | | (15,778,517,992) | (1,364,034,875) |
| Tax Expenses | | | |
| Current Tax | | 79,286,475 | 1,595,205,039 |
| Deferred Tax (Net) | | (2,281,450,737) | (1,750,122,822) |
| Taxes for earlier years (Net) | | (121,918,983) | 27,208,510 |
| MAT Credit | | 49,767,295 | (2,736,487) |
| Profit / (Loss) After Tax and before Share in Associates | | (13,504,202,042) | (1,233,589,115) |
| Share of Profit / (Loss) in Associates (Net) | | - | (1,995,356) |
| Profit / (Loss) for the year | | (13,504,202,042) | (1,235,584,471) |
| Profit / (Loss) attributable to Minority | | (1,579,196,878) | 507,152,406 |
| Profit / (Loss) attributable to the Company (Balance transfer to Balance Sheet) | | (11,925,005,164) | (1,742,736,877) |
| Earnings Per Equity Share | 32 | | |
| Basic (Face value of ₹ 10 each, fully paid up) | | (66.84) | (9.79) |
| Diluted (Face value of ₹ 10 each, fully paid up) | | (66.84) | (9.79) |
| Overview, Principles of Consolidation and Significant Accounting Policies | 1&2 | | |

The notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Profit and Loss referred to in our report of even date For and on behalf of the Board of Directors

For SS Kothari Mehta & Co.

Firm Registration No. 000756N

Chartered Accountants

Sd /-

NAVEEN AGGARWAL

Partner

Membership No: 094380

Sd /-

RAMA KRISHNA SHETTY

Director

(DIN-01521858)

Sd /-

ASHOK MEHTA

Interim CEO

Sd /-

KRISHNAN SUBRAMANIAN

Director Finance

(DIN- 08038047)

Sd /-

REENA JAYARA

Company Secretary

Membership No: A19122

Place : Gurugram

Date : May 30, 2018

Place : Gurugram

Date : May 30, 2018

Consolidated Cash Flow Statement

For the year ended March 31, 2018



| Particulars | For the Year Ended March 31, 2018 Amount (₹) | For the Year Ended March 31, 2017 Amount (₹) |
|---|---|---|
| A. Cash flow from Operating Activities: | | |
| Net Profit Before Tax | (15,778,517,992) | (1,364,034,875) |
| Adjustments for: | | |
| Depreciation and Amortization | 376,069,291 | 309,687,564 |
| Impairment of Goodwill on Consolidation | - | 82,870,011 |
| Interest Expense | 12,302,818,559 | 16,981,864,506 |
| Interest Income* | (2,149,024,063) | (2,123,203,953) |
| Dividend Income | (203,764) | (6,754,352) |
| (Profit)/Loss on Sale of Fixed Assets and Capital Work in Progress (Net) | (7,385,976) | 61,218,342 |
| (Profit)/Loss on sale of Non-Current Investments in JV / subsidiaries and Investment written off (Net) | (141,037,542) | 799,009,087 |
| (Profit)/Loss on sale of Other Investments (Net) | (317,508,389) | (356,005,368) |
| Bad Debts, Balances & Loans written off and Provision for Doubtful Debts / Loans & Advances (Net) | 2,728,557,382 | 9,621,769,421 |
| Provision for Non Performing Assets and Contingent Provision on Standard Assets (Net) | 12,677,424,543 | 441,130,006 |
| Provision for Gratuity and Leave Encashment (written off) / created | (65,661,152) | (13,226,616) |
| TDS on operating income | (543,284,821) | (1,413,883,621) |
| Provision for Diminution in the value of long term Investments, Assets Held for Sale and Financial Assets (Net) | 638,578,872 | (4,350,000,000) |
| Translation Reserve | 534,529 | 1,410,108,349 |
| Discount on issue of Commercial Paper | 219,002,717 | 1,219,642,846 |
| Operating Profit Before Working Capital Changes | 9,940,362,194 | 21,300,191,348 |
| Adjustments for Changes in Working Capital : | | |
| - (Increase)/Decrease in Inventories | 7,247,591 | 569,844,483 |
| - (Increase)/Decrease in Trade Receivables | 3,248,331,238 | (1,686,483,736) |
| - (Increase)/Decrease in Other Current Assets | 59,360,879 | (2,386,547,546) |
| - (Increase)/Decrease in Other Non-Current Assets | 36,407,961 | (1,587,510) |
| - (Increase)/Decrease in Long Term Loans & Advances | 42,784,655,040 | 38,969,494,526 |
| - (Increase)/Decrease in Short Term Loans & Advances | 1,418,773,218 | (680,835,783) |
| - Increase/(Decrease) in Other Long - Term Liabilities | (46,467,657) | (23,721,961) |
| - Increase/(Decrease) in Trade Payables | (824,768,639) | 656,727,964 |
| - Increase/(Decrease) in Other Current Liabilities | 809,765,799 | 2,055,049,308 |
| Cash Generated / (Used) from / in Operations | 57,433,667,624 | 58,772,131,094 |
| - Taxes (Paid) / Refunded (Net of TDS) | (206,976,630) | (66,209,528) |
| Net Cash Generated from / (Used in) Operating Activities | 57,226,690,994 | 58,705,921,566 |
| B. Cash Flow from Investing Activities: | | |
| Purchase of Fixed Assets | (299,970,847) | (330,241,829) |
| Proceeds from sale of Fixed Assets | 38,328,452 | 180,535,624 |
| Capital Work in Progress / Intangible Assets under development | 10,930,047 | (83,585,988) |
| Proceeds from sale of long term Investments in Joint Ventures and Subsidiaries | 57,409,407 | 19,214,765,897 |
| Proceeds from Sale of other Investments | 200,006,157,038 | 461,871,294,429 |
| Non-Current Investment in Subsidiaries | - | (1,092,885,768) |
| Purchase of other Investments | (198,510,308,640) | (459,317,183,410) |
| Increase / (Decrease) in Investment in Fixed Deposits [#] | (7,608,138,350) | 668,752,702 |
| Interest Received (Revenue) | 2,085,503,218 | 2,059,958,592 |
| Dividend Received (Including dividend from an associates) | 203,764 | 6,754,352 |
| Net Cash Generated from / (Used in) Investing Activities | (4,219,885,911) | 23,178,164,601 |



Consolidated Cash Flow Statement

For the year ended March 31, 2018

| Particulars | For the Year Ended March 31, 2018 Amount (₹) | For the Year Ended March 31, 2017 Amount (₹) |
|--|---|---|
| C. Cash Flow From Financing Activities: | | |
| Redemption of Preference Share Capital (including securities premium) (Net) | - | (4,989,900,771) |
| Share Application Money Received | - | 16,905,002 |
| Proceeds from / (Repayment) for Short term Borrowings:- | | |
| - Inter Corporate Loans (Net) | 124,207,274 | 225,797,464 |
| - Commercial Paper (Net) | (3,191,717,297) | (19,171,428,176) |
| - Debentures (Net) | (5,300,000,000) | 6,200,000,000 |
| - CBLO Borrowings | - | (94,940,707) |
| - Loan Repayable on Demand (Net) | (2,694,113,018) | (6,682,038,595) |
| Proceeds from / (Repayment) for Long Term Borrowings:- | | |
| - Debentures (Net) | (7,338,816,000) | (19,766,869,000) |
| - Term Loans (Net) | (32,123,328,676) | (14,285,417,198) |
| Proceeds from the Shares issued to Minority Shareholders (Net) | 26,048,016 | 46,452,170 |
| Interest Paid | (13,274,650,151) | (18,081,692,976) |
| Dividend Paid (Including dividend paid to Minority Shareholders) | - | (376,973,798) |
| Net Cash Generated from / (Used in) Financing Activities | (63,772,369,852) | (76,960,106,585) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | (10,765,564,769) | 4,923,979,582 |
| Add: Cash and Cash Equivalents at the beginning of the Year | 15,460,976,840 | 12,223,294,378 |
| Less: Cash and Cash Equivalents on Sale of a Subsidiary and a Joint Venture | 3,706,569 | 1,641,939,879 |
| Add: Effect of Exchange difference on Translation of Foreign Currency Cash & Cash Equivalents | 20,932 | (44,357,240) |
| Cash and Cash Equivalents at the end of the Year | 4,691,726,434 | 15,460,976,840 |
| Cash and Cash Equivalents at the end of the Year Comprises of | | |
| Cash in Hand | 650,832 | 832,506 |
| Cheques on Hand | 123,303,150 | 352,218,445 |
| Balances with Banks in Current Accounts | 4,567,772,452 | 6,809,226,966 |
| Balances with Banks in Fixed Deposits Accounts | - | 8,298,698,923 |
| Total | 4,691,726,434 | 15,460,976,840 |

* Interest income does not include interest income from lending operations of ₹ 13,585,751,736 (March 31, 2017: ₹ 24,159,426,579).

Fixed Deposits with banks with maturity more than 12 months from the date of acquisition and after one year from the Balance Sheet Date.

Notes:

- 1 The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 on Cash Flow Statement.
- 2 Figures in bracket indicate cash outgo/income.
- 3 Net Cash used in Operating Activities includes ₹ Nil (March 31, 2017: ₹ 92,111,478) spent towards CSR expenditure during the year.
- 4 Previous year's figures have been regrouped and rearranged wherever necessary to conform to the current year classification.

The notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Cash Flow Statement referred to in our report of even date For and on behalf of the Board of Directors

For SS Kothari Mehta & Co.

Firm Registration No. 000756N

Chartered Accountants

Sd /-

NAVEEN AGGARWAL

Partner

Membership No: 094380

Sd /-

RAMA KRISHNA SHETTY

Director

(DIN-01521858)

Sd /-

ASHOK MEHTA

Interim CEO

Sd /-

KRISHNAN SUBRAMANIAN

Director Finance

(DIN- 08038047)

Sd /-

REENA JAYARA

Company Secretary

Membership No: A19122

Place : Gurugram
Date : May 30, 2018

Place : Gurugram
Date : May 30, 2018



1 OVERVIEW AND PRINCIPLES OF CONSOLIDATION

I OVERVIEW

Religare Enterprises Limited (“REL” or “the Company”) is a leading emerging markets financial services company in India. REL is a diversified financial services company with presence in India and abroad operating through its Indian and overseas subsidiaries. The Subsidiaries, Joint Ventures and Associates are primarily engaged in the business of broking in securities and commodities, lending and investments, financial advisory services, distribution of third party financial products, custodial and depository operations, portfolio management services and insurance, institutional equities and investment banking services to its clients. REL was originally incorporated as a private limited company under the Companies Act, 1956 on January 30, 1984. The Company is listed on National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”). The Company is registered with the Reserve Bank of India as a Non-Deposit Taking Systemically Important Core Investment Company (“CIC-ND-SI”). (Refer Disclaimer below)

More than 90% of its total assets are invested in long term investments in group companies.

W.e.f. December 1, 2016, the Company has changed its registered office from D3, P3B District Centre, Saket, New Delhi -110017 to 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi -110019.

During the current year some subsidiaries of the Company have been amalgamated with the Company, for detail please refer Note 35.

RBI Disclaimer:

- (a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company.
- (b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the Company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/body corporate.

II PRINCIPLES OF CONSOLIDATION

- A. The Consolidated Financial Statements relate to the Company and all of its subsidiary companies incorporated in and outside India and the companies controlled, that is, the companies over which the Company exercises control/ joint control over ownership and voting power and the associates and joint ventures (hereinafter collectively referred to as the “Group”). The Consolidated Financial Statements have been prepared on the following bases.
 - (i) The financial statements of the Company and its subsidiaries are consolidated on a line-by-line basis, by adding together the book values of like items of assets, liabilities, incomes and expenses after as far as possible eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard (“AS”) 21 “Consolidated Financial Statements” as referred to in the Companies (Accounting Standards) Rules, 2006 (“Accounting Standard Rules”).
 - (ii) In case of the foreign subsidiaries and companies controlled by the Company, revenue is consolidated at the average exchange rate prevailing during the year. All monetary assets and liabilities are converted at the exchange rate prevailing at the end of the year. While, non monetary assets and liabilities are recorded at the exchange rate prevailing on the date of the transaction or closing rate, as applicable. Any exchange difference arising on consolidation of integral foreign operations and non integral foreign operations is recognised in the Statement of Profit and Loss and Foreign Currency Translation Reserve respectively in compliance with AS-11.
 - (iii) Investments in subsidiaries are eliminated and differences between the cost of investments over the net assets on the date of investments or on the date of the financial statements immediately preceding the date of investments in subsidiaries are recognised as Goodwill or Capital Reserve, as the case may be.
 - (iv) Minority Interest’s share of net profit or loss of subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the Equity Shareholders of the Company.
 - (v) Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet as a separate item from liabilities and the Shareholders’ Equity.
 - (vi) Investments in associates are accounted for using equity method in accordance with AS - 23 “Accounting for Investments in Associates in Consolidated Financial Statements” as referred to in the Accounting Standard Rules.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

The difference between the cost of investment in the associates and the share of net assets, at the time of acquisition of shares in the associates, is identified in the financial statements as Goodwill or Capital Reserve, as the case may be.

- (vii) Interest in a jointly controlled entity is reported using proportionate consolidation.
 - (viii) As far as possible, the Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.
- B.** Investments in subsidiaries not considered in consolidation are accounted as per AS - 13 "Accounting for Investments" as referred to in the Accounting Standard Rules.
- C.** Minority Interest includes in respect of:
- (a) Equity Share Capital
 - (1) Capital Contribution.
 - (2) Share of Reserves.
 - (3) Share of profit / loss for the year.
 - (b) Preference Share Capital
 - (b1) Redeemable Preference Share Capital
 - (1) Capital Contribution.
 - (2) Redemption Premium payable, if any, out of security premium to the extent premium on issuance of such shares.
 - (3) Share in dividend in current profit similar to equity shares as per terms of issue, as applicable.
 - (4) Coupon rate, as applicable.
 - (b2) Compulsory Convertible Preference Share Capital "(CCPSC)"[§]
 - (1) Capital Contribution.
 - (2) Share in dividend in current profit similar to equity shares as per terms of issue, as applicable.
 - (3) Coupon rate, as applicable.
- [§] CCPSC are not considered for share in reserves till the conversion in to equity shares.
- D.** Premium paid on redemption of Non-Convertible Preference Shares by a subsidiary in excess of premium received on issuance of same shares has been adjusted with the 'Consolidated Surplus' of the Company.
- E.** The Subsidiaries, Joint Venture and Associate considered in the Consolidated Financial Statements are as under:

| Name of the Entity | Proportion of Ownership Interest | Proportion of Ownership Interest | Country of Incorporation |
|---|----------------------------------|----------------------------------|--------------------------|
| | 31-Mar-18 | 31-Mar-17 | |
| <u>(a) Subsidiaries / Sub-Subsidiaries</u> | | | |
| Religare Finvest Limited (Religare Enterprises Limited) | 85.64% | 85.64% | India |
| Religare Securities Limited*** | - | 100.00% | India |



| Name of the Entity | Proportion of Ownership Interest | Proportion of Ownership Interest | Country of Incorporation |
|---|----------------------------------|----------------------------------|--------------------------|
| | 31-Mar-18 | 31-Mar-17 | |
| Religare Commodities Limited (subsidiary of Religare Broking Limited)*** | 100.00% | 100.00% | India |
| Religare Housing Development Finance Corporation Limited (subsidiary of Religare Finvest Limited) | 87.50% | 87.50% | India |
| Religare Health Insurance Company Limited | 90.78% | 90.05% | India |
| Religare Venture Capital Limited (subsidiary of RGAM Investment Advisers Private Limited)*** | - | 100.00% | India |
| Religare Support Services Limited (formerly known as REL Infrafacilities Limited)*** | - | 100.00% | India |
| Religare Arts Initiative Limited*** | - | 100.00% | India |
| Cerestra Advisors Private Limited (formerly known as Cerestra Advisors Limited) § | - | 100.00% | India |
| Religare Comtrade Limited (subsidiary of Religare Commodities Limited) | 100.00% | 100.00% | India |
| Religare Arts Investment Management Limited (subsidiary of RGAM Investment Advisers Private Limited)*** | - | 100.00% | India |
| Religare Capital Finance Limited (formerly known as Religare Share Brokers Limited) (subsidiary of Religare Securities Limited)*** | - | 100.00% | India |
| RGAM Investment Advisers Private Limited*** | - | 100.00% | India |
| Religare Global Asset Management Inc., USA | 100.00% | 100.00% | USA |
| Religare Commodity Broking Private Limited*** | - | 100.00% | India |
| Religare Capital Markets (India) Limited*** | - | 100.00% | India |
| Religare Broking Limited | 100.00% | 100.00% | India |
| Religare Insurance Limited | 100.00% | 100.00% | India |
| RGAM Capital India Limited (formerly Northgate Capital Asia (India) Limited) (subsidiary of Religare Securities Limited)*** | - | 100.00% | India |
| Religare Investment Advisers Limited (subsidiary of Religare Securities Limited)*** | - | 100.00% | India |
| Religare Wealth Management Limited (subsidiary of Religare Broking Limited) | 100.00% | 100.00% | India |
| Religare Credit Advisor Private Limited [formerly known as Religare Credit Advisors LLP | 99.99% | 99.99% | India |
| Argil Advisors LLP (formerly known as Cerestra Capital Advisors LLP)### | 100.00% | 100.00% | India |
| Religare Heal Fund Advisers LLP (had two partners viz., RGAM Investment Advisers Private Limited(99%) and Religare Venture Capital Limited (1%))§ | - | 100.00% | India |
| Religare Commodity DMCC, Dubai (subsidiary of Religare Comtrade Limited)§& | - | 100.00% | Dubai |
| Religare Business Solutions Limited (subsidiary of Religare Broking Limited) | 100.00% | 100.00% | India |
| <u>(b) Joint Ventures</u> | | | |
| IBOF Investment Management Private Limited (formerly known Quadria Investment Management Private Limited) | 50.00% | 50.00% | India |

§ During the year ended March 31, 2018, the entire shareholding in Cerestra Advisors Limited was transferred to a third party on September 07, 2017 and March 15, 2018.

Subsequent to the balance sheet date, Argil Advisors LLP in which the Company held 100% stake (pursuant to



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

Amalgamation of RGAM Investment Advisers Private Limited and Religare Venture Capital limited with REL w.e.f. December 29, 2017), has been struck off from the register of Limited Liability Partnerships w.e.f. April 06, 2018. Accordingly, the entity stands dissolved from such date.

& Religare Heal Fund Advisors LLP, then a subsidiary of RGAM Investment Advisers Private Limited, has been struck off from the register of Limited Liability Partnerships w.e.f. May 27, 2017. Accordingly, the entity stands dissolved from such date.

&& Deregistered from the Records of Registrar, Dubai w.e.f. October 15, 2017.

*** Hon'ble National Companies Law Tribunal ("NCLT") vide its order dated December 08, 2017 approved the Scheme of Arrangement/ Amalgamation between Religare Securities Limited (excluding broking business which has been demerged into Religare Broking Limited, a wholly owned subsidiary of the Company), Religare Commodity Broking Private Limited, RGAM Investment Advisers Private Limited, Religare Venture Capital Limited, Religare Arts Investment Management Limited, Religare Capital Finance Limited, RGAM Capital India Limited, Religare Investment Advisors Limited, Religare Support Services Limited, Religare Arts Initiative Limited, Religare Capital Markets (India) Limited, Religare Broking Limited and Religare Enterprises Limited. Certified copy of the NCLT Order has been filed with Registrar of Companies on December 29, 2017. Appointed date of Scheme is April 1, 2016 and effective date of scheme is December 29, 2017. Pursuant to said scheme shares held by Religare Securities Limited have been transferred and vested to Religare Broking Limited w.e.f. December 29, 2017. Accordingly, Religare Commodities Limited and Religare Wealth Management Limited has become the wholly owned subsidiary of the Religare Broking Limited.

Due to severe long term restrictions imposed on Religare Capital Markets Limited ("RCML"), pursuant to the terms of the tripartite agreement between the Company, RCML and RHC Holding Private Limited the financial statements of RCML and its subsidiaries, listed below, have been excluded from the consolidated financial statements of the Company w.e.f. October 01, 2011, in accordance with Para 11(b) of AS 21 – 'Consolidated Financial Statements' and the investment held by the Company in equity and preference share capital of RCML has been accounted for as long term investment in accordance with AS 13- 'Accounting for Investments' in compliance with Para 23 of AS 21 - 'Consolidated Financial Statements'.

| Name of the Entity | Proportion of Ownership Interest | Proportion of Ownership Interest | Country of Incorporation |
|---|----------------------------------|----------------------------------|--------------------------|
| | 31-Mar-18 | 31-Mar-17 | |
| Religare Capital Markets Limited ^{##} | 100.00% | 100.00% | India |
| Religare Capital Markets International (Mauritius) Limited | 100.00% | 100.00% | Mauritius |
| Religare Capital Markets International(UK) Limited ^{** ^} | 100.00% | 100.00% | United Kingdom |
| Religare Capital Markets Corporate Finance Pte. Limited ^{**} | 100.00% | 100.00% | Singapore |
| Religare Capital Markets (Europe) Limited ^{**} | 100.00% | 100.00% | United Kingdom |
| Religare Capital Markets (UK) Limited [*] | 100.00% | 100.00% | United Kingdom |
| Charterpace Limited ^{* @ %} | - | 22.00% | United Kingdom |
| Religare Capital Markets Inc. ^{**} | 100.00% | 100.00% | USA |
| Tobler UK Limited ^{**} | 100.00% | 100.00% | United Kingdom |
| Kyte Management Limited (KML) ^{**} | 100.00% | 100.00% | BVI |
| Religare Capital Markets (Hong Kong) Limited ^{**} (subsidiary of Kyte Management Limited) | 100.00% | 100.00% | Hong Kong |
| Religare Capital Markets (Singapore) Pte. Limited ^{**} (subsidiary of Religare Capital Markets (Hong Kong) Limited) | 100.00% | 100.00% | Singapore |
| Bartleet Religare Securities (Private) Limited ^{@ **} (formerly known as Bartleet Mallory Stock Brokers (Private) Limited) | 50.00% | 50.00% | Sri Lanka |
| Bartleet Asset Management (Private) Limited ^{@ **} (subsidiary of Bartleet Religare Securities (Private) Limited) | 50.00% | 50.00% | Sri Lanka |



| Name of the Entity | Proportion of Ownership Interest | Proportion of Ownership Interest | Country of Incorporation |
|--|----------------------------------|----------------------------------|--------------------------|
| | 31-Mar-18 | 31-Mar-17 | |
| Strategic Research Limited@ ** (subsidiary of Bartleet Religare Securities (Private) Limited) | 50.00% | 50.00% | Sri Lanka |
| Bartleet Wealth Management (Private) Limited (Formerly known as Religare Bartleet Capital Markets (Private) Limited)@** (subsidiary of Bartleet Religare Securities (Private) Limited) | 50.00% | 50.00% | Sri Lanka |
| <u>Joint Ventures and Subsidiaries of Joint Ventures</u> | | | |
| Milestone Religare Capital Management Limited* ^^ | - | 50.00% | Mauritius |

100% Not a wholly owned subsidiary but having voting rights.

** Subsidiary / Sub-subsidiary of Religare Capital Markets International (Mauritius) Limited.

^ In Liquidation.

@ Board controlled subsidiary.

% Dissolved w.e.f April 10, 2017

* Subsidiary / Sub-subsidiary of Religare Capital Markets (Europe) Limited.

^^ The name of the company has been stroke off from the register w.e.f August 17, 2017

2. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

The financial statements are prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and after examination of recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013, NBFC Directions, 2016 and CIC Directions.

The Ministry of Corporate Affairs ("MCA") has issued the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on April 1, 2016 or after the date of notification in Gazette.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013 read with NBFC Directions 2015 as aforesaid. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

B. USE OF ESTIMATES

The presentation of Financial Statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of Financial Statements and the reported amount of revenue and expenses during the reporting year. Difference between the actual results and estimates are recognized in the year in which results are known / materialized.

C. REVENUE RECOGNITION

- Revenue from broking activities is accounted for on the trade date of transaction.
- Interest income from financing activities, deposits, commission and brokerage are recognized on an accrual basis except for interest on Non Performing Assets ("NPAs") that are recognized on realization, as per the NBFC Directions 2016.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

- (iii) Income from Financial and Investment Advisory and Consultancy Fees are recognised based on the stage of completion of assignments as per terms/agreement with the clients.
- (iv) Portfolio management fees are accrued based on terms of the relevant agreements.
- (v) Dividend from investments is accounted for as income when the right to receive dividend is established.
- (vi) Depository Income except for Annual Maintenance Charges ("AMC") is accounted for on accrual basis. AMC income is accounted for at the time of billing.
- (vii) Commission earned from distribution of financial products is recognised, when the amount and right to receive is ascertained.
- (viii) Lease rental income is recognised on accrual basis on a straight line basis over tenure of the lease.
- (ix) Income from Trading of Bullion/Agri Commodities is recognized on accrual basis.
- (x) Income from Arbitrage and trading in securities and derivatives comprises of profit / loss on sale of securities / commodities held as stock -in -trade and profit / loss on equity / commodity derivative instruments. Profit / loss on sale of securities / commodities are determined based on first in first out ("FIFO") basis. Profit/ loss on equity / commodity derivative transactions is accounted for on the following basis:-

Equity Index / Stock and Commodity – derivatives

- (a) "Initial margin" representing initial margin paid, and "Margin Deposits," represents additional margin over and above initial margin, for entering into contracts for equity index / stock futures, which are released on final settlement / squaring-up of underlying contracts, are disclosed as short term loans and advances.
- (b) Equity index / stock futures are marked – to – market on a daily basis. Debit or credit balance disclosed under short term loans and advances or current liabilities, respectively. The "Mark – to – Market Margin – Equity Index / Stock Futures Account", represents the net amount paid or received on the basis of movement in the prices of index / stock futures till the balance sheet date.
- (c) As on the balance sheet date, profit / loss on open positions in index / stock and Commodity futures are accounted for as follows:
 - i. Credit balance in the "Mark-to-Market Margin – Equity Index / Stock and Commodity Futures Account", being anticipated profit, is ignored and no credit for the same is taken in the Statement of Consolidated Profit and Loss.
 - ii. Debit balance in the "Mark-to-Market Margin – Equity Index / Stock and Commodity Futures Account", being anticipated loss is adjusted in the Statement of Consolidated Profit and Loss.
- (d) On final settlement or squaring-up of contracts for equity index / stock and commodity futures, the profit or loss is calculated as the difference between settlement / squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled / squared-up contract in "Mark-to-Market Margin – Equity Index / Stock and Commodity Futures Account" is recognized in the Statement of Consolidated Profit and Loss. When more than one contract in respect of the relevant series of equity index futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using weighted average method for calculating profit / loss on squaring-up.
- (xi) Recovery of transaction fees, in broking, is recognised on the trade date of transaction.
- (xii) Processing fees and other charges are recognized upon receipt of the same except in the case of investment in debentures made under the warehousing agreement wherein any such fees / charges are amortised over the tenure of such debentures. As per the warehousing agreement, in case the Company decides to retain the assets in its book; then the unamortised fees / charges will be recognised as income.
- (xiii) Interest on bonds / debentures are accounted for on accrual basis.



- (xiv) The income on fund under management and set up fee income are recognized based on contractual arrangements. Setup fees are recognized over the life of the managed scheme.
- (xv) Interest income on fixed deposits are recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- (xvi) Income from Trading in Derivative Transactions is recognized on accrual basis.
- (xvii) Profit/Loss earned on sale of investments is recognised on trade date basis, net of expenses. The cost of investments is computed based on weighted average basis.
- (xviii) Interest on delayed Payment is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable, where there is no uncertainty regarding the realisation.
- (xxi) Revenue from E-Governance Services is recognised on accrual basis.
- (xx) Revenue excludes service tax, Value Added Tax (VAT), Goods and Service Tax (GST) and Securities Transaction Tax (STT), as applicable.
- (xxi) In respect of Health Insurance Subsidiary
 - a. Premium Income - Premium written including reinstatement premium is recognized as income over the contract period or period of risk, whichever is appropriate, on gross basis, net of service tax / GST. Any subsequent revision to premium as and when they occur are recognized over remaining period of risk or contract period, as applicable. Adjustments to premium arising on cancellation of policies are recognized in the period in which it is cancelled. Net Premium Written is adjusted / netted of by the amount of movement of Unearned Premium Reserve to arrive at the net premium earned.
 - b. Income from reinsurance ceded - Commission on reinsurance ceded is adjusted/net off from commission expense in the period of ceding the risk. Profit Commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of profits and combined with commission on reinsurance ceded.
 - c. Income earned on investments - Interest income on investments is recognized on accrual basis. Accretion of discount and amortization of premium relating to debt securities is recognized over the holding/maturity period on a straight-line basis. Realized gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the company, is recognized on the trade date. In determining the realized gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of mutual funds, the profit or loss on sale also includes the accumulated changes in the fair value previously recognized under 'Fair Value Change Account'. Sale consideration for the purpose of realized gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.
- (xxii) Insurance agency income on first year premium of insurance policies is recognized, when an insurance policy sold is accepted by the principal insurance company. Renewal commission on policy is accounted for on receipt on renewal premium by the principal insurance company.
- (xxiii) Revenue from National Pension System ("NPS") towards initial subscriber registration, contribution upload charges and other transaction charges are booked on receipt basis.

D. COMMERCIAL PAPER

In respect of commercial paper issued, the difference between the redemption value and acquisition cost of Commercial Paper is amortized over the tenure of the instrument. The liability as at the Balance Sheet date in respect of such instruments is recognized at face value net of unamortized discount.

E. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipments (Tangible Assets) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses. Cost for this purpose includes purchase price, non refundable taxes or levies and other directly attributable costs of bringing the asset to its working condition for its intended use. Subsequent expenditure related



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

to an item of tangible assets is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at book value less depreciation are recognised in the Statement of Profit and Loss.

F. INTANGIBLE ASSETS

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated depreciation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

Goodwill on consolidation and acquired on amalgamation / acquisition of business is tested for impairment on the balance sheet date and impairment loss if any, is recognised in the Statement of Profit and Loss.

G. LEASES

- (i) Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.
- (ii) Assets given on operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an expense in the Statement of Consolidated Profit and Loss. Initial direct costs such as legal costs, brokerages etc. are charged to Statement of Profit and Loss as incurred.
- (iii) The Company takes certain tangible assets on lease terms and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired on Finance Lease are recognised in fixed assets, at the inception of the lease at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability is included in Other Long Term Liabilities/Other Current Liabilities. The finance charge is charged to the Statement of Profit and Loss over the lease period.

H. DEPRECIATION / AMORTISATION

Immovable assets at the leased premises including civil works, electrical items are capitalized as leasehold improvements and are amortized over the primary period of lease subject to maximum of six years.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or the rates based on the useful life of the asset as estimated by the Management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. which has a significant impact on the useful life of an asset. Depreciation is provided for on a pro-rata basis on the assets acquired, sold or disposed off during the year.



| Asset Description | Useful life and rates specified in Schedule II of Companies Act-2013 application on or after April 1, 2014 | | Useful life and rates considered by the Company on or after April 1, 2014 | |
|--------------------------------------|--|-----------------------|---|-----------------------|
| | Useful Life of Asset (In year) | Depreciation Rate (%) | Useful Life of Asset (In year) | Depreciation Rate (%) |
| Buildings | 60 | 1.67% | 3 to 39 | 2.56% to 33.33% |
| Office Equipments | 5 | 20% | 2 to 5 | 16.67% to 50% |
| Server and Networks | 6 | 16.67% | 5 to 6 | 16.67% to 20% |
| Laptop, Desktop etc. | 3 | 33.33% | 3 | 33.33% |
| Electrical Installation & Equipments | 10 | 10% | 5 to 10 | 10% to 20% |
| Furniture and Fixtures | 10 | 10% | 5 to 10 | 10% to 20% |
| Car | 8 | 12.50% | 5 to 8 | 12.5% to 20% |
| Bike | 10 | 10.00% | 6 to 10 | 10% to 16.67% |

Individual assets costing up to Rs 5,000 are fully depreciated / amortized in the year in which they are acquired.

I. INVESTMENTS

Investments are classified into long term investments and current investments. Investments which are by nature readily realisable and intended to be held for not more than one year from the date of investments are current investments and Investments other than current investments are long term investments. Non - current investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current investments are valued at lower of cost and fair/ market value.

In case of mutual funds, the net asset value of the units declared by the Mutual Funds is considered as the fair value.

In respect of Health Insurance Subsidiary

Investments are made in accordance with the Insurance Act, 1938, as amended by the Insurance Law (Amendment) Act, 2015 and Insurance Regulatory and Development Authority (Investment) Regulations, 2016 and various other circulars/ notifications and amendments issued by the IRDAI in this context from time to time. Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

(i) Classification

Investments maturing within twelve months from Balance Sheet date and Investments made with the specific intention to dispose off within twelve months are classified as 'short term investments'. Investments other than 'short term investments' are classified as 'long term investments'.

(ii) Valuation

- Debt securities and non – convertible preference shares

All debt securities including government securities and non – convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost, subject to accretion of discount or amortization of premium over the holding/maturity period on a straight line basis.

- Mutual funds

Mutual fund investments are stated at fair value, being the closing net asset value at Balance Sheet date.

- Listed Equities

Listed equity shares as at the Balance Sheet date are stated at fair value being the quoted closing price on the Primary Exchange – 'National Stock Exchange ('NSE')'. In case the equity share is not listed/traded on the Primary Exchange the quoted closing price on the Secondary Exchange – 'Bombay Stock Exchange ('BSE')', is considered as fair value. Equity shares awaiting listing are stated at historical cost subject to provision for diminution, if any, in the value of such investment determined separately for each individual investment.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

- Investments other than mentioned above are valued at cost.
- Fair Value Change Account

In accordance with the Regulations, unrealized gain/loss arising due to changes in fair value of listed equity shares and mutual fund investments are taken to the 'Fair Value Change Account'. The balance in the Fair Value Change Account is not available for distribution, pending realization.

(iii) Impairment of Investments

The Company assesses at each Balance Sheet date whether there is any indication of investment being impaired. If any such indication exists, the carrying value of such investment is reduced to its recoverable amount and the impairment loss is recognized in the profit and loss account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

J. FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.
- (ii) Exchange differences arising on settlement of revenue transactions are recognized in the Statement of Consolidated Profit and Loss.
- (iii) Monetary items denominated in a foreign currency are reinstated using the exchange rates prevailing at the date of the Balance Sheet and the resulting net exchange difference is recognized in the Statement of Consolidated Profit and Loss, if no forward cover is taken.
- (iv) Exchange differences relating to monetary items that are in substance forming part of the Company's net investment in no integral foreign operations are accumulated in Foreign Exchange Fluctuation Reserve Account.
- (v) Premium or discount on forward contracts entered for the purpose of hedging is amortised over the life of such contracts and is recognised as expense. Exchange difference on such forward exchange rate contracts outstanding as at year end is recognised in the Statement of Consolidated Profit and Loss.
- (vi) Cross Currency Swap Contract entered into for the purpose of hedging and booked with the objective of managing the currency and interest rate risks on foreign currency liabilities are recorded at the spot rate at which the contract was entered and is accounted for as a forward contract. The foreign currency balances on account of principal value of cross currency swap outstanding as at Balance Sheet are revalued using the closing rate and resulting net loss or gain is charged to Statement of Profit and Loss.

K. EMPLOYEE BENEFITS

- (i) Contribution towards provident fund for all employees is made to regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on monthly basis which are charged to the Consolidated Statement of Profit and Loss as incurred.
- (ii) The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Company pays gratuity to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. Certain group companies make annual contributions to gratuity funds being administered by the Trusts. Under this scheme, the settlement obligations remain with the companies. The plan provides for settlement for gratuity to eligible employee as per the terms of the scheme. Liability in respect of gratuity fund is accrued based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date.
- (iii) The employees of the Company are entitled to compensate/ to be compensated absences and leave encashment as per the policy of the group, the liability in respect of which is provided, based on an actuarial valuation as at the Balance Sheet date conducted by an independent actuary. The net present value of the obligation is determined based on the Projected Unit Credit Method as at the Balance Sheet date.



- (iv) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the consolidated statement of profit and loss as income or expense.
- (v) The undiscounted amount of short - term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period when the employee renders the service.
- (vi) Stock Options granted to eligible employees under the relevant Stock Option Schemes are accounted for at intrinsic value as per the accounting treatment prescribed by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 ("SEBI Regulations"). Accordingly, the excess of average market price, determined as per SEBI Guidelines of the underlying equity shares (market value) over the exercise price of the options is recognized as deferred stock option expense and is charged to Statement of Profit and Loss on a straight line basis over the vesting period of the options. The unamortised portion of the cost is shown under reserves and surplus.

L. TAXES ON INCOME

- (i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- (ii) Provision for taxation for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iii) Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is intention to settle the assets and the liabilities on a net basis.
- (iv) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.
- (v) Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, each of the companies re-assesses unrecognised deferred tax assets (if any) and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.
- (vi) Deferred tax assets and liabilities are offset when there is a legally enforceable rights to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.
- (vii) Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the group Companies will pay normal income tax during the specified period.

M. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the group Companies or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value. Contingent assets are neither recognized nor disclosed in the financial statements.
- (ii) In respect of Housing Finance Companies in the group provision for Non-Performing Assets is in line with the Prudential Norms prescribed by National Housing Bank ("NHB"). The Company provides Contingent Provision



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

against standard assets as per NHB Directions. The company also voluntarily maintains the General Provision on standard assets to meet any foreseeable potential losses.

- (iii) Non - Banking finance Companies ("NBFCs") in the group maintain:
 - (a) The Company maintains Provision for Non-Performing Assets is in line with the NBFC Directions.
 - (b) The Company maintains the General Loan Loss Provision on Standard Assets at a percentage approved in Provisioning Policy.
 - (c) The Company maintains Contingent Provisions on Standard Assets in line with the NBFC Directions.
 - (d) The Company maintains Provision on restructured loans and advances in line with the NBFC Directions.
- (iv) Provision for Long Term Investment is made on assessment of business projections and considering net worth of the investee companies. This provision is in compliance with Accounting Standard (AS) -13 and NBFC Directions, 2015.

N. IMPAIRMENT OF ASSETS

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Consolidated Profit and Loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

O. INVENTORIES

- (i) Securities/commodities/Digital Signature Certificate ("DSC") with and without USB token acquired with the intention of short-term holding and trading positions are considered as stock – in – trade and disclosed as current assets.
- (ii) Securities / commodities held as stock – in – trade are valued at lower of cost and market value.
- (iii) The artwork / art store Items held as stock – in – trade are valued at lower of cost or market value. The Cost of arts store items is determined on first in first ("FIFO") out basis.

P. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

Q. FULLY AND PARTIALLY PAID DEBENTURES

Religare Finvest Limited, a subsidiary of the Company, has issued combination of fully and partially paid secured Non-Convertible Debentures, with different coupon rates and different tenor to achieve consistent cash flow throughout the entire tenor of Non-Convertible Debentures. Even though the interest is lower in the initial period, on conservative basis, the interest has been accrued on IRR basis i.e. the total interest expense for each of such series of debentures is accrued on a weighted average rate of interest and on monthly compounding.

R. CLAIMS

In respect of Health Insurance Subsidiary

Claims are recognized as and when reported. Claims are recorded in the revenue account, net of claims recoverable from reinsurers/co-insurers to the extent there is a reasonable certainty of realization. These estimates are progressively revalued on the availability of further information. Estimated liability in respect of claims is provided for the intimations received up to the year end, information/ estimates provided by the insured/ surveyors/ Third



Party Administrators (TPA) and judgment based on the past experience and other applicable laws and practices. Claims Incurred but not reported (IBNR) represent that amount of claims that may have been incurred prior to the end of the current accounting year but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims Incurred but not enough reported (IBNER). IBNR and IBNER liabilities are provided based on actuarial principles and certified annually by the Appointed Actuary of the Company. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the Appointed Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India and in concurrence with the IRDA. Further claims incurred also includes specific claims settlement costs such as survey / legal fees / TPA fees and other directly attributable costs.

S. UNEARNED PREMIUM RESERVE (“UPR”)

Unearned Premium Reserve represent that part of the net written premium (i.e. premium net of reinsurance ceded) which is attributable to, and set aside for subsequent risk to be borne by the company under contractual obligation on contract period basis or risk period basis, whichever is appropriate, and is created at 50% of the net written premium (excluding short term expired policy) of preceding twelve months as at the Balance Sheet date in terms of the option granted by the IRDA Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated April 4, 2016.

T. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term liquid investments with original maturities of three months or less.

U. SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under “Unallocated expenses/income”.

V. ASSETS ACQUIRED IN SETTLEMENT OF DEBTS

Assets acquired against the settlement of loans and receivables are disclosed in the balance sheet at outstanding loan amount or market value of asset acquired whichever is lower. In case, Market value of the asset acquired is lower than the outstanding loan amount, difference is charged to Statement of Profit and Loss. In case the market value of the property can not be determined in such case asset will be recognised at a nominal value. These assets are classified as ‘Current Assets’, till the asset acquired is finally disposed. The outstanding overdue interest, other charges and interest from the date of settlement till the disposal of such assets will be accounted on realization basis. Any money realized over and above the principal outstanding in either of these categories such as interest or other charges etc. are booked under the respective heads of the Statement of Profit and Loss. Further, if on disposal of these assets, the sale proceeds are higher than the loan amount (including outstanding overdue interest, other charges and interest from the date of settlement till the disposal of such assets), then the Company refunds the excess amount to the customers, unless agreed otherwise at the time of acquiring assets in satisfaction of debts with the customers.

W. EARNINGS PER SHARE

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. In considering whether potential equity shares are dilutive or antidilutive, each issue or series of potential equity shares is considered separately rather than in aggregate. In computing dilutive earnings per share, only potential equity shares that are dilutive are considered.

X. MARKET LINKED DEBENTURES

Religare Finvest Limited, one of the subsidiary of the Company has issued certain Non-Convertible Debentures (NCDs), the rate of interest on which is linked to performance of S&P CNX NIFTY index with a floor and a cap on the amount of



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

interest payable. The interest expense for such debentures is accrued at the cap rate over the tenure of the instrument. The subsidiary has hedged the interest rate risk related to the movement of index by purchasing offsetting options. These options are valued at mark to market and loss on such valuation is charged to the Statement of Profit and Loss and profit on the mark to market is ignored.

Y. INCOME FROM ASSIGNMENT / SECURITISATION

- (i) In case of assignment of loans, the loans assigned are de-recognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned loans. On de-recognition, loss arising is recognized upfront, however premium is amortised based on receivables over the remaining tenure of loans.
- (ii) In case of securitisation of loans, the transferred loans are de-recognised and gains/losses are accounted for only if the Company surrenders the right to benefits specified in the underlined securitised loan contract. In accordance with the Reserve Bank of India guidelines for securitisation of Standard assets, the Company recognises only loss arising from securitisation immediately at the time of sale and premium arising from securitisation is amortised over the life of the securities issued or to be issued by the special purpose vehicle to which the assets are sold. Income on retained interest in securitised assets is booked on accrual basis.
- (iii) Religare Finvest Limited, one of the subsidiary of the Company has an option ("Clean up call option") to repurchase the receivables pertaining to the performing contracts, any time after the outstanding balance of the receivables declines to or below 10% of the initial receivables, at a purchase consideration equal to the principal value of the outstanding amount. The exercise of this option would have the same effect as prepayments. This option may be exercised only if the Credit Enhancement available at such time is more than the amount of non-performing facilities so that the said part of the Credit Enhancement shall be used to make payment with respect to the non-performing facilities to the full extent.

Z. ACQUISITION OF PORTFOLIO

Premium paid for acquiring loan portfolio from NBFCs/companies are amortised over the remaining tenor of the loan. In accordance with NHB Directions, such assets are treated as "standard" for a period of 90 days from the date of purchase. In case, the customer account is overdue for more than 90 days, then account gets classified as non-performing asset.

ZA. ACCOUNTING FOR DERIVATIVE TRANSACTIONS

- i. Derivative transactions comprises forward rate agreements, swaps and option contracts. The Company undertakes derivative transactions for market trading and hedging on-balance sheet assets and liabilities. All market trading transactions are mark to market on a periodic basis and the resultant unrealized losses are recognized in the statement of profit and loss account. Unrealized gains are ignored while preparing the statement of profit and loss account.
- ii. The requirement for collateral and credit risk mitigation on derivative contracts is assessed based on Internal Risk management policy.
- iii. Premium or discount on forward contracts entered for the purpose of hedging is amortised over the life of such contracts and is recognized as income or expense. Exchange difference on such forward exchange contracts outstanding as at year end is recognized in the Statement of Profit and Loss.
- iv. Cross Currency Swap Contract entered into for the purpose of hedging and booked with the objective of managing the currency and interest rate risk on foreign currency liabilities are recorded at the spot rate at which the contract was entered and is accounted for as a forward contract. The foreign currency balances on account of principal value of cross currency swap outstanding as at Balance Sheet are revalued using the closing rate and resulting net loss or gain is charged to Statement of Profit and Loss.

ZB. ADVANCES

Advances of NBFC companies in the group are classified as performing and non-performing assets based on the internal risk management policy or the relevant NBFC Directions whichever is conservative.



3. Share Capital

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Authorised Capital*: | | |
| 654,450,000 (March 31, 2017: 250,000,000) Equity Shares of ₹ 10/- each | 6,544,500,000 | 2,500,000,000 |
| 162,000,000 (March 31, 2017: 100,000,000) Redeemable Preference shares of ₹ 10/- each | 1,620,000,000 | 1,000,000,000 |
| Total | 8,164,500,000 | 3,500,000,000 |
| Issued, Subscribed & Fully paid up shares: | | |
| 178,455,248 (March 31, 2017: 178,334,498) Equity Shares of ₹ 10/- each | 1,784,552,480 | 1,783,344,980 |
| 1,500,000 (March 31, 2017: 25,000,000) 13.66% Cumulative Redeemable Preference shares of ₹ 10/- each | 15,000,000 | 15,000,000 |
| 25,000,000 (March 31, 2017: Nil) 0.01% Non Cumulative Non Convertible Redeemable Preference shares of ₹ 10/- each | 250,000,000 | 250,000,000 |
| Total Issued, Subscribed and Fully Paid Up Shares | 2,049,552,480 | 2,048,344,980 |

*The Authorised equity share capital was increased to 654,450,000 equity shares of ₹ 10 each and 162,000,000 redeemable preference shares of ₹ 10 each pursuant to the amalgamation of its subsidiaries, vide the Order dated December 8, 2017 of Hon'ble National Company Law Tribunal ("NCLT"). (Refer Note 35)

3.1 Reconciliation of the shares outstanding at the beginning and at the end of reporting period

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|---|-------------------------|----------------------|-------------------------|---------------|
| | Number | Amount (₹) | Number | Amount (₹) |
| Issued, subscribed and fully paid up | | | | |
| Equity Shares of ₹ 10/- each | | | | |
| Balance as at the beginning of the year | 178,334,498 | 1,783,344,980 | 178,334,498 | 1,783,344,980 |
| Add: Shares issued during the year through ESOP | 120,750 | 1,207,500 | - | - |
| Balance as at the end of the year | 178,455,248 | 1,784,552,480 | 178,334,498 | 1,783,344,980 |
| 13.66% Cumulative Redeemable Preference Shares of ₹ 10/- each Fully Paid Up | | | | |
| Balance as at the beginning of the year | 1,500,000 | 15,000,000 | 25,000,000 | 250,000,000 |
| Less: Redeemed during the year | - | - | 23,500,000 | 235,000,000 |
| Balance as at the end of the year | 1,500,000 | 15,000,000 | 1,500,000 | 15,000,000 |
| 0.01% Non Convertible Non Cumulative Redeemable Preference shares of ₹ 10/- each Fully Paid Up | | | | |
| Balance as at the beginning of the year | 25,000,000 | 250,000,000 | - | - |
| Add: Shares issued during the year | - | - | 25,000,000 | 250,000,000 |
| Balance as at the end of the year | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 |
| Total | 204,955,248 | 2,049,552,480 | 204,834,498 | 2,048,344,980 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

3.2 (a) **The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital is as under:**

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each shareholder is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of the Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend. In the event of the liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

(b) **The rights, preferences and restrictions attaching to Preference Shares including restrictions on the distribution of dividends and the repayment of capital is as under:**

The Board of Directors of the Company on September 28, 2013 proposed the following changes in all outstanding preference shares of ₹ 561,000,000:

- (a) All the preference shares are to be mandatorily redeemable on before October 31, 2018 being the final redemption date and
- (b) to re-price the redemption premium.

The said proposal has been approved by all classes of preference shareholders on October 15, 2013.

(c) **The Company has following classes of Preference Shares:**

13.66% Cumulative Redeemable Preference Shares

The face value of each Preference share is ₹ 10. The shares shall have same voting rights applicable to the preference shares under the Companies Act, 2013. Each preference share entitles the holder a right to receive, in priority to Equity shareholder, preference dividend on cumulative basis at a rate not exceeding 13.66% per financial year. In the event of liquidation of the Company, the holder is entitled to receive in priority to all equity shares, amount equal to the total of paid up capital plus the redemption premium, any unpaid dividend as per the terms of issue. The shares were allotted in three tranches on October 31, 2008, December 3, 2010 and April 27, 2011 having face value of ₹ 250,000,000, ₹ 120,000,000 and ₹ 130,000,000 respectively at ₹ 100 each (including premium of ₹ 90 per share). The Board of Directors of the Company in its meeting held on May 30, 2014 approved the proposal to redeem the abovementioned class of preference shares out of funds raised through preference allotment of Equity shares of the Company. On June 2, 2014, the Company redeemed 12,000,000 shares at a premium of ₹ 144.26 per share and 13,000,000 shares at a premium of ₹ 138.28 per share.

During the previous year ended March 31, 2017, the Company redeemed 23,500,000 shares at ₹ 222.97 (at a premium of ₹ 212.97 per share). Redemption was being made out of the proceeds of the fresh issuance of 25,000,000 no(s) of 0.01% Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") on private placement basis.

The redemption of above shares had been made out of proceeds of preferential allotment of shares as stated above in accordance with provisions of Section 55 of the Companies Act, 2013 (erstwhile Section 80 of the Companies Act 1956). No amount required to be transferred to Capital Redemption Reserve, since the redemption of the aforesaid preference shares has been made out of proceeds of the preferential allotment.

The repayment terms of preference shares issued are as below:

The remaining above shares are redeemable at an amount (including premium) not exceeding ₹ 269.36 per share on October 31, 2018 or at an earlier date as may be decided by the Board of Directors of the Company.

0.01% Cumulative Redeemable Preference Shares

The face value of each preference share is ₹ 10. The shares shall have same voting rights applicable to the preference shares under the Companies Act, 2013. Each preference share entitles the holder a right to receive, in priority to Equity shareholder, preference dividend on non cumulative basis at a rate not exceeding 0.01% per financial year. In the event of liquidation of the Company, the holder is entitled to receive in priority to all equity shares, amount equal to the total of paid up capital plus the redemption premium, any unpaid dividend as per the terms of issue. The shares were allotted in one tranche on August 30, 2016 having face value of ₹ 250,000,000 at par.

**The repayment terms of preference shares issued are as below:**

The redemption of all or part of preference shares can take place any time prior to final redemption, at the option of the Company. The above shares are redeemable at an amount (including premium) not exceeding ₹ 168.51 per share on August 30, 2021.

- 3.3 Preference Shareholders of the Company relinquished their voting rights in respect of their preference shares arising by virtue of Section 47(2) of the Companies Act, 2013 (erstwhile Section 87(2)(b) of the Companies Act, 1956).

3.4 Details of the shareholders holding more than 5% of the aggregate shares in the Company:

| Name of the Shareholder | As at March 31, 2018 | | As at March 31, 2017 | |
|-----------------------------------|----------------------|--------------|----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| a. Equity Shares | | | | |
| RHC Finance Private Limited | - | - | 29,112,634 | 16.33 |
| Malvinder Mohan Singh | - | - | 11,123,525 | 6.24 |
| Shivinder Mohan Singh | - | - | 10,876,602 | 6.10 |
| RHC Holding Private Limited | - | - | 39,709,358 | 22.27 |
| Shabnam Dhillon | - | - | 15,188,441 | 8.52 |
| India Horizon Fund Limited | 17,838,467 | 9.99 | 12,137,336 | 6.81 |
| International Finance Corporation | 12,818,331 | 7.18 | 12,818,331 | 7.19 |
| Axis Bank Limited | 15,789,000 | 8.85 | - | - |
| Resilient India Growth Fund | 17,638,579 | 9.88 | - | - |
| b. Preference Shares | | | | |
| Oscar Investment Limited | 1,500,000 | 5.66 | 1,500,000 | 5.66 |
| RHC Finance Private Limited | 25,000,000 | 94.34 | 25,000,000 | 94.34 |

- 3.5 There are no shares bought back by the Company during the period of five years immediately preceding the Balance Sheet Date. There are no securities that are convertible into equity/ preference shares other than employee stock options issued by the Company.

4. Reserves and Surplus

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|---|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| a. Capital Reserve on Consolidation | | | |
| Balance as at the beginning of the year | | 122,519,890 | 122,626,182 |
| Less: Adjustment due to sale of investment in a subsidiary | | - | (106,292) |
| Add: Adjustment due to Composite Scheme of Arrangement (Refer Note 35) | | 765,714,524 | - |
| Balance as at the end of the year | | 888,234,414 | 122,519,890 |
| b. Securities Premium Account | | | |
| Balance as at the beginning of the year | | 35,305,385,735 | 43,297,919,944 |
| Add : Securities premium credited on issue of Equity Shares during the year | | 15,697,500 | - |
| Less: Adjustment on reduction of shareholding in a subsidiary | | - | (2,979,756,729) |
| Less: Adjustment on sale of a subsidiary | | - | (7,876,708) |
| Less : Premium on redemption of Preference Shares | | - | (5,004,900,772) |
| Balance as at the end of the year | | 35,321,083,235 | 35,305,385,735 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| c. Capital Redemption Reserve | | | |
| Balance as at the beginning of the year | | 750,000 | 750,000 |
| Add: Adjustment due to Composite Scheme of Arrangement (Refer Note 35) | | 11,563,700 | - |
| Balance as at the end of the year | | 12,313,700 | 750,000 |
| d. Share Options Outstanding Account | | | |
| Balance as at the beginning of the year | | - | 902,700 |
| Less: Transfer to General Reserve* | | - | (902,700) |
| Balance as at the end of the year | | - | - |
| e. Foreign Currency Translation Reserve | | | |
| Balance as at the beginning of the year | | 265,224,397 | 2,462,721,787 |
| Add: Addition / (Deduction) during the year | | 484,557 | (2,197,497,390) |
| Balance as at the end of the year | | 265,708,954 | 265,224,397 |
| f. General Reserve | | | |
| Balance as at the beginning of the year | | 73,797,008 | 72,894,308 |
| Add: Transfer from Share Options Outstanding Account* | | - | 902,700 |
| Add: Adjustment due to Composite Scheme of Arrangement (Refer Note 35) | | 191,616,770 | - |
| Balance as at the end of the year | | 265,413,778 | 73,797,008 |
| g. Capital Reserve arising out of Composite Scheme of Arrangement | | | |
| Balance as at the beginning of the year | | - | - |
| Add: Adjustment due to Composite Scheme of Arrangement (Refer Note 35) | | 652,564,987 | - |
| Balance as at the end of the year | | 652,564,987 | - |
| h. Statutory Reserve U/s 45 IC of RBI Act, 1934 | | | |
| Balance as at the beginning of the year | | 177,852,075 | 177,852,075 |
| Add: Adjustment due to Composite Scheme of Arrangement (Refer Note 35) | | 793,411,151 | - |
| Balance as at the end of the year | | 971,263,226 | 177,852,075 |
| i. Surplus in Statement of Profit and Loss[^] | | | |
| Balance of Profit / (Loss) as at the beginning of the year | | (10,476,888,716) | (9,540,392,184) |
| Add: Profit / (Loss) for the year | | (11,925,005,164) | (1,742,736,877) |
| Less: Adjustment due to change in shareholdings in subsidiaries | | (22,155,131) | (920,126,738) |
| Add: Adjustment due to capital reduction by a subsidiary | | - | 1,723,997,888 |
| Less: Adjustment due to Composite Scheme of Arrangement (Refer Note 35) | | (1,155,645,148) | - |
| Add: Adjustment due to stake purchase in a subsidiary | | - | 2,369,195 |
| Amount available for appropriation | | (23,579,694,159) | (10,476,888,716) |
| Less: Transfer to Statutory Reserves u/s 45 IC of RBI Act, 1934 | | - | - |
| Balance of Profit / (Loss) as at the end of the year | | (23,579,694,159) | (10,476,888,716) |
| Total | | 14,796,888,135 | 25,468,640,389 |

* During the previous year ended March 31, 2017, pursuant to completion of exercise period within which the vested options can be exercised as per the Employee Stock Option Scheme 2006 (ESOP), the Company had transferred the Outstanding Share Option Account Balance to General Reserve, in accordance with the Securities and Exchange



Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 2014 and any amendments thereof from time to time.

[^] Surplus includes dividend proposed by a Subsidiary on its equity shares and corporate dividend tax aggregating to ₹ Nil (March 31, 2017: ₹ Nil), Statutory Reserves held by certain NBFC's/Housing Finance Subsidiaries as per respective statutory requirement of ₹ 3,085,394,689 (March 31, 2017: ₹ 3,069,091,863), Debenture Redemption Reserve held by a Subsidiary under section 71 of the Companies Act, 2013 of ₹ 92,336,000 (March 31, 2017: ₹ 272,290,000) and other appropriation items held by the Subsidiaries of ₹ 2,547,811,309 (March 31, 2017: ₹ 2,625,550,779).

4A Share Application Money Pending for Allotment received from employees towards exercise of stock options:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|--------|----------------------|------------|
| | No of shares | Amount | No of shares | Amount |
| Equity shares of face value of ₹ 10 each proposed to be issued | - | - | 120,750 | 16,905,000 |
| | - | - | 120,750 | 16,905,000 |

During the previous year ended March 31, 2017, the Company has received share application money of ₹ 16,905,000 from whole time director (as an employee) under Employee Stock Option Scheme 2006 which was pending allotment till the year end March 31, 2017. The above share application money has been allotted to 120,750 number of equity shares having face value of ₹ 10 each aggregating to ₹ 1,207,500 on May 19, 2017.

4B Share Warrants

- (i) Subsequent to the year ended March 31, 2018, pursuant to shareholders approval dated March 19, 2018, the 'Investment, Borrowing and Share Allotment Committee' of the Board of Directors on April 19, 2018 issued and allotted 111,497,914 convertible warrants at a price of ₹ 52.30 per warrant (including a premium of ₹ 42.30 per warrant) on preferential basis under the provisions of Chapter VII of Securities Exchange and Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended ("ICDR Regulations") and Section 62 and 42 of the Companies Act, 2013. The Company has received upfront payment of ₹ 1,457,835,243 equivalent to 25% of total consideration. Since the Company has allotted warrants, there is no change in paid equity share capital of the Company. One domestic investor has not subscribed to the preferential issue. The Company has made an application to Ministry of Finance for allotment of warrants to two foreign investors, approval of which is pending.
- (ii) Subsequent to March 31, 2018, two warrant holders have exercised their rights for conversion and applied for conversion of part of the warrants into equity shares. Accordingly, 3,824,091 equity shares were allotted to them on May 29, 2018. Consequently, paid up equity share capital of the Company has increased to ₹ 1,822,793,390 comprising of 182,279,339 equity shares of the face value of ₹ 10 each. The Company is yet to make a listing application to the Stock Exchanges.

5. Long Term Borrowings

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Secured Loans | | |
| Debentures (Refer Note 5.1 (I)) | - | 759,344,000 |
| Term Loans From Banks (Refer Note 5.2 (I)(i)) | 49,099,475,373 | 77,309,493,342 |
| Term Loans From Others (Refer Note 5.2 (I)(ii)) | 3,487,500,000 | 5,397,000,000 |
| Sub Total | 52,586,975,373 | 83,465,837,342 |
| Unsecured Loans | | |
| Debentures (Refer Note 5.1 (II)) | 2,200,000,000 | 2,200,000,000 |
| Term Loans From Banks (Refer Note 5.2 (II)) | 3,500,000,000 | 3,500,000,000 |
| Sub Total | 5,700,000,000 | 5,700,000,000 |
| Grand Total | 58,286,975,373 | 89,165,837,342 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

5.1 Schedule of Debentures

| Particulars | As at March 31, 2018 (Amount in ₹) | | | As at March 31, 2017 (Amount in ₹) | | |
|---|------------------------------------|----------------------|----------------------|------------------------------------|----------------------|----------------------|
| | Total | Current Maturity | Non Current | Total | Current Maturity | Non Current |
| I. Secured | | | | | | |
| Redeemable Non - Convertible Debentures | | | | | | |
| (i) Privately Placed | 2,040,000,000 | 2,040,000,000 | - | 6,481,000,000 | 6,091,000,000 | 390,000,000 |
| (ii) Publicly Placed | 369,344,000 | 369,344,000 | - | 1,089,160,000 | 719,816,000 | 369,344,000 |
| Total (I) | 2,409,344,000 | 2,409,344,000 | - | 7,570,160,000 | 6,810,816,000 | 759,344,000 |
| II. Unsecured | | | | | | |
| (i) Privately Placed Non - Convertible Debentures | 2,200,000,000 | - | 2,200,000,000 | 4,378,000,000 | 2,178,000,000 | 2,200,000,000 |
| Total (II) | 2,200,000,000 | - | 2,200,000,000 | 4,378,000,000 | 2,178,000,000 | 2,200,000,000 |
| Grand Total (I+II) | 4,609,344,000 | 2,409,344,000 | 2,200,000,000 | 11,948,160,000 | 8,988,816,000 | 2,959,344,000 |

Additional particulars of debentures in descending order of maturity as per sub-clause (iv) of clause C of Part I of Schedule III to the Companies Act, 2013

I. Secured Debentures

(i) Details of Privately Placed Secured Debentures

(a) Details of Privately Placed Secured Redeemable Non Convertible Debentures ("NCDs") outstanding as on March 31, 2018 which are secured by RFL's immovable property and first pari passu charge over standard business receivables of the Company with Asset Cover of 1.1 X as applicable:

| S. No. | Coupon Rate (% p.a.) | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) | Date of Allotment | Redemption Due On | Put and Call Option |
|--------|------------------------|---------------------------------|---------------------------------|-------------------|-------------------|---------------------|
| 1 | 9.70% | - | 100,000,000 | 31-Aug-15 | 19-May-17 | N.A. |
| 2 | 9.80% | - | 100,000,000 | 31-Aug-15 | 16-Aug-17 | N.A. |
| 3 | 10.45% | 500,000,000 | - | 18-May-17 | 18-Jul-18 | N.A. |
| 4 | 10.45% | 1,500,000,000 | - | 18-May-17 | 18-Jul-18 | N.A. |
| 5 | 10.35% | - | 100,000,000 | 22-Jun-15 | 22-Jul-18 | N.A. |
| 6 | 10.45% | - | 120,000,000 | 18-May-15 | 18-Jul-18 | N.A. |
| 7 | 10.20% (On XIRR Basis) | 40,000,000 | 40,000,000 | 29-Apr-15 | 13-Jul-18 | N.A. |
| 8 | 10.45% | - | 130,000,000 | 18-May-15 | 18-May-18 | N.A. |
| 9 | 10.30% | - | 100,000,000 | 22-Jun-15 | 22-Mar-18 | N.A. |
| 10 | 10.20% (On XIRR Basis) | - | 160,000,000 | 29-Apr-15 | 15-Mar-18 | N.A. |
| 11 | 11.35% | - | 150,000,000 | 23-Jun-14 | 26-Apr-17 | N.A. |
| 12 | 11.30% (On XIRR Basis) | - | 250,000,000 | 4-Aug-14 | 3-Jul-17 | N.A. |
| 13 | 10.50% (On XIRR Basis) | - | 600,000,000 | 14-Nov-14 | 14-Nov-17 | N.A. |
| 14 | 10.50% (On XIRR Basis) | - | 200,000,000 | 11-Dec-14 | 5-Oct-17 | N.A. |
| 15 | 10.50% | - | 250,000,000 | 11-Dec-14 | 11-Dec-17 | N.A. |



| S. No. | Coupon Rate (% p.a.) | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) | Date of Allotment | Redemption Due On | Put and Call Option |
|------------------|-------------------------|---------------------------------------|---------------------------------------|----------------------|----------------------|------------------------|
| 16 | 10.40% (On XIRR Basis) | - | 70,000,000 | 16-Feb-15 | 6-Feb-18 | N.A. |
| 17 | 10.30% | - | 250,000,000 | 18-May-15 | 18-May-17 | N.A. |
| 18 | 10.30% | - | 1,800,000,000 | 22-Mar-17 | 22-Mar-18 | N.A. |
| 19 | 10.40% | - | 500,000,000 | 16-Feb-15 | 16-Feb-18 | N.A. |
| Total (a) | | 2,040,000,000 | 4,920,000,000 | | | |

The above debentures are privately placed with Mutual Funds (AMCs), Pension funds, Provident Funds, Banks, Individuals and Corporates.

Note 1 - Refer Note 5.1 (V) for buy back details.

- (b) Details of Privately Placed Secured Redeemable NCD's outstanding as on March 31, 2018 is as under:

| S. No. | Coupon Rate (% p.a.) | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) | Date of Allotment | Redemption Due On | Put and Call Option |
|------------------|-----------------------------|------------------------------------|------------------------------------|----------------------|----------------------|------------------------|
| 1 | 14.00% (*) | - | 1,361,000,000 | 28-Mar-13 | 30-Jun-17 | N.A. |
| 2 | 10.40 % on XIRR basis (***) | - | 45,000,000 | 30-Mar-15 | 6-Feb-18 | No |
| 3 | 10.40 % on XIRR basis (***) | - | 155,000,000 | 30-Mar-15 | 15-Mar-18 | No |
| Total (b) | | - | 1,561,000,000 | | | |

Note: The above debentures are privately placed with FIIs/ Corporates/ Banks and Trusts and are secured by way of first mortgage / charge on the Company's asset and Investment in Equity Shares of its certain subsidiaries and the assets cover thereof exceeds hundred percent of the principal amount of the said debentures.

(*) On March 28, 2013 the Company had allotted 14% Listed Rated Secured Non Convertible Debentures of face value of Rs 1,000,000 each which are secured by charge over land of the Company in Gujarat and pledge over 100% equity shares of Religare Finvest Limited.

(***) These are secured by First Pari Passu charge over standard business receivables of a subsidiary company (Religare Housing Development Finance Corporation Limited) to the extent of 1.10 times in favour of the Debenture Trustee for the benefit of the Debenture Holders and the subsidiary company shall maintain the minimum asset cover of 1.10 times at all times during the currency of the Debentures.

| | | | | | |
|--|----------------------|----------------------|--|--|--|
| Total Privately Placed Secured Debentures (a+b) | 2,040,000,000 | 6,481,000,000 | | | |
|--|----------------------|----------------------|--|--|--|

(ii) Details of Publicly Placed Secured Debentures

Details of Publicly Placed Secured Redeemable NCDs outstanding as on March 31, 2018 which are secured by pari passu mortgage over the RFL's immovable property and first pari passu charge over standard business receivables of the Company with Asset Cover of 1.1 X as applicable:

| S. No. | Coupon Rate (% p.a.) | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) | Date of Allotment | Redemption Due On |
|--------------|-------------------------|------------------------------------|------------------------------------|-------------------|-------------------|
| 1 | 12.25% * | 56,134,000 | 56,134,000 | 9-Oct-12 | 9-Oct-18 |
| 2 | 12.62% * | 313,210,000 | 313,210,000 | 9-Oct-12 | 9-Aug-18 |
| 3 | 12.25% | - | 137,515,000 | 9-Oct-12 | 9-Oct-17 |
| 4 | 12.50% | - | 440,918,000 | 9-Oct-12 | 9-Oct-17 |
| 5 | 12.25% * | - | 45,205,000 | 9-Oct-12 | 9-Oct-17 |
| 6 | 12.50% * | - | 96,178,000 | 9-Oct-12 | 9-Oct-17 |
| Total | | 369,344,000 | 1,089,160,000 | | |

(*) Denotes Effective Yield (% per annum).

Note: Refer Note 5.1(V) for buy back detail.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

Maturity Pattern of abovementioned Publicly Placed Secured Redeemable Non-Convertible Debentures:-

Amount (₹)

| Particulars | Maturity Due During One year from Reporting Date | Maturity Due After One year from Reporting Date |
|--------------|--|---|
| Series-2 | 369,344,000 | - |
| Total | 369,344,000 | - |

II. Unsecured Debentures

Details of Privately Placed Unsecured Redeemable Non-Convertible Debentures outstanding as on March 31, 2018:

| S. No. | Coupon Rate | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) | Date of Allotment | Redemption Due On |
|--------------|-------------|---------------------------------|---------------------------------|-------------------|-------------------|
| 1 | 12.05% | 200,000,000 | 200,000,000 | 28-Mar-13 | 28-Mar-23 |
| 2 | 12.00% | 80,000,000 | 80,000,000 | 25-Feb-13 | 25-Feb-23 |
| 3 | 12.20% | 420,000,000 | 420,000,000 | 21-Jan-13 | 21-Jan-23 |
| 4 | 12.20% | 500,000,000 | 500,000,000 | 12-Oct-12 | 12-Oct-22 |
| 5 | 12.75% | - | 50,000,000 | 25-Oct-11 | 25-Jul-17 |
| 6 | 13.05% | 1,000,000,000 | 339,000,000 | 22-Dec-11 | 22-Jun-17 |
| 7 | 13.00% | - | 236,000,000 | 30-Nov-11 | 30-May-17 |
| 8 | 13.05% | - | 336,000,000 | 3-Feb-12 | 3-May-17 |
| 9 | 12.75% | - | 7,000,000 | 2-Aug-11 | 2-May-17 |
| 10 | 12.75% | - | 35,000,000 | 26-Jul-11 | 26-Apr-17 |
| 11 | 12.75% | - | 1,175,000,000 | 30-Aug-11 | 30-Mar-17 |
| 12 | 10.68% | - | 1,000,000,000 | 30-Sep-15 | 30-Apr-21 |
| Total | | 2,200,000,000 | 4,378,000,000 | | |

- III. In respect of privately placed NCDs by Religare Finvest Limited ("RFL"), NBFC subsidiary of the Company, in terms of the provisions of Section 71 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 dated March 31, 2014 as amended by the notification Companies (Share Capital and Debentures) Third Amendment Rules, 2016 dated July 19, 2016 issued by the Ministry of Corporate Affairs, a NBFC Company registered with RBI is not required to create Debenture Redemption Reserve ("DRR") in case of privately placed debentures. Hence, no DRR has been created on privately placed debentures (secured and unsecured).

Further, in respect of privately placed NCDs by Religare Housing Development Finance Corporation Limited ("RHDFC"), one of the sub-subsidiaries of the Company, no DRR is required in terms of the provisions of Section 71 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 dated March 31, 2014 as amended by Companies (Share Capital and Debentures) Amendment Rules, 2014 dated June 18, 2014 issued by the Ministry of Corporate Affairs, a Housing Finance Company registered with National Housing Bank.

- IV. None of the above debentures have been guaranteed by the directors.



V. Details of buyback of Long Term and Short Term borrowing by RFL during the year.

| Particulars | Long Term / Short Term Borrowing (Secured/ Unsecured) | Series Number | As at March 31, 2018 | | As at March 31, 2017 | |
|-----------------------------|---|---------------|----------------------|----------------|-----------------------|----------------|
| | | | Amount (₹) | Buy Back Month | Amount (₹) | Buy Back Month |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 44 | 600,000,000 | April'17 | 260,000,000 | July'16 |
| Privately Placed Debentures | Short Term Borrowing-Secured | Series 52 | 1,500,000,000 | August'17 | 1,600,000,000 | June'16 |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 48 | - | - | 44,000,000 | July'16 |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 54 | - | - | 150,000,000 | July'16 |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 50 | 1,000,000,000 | July'17 | - | - |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 49 | 1,000,000,000 | August'17 | - | - |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 49 | 1,000,000,000 | October'17 | - | - |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 50 | 500,000,000 | November'17 | - | - |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 49 | 500,000,000 | February'18 | - | - |
| Privately Placed Debentures | Long Term Borrowing-Secured | Series 49 | 500,000,000 | March'18 | - | - |
| Commercial Papers | Short Term Borrowing-Unsecured | N.A. | 600,000,000 | July'17 | 50,000,000 | May'16 |
| Commercial Papers | Short Term Borrowing-Unsecured | N.A. | - | - | 500,000,000 | August'16 |
| Commercial Papers | Short Term Borrowing-Unsecured | N.A. | - | - | 3,250,000,000 | September'16 |
| Commercial Paper | Short Term Borrowing-Unsecured | N.A. | - | - | 2,750,000,000 | October'16 |
| Commercial Paper | Short Term Borrowing-Unsecured | N.A. | - | - | 2,750,000,000 | November'16 |
| Commercial Paper | Short Term Borrowing-Unsecured | N.A. | - | - | 4,500,000,000 | December'16 |
| Commercial Paper | Short Term Borrowing-Unsecured | N.A. | - | - | 2,000,000,000 | January'17 |
| Commercial Paper | Short Term Borrowing-Unsecured | N.A. | - | - | 1,000,000,000 | February'17 |
| | | Total | 7,200,000,000 | | 18,854,000,000 | |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

5.2 Schedule of Term Loans from Banks

I. Secured Term Loans

(i) Secured Term Loans From Banks

| Repayment Term | Sanctioned Tenure | As at March 31, 2018 Amount (₹) | | | As at March 31, 2017 Amount (₹) | | |
|----------------|-------------------|------------------------------------|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| | | Total | Current Maturity | Non Current Maturity | Total | Current Maturity | Non Current Maturity |
| Annually | Over 60 Months | 33,787,967,667 | 4,080,000,000 | 29,707,967,667 | 35,049,892,834 | 1,360,000,000 | 33,689,892,834 |
| | 37 to 60 Months | 3,374,681,744 | 937,500,000 | 2,437,181,744 | 3,751,639,790 | 375,000,000 | 3,376,639,790 |
| | 13 to 36 Months | - | - | - | - | - | - |
| | 0 to 12 Months | - | - | - | - | - | - |
| Semi Annually | Over 60 Months | 849,740,502 | 145,000,000 | 704,740,502 | - | - | - |
| | 37 to 60 Months | 750,000,000 | 500,000,000 | 250,000,000 | 2,239,425,228 | 455,000,000 | 1,784,425,228 |
| | 13 to 36 Months | 2,674,999,794 | 2,550,000,000 | 124,999,794 | 4,999,995,160 | 2,325,000,000 | 2,674,995,160 |
| | 0 to 12 Months | - | - | - | - | - | - |
| Quarterly | Over 60 Months | 5,937,496,458 | 1,450,000,003 | 4,487,496,455 | 7,187,500,001 | 1,250,000,004 | 5,937,499,997 |
| | 37 to 60 Months | 25,991,692,417 | 15,216,903,874 | 10,774,788,543 | 46,271,933,099 | 18,639,650,341 | 27,632,282,758 |
| | 13 to 36 Months | 1,249,927,311 | 1,249,927,311 | - | 2,591,597,930 | 1,149,982,460 | 1,441,615,470 |
| | 0 to 12 Months | - | - | - | - | - | - |
| Monthly | Over 60 Months | 754,944,146 | 150,000,000 | 604,944,146 | 750,000,000 | - | 750,000,000 |
| | 37 to 60 Months | 12,277,960 | 4,921,438 | 7,356,522 | 18,829,822 | 3,712,255 | 15,117,567 |
| | 13 to 36 Months | - | - | - | 10,311,143 | 3,286,605 | 7,024,538 |
| | 0 to 12 Months | - | - | - | - | - | - |
| Bullet | Over 60 Months | - | - | - | - | - | - |
| | 37 to 60 Months | - | - | - | - | - | - |
| | 13 to 36 Months | - | - | - | 1,999,425,000 | 1,999,425,000 | - |
| | 0 to 12 Months | - | - | - | - | - | - |
| Total | | 75,383,727,999 | 26,284,252,626 | 49,099,475,373 | 104,870,550,007 | 27,561,056,665 | 77,309,493,342 |

All Secured Term loans from Banks as on March 31, 2018 and March 31, 2017 are secured against “floating first charge on pari passu basis on all the present and future standard business receivables and current assets in the form of cash and cash equivalent” of the respective subsidiary companies.

The pricing of the above loans availed from banks are at the rate of interest respective bank's base rate / MCLR plus a margin upto 3.50% (March 31, 2017: upto 1.75%).



(ii) Secured Term Loans From Others

| Repayment Term | Sanctioned Tenure | As at March 31, 2018 Amount (₹) | | | As at March 31, 2017 Amount (₹) | | |
|----------------|-------------------|---------------------------------|----------------------|----------------------|---------------------------------|----------------------|----------------------|
| | | Total | Current Maturity | Non Current Maturity | Total | Current Maturity | Non Current Maturity |
| Quarterly | Over 60 Months | 3,975,000,000 | 737,500,000 | 3,237,500,000 | 4,625,000,000 | 650,000,000 | 3,975,000,000 |
| | 37 to 60 Months | 750,000,000 | 500,000,000 | 250,000,000 | 1,250,000,000 | 500,000,000 | 750,000,000 |
| | 13 to 36 Months | - | - | - | - | - | - |
| | 0 to 12 Months | - | - | - | - | - | - |
| Monthly | Over 60 Months | - | - | - | 840,000,000 | 840,000,000 | - |
| | 37 to 60 Months | - | - | - | - | - | - |
| | 13 to 36 Months | - | - | - | - | - | - |
| | 0 to 12 Months | - | - | - | - | - | - |
| Bullet | Over 60 Months | - | - | - | - | - | - |
| | 37 to 60 Months | - | - | - | - | - | - |
| | 13 to 36 Months | 25,493,332 | 25,493,332 | - | 672,000,000 | - | 672,000,000 |
| | 0 to 12 Months | - | - | - | - | - | - |
| Total | | 4,750,493,332 | 1,262,993,332 | 3,487,500,000 | 7,387,000,000 | 1,990,000,000 | 5,397,000,000 |

All the above Secured Term loans from Others as on March 31, 2018 are secured against "Floating First charge on Pari Passu basis on all the present and future standard business receivables and current assets in the form of cash and cash equivalent of the respective subsidiary companies and by way of pledge of shares." (March 31, 2017: all the above Secured Term loans from Others as on March 31, 2017 are secured against "Floating First charge on Pari Passu basis on all the present and future Business receivables and Current Assets in the form of Cash and Cash Equivalent of the respective subsidiary companies and by way of pledge of shares and mutual funds.").

The pricing of the above loans availed by the company are at the rate of respective lender's PLR less a margin upto 1.65% (March 31, 2017: upto 1.65%).

II. Unsecured Term Loans From Banks

| Repayment Term | Sanctioned Tenure | As at March 31, 2018 Amount (₹) | | | As at March 31, 2017 Amount (₹) | | |
|----------------|-------------------|---------------------------------|------------------|----------------------|---------------------------------|------------------|----------------------|
| | | Total | Current Maturity | Non Current Maturity | Total | Current Maturity | Non Current Maturity |
| Bullet | Over 60 Months | 3,500,000,000 | - | 3,500,000,000 | 3,500,000,000 | - | 3,500,000,000 |
| | 37 to 60 Months | - | - | - | - | - | - |
| Total | | 3,500,000,000 | - | 3,500,000,000 | 3,500,000,000 | - | 3,500,000,000 |

The pricing of the above loans availed are at the rate of respective Bank's Base Rate plus a margin upto 2.75% (March 31, 2017: upto 1.65%).

III. There is no default as on the balance sheet date in repayment of above term loans and interest thereon.

IV. None of the above term loans have been guaranteed by the directors.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

6. Other Long Term Liabilities

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|-----------------------------|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Trade Payables | 47,286,395 | 45,299,335 |
| (b) | Others Liabilities | | |
| | -Income Received in advance | 421,338 | 2,526,446 |
| | -Employee Benefits Payable | - | 47,500,000 |
| | -Security Deposits | 309,649,232 | 292,345,825 |
| | -Others | 7,506,518 | 23,659,534 |
| Total | | 364,863,483 | 411,331,140 |

7. Long Term Provisions

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|---|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Provision for employee benefits | | |
| | -Gratuity | 77,857 | 6,531,636 |
| | -Leave Encashment | 39,987,981 | 59,308,478 |
| (b) | Provisions as per NBFC Guidelines (Refer Note 11.1) | 771,128,588 | 1,044,548,977 |
| (c) | Provision as per NHB Guidelines Provisions (Refer Note 11.2) | 96,284,321 | 109,015,914 |
| (d) | Others | | |
| | - Provision for diminution in value of long term Investments (Refer Note 7.1) | 6,191,927,970 | 6,191,927,970 |
| Total | | 7,099,406,717 | 7,411,332,975 |

7.1 Breakup of the provision for diminution in value of long term investments is as under:

| Description | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Religare Capital Markets Limited | 5,705,500,000 | 5,705,500,000 |
| Netambit Infosource and E-Services Private Limited | 286,427,970 | 286,427,970 |
| Vistaar Religare Media Fund | 200,000,000 | 200,000,000 |
| Total | 6,191,927,970 | 6,191,927,970 |



8 Short Term Borrowings

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Secured Loans | | |
| Loan Repayable on Demand From Banks (Refer Note 8.1) | 7,810,243,982 | 9,781,323,891 |
| Debentures (Refer Note 8.2) | 1,000,000,000 | 6,300,000,000 |
| Sub Total | 8,810,243,982 | 16,081,323,891 |
| Unsecured Loans | | |
| Loan Repayable on Demand From Banks (Refer Note 8.3) | 750,000,000 | 965,433,109 |
| Loan Repayable on Demand From Other Parties (Refer Note 8.4) | 15,400,000 | 523,000,000 |
| Commercial Papers (Refer Note 8.5) | 1,044,192,094 | 4,016,906,674 |
| Sub Total | 1,809,592,094 | 5,505,339,783 |
| Grand Total | 10,619,836,076 | 21,586,663,674 |

8.1 Short Term Secured Loans Repayable on Demand From Banks

| Nature of Security | | Interest Rate | As at March 31, 2018 | As at March 31, 2017 |
|--------------------|--|---|-------------------------|-------------------------|
| | | | Amount (₹) | Amount (₹) |
| (a) | Floating First charge on pari passu basis on all present and future standard business receivables and Current Assets in the form of Cash and Cash Equivalent of a subsidiary company | Respective Bank's Base Rate / MCLR plus a margin upto 2.00% (March 31, 2017: upto 1.10%). | 6,385,739,676 | 7,796,083,216 |
| (b) | Book Debts | 9.60% (March 31, 2017: 9.60% to 10.50%) | 486,985,222 | 1,007,812,950 |
| (c) | Fixed Deposits with Banks | Respective fixed deposit interest rate plus a margin 0.60% to 1% (March 31, 2017: 0.75% to 1% p.a). | 937,519,084 | 977,427,725 |
| Total | | | 7,810,243,982 | 9,781,323,891 |

8.2. Debentures-Secured

Details of Privately Placed Secured Redeemable Non Convertible Debentures (NCD's) outstanding as on March 31, 2018:

| S. No. | Coupon/Yield Rate (%) p.a. | As at March 31, 2018 | As at March 31, 2017 | Date of Allotment | Redemption Due On |
|--------------|----------------------------|-------------------------|-------------------------|-------------------|-------------------|
| | | Amount (₹) | Amount (₹) | | |
| 1* | 14.50% | 1,000,000,000 | - | October 27, 2017 | October 13, 2018 |
| 2^^ | 9.70% | - | 1,800,000,000 | February 20, 2017 | May 19, 2017 |
| 3^^ | 10.30% | - | 4,500,000,000 | June 17, 2016 | May 18, 2017 |
| Total | | 1,000,000,000 | 6,300,000,000 | | |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

*Secured, Listed, Rated, Redeemable issued on private placement basis with put call option. These NCD's are secured by way of Pari Pasu charge over the loan receivable including interest, if any, of the Company through out the tenure of NCD with an asset cover of 1 time principal plus interest in accordance with the denture trust deed.

^^These are secured by a subsidiary company's immovable property and first pari passu charge over standard business receivables of the Company with Asset Cover of 1.1 X as applicable.

8.3 Pricing for loans repayable on demand from banks is at rate of interest 9.10% p.a. (March 31, 2017: 9.10% to 10.25% p.a.)

8.4 Pricing for loans repayable on demand from other parties are:

| S.No. | Pricing of Loans | As at March 31, 2018 | As at March 31, 2017 |
|--------------|---|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| 1 | N.A. (March 31, 2017: 10% p.a.) | - | 500,000,000 |
| 2 | 9.00% to 13.00% p.a. (March 31, 2017: 9.00% to 13.00% p.a.) | 15,400,000 | 23,000,000 |
| Total | | 15,400,000 | 523,000,000 |

8.5 Commercial Papers (Unsecured)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------------------------|--------------------------------|----------------------------------|
| | Amount (₹) | Amount (₹) |
| Discount Rate | 7.50% to 14.5% | 8.45% to 11% |
| Issued date to Redemption Date | December, 2016 to May, 2018 | April, 2016 to November, 2017 |
| Total Outstanding Balance | 1,065,000,000 | 4,060,000,000 |
| Less: Unamortised Discount | 20,807,906 | 43,093,326 |
| Net Outstanding Balance | 1,044,192,094 | 4,016,906,674 |

9. Trade Payables

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,293,252,929 | 3,140,737,256 |
| Total | 2,293,252,929 | 3,140,737,256 |

*Refer Note 40(c)

**10. Other Current Liabilities**

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Current Maturities of Long-Term Debts | 29,956,589,958 | 38,539,872,665 |
| Interest Accrued and Due on Unsecured Loans | 1,853,190 | 8,002,497 |
| Interest Accrued and Due on Secured Loans | 8,917,789 | 14,575,949 |
| Interest Accrued but not Due on Loans | 841,821,633 | 1,801,845,758 |
| Expense Payable | 1,896,327,737 | 1,877,492,852 |
| Income Received in Advance | 73,540 | 703,243 |
| Other Statutory Payables | 603,350,525 | 187,762,458 |
| Advance Received From Clients | 114,305,011 | 15,566,402 |
| Book Overdraft | 91,747,679 | 357,823,560 |
| Payable on Acquisition of Capital Goods | 3,353,022 | 27,673,446 |
| Unpaid Dividend (Refer Note 10.1) | - | 208,918 |
| Security Deposits | 18,644,631 | 15,615,752 |
| Reserve for Unexpired Risk | 3,957,974,567 | 2,536,005,582 |
| Unallocated Premium | 850,353,806 | 583,295,704 |
| Margin From Clients | 2,355,637,912 | 3,264,383,017 |
| Claim Outstanding | 1,161,492,048 | 963,038,210 |
| Others | 2,007,508,704 | 2,452,987,509 |
| Total | 43,869,951,752 | 52,646,853,522 |

- 10.1** During the year ended March 31, 2018, unpaid dividend of ₹ 208,918 pertaining to the year 2009-10 has been transferred to Investor Education and Protection Fund ("IEPF") account of Central Government from the restricted bank accounts referred in Note 23.

11. Short Term Provisions

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| (a) Provision for Employee Benefits | | |
| -Gratuity | 26,615,207 | 69,221,339 |
| -Leave Encashment | 79,410,588 | 77,261,332 |
| (b) Provisions as per NBFC Guidelines (Refer Note 11.1) | 14,977,771,026 | 2,003,607,817 |
| (c) Provision as per NHB Guidelines (Refer Note 11.2) | 96,903,910 | 57,383,099 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|---|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (d) Others | | | |
| -Income Tax Provision (Net of Advance payment of Taxes and Tax Deducted at Source of ₹ 101,807,856) (March 31, 2017: ₹ 1,621,946,048) | | 56,803,732 | 1,286,248,194 |
| -Provision for Diminution in the Value of Assets Held for Sale and Financial Assets | | 82,265,087 | 43,686,216 |
| -Provision for Diminution in the Value of Current Investments* | | 600,000,000 | - |
| -Provision for Loans and Advances | | 48,420,112 | - |
| Total | | 15,968,189,662 | 3,537,407,997 |

* It is provision against the investment in debetures of OSPL Infradeal Private Limited.

11.1 Provision as per NBFC Guidelines

| Particulars | As at March 31, 2018 Amount (₹) | | | As at March 31, 2017 Amount (₹) | | |
|---|------------------------------------|------------------------|-------------------------|------------------------------------|------------------------|-------------------------|
| | Total | Long term Provision | Short term Provision | Total | Long term Provision | Short term Provision |
| Standard Assets | | | | | | |
| - General Provision on Standard Assets (Refer Note 2(M)(iii)(b)) | 967,480,847 | 549,526,420 | 417,954,427 | 741,494,747 | 669,904,599 | 71,590,148 |
| - Provision on Restructured Assets (Refer Note 2(M)(iii)(d)) | 8,847,886 | 7,798,355 | 1,049,531 | 6,196,964 | 5,996,714 | 200,250 |
| - Contingent Provision on Standard Assets (Refer Note 2(M)(iii)(c)) | 260,333,745 | 197,906,541 | 62,427,204 | 483,684,002 | 368,647,664 | 115,036,338 |
| - Additional Contigent Provision on MSME Standard Assets (Refer Note 11.1A) | 21,403,843 | 15,897,272 | 5,506,571 | - | - | - |
| Sub Standard, Doubtful and Loss Assets | | | | | | |
| - Provision on Non Performing Assets (Refer Note 2(M)(iii)(a)) | 14,454,024,901 | - | 14,454,024,901 | 1,781,235,413 | - | 1,781,235,413 |
| - Provision on Restructured Assets (Refer Note 2(M)(iii)(d)) | 36,808,392 | - | 36,808,392 | 35,545,668 | - | 35,545,668 |
| Total | 15,748,899,614 | 771,128,588 | 14,977,771,026 | 3,048,156,794 | 1,044,548,977 | 2,003,607,817 |

11.1A As per RBI notification Number DBR.No.BP.BC.100/21.04.048/2017-18 dated February 7, 2018, "Relief for MSME Borrowers registered under GST", a NBFC subsidiary company has created 5% provision on eligible MSME borrowers and upgraded from Non Performing Assets to Standard Assets as a result of the mentioned notification.



11.2 Provision as per NHB Guidelines (in case of Religare Housing Development Finance Corporation Limited)

| Particulars | As at March 31, 2018 Amount (₹) | | | As at March 31, 2017 Amount (₹) | | |
|--|------------------------------------|------------------------|-------------------------|------------------------------------|------------------------|-------------------------|
| | Total | Long term Provision | Short term Provision | Total | Long term Provision | Short term Provision |
| Standard Assets* | | | | | | |
| General provision for standard assets | 67,507,532 | 62,780,863 | 4,726,669 | 72,663,063 | 67,635,246 | 5,027,817 |
| Contingent provision for standard assets | 36,107,139 | 33,503,458 | 2,603,681 | 44,592,443 | 41,380,668 | 3,211,775 |
| Sub Standard Assets* | | | | | | |
| -Housing Loans | 56,777,170 | - | 56,777,170 | 34,100,786 | - | 34,100,786 |
| -Non-Housing Loans | 13,330,111 | - | 13,330,111 | 4,158,174 | - | 4,158,174 |
| Doubtful Assets * | | | | | | |
| -Housing Loans | 18,657,024 | - | 18,657,024 | 8,095,092 | - | 8,095,092 |
| -Non-Housing Loans | 809,255 | - | 809,255 | 468,230 | - | 468,230 |
| Loss Assets* | | | | | | |
| -Housing Loans | - | - | - | 2,321,225 | - | 2,321,225 |
| -Non-Housing Loans | - | - | - | - | - | - |
| Total | 193,188,231 | 96,284,321 | 96,903,910 | 166,399,013 | 109,015,914 | 57,383,099 |

* The classification of housing and other loans into standard, sub-standard, doubtful and loss assets have been disclosed at gross value and the corresponding provision against non-performing assets has been included under provisions in accordance with the Housing Finance Companies (NHB) Directions, 2010 issued by National Housing Bank. Religare Housing Development Finance Corporation Limited ("RHDFC") provides Contingent Provision against standard assets as per NHB Directions. RHDFC also voluntary maintains the general provision on standard assets to meet any foreseeable potential losses.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

12. Fixed Assets - Property, Plant and Equipment Current Year

| Particulars | Gross Block | | | Depreciation | | | Net Block | |
|--|-----------------------------|---------------------------|--------------------------------------|------------------------------|-----------------------------|---------------------------|------------------------------|------------------------------|
| | Balance as at April 1, 2017 | Additions during the year | Deletions / Adjustments for the year | Balance as at March 31, 2018 | Balance as at April 1, 2017 | Depreciation for the year | Balance as at March 31, 2018 | Balance as at March 31, 2018 |
| | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) |
| (a) Owned Assets | | | | | | | | |
| Land | 2,696,290 | - | - | 2,696,290 | - | - | - | 2,696,290 |
| Lease Hold Improvements | 167,347,477 | 3,289,197 | 46,047,357 | 124,589,317 | 141,993,320 | 7,774,291 | 105,048,086 | 19,541,231 |
| Office Equipments | 277,374,212 | 16,143,405 | 52,819,495 | 240,698,122 | 226,244,995 | 19,764,627 | 194,785,128 | 45,912,994 |
| Data Processing Machines | 780,093,451 | 83,877,575 | 95,458,452 | 768,512,574 | 640,977,820 | 84,027,215 | 631,297,041 | 137,215,533 |
| Furniture & Fixtures | 88,819,010 | 2,117,747 | 16,507,403 | 74,429,354 | 65,479,075 | 8,593,558 | 57,861,886 | 16,567,668 |
| Vehicles | 124,152,831 | 5,655,968 | 44,293,025 | 85,515,774 | 60,742,897 | 17,211,699 | 53,909,266 | 31,606,508 |
| Sub Total (a) | 1,440,483,271 | 111,083,892 | 255,125,732 | 1,296,441,431 | 1,135,438,107 | 137,371,390 | 1,042,901,207 | 253,540,224 |
| (b) Assets Taken on Finance Lease | | | | | | | | |
| Vehicles | 65,279,925 | - | 33,841,627 | 31,438,298 | 31,408,175 | 12,767,331 | 20,915,078 | 10,523,220 |
| Sub Total (b) | 65,279,925 | - | 33,841,627 | 31,438,298 | 31,408,175 | 12,767,331 | 20,915,078 | 10,523,220 |
| Total (a+b) | 1,505,763,196 | 111,083,892 | 288,967,359 | 1,327,879,729 | 1,166,846,282 | 150,138,721 | 1,063,816,285 | 264,063,444 |

Previous Year

| Particulars | Gross Block | | | Depreciation | | | Net Block | |
|--|-----------------------------|---------------------------|--------------------------------------|------------------------------|-----------------------------|---------------------------|------------------------------|------------------------------|
| | Balance as at April 1, 2016 | Additions during the year | Deletions / Adjustments for the year | Balance as at March 31, 2017 | Balance as at April 1, 2016 | Depreciation for the year | Balance as at March 31, 2017 | Balance as at March 31, 2017 |
| | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) |
| (a) Owned Assets | | | | | | | | |
| Land | 57,121,109 | - | 54,424,819 | 2,696,290 | - | - | - | 2,696,290 |
| Buildings | 395,394,191 | - | 395,394,191 | - | 68,554,129 | 5,013,476 | - | - |
| Lease Hold Improvements | 415,071,286 | 21,264,208 | 268,998,017 | 167,347,477 | 291,471,349 | 13,771,825 | 141,993,320 | 25,354,157 |
| Office Equipments | 492,253,012 | 28,961,855 | 243,840,655 | 277,374,212 | 401,124,256 | 24,958,559 | 226,244,995 | 51,129,217 |
| Data Processing Machines | 837,010,599 | 82,481,618 | 139,398,766 | 780,093,451 | 692,995,639 | 72,674,337 | 640,977,820 | 139,115,631 |
| Furniture & Fixtures | 195,473,398 | 7,064,645 | 113,719,033 | 88,819,010 | 144,999,773 | 13,739,612 | 65,479,075 | 23,339,935 |
| Vehicles | 153,941,210 | 29,713,424 | 59,501,803 | 124,152,831 | 87,012,641 | 20,998,324 | 60,742,897 | 63,409,934 |
| Sub Total (a) | 2,546,264,805 | 169,485,750 | 1,275,267,284 | 1,440,483,271 | 1,686,157,787 | 151,156,133 | 1,135,438,107 | 305,045,164 |
| (b) Assets Taken on Finance Lease | | | | | | | | |
| Vehicles | 91,992,275 | 7,346,090 | 34,058,440 | 65,279,925 | 28,051,457 | 20,204,075 | 31,408,175 | 33,871,750 |
| Sub Total (b) | 91,992,275 | 7,346,090 | 34,058,440 | 65,279,925 | 28,051,457 | 20,204,075 | 31,408,175 | 33,871,750 |
| Total (a+b) | 2,638,257,080 | 176,831,840 | 1,309,325,724 | 1,505,763,196 | 1,714,209,244 | 171,360,208 | 1,166,846,282 | 338,916,914 |

12.1 There are no adjustments to tangible assets on account of borrowing costs during the current year and previous year.

12.2 There is no revaluation of tangible assets during the current year and previous year.

12.3 Part of land is mortgaged as security for debenture holders.

12.4 Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost or revalued amount are recognised in the Statement of Profit and Loss.



13. Fixed Assets - Intangible Assets

Current Year

| Particulars | Gross Block | | | | Amortisation | | | | Net Block |
|-----------------------------|-----------------------------|---------------------------|--------------------------------------|------------------------------|-----------------------------|---------------------------|--------------------------------------|------------------------------|--------------------|
| | Balance as at April 1, 2017 | Additions during the year | Deletions / Adjustments for the year | Balance as at March 31, 2018 | Balance as at April 1, 2017 | Amortisation for the year | Deletions / Adjustments for the year | Balance as at March 31, 2018 | |
| | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | |
| Goodwill (on Consolidation) | 314,527,285 | - | 124,627,318 | 189,899,967 | 122,431,917 | - | 29,735,750 | 92,696,167 | 97,203,800 |
| Computer Softwares | 1,176,847,332 | 163,195,878 | 35,032,458 | 1,305,010,752 | 753,879,031 | 150,517,731 | 34,952,946 | 869,443,816 | 435,566,936 |
| Goodwill (on Amalgamation) | 75,412,839 | - | - | 75,412,839 | - | 75,412,839 | - | 75,412,839 | - |
| Total | 1,566,787,456 | 163,195,878 | 159,659,776 | 1,570,323,558 | 876,310,948 | 225,930,570 | 64,688,696 | 1,037,552,822 | 532,770,736 |

Previous Year

| Particulars | Gross Block | | | | Amortisation | | | | Net Block |
|------------------------------------|-----------------------------|---------------------------|--------------------------------------|------------------------------|-----------------------------|---------------------------|--------------------------------------|------------------------------|--------------------|
| | Balance as at April 1, 2016 | Additions during the year | Deletions / Adjustments for the year | Balance as at March 31, 2017 | Balance as at April 1, 2016 | Amortisation for the year | Deletions / Adjustments for the year | Balance as at March 31, 2017 | |
| | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | |
| Goodwill (on Consolidation) | 21,162,927,888 | 2,369,195 | 20,850,769,798 | 314,527,285 | 4,807,261,551 | - | 4,684,829,634 | 122,431,917 | 192,095,368 |
| Computer Softwares | 1,060,379,897 | 140,792,521 | 24,325,086 | 1,176,847,332 | 636,442,381 | 138,327,356 | 20,890,706 | 753,879,031 | 422,968,301 |
| Goodwill (on Amalgamation) | 144,193,639 | - | 68,780,800 | 75,412,839 | 55,924,576 | - | 55,924,576 | - | 75,412,839 |
| Goodwill (on Business Acquisition) | 57,134,007 | - | 57,134,007 | - | - | - | - | - | - |
| Total | 22,424,635,431 | 143,161,716 | 21,001,009,691 | 1,566,787,456 | 5,499,628,508 | 138,327,356 | 4,761,644,916 | 876,310,948 | 690,476,508 |

13.1 There are no adjustments to intangible assets on account of borrowing costs during the current year and previous year.

13.2 There is no revaluation of intangible assets during the current year and previous year.

13.3 Losses arising from the retirement of, and gains or losses arising from disposal of intangible assets which are carried at cost or revalued amount are recognised in the Statement of Profit and Loss.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

14. Capital Work-in-Progress

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Capital Work -in- Progress (Excluding Capital Advances) | - | - |
| Total | - | - |

14.1 Capital work in progress includes borrowing cost capitalised amounting to ₹ NIL (March 31, 2017: NIL).

15. Intangible Assets under Development

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Softwares | 111,854,624 | 119,074,086 |
| Total | 111,854,624 | 119,074,086 |

15.1 Intangible Assets under Development includes borrowing cost capitalised amounting to ₹ NIL (March 31, 2017: NIL).

16. Non Current Investments

| Particulars | Currency | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------|------------|----------------------|---------------|----------------------|---------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| Other than Trade Investments (at cost) | | | | | | |
| (a) Investment in Subsidiary (partly paid equity shares) (Unquoted) | | | | | | |
| Religare Capital Markets Limited* (Refer Note 1(II)(E)) | INR | 15 | 81,550,000 | 3,855,500,000 | 81,550,000 | 3,855,500,000 |
| (b) Investment in Subsidiary (fully paid preference shares) (Unquoted) | | | | | | |
| Religare Capital Markets Limited* (Refer Note 1(II)(E)) (0.002% Cumulative Non-Convertible) | INR | 10 | 170,000,000 | 1,700,000,000 | 170,000,000 | 1,700,000,000 |
| Religare Capital Markets Limited* (Refer Note 1(II)(E)) (0.003% Cumulative Non-Convertible) | INR | 10 | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| Religare Capital Markets Limited* (Refer Note 1(II)(E)) (0.004% Cumulative Non-Convertible) | INR | 10 | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| (c) Investment in Equity Instruments (Unquoted) | | | | | | |
| Equifax Credit Information Services Private Limited | INR | 10 | 13,500,000 | 135,000,000 | 13,500,000 | 135,000,000 |
| Netambit Infosource and E-Services Private Limited* | INR | 1 | 67,536 | 282,332,771 | 67,536 | 282,332,771 |
| Fincare Business Services Ltd | INR | 100 | 499,997 | 49,999,750 | 178,826 | 49,999,750 |
| (d) Investment in Preference Shares (Unquoted) | | | | | | |
| Netambit Infosource and E-Services Private Limited | INR | 100 | 40,952 | 4,095,200 | 40,952 | 4,095,200 |



| Particulars | Currency | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------|------------|----------------------|-------------|----------------------|-------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| (e) Investments in Government or Trust Securities | | | | | | |
| Government Securities (Quoted) | | | | | | |
| 7.16% GOI - 20-May-2023 | INR | 100 | 975,339 | 97,533,919 | 1,000,000 | 97,053,854 |
| 8.83% GOI - 25-Nov-2023 | INR | 100 | 1,057,985 | 105,798,546 | 500,000 | 52,434,647 |
| 8.40% GOI - 28-Jul-2024 | INR | 100 | 1,037,444 | 103,744,418 | 1,000,000 | 104,336,068 |
| 9.23% GOI - 23-Dec-2043 | INR | 100 | 49,902 | 4,990,168 | 50,000 | 4,989,898 |
| 8.29% State Government - Tamil Nadu - 29-Jul-2025 | INR | 100 | 507,859 | 50,785,851 | 500,000 | 50,893,040 |
| 8.79% GOI - 08-Nov-2021 | INR | 100 | 1,025,478 | 102,547,837 | 1,000,000 | 103,253,958 |
| 8.35% GOI - 14-May-2022 | INR | 100 | 1,009,098 | 100,909,843 | 1,000,000 | 101,130,648 |
| 7.80% GOI - 11-Apr-2021 | INR | 100 | 498,007 | 49,800,745 | 500,000 | 49,734,988 |
| 7.68% GOI - 15-Dec-2023 | INR | 100 | 1,036,395 | 103,639,477 | 500,000 | 51,901,778 |
| 7.83% GOI - 11-Apr-2018 Sec 7 | INR | 100 | - | - | 155,000 | 15,520,403 |
| 8.05% STATE GOVERNMENT-GUJRAT - 25-Feb-2025 | INR | 100 | 510,113 | 51,011,301 | 500,000 | 51,157,663 |
| 8.12% GOI - 10-Dec-2020 | INR | 100 | 1,003,215 | 100,321,477 | 1,000,000 | 100,440,725 |
| 8.12% GOI - 10-Dec-2020 Sec 7 | INR | 100 | 100,215 | 10,021,538 | 100,000 | 10,029,527 |
| 8.13% GOI (21/09/2022) | INR | 100 | 1,548,232 | 154,823,241 | 500,000 | 49,708,215 |
| 8.15% GOI (11/06/2022) | INR | 100 | 1,535,458 | 153,545,830 | 500,000 | 50,021,460 |
| 8.19% GOI (16/1/2020) | INR | 100 | 1,000,483 | 100,048,276 | 1,000,000 | 100,075,179 |
| 8.27% GOI - 09-Jun-2020 | INR | 100 | 1,007,396 | 100,739,595 | 1,000,000 | 101,077,037 |
| 8.27% State Government-Haryana - 24-Dec-2024 | INR | 100 | 502,588 | 50,258,839 | 500,000 | 50,297,260 |
| 8.83% GOI (12/12/2041) | INR | 100 | 57,852 | 5,785,243 | 56,300 | 5,791,809 |
| 8.90% SDL Tamil Nadu (20/09/2022) | INR | 100 | 1,000,511 | 100,051,079 | 1,000,000 | 100,062,497 |
| 8.90% State Government - Tamil Nadu - 24-Sep-2024 | INR | 100 | 530,401 | 53,040,117 | 500,000 | 53,508,716 |
| 7.28% State Government-Haryana - 28-Dec-2026 | INR | 100 | 505,561 | 50,556,104 | 500,000 | 50,619,673 |
| 7.35% GOI - 22-Jun-2024 | INR | 100 | 517,741 | 51,774,087 | 500,000 | 52,058,846 |
| 7.72% GOI - 25-May-2025 | INR | 100 | 1,054,468 | 105,446,763 | 500,000 | 53,358,766 |
| 7.95% SG - Karnataka - 05-Aug-2019 | INR | 100 | 169,835 | 16,983,482 | 170,000 | 16,971,203 |
| 8.20% GOI - 24-Sep-2025 | INR | 100 | 1,586,375 | 158,637,489 | 500,000 | 52,179,033 |
| 8.53% STATE GOVERNMENT - Kerala - 09-Mar-2026 | INR | 100 | 525,615 | 52,561,491 | 500,000 | 52,883,997 |
| 8.30% GOI (31/12/2042) | INR | 100 | - | - | 500,000 | 49,153,564 |
| 8.67% State Government - Karnataka - 24-Feb-2026 | INR | 100 | 515,241 | 51,524,099 | 500,000 | 51,716,856 |
| 8.76% State Government - Madhya Pradesh - 24-Feb-2026 | INR | 100 | 515,993 | 51,599,345 | 500,000 | 51,801,618 |
| 8.28% GOI (15/2/2032) | INR | 100 | 49,141 | 4,914,102 | 50,000 | 4,907,917 |
| 7.83% GOI - 11-Apr-2018 | INR | 100 | - | - | 500,000 | 50,040,672 |
| 8.85% STATE GOVERNMENT - Kerala - 18-Jul-2022 | INR | 100 | 510,848 | 51,084,819 | 500,000 | 51,337,182 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Particulars | Currency | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------|------------|----------------------|-------------|----------------------|------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| 9.07% STATE GOVERNMENT - Kerala - 27-Aug-2024 | INR | 100 | 501,027 | 50,102,744 | 500,000 | 50,118,770 |
| National Saving Certificate VIII Issue (Unquoted) | | | | | | |
| National Saving Certificate VIII Issue | INR | 1,000 | 6 | 6,000 | 6 | 6,000 |
| National Saving Certificate VIII Issue | INR | 10,000 | 3 | 30,000 | 3 | 30,000 |
| (f) Investments in Debentures or Bonds (Quoted) | | | | | | |
| 8.15% GOI - 24-Nov-2026 | INR | 100 | 532,718 | 53,271,821 | - | - |
| 8.09% State Government - Madhya Pradesh - 11-Mar-2025 | INR | 100 | 510,336 | 51,033,576 | - | - |
| 8.24% State Government - Tamil Nadu - 10-Jun-2025 | INR | 100 | 515,324 | 51,532,417 | - | - |
| NS 7.47 PFC - 16-Sep-2021 | INR | 100 | 1,000,251 | 100,025,124 | - | - |
| NS 7.17 NHAI - 23-Dec-2021 | INR | 100 | 495,799 | 49,579,925 | - | - |
| NS 7.14 REC 09-Dec-2021 | INR | 100 | 992,162 | 99,216,233 | - | - |
| NS 8.13 PGC - 23-Apr-2021 | INR | 100 | 509,888 | 50,988,750 | - | - |
| NS 7.92 India Infra Ltd. - 20-Jul-2022 | INR | 100 | 1,000,000 | 100,000,000 | - | - |
| NS 8.75 HDFC - 04-Mar-2021 | INR | 100 | 512,064 | 51,206,403 | - | - |
| 7.89% Canfin Homes - 18-May-2022 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 7.7435 Bajaj Finance Ltd - 30-Jun-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 7.85 Tata Sons Ltd. - 31-Jan-2021 | INR | 100 | 995,976 | 99,597,638 | - | - |
| NS 7.76 HDB - 26-May-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 7.83 HDB - 11-Jun-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 7.77 Bajaj Finance Ltd - 17-Jun-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 7.80 HDB - 29-Jun-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 8.00 Shriram Transport Finance Co. Ltd-12-Jun-2020 | INR | 100 | 1,000,000 | 100,000,000 | - | - |
| 8.23% State Gov - Maharashtra - 09-Sep-2025 | INR | 100 | 525,702 | 52,570,213 | - | - |
| NS 8.11 Rural Electrification Corpn. Ltd. - 07-Oct-2025 | INR | 100 | 2,086,039 | 208,603,945 | - | - |
| 8.00% L&T IDF - 16-Jun-2022 | INR | 100 | 1,010,478 | 101,047,829 | - | - |
| NS 7.75 India Infra Ltd. - 30-Aug-2022 | INR | 100 | 1,000,000 | 100,000,000 | - | - |
| NS 7.73 IDFC IFL - 10-Nov-2022 | INR | 100 | 1,000,000 | 100,000,000 | - | - |
| NS 7.59 PNB HFL - 27-Jul-2022 | INR | 100 | 500,000 | 50,000,000 | - | - |
| NS 7.40% GRUH Finance Limited - 30-Sep-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 7.39% LIC HSG. - 30-Aug-2022 | INR | 100 | 500,058 | 50,005,786 | - | - |
| NS 8.50 Capital First Limited - 21-Dec-2021 | INR | 100 | 502,599 | 50,259,945 | - | - |
| 7.68% Fullerton India Credit Co Ltd - 14-Aug-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |



| Particulars | Currency | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------|------------|----------------------|-------------|----------------------|------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| NS 7.80 Bajaj Finance Ltd - 24-Feb-2020 | INR | 100 | 502,374 | 50,237,372 | - | - |
| NS 8.25 Tata Sons Ltd. - 23-Mar-2022 | INR | 100 | 1,023,962 | 102,396,151 | - | - |
| 7.85% L&T IDF - 07-Nov-2022 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 7.53% PNB HFL - 31-Dec-2020 | INR | 100 | 500,000 | 50,000,000 | - | - |
| GIC Ltd | INR | 100 | 283,752 | 28,375,167 | - | - |
| 0% Shriram Transport Finance Co. Ltd. - 30-Apr-2021 | INR | 100 | 502,050 | 50,204,976 | - | - |
| 7.00% HDFC - 06-Sep-2019 | INR | 100 | 1,480,395 | 148,039,452 | - | - |
| 7.55% KMPL - 12-Jul-2019 | INR | 100 | 496,527 | 49,652,712 | - | - |
| 7.94% GOI - 24-May-2021 | INR | 100 | 1,022,608 | 102,260,764 | - | - |
| 7.95% Shriram Transport Finance Co. Ltd. - 13-Jun-2019 | INR | 100 | 497,807 | 49,780,740 | - | - |
| 8.08% GOI - 02-Aug-2022 | INR | 100 | 1,031,197 | 103,119,713 | - | - |
| 8.20% GOI - 15-Feb-2022 | INR | 100 | 1,031,775 | 103,177,527 | - | - |
| 8.43% STATE GOVERNMENT-GUJRAT - 26-Nov-2024 | INR | 100 | 509,515 | 50,951,477 | - | - |
| 9.22% STATE GOVERNMENT - CHATTISGARH - 15-May-2024 | INR | 100 | 524,369 | 52,436,922 | - | - |
| NS 6.78 RIL - 16-Sep-2020 | INR | 100 | 488,920 | 48,891,968 | - | - |
| NS 7.15 Ultratech Cement Ltd - 18-Oct-2021 | INR | 100 | 973,883 | 97,388,304 | - | - |
| NS 7.48 HDFC - 18-Nov-2019 | INR | 100 | 494,942 | 49,494,227 | - | - |
| NS 7.49 Bajaj Finance Ltd - 30-Jan-2020 | INR | 100 | 495,477 | 49,547,706 | - | - |
| NS 7.73 PFC - 05-Apr-2021 | INR | 100 | 1,000,000 | 100,000,000 | - | - |
| NS 7.97 HDB - 06-Dec-2019 | INR | 100 | 500,110 | 50,011,036 | - | - |
| NS 7.99 Rural Electrification Corpn. Ltd. - 23-Feb-2023 | INR | 100 | 1,002,022 | 100,202,170 | - | - |
| NS 8.13 PGC - 25-Apr-2022 | INR | 100 | 506,709 | 50,670,907 | - | - |
| NS 8.30 HDB - 09-Aug-2019 | INR | 100 | 500,930 | 50,093,008 | - | - |
| NS 8.36 Rural Electrification Corpn. Ltd. - 22-Sep-2020 | INR | 100 | 506,516 | 50,651,647 | - | - |
| NS 8.49 IDFC IFL - 22-Aug-2023 | INR | 100 | 1,000,000 | 100,000,000 | - | - |
| NS 8.50 NHPC Ltd - 14-Jul-2025 | INR | 100 | 1,010,652 | 101,065,197 | - | - |
| NS 8.80 Capital First Limited - 23-Mar-2021 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 8.77% HDB - 02-Jun-2018 | INR | 100 | - | - | 500,000 | 49,978,501 |
| 8.44% REC 04-12-21 | INR | 100 | 498,395 | 49,839,508 | 500,000 | 49,795,890 |
| 8.56 PNB HFL - 28-Jul-2020 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| 8.80% CANFIN02072018 | INR | 100 | - | - | 500,000 | 50,000,000 |
| 9.65% HDFC 17012019 | INR | 100 | - | - | 500,000 | 50,649,192 |
| 8.65% HDFC - 18-Sep-2020 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Particulars | Currency | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------|------------|----------------------|-------------|----------------------|-------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| 8.85% PGC - 19-Oct-2021 | INR | 100 | 503,329 | 50,332,941 | 500,000 | 50,426,638 |
| NS Shriram Transport Finance Co. Ltd. - 13-Mar-2019 | INR | 100 | - | - | 500,000 | 50,000,000 |
| 8.85% PGC - 19-Oct-2020 | INR | 100 | 502,211 | 50,221,057 | 500,000 | 50,307,631 |
| 8.38% PFC 27042020 | INR | 100 | 499,986 | 49,998,569 | 500,000 | 49,997,879 |
| 8.36% PFC 26-02-2020 | INR | 100 | 498,687 | 49,868,662 | 500,000 | 49,799,786 |
| 0% HDB Financial Service Limited - 14-Mar-2019 | INR | 100 | - | - | 500,000 | 55,991,557 |
| 0%Axis Finance Limited - 23-Oct-2018 | INR | 100 | - | - | 500,000 | 56,566,780 |
| 8.95% Bajaj Finance Ltd - 10-Apr-2020 | INR | 100 | 1,004,318 | 100,431,757 | 1,000,000 | 100,644,718 |
| 7.65% Bajaj Finance Ltd - 08-Feb-2021 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| 8.47 PNB HFL - 01-Jul-2021 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| 8.51 India Infradebt Ltd. - 10-May-2021 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| 8.63% HDB Financial Servies Ltd - 17-Jun-2019 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| 8.90% Fullerton India Credit Co Ltd - 04-Apr-2019 | INR | 100 | 1,000,000 | 100,000,000 | 1,000,000 | 100,000,000 |
| 9.15% NS Shriram Transport Finance Co. Ltd. - 13-Apr-2021 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| 8.93% State Govt - UttaraKhand - 05-Dec-2022 | INR | 100 | 151,386 | 15,138,647 | 150,000 | 15,168,259 |
| 9.25% Tata Sons Ltd. - 19-Jun-2019 | INR | 100 | 498,429 | 49,842,922 | 500,000 | 49,713,794 |
| 8.65% NS PFC - 28-Dec-2024 | INR | 100 | 515,564 | 51,556,419 | 500,000 | 51,787,070 |
| 9.45% NS Indiabulls HFL - 27-Apr-2018 | INR | 100 | - | - | 400,000 | 40,000,000 |
| 9.61% Rural Electrification Corpn. Ltd. - 03-Jan-2019 | INR | 100 | - | - | 500,000 | 50,202,938 |
| 9.63% LIC HSG. - 22-Jan-2019 | INR | 100 | - | - | 500,000 | 50,000,000 |
| 9.81% PFC - 07-Oct-2018 | INR | 100 | - | - | 500,000 | 50,278,794 |
| 10.40% RPTL (18/7/2021) | INR | 100 | 1,016,676 | 101,667,647 | 1,000,000 | 102,173,195 |
| 10.60% STFC (05/06/2018) | INR | 100 | - | - | 500,000 | 50,000,000 |
| 0% Fullerton India Credit Co Ltd - 29-Apr-2019 | INR | 100 | 596,616 | 59,661,576 | 500,000 | 54,790,754 |
| NS 7.6591 KMPL - 24-Oct-2018 | INR | 100 | - | - | 1,000,000 | 99,794,420 |
| NS 8.30 LIC HSG. - 15-Jul-2021 | INR | 100 | 504,936 | 50,493,586 | 500,000 | 50,643,594 |
| NS 7.57 Canfin Homes - 10-Apr-2020 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| NS 7.95 PNB HFL - 18-Oct-2019 | INR | 100 | 1,000,000 | 100,000,000 | 1,000,000 | 100,000,000 |
| NS 7.9731 Fullerton India Credit Co Ltd - 22-Mar-2019 | INR | 100 | - | - | 500,000 | 50,000,000 |
| NS 8.60 IDFC IDF - 25-Aug-2021 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| NS 8.79 HDFC - 21-Jul-2020 | INR | 100 | 511,364 | 51,136,439 | 500,000 | 51,629,075 |
| NS LIC 8.47 HSG-07-Jul-2020 | INR | 100 | 507,519 | 50,751,858 | 500,000 | 51,083,292 |



| Particulars | Currency | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------|------------|----------------------|-----------------------|----------------------|-----------------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| NS LIC HSG. - 03-Oct-2019 | INR | 100 | 504,681 | 50,467,864 | 500,000 | 50,778,725 |
| NS India Infra Ltd. - 21-Aug-2020 | INR | 100 | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| (g) Contribution to Funds (Unquoted) | | | | | | |
| Vistaar Religare Media Fund* | INR | 100 | 2,000,000 | 200,000,000 | 2,000,000 | 200,000,000 |
| (h) Investment in Pass Through Certificates | | | | | | |
| IDBI Trusteeship Services Limited | INR | Various | - | - | 11 | 118,319,083 |
| CATALYST Trusteeship Limited | INR | Various | - | - | 1 | 15,282,697 |
| (i) Investment in Mutual Funds (Unquoted) | | | | | | |
| Yournest Angel Fund -Class B units | INR | - | - | - | - | 15,179 |
| (j) Investment in Alternative Investment Fund (Unquoted) | | | | | | |
| Religare Credit Opportunities Fund | INR | 100,000 | 1,063 | 192,565,682 | 4,657 | 725,265,381 |
| Religare Dynamic Trust | INR | - | - | - | - | - |
| Cerestra Infrastructure Trust | INR | - | 386 | 50,000,000 | 386 | 50,000,000 |
| India Bulls Real Estate Fund Category II AIF | INR | - | - | 41,496,052 | - | 50,001,000 |
| Total | | | - | 14,244,605,520 | - | 11,458,617,010 |

* The Company has made provision for diminution in value of its long term investments (Refer Note 7.1).

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|------------------------------------|-----------------------|-----------------------|
| | Amount (₹) | Amount (₹) |
| Aggregate amount of : | | |
| -Quoted Investments | 7,583,580,065 | 4,122,769,949 |
| -Unquoted Investments | 6,661,025,455 | 7,335,847,061 |
| Total | 14,244,605,520 | 11,458,617,010 |
| Market Value of Quoted Investments | 7,610,098,527 | 3,231,842,231 |

16.1 Investments are held in the name of a director of subsidiary company as nominee ₹ 33,000 (March 31, 2016: ₹ 33,000) and pledged with Gujarat and Rajasthan VAT Authorities.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

17. Deferred Tax Asset (Net)

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Deferred Tax Liability | | |
| Prepaid Expenses | - | 26,778,351 |
| Debenture Issue Expenses | 24,779,472 | 8,751,950 |
| Deduction under Section 36(1)(viii) of Income Tax Act, 1961 | 77,542,513 | 77,851,698 |
| Total Deferred Tax Liability | 102,321,985 | 113,381,999 |
| Deferred Tax Asset | | |
| Difference between Book and Tax Depreciation | 111,228,731 | 119,724,424 |
| Accrued compensation to employee | - | 16,438,800 |
| Provision for Doubtful Debtors | 82,635,805 | 71,361,688 |
| Leave Encashment | 21,477,626 | 29,102,188 |
| Gratuity | - | 1,442,236 |
| Tax Losses Brought Forward | 1,990,265,821 | 1,569,942,424 |
| Provision for Non Performing Assets | 2,493,899,465 | 645,759,183 |
| General Provision on Standard Assets | 363,488,327 | 283,908,380 |
| Contingent Provisions against Standard Assets | 109,396,076 | 181,787,675 |
| Provision for Diminution in Value of Investments and Non Banking Financial Assets | 28,746,714 | 15,118,926 |
| Total Deferred Tax Asset | 5,201,138,565 | 2,934,585,924 |
| Deferred Tax Asset (Net) | 5,098,816,580 | 2,821,203,925 |

17.1 Deferred Tax Asset and Deferred Tax Liability have been offset.

18. Long Term Loans and Advances

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Loans and Advances as per NBFC / NHB Guidelines (Refer Note 24.1) | | |
| - To Related Parties | - | - |
| - To Others | 57,471,421,317 | 100,247,214,057 |
| Unsecured, considered good | | |
| a. Capital Advances | 3,644,781 | 11,659,397 |
| b. Security Deposits | | |
| - With Exchanges | 37,825,000 | 29,325,000 |
| - With Others | 332,177,807 | 231,799,658 |
| c. Prepaid Expenses | 158,199,212 | 264,894,988 |
| d. Advance payment of Taxes and Tax Deducted at Source (Net of provision for Taxes of ₹ 15,476,933,703) (March 31, 2017: ₹ 11,044,812,384) | 3,139,280,294 | 2,118,719,311 |
| e. Loans and Advances recoverable in cash or in kind or for value to be received | 4,049,235 | 5,775,729 |
| f. Balance with Tax Authorities | 143,741,513 | 173,695,368 |
| Total | 61,290,339,159 | 103,083,083,508 |



19. Other Non Current Assets

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Long Term Trade Receivables | | |
| Secured, considered good | 190,879,480 | 185,429,674 |
| Unsecured, considered good | 78,361,880 | 96,659,492 |
| Doubtful | 241,213,897 | 206,697,141 |
| Less: Provision for Doubtful Trade Receivables | (241,213,897) | (206,697,141) |
| | 269,241,360 | 282,089,166 |
| Other Receivables | 2,145,900 | 2,156,448 |
| Interest Accrued | 352,652,504 | 183,156,719 |
| Assets Acquired in Satisfaction of Debts | - | 36,397,413 |
| Other Bank balances | | |
| - Fixed Deposit Account (Refer Note 23.1) | 434,706,241 | 828,798,775 |
| Total | 1,058,746,005 | 1,332,598,521 |

20. Current Investments

| Particulars | | Currency | Face value | As at March 31, 2018 | | As at March 31, 2017 | |
|-------------|---|----------|------------|----------------------|-------------|----------------------|---------------|
| | | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| (a) | Investments in Mutual Funds (Unquoted) | | | | | | |
| | Religare Invesco Liquid Fund - Direct Plan Daily Dividend | INR | 1,000 | 3,109 | 3,114,441 | 9,271 | 4,660,677 |
| | ICICI Prudential Liquid - Direct Plan - Growth | INR | 100 | 391,527 | 100,000,000 | - | - |
| | Aditya Birla Sun Life Floating Rate Fund | INR | 100 | 2,204,991 | 500,000,000 | - | - |
| | Birla Sun Life Cash Plus - Growth- Direct Plan-OI | INR | 100 | - | - | 800,000 | 80,000,000 |
| | DHFL Pramerica Insta Cash Plus Fund - Direct Plan -Growth | INR | 100 | 2,483,566 | 550,000,000 | 1,195,899 | 251,000,000 |
| | Reliance Liquid Fund (Treasury Plan - Direct Plan - Growth) | INR | 1,000 | 35,615 | 150,000,000 | - | - |
| | LIC MF Liquid Fund (Direct Plan - Growth) | INR | 1,000 | 129,233 | - | 169,593 | 500,000,000 |
| | Invesco India Liquid Fund (Direct Plan - Growth) | INR | 1,000 | - | - | 446,807 | 1,000,000,000 |
| | UTI Liquid Fund (Cash Plan - Direct Plan - Growth) | INR | 1,000 | - | - | 375,580 | 1,000,000,000 |
| | Union Liquid Fund (Direct Plan - Growth) | INR | 1,000 | - | - | 615,397 | 1,000,000,000 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Particulars | Currency | Face value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------|------------|----------------------|------------|----------------------|-------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| Reliance Liquid Fund – Treasury Plan -Direct Plan Growth Plan-Growth Option | INR | 100 | 911,208 | 91,120,814 | 800,000 | 80,000,000 |
| SBI Premier Liquid Fund - DIRECT PLAN -Growth | INR | 100 | 901,345 | 90,134,483 | 598,000 | 59,800,001 |
| ICICI Prudential-Liquid Direct Plan-Growth | INR | 100 | - | - | 800,000 | 80,000,000 |
| UTI Mutual Fund | INR | 100 | 901,237 | 90,123,661 | 800,000 | 80,000,000 |
| (b) Investments in Bonds / CD (Quoted) | | | | | | |
| NS Shriram Transport Finance Co. Ltd. - 13-Mar-2019 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 8.77% HDB - 02-Jun-2018 | INR | 100 | 499,969 | 49,996,878 | - | - |
| 0%Axis Finance Limited - 23-Oct-2018 | INR | 100 | 611,850 | 61,185,035 | - | - |
| 0% HDB Financial Service Limited - 14-Mar-2019 | INR | 100 | 607,561 | 60,756,085 | - | - |
| NS 7.6591 KMPL - 24-Oct-2018 | INR | 100 | 999,258 | 99,925,833 | - | - |
| 7.83% GOI - 11-Apr-2018 Sec 7 | INR | 100 | 155,005 | 15,500,544 | - | - |
| 7.83% GOI - 11-Apr-2018 | INR | 100 | 500,011 | 50,001,085 | - | - |
| NS 7.9731 Fullerton India Credit Co Ltd - 22-Mar-2019 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 9.00% IDFC | INR | 100 | - | - | 50,000 | 5,000,000 |
| 9.61% Rural Electrification Corpn. Ltd. - 03-Jan-2019 | INR | 100 | 500,876 | 50,087,561 | - | - |
| 9.81% PFC - 07-Oct-2018 | INR | 100 | 500,951 | 50,095,112 | - | - |
| 9.45% NS Indiabulls HFL - 27-Apr-2018 | INR | 100 | 400,000 | 40,000,000 | - | - |
| 9.63% LIC HSG. - 22-Jan-2019 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 8.80% CANFIN02072018 | INR | 100 | 500,000 | 50,000,000 | - | - |
| 9.65% HDFC 17012019 | INR | 100 | 502,880 | 50,287,980 | - | - |
| 10.60% STFC (05/06/2018) | INR | 100 | 500,000 | 50,000,000 | - | - |
| 9.20% HDFC (08/10/2017) | INR | 100 | - | - | 200,000 | 20,006,670 |
| 0% Indiabulls HFL - 11-Sep-2017 | INR | 100 | - | - | 400,000 | 51,364,627 |
| 0% L&T Finance Limited - 27-Apr-2017 | INR | 100 | - | - | 2,500,000 | 248,762,060 |
| 10.00% Indiabulls HFL - 29-Sep-2017 | INR | 100 | - | - | 600,000 | 60,000,000 |
| 8.07% GOI - 03-Jul-2017 | INR | 100 | - | - | 500,000 | 50,022,336 |



| Particulars | Currency | Face value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------|------------|----------------------|----------------------|----------------------|----------------------|
| | | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| 9.25% REC (27/8/2017) | INR | 100 | - | - | 500,000 | 49,999,596 |
| 9.55% KMPL - 21-Aug-2017 | INR | 100 | - | - | 1,000,000 | 100,000,000 |
| 9.68%TATA SONS (14-8-2017) | INR | 100 | - | - | 500,000 | 49,989,638 |
| 9.75% RCAP - 18-Mar-2018 | INR | 100 | - | - | 500,000 | 50,145,113 |
| 9.87 Tata Sons (16/04/2017) | INR | 100 | - | - | 500,000 | 50,002,376 |
| (c) Investments in Bonds / Debentures / Commercial Papers (CP) /Certificate of Depositv(CD) (Unquoted) | | | | | | |
| CP-RHC Holding Private Limited | INR | 500,000 | - | - | 3,000 | 1,483,539,000 |
| OSPL Infradeal Private Limited | INR | 1,000,000 | 2,000 | 2,000,000,000 | 2,000.00 | 2,000,000,000.00 |
| Premium paid on Religare Enterprises Debentures | INR | - | - | - | - | 6,613,358 |
| (d) Investment in Trust Securities (Unquoted) | | | | | | |
| Milestone Army Trust-Class B units | INR | | 6 | 3,733 | 6 | 3,733 |
| (e) Investment in Pass Through Certificates | | | | | | |
| IDBI Trusteeship Services Limited | INR | Various | 4 | 40,524,853 | - | - |
| CATALYST Trusteeship Limited | INR | Various | 1 | 3,722,568 | - | - |
| (f) Contribution to Funds (Unquoted) | | | | | | |
| India Build Out -Fund- I -Class B units | INR | - | 302 | 170,488 | 302 | 170,488 |
| India Build Out- Fund- I | INR | 1,000 | 26,990 | 10,593,741 | 26,990 | 10,593,741 |
| Total | | | | 4,407,344,895 | | 8,371,673,414 |

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|------------------------------------|----------------------|----------------------|
| | Amount (₹) | Amount (₹) |
| Aggregate amount of : | | |
| -Quoted Investments | 777,836,113 | 735,292,416 |
| -Unquoted Investments | 3,629,508,782 | 7,636,380,998 |
| Total | 4,407,344,895 | 8,371,673,414 |
| Market Value of Quoted Investments | 781,512,388 | 899,308,458 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

21. Inventories

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Closing Stock of Commodities | - | 7,217,704 |
| (b) | Closing Stock of Art Works | - | 178,289 |
| (c) | Closing Stock of Digital Signature Certificate ("DSC") and USB Tokens (Refer Notes 2(O) and 40 (i)) | 404,890 | 256,488 |
| Total | | 404,890 | 7,652,481 |

22. Trade Receivables

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | | | |
| Secured, considered good | | 2,618,070,067 | 5,694,329,968 |
| Unsecured, considered good | | 91,961,626 | 157,781,906 |
| | | 2,710,031,693 | 5,852,111,874 |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | | | |
| Secured, considered good | | 45,881,462 | 153,130,026 |
| Unsecured, considered good | | 92,294,794 | 114,766,238 |
| Unsecured, considered doubtful | | 4,114,364 | 2,314,364 |
| Less: Provision for doubtful debts | | (4,114,364) | (2,314,364) |
| | | 138,176,256 | 267,896,263 |
| Total | | 2,848,207,949 | 6,120,008,137 |

23. Cash and Bank Balances

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| a. | Cash and Cash Equivalents | | |
| | - Cash in hand | 650,832 | 832,506 |
| | - Cheques and Stamp Papers on hand | 123,303,150 | 352,218,445 |
| | - Balances with Banks in Current Account | 4,567,772,452 | 6,809,226,966 |
| | - Balances with Banks in Fixed Deposits Account (Refer Note 23.1) (Upto 3 months maturity from the date of acquisition) | - | 8,298,698,923 |
| | | 4,691,726,434 | 15,460,976,840 |
| b. | Other Bank Balances | | |
| | - Fixed Deposits Account (Upto 12 months maturity from the date of acquisition; maturity more than 12 months but within one year from the balance sheet date.) (Refer Notes 23.1 and 23.2) | 12,756,343,374 | 4,753,903,572 |
| | - Other* | - | 208,918 |
| Total | | 17,448,069,808 | 20,215,089,330 |

* Other Bank Balances includes restricted bank balances amounting to ₹ Nil (March 31, 2017: ₹ 208,918) in restricted Accounts which are not available for use by the company. The restrictions are primarily on account of balances in escrow accounts for unclaimed dividend for past years.



23.1

| Particulars | As at March 31, 2018 | | | As at March 31, 2017 | | |
|--|----------------------|----------------------|--------------------|----------------------|----------------------|--------------------|
| | Total | Kept as Security (*) | Free from any Lien | Total | Kept as Security (*) | Free from any Lien |
| Fixed Deposits with Banks | | | | | | |
| - Upto 3 months maturity from the date of Acquisition | - | - | - | 8,298,698,923 | - | 8,298,698,923 |
| Sub Total (A) | - | - | - | 8,298,698,923 | - | 8,298,698,923 |
| - Upto 12 months maturity from the date of Acquisition | 10,722,212,098 | 2,530,243,942 | 8,191,968,156 | 1,571,100,070 | 1,554,859,550 | 16,240,520 |
| - Maturity more than 12 months but within one year from the Reporting Date | 2,034,131,276 | 1,588,836,533 | 445,294,743 | 3,182,803,502 | 2,887,578,856 | 295,224,646 |
| Sub Total (B) | 12,756,343,374 | 4,119,080,475 | 8,637,262,899 | 4,753,903,572 | 4,442,438,406 | 311,465,166 |
| Shown as Current Assets (A+B) | 12,756,343,374 | 4,119,080,475 | 8,637,262,899 | 13,052,602,495 | 4,442,438,406 | 8,610,164,089 |
| - Maturity more than 12 months but after one year from 12 months from Reporting Year | 434,706,241 | 222,368,241 | 212,338,000 | 828,798,775 | 574,995,772 | 253,803,003 |
| Shown as Non- Current Assets (C) | 434,706,241 | 222,368,241 | 212,338,000 | 828,798,775 | 574,995,772 | 253,803,003 |
| Total (A+B+C) | 13,191,049,615 | 4,341,448,716 | 8,849,600,899 | 13,881,401,270 | 5,017,434,178 | 8,863,967,092 |

* Details of Fixed Deposits kept as security

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) Margin money or security against Guarantee | | | |
| - Pledged with Banks for Guarantees Taken | | 1,789,608,792 | 3,200,420,771 |
| - Pledge with Banks for Overdraft Facility | | 537,775,894 | 603,044,628 |
| (b) Margin money or security against other Commitment | | | |
| - Security with Tax Authorities /for License | | 245,993,436 | 18,400,000 |
| - Pledge with Securities Exchanges as Margin | | 1,457,642,691 | 973,304,065 |
| - Pledge with Banks for Assignment of Loans | | 295,293,013 | 198,589,176 |
| - Other Legal Cases | | 417,038 | 541,038 |
| - Submitted to Stock Exchange for arbitration cases | | 6,518,940 | 6,624,346 |
| - Others | | 8,198,912 | 16,510,154 |
| Total | | 4,341,448,716 | 5,017,434,178 |

23.2 Religare Finvest Limited ("RFL"), a subsidiary of the Company had made certain Fixed Deposits ("FDs") with Lakshmi Vilas Bank ("LVB") in November 2016 and January 2017. LVB, vide its letter dated February 7, 2018, had confirmed FDs of ₹ 7,914,477,051 to RFL.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

RFL received a letter dated February 9, 2018 from LVB purporting to allude to certain loans disbursed by LVB to third parties allegedly in consideration of security of the RFL's Fixed Deposits ("FDs") with LVB. By means of this letter, LVB also purported to call upon RFL to execute the security documentation in connection with the alleged loans. RFL vide its letter dated February 16, 2018 expressly informed to LVB that RFL was not party to any loans that were allegedly sanctioned or granted by LVB to any third party, as also that no authorization, sanction or approval had ever been provided by RFL to LVB permitting the creation of any security or encumbrance on the FDs for any third party loans or borrowings. Further, LVB was also forewarned that any attempt to subject the FDs to illegal encumbrance would not only be violative of RFL's rights, but also constitute deliberate contempt by LVB of the Order dated January 5, 2018 passed by the Hon'ble Delhi High Court, a copy of which was served on LVB vide Legal notice dated February 16, 2018. However, no response was ever received by RFL to the same till May 30, 2018.

While things stood thus, RFL came to be in receipt of a copy of the letter dated April 24, 2018 addressed by LVB to the statutory auditors of RFL that LVB had "closed the said deposits on February 20, 2018 to liquidate the loans availed" by third parties. This was contrary to the confirmation received by the Statutory Auditors in November 2017 via email confirming the fixed deposits. RFL has now filed a suit for recovery of the Fixed Deposit amounts aggregating ₹ 7,914,477,051 appropriated by LVB before the Hon'ble Delhi High Court.

- 23.3** During the year ended March 31, 2018, non-resident shareholders of Religare Finvest Limited ("RFL"), a subsidiary of the Company, subsequent to exercise of put option for a consideration as per the Option Agreement had filed petitions in the Delhi High Court praying for interim and mandatory relief or give bank guarantees of the said amounts in order to secure their interests. On January 5, 2018 the High Court passed an order stating the RFL shall maintain as unencumbered and not encash fixed deposits with Laxmi Vilas Bank Limited ("LVB"). As per the information available with management the said fixed deposit has been encashed by LVB on February 22, 2018. Accounting impact will be given on the basis of outcome of the final order. The next hearing in the case has been scheduled for July 31, 2018.

24. Short Term Loans and Advances

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Loans and Advances as per NBFC / NHB Guidelines (Refer Note 24.1) | | |
| | - To Related Parties | 32,453,021 | 967,863,019 |
| | - To Others | 47,011,179,377 | 49,438,100,586 |
| | Unsecured, considered good | | |
| b. | Loans and Advances to Related Parties | 126,756,687 | 1,084,006,226 |
| c. | Security Deposits | 24,313,135 | 129,811,219 |
| d. | Prepaid Expenses | 202,450,522 | 260,473,206 |
| e. | Loans and Advances Recoverable in Cash or in Kind | 403,078,199 | 534,098,476 |
| f. | Margin with Exchanges | 138,354,622 | 74,271,164 |
| g. | Balances with Tax Authorities | 574,166,389 | 178,257,872 |
| | Less : Provision for Doubtful Loans and Advances* | - | (6,900,000) |
| Total | | 48,512,751,952 | 52,659,981,768 |

*During the year ended March 31, 2013, the Company sold 100% equity shares of the SMPL Financial Consultancy Services Limited (formerly known as Religare Financial Consultancy Services Limited) at an aggregate price of ₹ 50,000,000 and received ₹ 43,100,000 against such consideration. In the previous year ended March 31, 2017, the Company made provision against outstanding balance amount of ₹ 6,900,000. The same has been written off during the financial year ended March 31, 2018.



24.1 Loans and Advances as per NBFC / NHB Guidelines

| Particulars | As at March 31, 2018 Amount (₹) | | | | As at March 31, 2017 Amount (₹) | | | |
|---|------------------------------------|---------------------------------------|--------------------------|-------------------------------|------------------------------------|---------------------------------------|--------------------------|-------------------------------|
| | Total | Long Term Loans and Advances | | Short term Loans and Advances | Total | Long Term Loans and Advances | | Short term Loans and Advances |
| | | Loans and Advances to Related Parties | Other Loans and Advances | | | Loans and Advances to Related Parties | Other Loans and Advances | |
| a. Secured, Considered Good | | | | | | | | |
| Standard Assets | 65,120,819,089 | - | 55,924,609,225 | - | 116,332,863,177 | - | 96,964,391,674 | 19,368,471,503 |
| Sub Standard Assets | 8,956,051,018 | - | - | - | 4,169,688,550 | - | 302,979,474 | 3,866,709,076 |
| Doubtful Assets | 3,799,910,868 | - | - | - | 2,269,838,671 | - | 9,345,012 | 2,260,493,659 |
| Loss Assets | - | - | - | - | 3,915,097 | - | - | 3,915,097 |
| Total | 77,876,780,975 | - | 55,924,609,225 | - | 122,776,305,495 | - | 97,276,716,160 | 25,499,589,335 |
| b. Unsecured, Considered Good | | | | | | | | |
| Standard Assets | 4,709,518,119 | - | 1,546,812,092 | 9,953,021 | 27,569,304,093 | - | 2,970,497,897 | 23,630,943,177 |
| Sub Standard Assets | 21,164,918,121 | - | - | - | 300,232,620 | - | - | 300,232,620 |
| Doubtful Assets | 760,330,614 | - | - | 22,500,000 | - | - | - | - |
| Loss Assets | 3,505,886 | - | - | - | 7,335,454 | - | - | 7,335,454 |
| Total | 26,638,272,740 | - | 1,546,812,092 | 32,453,021 | 27,876,872,167 | - | 2,970,497,897 | 23,936,511,251 |
| c. Total Assets | | | | | | | | |
| Standard Assets | 69,830,337,208 | - | 57,471,421,317 | 9,953,021 | 143,902,167,270 | - | 99,934,889,571 | 42,999,414,680 |
| Sub Standard Assets | 30,120,969,139 | - | - | - | 4,469,921,170 | - | 302,979,474 | 4,166,941,696 |
| Doubtful Assets (Refer note no 24.2 (iv) below) | 4,560,241,482 | - | - | 22,500,000 | 2,269,838,671 | - | 9,345,012 | 2,260,493,659 |
| Loss Assets | 3,505,886 | - | - | - | 11,250,551 | - | - | 11,250,551 |
| Total | 104,515,053,715 | - | 57,471,421,317 | 32,453,021 | 150,653,177,662 | - | 100,247,214,057 | 49,438,100,586 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

24.2 Loans and Advances given by Non-Banking Financial Companies ("NBFC") of the group companies:

- (i) (a) Secured Loans given by the NBFCs are secured by either tangible fixed assets like Vehicles, Property, Plant & Equipments or tradeable and listed securities held by the NBFCs in its depositories accounts or by way of pledge of shares held in the depository account of the clients for which Power of Attorneys are held by the NBFCs.
- (b) Secured and Unsecured loans are further classified into standard, sub-standard, doubtful and loss assets in accordance with the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India after considering subsequent recoveries. Non-Performing Assets are recognised at gross level, and the corresponding provision for Non-Performing Assets is grouped under short term provisions.
- (ii) Even though a portion of interest/installment is overdue exceeding 90/120 days as per the prudential norms, the entire balance outstanding after reversing unrealised interest is classified as NPA.
- (iii) Gross value of Non Performing Assets is classified as Current Assets Under the Head Short Term Loans and Advances based on the management intent to recover the Non-Performing Assets within the period of 12 months from the date of balance sheet.
- (iv) Includes restructured advances in accordance with the NBFC Directions.
- (v) Religare Finvest Limited ("RFL"), a subsidiary of the Company has an exposure of ₹ 20,367,000,000 towards the Corporate Loan Book. RBI has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by RFL in respect of this book. The management has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans. As a part of the recovery process, the management has already issued legal notices to the borrowers and is in the process of initiating further action on the same. RFL is also in the process of appointing a law firm of repute to undertake a detailed diligence on this loan book. Post submission of the report and the steps outlined for recovery, RFL intends to pursue all legal means for recovering the loans.

In the interim based on the security available, maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, RFL has, on a prudent basis, made a provision of ₹ 10,128,500,000 against this portfolio.

24.3 Loans and Advances given by Housing Finance Company of the group companies viz. Religare Housing Development Finance Corporation Limited ("RHDFC"):

- (i) Housing and Non-Housing (Loan against property) loans are secured by equitable mortgage of Properties.
- (ii) Secured and Unsecured loans are further classified into Standard, Sub Standard, Doubtful and Loss assets in accordance with the Housing Finance Companies (NHB) Directions 2010 issued by National Housing Bank after considering subsequent recoveries. Non-Performing Assets are recognised at gross level and the corresponding provision for Non-Performing Assets is classified under short term provisions.
- (iii) Even though a portion of interest/installment is overdue exceeding 90 days as per the prudential norms, the entire balance outstanding after reversing unrealised interest is classified as Non -Performing Assets.
- (iv) Gross value of Non Performing Assets is classified as Current Assets under the head Short Term Loans and Advances based on the management intent to recover the Non-Performing Assets within the period of twelve months from the date of balance sheet.
- (v) The amount of Housing Loans includes ₹ 28,435,771 (March 31, 2017: ₹ 66,755,200) disbursed by the Company as insurance premium to insurance company on the request of its customers for securing their insurance cover.
- (vi) During the last year, the company had received ₹ 8,178,521 against 46 customers as Interest Subsidy under Pradhan Mantri Awas Yojana ("PMAY") – Credit Linked Subsidy Scheme ("CLSS") from National Housing Bank ("NHB"). Out of this, ₹ 7,628,062 had been credited to the respective loan accounts of 43 customers in accordance with the prescribed guidelines and balance of ₹ 550,459 pertaining to 3 customers has been refunded to NHB as the said loan accounts were foreclosed by the customers.

24.4 Loans and Advances includes a sum of ₹ 710,000,000 as on March 31, 2017 given to ANR Securities Private Limited, a related party, where currently credit evaluation has been done on the basis of Board Approval. Going forward internal control system is being strengthened and more robust credit evaluation process is put in place. During the year ended March 31, 2018, as the aforesaid loan became non performing assets, as per prudential norms, this loan has been provided in full and interest receivable thereon has been reversed accordingly.

**25. Other Current Assets**

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Interest Accrued | 268,503,152 | 424,873,632 |
| Assets Acquired in Satisfaction of Debts and Receivables | 2,558,866,272 | 2,603,600,877 |
| Other Receivables | 91,215,708 | 31,504,236 |
| Assets Held for Sale | 18,397,089 | 99,232,248 |
| Fair Value Change Reserve | 6,497,413 | - |
| Total | 2,943,479,634 | 3,159,210,993 |

- 25.1** During the previous years, Religare Finvest Limited ("RFL"), a subsidiary of the Company, had entered into a loan assignment agreement for ₹ 5,199,151,636 with Strategic Credit Capital Private Limited ("SCCPL") pertaining to 12 borrower accounts of loan against shares. Apart from the above, the Company had given certain loans to Perpetual Credit Services Private Limited ("Perpetual"), (a group company of SCCPL) for ₹ 2,287,568,540 and had purchased loan given by Nishu Finlease Pvt Ltd. to SCCPL for ₹ 450,000,000.

Upon defaults made by SCCPL and Perpetual, RFL has initiated legal proceeding against them. RFL has filed complaints with Police Commissioner, Delhi and also filed a fraud report to RBI subsequent to Balance Sheet date i.e. March 31, 2017. The amounts recoverable from SCCPL and Perpetual Credit Services Private Limited ('Perpetual') and Nishu Finlease aggregating to ₹ 7,936,720,176 were written off by RFL and had been disclosed as exceptional item in the previous year. Also, various legal proceedings were initiated by the parties against each other.

During the year ended March 31, 2018, RFL entered into a settlement agreement with the counterparties pursuant to which the various cases against each other at various courts and tribunals were withdrawn on consent terms, however RFL retained its right to recover the amounts due from SCCPL and Perpetual. Despite the settlement agreement, SCCPL has filed suits against RFL at various forums. RFL is in the process of detailed diligence on these and connected transactions and is pursuing appropriate legal remedies to recover the amounts due to it and expect that there will not be any obligation on RFL out of these cases.

In February 2018, SCCPL and Perpetual filed a civil suit before the Hon'ble Delhi High Court seeking (among other reliefs) specific performance against Lakshmi Vilas Bank and impleading RFL and REL as parties. In March 2018, SCCPL, Perpetual and its associates filed a suit before the Saket District Court, Delhi seeking, among other reliefs, discharge from their obligations under the settlement agreement. RFL and REL have filed applications for rejection of plaint, extension of time to file written statement pending filing of replies and documents by SCCPL and certain interrogatories.

- 25.2** As stated in Notes no. 25.1, during the previous year provision of ₹ 2,000 had been made against the non-banking assets pertaining to loan assignment transaction with Strategic Credit Capital Private Limited ("SCCPL") and loans to its related parties accounts have been recorded at a minimal value of ₹ 2,000.

26. Revenue From Operations

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Income From Broking Operations | 2,671,945,635 | 2,894,668,213 |
| Income From Lending Activities | 13,585,751,736 | 24,159,426,579 |
| Income From Investment Management and Advisory Fees | 25,480,232 | 2,722,649,942 |
| Income From Advisory Services | 32,853,415 | 100,106,415 |
| Income From Insurance Premium (Net of Premium on re-insurance ceded) | 6,784,195,423 | 4,792,894,048 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Profit on Sale of Bullion and Art Works (Refer Note 31.3) | - | 32,543,909 |
| Income From Other Operating Activities | | |
| Interest Income From Fixed Deposits with Banks | 764,834,109 | 535,574,593 |
| Interest Income From Delayed Payments | 536,898,594 | 721,534,658 |
| Income From Arbitrage and Trading of Securities and Derivatives (Net) | 2,946,779 | 77,968,475 |
| Profit on Assignment of Loans | 197,246,232 | 333,551,465 |
| Income From Non-Current Investments | | |
| Profit on Sale/Redemption of Investments (Net) | 171,043,319 | 50,466,969 |
| Dividend Income | 203,764 | 180,192 |
| Interest Income | 428,953,116 | 471,328,506 |
| Others | 91,705,481 | 115,491,436 |
| Income From Current Investments | | |
| Profit on Sale/Redemption of Investments (Net) | 300,488,154 | 508,127,445 |
| Dividend Income | - | 6,574,160 |
| Interest Income | 273,021,964 | 194,507,545 |
| Total | 25,867,567,953 | 37,717,594,550 |

27. Other Income

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Balances Written Back (Net) / Bad Debts and Loans written off Recovered | 558,480,894 | 204,505,320 |
| Reversal of Earlier years Provision for Doubtful Debts/ Expenses / NPAs | 201,786,422 | 162,659,386 |
| Rental Income | - | 2,176,894 |
| Interest Income on | | |
| Inter Corporate Loans | 90,468,956 | 119,906,796 |
| Fixed Deposits with Banks | 54,072,236 | 75,734,278 |
| Others | 775,088 | 4,617,577 |
| Profit on Sale of Capital Work In Progress | 3,710,585 | - |
| Profit on Sale of Fixed Assets | 3,899,549 | - |
| Profit On Sale Of Assets Acquired In Satisfaction Of Debt (Net) | - | 1,625,055 |
| Miscellaneous Income | 150,651,835 | 121,387,911 |
| Total | 1,063,845,565 | 692,613,217 |

**28. Employee Benefits Expense**

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Salaries, Allowances and Bonus | 4,471,988,097 | 5,850,449,910 |
| Contribution to Provident and Other Funds | 249,182,330 | 227,027,021 |
| Leave Encashment | 64,296,473 | 63,078,238 |
| Gratuity | 26,677,424 | 62,756,798 |
| Staff Welfare Expenses | 137,621,857 | 186,831,647 |
| Training and Recruitment Expenses | 33,714,579 | 59,726,502 |
| Total | 4,983,480,760 | 6,449,870,116 |

29. Finance Costs

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Interest on: | | |
| - Fixed Term Loans | | |
| Debentures | 1,247,479,327 | 2,776,764,262 |
| Term Loans form Banks | 10,710,645,754 | 13,474,315,779 |
| Inter Corporate Loans | 12,439,987 | 74,509,084 |
| - Others | | |
| Bank Overdrafts | 138,504,199 | 85,938,961 |
| Client Margins | 34,242,224 | 55,838,247 |
| Others | 8,041,565 | 31,277,632 |
| Discount on Commercial Papers and Commercial Papers Issue Expenses | 219,002,717 | 1,219,642,846 |
| Debenture Issue Expenses | 34,451,536 | 71,908,765 |
| Loan Processing Charges | 151,465,503 | 483,220,541 |
| Bank Guarantee Commission and Other Charges | 53,944,729 | 89,563,767 |
| Total | 12,610,217,541 | 18,362,979,884 |

29.1 There are no finance costs arising on account of exchange gain differences on account of foreign borrowings.

30. Depreciation and Amortization

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Depreciation - Property, Plant and Equipment (Refer Note 12) | 150,138,721 | 171,360,208 |
| Amortization - Intangible Assets (Refer Note 13) | 225,930,570 | 138,327,356 |
| Total | 376,069,291 | 309,687,564 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

31. Other Expenses

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Commission and Brokerage | 318,336,983 | 388,437,547 |
| Transaction Charges | 159,118,533 | 172,188,767 |
| Custodial and Stamp Charges | 165,427,722 | 146,565,163 |
| Bad Debts and Loans Written Off (Net) (Refer Note 31.1) | 1,387,695,917 | 1,639,214,707 |
| Goodwill Impairment | - | 82,870,011 |
| Provision for Non Performing Assets | 12,648,931,168 | 480,850,250 |
| General Provision on Standard assets | 212,345,264 | 117,821,539 |
| Contingent Provision on Standard Assets | 2,840,000 | - |
| Provision on Restructured Assets | 2,650,922 | 5,117,603 |
| Provision for Diminution in Value of Investments / Bullions (Net) | 600,000,000 | - |
| Provision for Diminution in the Value of Assets Acquired in Settlement of Debts | 38,578,871 | - |
| Provision for Doubtful Debts | 1,340,861,465 | 48,349,387 |
| Software Expenses | 32,846,997 | 38,906,508 |
| Membership and Subscription Fees | 84,104,090 | 100,269,970 |
| Claims and Other Benefits Paid | 3,532,102,702 | 2,445,090,142 |
| Rent | 444,574,507 | 583,766,941 |
| Insurance | 27,879,404 | 12,666,195 |
| Rates and Taxes, excluding taxes on income | 362,587 | 30,700,508 |
| Communication Expenses | 150,033,475 | 169,382,706 |
| Printing and Stationary | 66,887,783 | 85,607,419 |
| Postage and Courier | 80,008,362 | 70,772,454 |
| Electricity Expenses | 134,046,148 | 141,780,748 |
| Legal and Professional | 1,340,426,156 | 1,226,109,611 |
| Support Services Expenses | 58,774,878 | 67,699,476 |
| Office Expenses | 179,553,064 | 122,949,246 |
| Advertisement, Business Promotion and Entertainment | 774,376,353 | 854,082,709 |
| Travelling and Conveyance Expenses | 403,512,558 | 383,460,954 |
| Bank Charges | 27,859,230 | 33,692,162 |
| Repairs and Maintenance | | |
| - Buildings / Lease Hold Improvements | 29,020,586 | 48,636,270 |
| - Others | 160,684,686 | 185,542,017 |
| Loss on account of Error Trades (Net) | 1,334,753 | 1,280,078 |
| Payment to Auditors (Refer Note 31.2) | 13,375,961 | 21,840,373 |
| Filing Fees | 17,374,047 | 15,737,391 |
| Information Technology and Related Expenses | 134,271 | 274,863 |
| Loss on Sale of Fixed Assets and Capital Work In Progress (Net) | 224,158 | 61,218,342 |
| Loss on Sale of Bullion and Art Works (Refer Note 31.3) | 3,092,509 | - |
| Loss on Sale of Assets Acquired in Settlement of Debts | 6,494,165 | - |



| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Investments Written Off / Loss on sale of long term investments | 12,985,542 | - |
| Storage and Warehouse Charges | 16,141,650 | 23,425,031 |
| Service Tax Expense | 98,278,563 | 103,577,360 |
| Corporate Social Responsibility Expenses (Refer Note 31.4) | - | 92,111,478 |
| Miscellaneous Expenses | 166,887,888 | 230,480,511 |
| Total | 24,740,163,918 | 10,232,476,437 |

- 31.1 (a) Loan written off under other expenses includes an amount of ₹ Nil (March 31, 2017: ₹ 144,827,160) on account of fraud committed by certain borrowers in respect of loan against property by selling the related securities, in Religare Finvest Limited. The fraud report had been filed with RBI dated January 24, 2017 as detailed here under

| S. No. | Name of the borrowers | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|--------|-------------------------|--------------------------------------|--------------------------------------|
| | | Amount (₹) | Amount (₹) |
| 1 | Naveen Malhotra | - | 88,969,233 |
| 2 | Ashish Gupta | - | 35,120,423 |
| 3 | Sanjeev Gullah | - | 3,281,387 |
| 4 | Tilak Raj Sharma | - | 6,667,724 |
| 5 | Gangwani Prem Kumar | - | 1,257,537 |
| 6 | Rajendra Kumar Jain | - | 3,855,711 |
| 7 | Ashwin Labhubhai Sejpai | - | 5,675,145 |
| | Total | - | 144,827,160 |

- (b) Also refer note no. 25.1 for the amount of the fraud reported during the current year, which was reported as 'exceptional items' in previous year.

31.2 Payment to Auditors

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|-------------------------------|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| As Auditor: | | |
| Audit Fees | 8,829,500 | 15,223,000 |
| Tax Audit Fees | 777,500 | 2,118,000 |
| In other Capacity: | | |
| Fees For Other Services* | 1,675,000 | 2,134,500 |
| For Reimbursement of Expenses | 2,093,961 | 2,364,873 |
| Total | 13,375,961 | 21,840,373 |

* 'Fees for other services' includes limited review fee for Q1 to PWC.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

31.3 Profit / (Loss) on Sale of Bullion and Art Works

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| Sale of Bullion and Art Works | 4,125,195 | 4,125,372,366 |
| Less: Purchase of Bullion and Art Works | - | 3,523,474,755 |
| Less: Changes in Inventories of Bullion and Art works | 7,217,704 | 569,353,702 |
| Profit / (Loss) for the year | (3,092,509) | 32,543,909 |

31.4 Corporate Social Responsibility ("CSR") Expenses

(a) Gross amount required to be spent by the group companies during the current year is ₹ 27,944,583 (March 31, 2017: ₹ 92,111,478).

(b) Amount spent during the year on:

| | | In cash | Yet to be paid in cash | Total |
|------|---------------------------------------|---------|------------------------|-------|
| (i) | Construction/acquisition of any asset | - | - | - |
| (ii) | On purposes other than (i) above | - | - | - |

(c) Related party transactions during the year in relation to CSR expenditure is ₹ Nil (March 31, 2017: ₹ 92,111,478)

(d) The Company has not created any provision towards CSR expenditure during the year. Accordingly, the movement in provision during the year is ₹ Nil.

32. Earnings Per Equity Share

| Particulars | For the Year Ended March 31, 2018 | For the Year Ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| | Amount (₹) | Amount (₹) |
| (i) Profit / (Loss) for the year | (11,925,005,164) | (1,742,736,877) |
| Less: Dividend on Cumulative Preference Shares | (2,049,000) | (2,049,000) |
| Less: Provision for Dividend Distribution Tax on Cumulative Preference Shares Dividend | (428,753) | (428,753) |
| Profit / (Loss) available for Equity Shareholders | (11,927,482,917) | (1,745,214,630) |
| (iia) Weighted average number of equity Shares for Basic EPS (Nos) | 178,439,038 | 178,334,498 |
| Add: Adjustments on Weighted Average Number of Potential Equity Shares | | |
| # On account of Share Application Money Pending for Allotment | - | 19,198 |
| (iib) Weighted average number of equity Shares for Diluted EPS (Nos) | 178,439,038 | 178,353,696 |
| (iii) Nominal value of each fully paid up equity share | 10 | 10 |
| (iv) Earnings Per Shares | | |
| Basic (₹) | (66.84) | (9.79) |
| Diluted (₹) | (66.84) | (9.79) |



32.A Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

| Name of the Entity | Net Assets (Total Assets minus Total Liabilities [^]) | | | | Share in Profit or (Loss) | | | |
|---|--|----------------------|-----------------------------------|----------------------|---|----------------------|---|----------------------|
| | As a % of Consolidated Net Assets | Amount (₹) | As a % of Consolidated Net Assets | Amount (₹) | As a % of Consolidated Profit or (Loss) | Amount (₹) | As a % of Consolidated Profit or (Loss) | Amount (₹) |
| | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Parent | | | | | | | | |
| Religare Enterprises Limited | 138.20% | 23,282,188,462 | 68.40% | 18,834,401,884 | 9.24% | (1,101,829,132) | 91.37% | (1,592,400,703) |
| Subsidiaries - Indian | | | | | | | | |
| Religare Finvest Limited | 115.05% | 19,381,957,335 | 110.44% | 30,409,503,128 | 92.47% | (11,027,545,774) | 195.63% | (3,409,321,373) |
| Religare Securities limited (Refer Note 35) | 0.00% | - | 29.09% | 8,010,425,408 | 0.00% | - | -193.21% | 3,367,060,918 |
| Religare Broking Limited (Refer Note 35) | 10.01% | 1,686,883,008 | 0.00% | (14,281) | -0.40% | 47,469,963 | 0.00% | (64,281) |
| Religare Commodities Limited (subsidiary of Religare Broking Limited) | 3.88% | 654,195,493 | 2.30% | 634,545,332 | -0.16% | 19,650,160 | -2.30% | 40,147,896 |
| Religare Housing Development Finance Corporation Limited (subsidiary of Religare Finvest Limited) | 11.74% | 1,977,723,035 | 6.89% | 1,896,208,905 | -0.68% | 81,514,123 | -9.39% | 163,622,332 |
| Cerestra Advisors Limited | 0.00% | - | -0.29% | (79,658,678) | 0.03% | (3,969,457) | 3.05% | (53,103,609) |
| Religare Arts Initiative Limited (Refer Note 35) | 0.00% | - | -0.02% | (5,761,915) | 0.00% | - | 0.18% | (3,205,977) |
| Religare Arts Investment Management Limited (subsidiary of RGAM Investment Advisers Private Limited) (Refer Note 35) | 0.00% | - | 0.17% | 47,612,612 | 0.00% | - | -0.20% | 3,554,869 |
| Religare Capital Finance Limited (subsidiary of Religare Securities Limited) (Refer Note 35) | 0.00% | - | 0.09% | 25,521,357 | 0.00% | - | -0.09% | 1,588,635 |
| Religare Support Services Limited (formerly known as REL Infrafacilities Limited) (Refer Note 35) | 0.00% | - | -1.31% | (359,861,733) | 0.00% | - | 1.70% | (29,684,398) |
| Religare Health Insurance Company Limited | 16.42% | 2,767,009,974 | 8.09% | 2,228,717,376 | 1.36% | (162,511,235) | -1.23% | 21,517,922 |
| Religare Portfolio Managers and Advisors Private Limited (now known as Varanium Capital Advisors Private Limited) (subsidiary of RGAM Investment Advisers Private Limited) | 0.00% | - | 0.00% | - | 0.00% | - | 0.13% | (2,237,656) |



Notes Forming Part of the Consolidated Financial Statements
For the year ended March 31, 2018

| Name of the Entity | Net Assets (Total Assets minus Total Liabilities [^]) | | | | Share in Profit or (Loss) | | | |
|--|--|----------------------|-----------------------------------|----------------------|---|----------------------|---|----------------------|
| | As a % of Consolidated Net Assets | Amount (₹) | As a % of Consolidated Net Assets | Amount (₹) | As a % of Consolidated Profit or (Loss) | Amount (₹) | As a % of Consolidated Profit or (Loss) | Amount (₹) |
| | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Religare Venture Capital Limited (subsidiary of RGAM Investment Advisers Private Limited) (Refer Note 35) | 0.00% | - | 0.93% | 255,817,577 | 0.00% | - | -2.17% | 37,760,573 |
| Religare Comtrade Limited (subsidiary of Religare Commodities Limited) | -6.45% | (1,086,968,744) | 1.10% | 303,753,969 | 11.66% | (1,390,722,714) | 0.06% | (1,007,327) |
| Northgate Capital Asia (India) Limited (subsidiary of Religare Securities Limited) (Refer Note 35) | 0.00% | - | 0.09% | 24,898,826 | 0.00% | - | -0.11% | 1,875,369 |
| Religare Investment Advisers Limited (subsidiary of Religare Securities Limited) (Refer Note 35) | 0.00% | - | 0.04% | 10,843,062 | 0.00% | - | -0.02% | 268,527 |
| Religare Capital Markets (India) Limited (Refer Note 35) | 0.00% | - | 0.00% | 30,406 | 0.00% | - | 0.01% | (141,821) |
| RGAM Investment Advisers Private Limited (Refer Note 35) | 0.00% | - | 34.75% | 9,566,651,997 | 0.00% | - | -39.74% | 692,514,750 |
| Religare Commodity Broking Private Limited (Refer Note 35) | 0.00% | - | 0.05% | 13,632,423 | 0.00% | - | -0.04% | 766,992 |
| Religare Wealth Management Limited (subsidiary of Religare Broking Limited) | 0.34% | 58,008,596 | 0.26% | 72,909,848 | 0.12% | (14,901,252) | -1.18% | 20,633,154 |
| Religare Credit Advisers Private Limited | 0.06% | 10,351,089 | 0.03% | 9,398,228 | -0.01% | 952,810 | 2.15% | (37,504,163) |
| Argil Advisers LLP (formerly known as Ceresstra Capital Advisers LLP) (have two partners viz., RGAM Investment Advisers Private Limited (99%) and Religare Venture Capital Limited (1%)) | 0.00% | 971 | 0.00% | 971 | 0.00% | - | 0.00% | 7,655 |
| Religare Business Solutions Limited | 0.00% | 105,421 | 0.00% | 161,885 | 0.00% | (56,464) | 0.00% | (38,115) |
| Religare Insurance Limited | 0.00% | 4,987 | 0.00% | 5,737 | 0.00% | (750) | 0.00% | (44,263) |
| Religare Heal Fund Advisers LLP | 0.00% | - | 0.00% | 2,000 | 0.00% | - | 0.00% | - |
| Subsidiaries - Foreign | | | | | | | | |
| Religare Global Asset Management Inc. | -0.14% | (22,999,518) | -0.07% | (18,899,439) | 0.03% | (4,094,466) | 64.28% | (1,120,279,152) |
| Northgate Capital, LLP (Consolidated) | 0.00% | - | 0.00% | - | 0.00% | - | -9.99% | 174,027,239 |
| Landmark Partners, LLC (Consolidated) | 0.00% | - | 0.00% | - | 0.00% | - | -42.79% | 745,720,827 |



| Name of the Entity | Net Assets (Total Assets minus Total Liabilities [^]) | | | | Share in Profit or (Loss) | | | |
|---|--|----------------------|-----------------------------------|----------------------|---|----------------------|---|----------------------|
| | As a % of Consolidated Net Assets | Amount (₹) | As a % of Consolidated Net Assets | Amount (₹) | As a % of Consolidated Profit or (Loss) | Amount (₹) | As a % of Consolidated Profit or (Loss) | Amount (₹) |
| | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 | As at March 31, 2018 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Religare Commodity DMCC | 0.00% | - | 0.02% | 5,351,469 | 0.00% | (31,974) | 0.33% | (5,708,297) |
| Minority Interest in all subsidiaries | -20.26% | (3,412,538,589) | -17.95% | (4,943,532,320) | -13.24% | 1,579,196,878 | 29.10% | (507,152,406) |
| Associates (Investment as per equity method) - Indian | | | | | | | | |
| YourNest Capital Advisors Private Limited (associate of RGAM Investment Advisers Private Limited) | 0.00% | - | 0.00% | - | 0.00% | - | 0.01% | (221,876) |
| Associates (Investment as per equity method) - Foreign | | | | | | | | |
| Investment Professionals Limited (associate of Religare Global Asset Management Inc.) | 0.00% | - | 0.00% | - | 0.00% | - | 0.10% | (1,773,480) |
| Joint Ventures (As per proportionate consolidation) - Indian | | | | | | | | |
| IBOF Investment Management Private Limited (joint venture of Religare Venture Capital Limited) | 0.03% | 4,447,498 | 0.15% | 40,681,009 | 0.30% | (36,233,512) | 0.70% | (12,135,500) |
| Net Goodwill on Consolidation (All on standalone companies reported above) | 0.58% | 97,203,812 | 0.70% | 192,095,368 | 0.00% | - | 0.00% | - |
| Intercompany elimination and other consolidated adjustments | -169.48% | (28,551,132,211) | -143.97% | (39,641,552,042) | -0.74% | 88,107,630 | 13.64% | (237,780,275) |
| Total | 100.00% | 16,846,440,615 | 100.00% | 27,533,890,369 | 100.00% | (11,925,005,164) | 100.00% | (1,742,736,877) |

[^] It does not include "Share Application Money Pending Allotment".

Note: For list of the Companies that have not been consolidated in the consolidated financial statements please refer to second table and para under that table of Note No. 1(ii) (E).



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

33. Contingent Liabilities

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|---|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Claims against the Group not acknowledged as debts | 110,489,511 | 59,203,700 |
| (b) | Guarantees* | | |
| | - Guarantees given to the bankers by the Company / subsidiaries / joint ventures | 161,500,000 | - |
| | - Bank Guarantees given by the bankers on behalf of the Company / subsidiaries / joint ventures | 2,317,337,026 | 5,159,081,590 |
| | - Other Bank Guarantees | 20,458,110 | - |
| (c) | Other money for which the company is contingently liable | | |
| | - Disputed Income Tax Demands not provided for | 2,164,921,477 | 2,378,431,318 |
| | - Disputed Service Tax demand not provided for | 27,465,010 | 13,972,567 |
| | - Disputed Value Added Tax ("VAT") demand not provided for | 529,795,897 | 134,078,247 |
| | - Disputed Provident Fund ("PF") demand not provided for | 12,326,336 | 12,302,056 |
| | - Show Cause Notice - Penalty levied by RBI | - | 5,000,000 |
| | - Collateral for assignment of receivables | 333,402,235 | 535,527,393 |
| | - Underwriting commitments / obligations for shares/ debentures / Letter of Comfort^ | 9,140,304,163 | 4,264,513,284 |
| Total | | 14,817,999,765 | 12,562,110,155 |

* Certain guarantees have been disclosed at net outstanding value instead of face value.

^Underwriting commitments / obligations for shares/ debentures / Letter of Comfort includes followings:

- Unpaid capital call on equity shares of Religare Capital Markets Limited amounting to ₹ 407,750,000.
- During the year ended March 31, 2018, non-resident shareholders of Religare Finvest Limited ("RFL"), a subsidiary of the Company, subsequent to exercise of put option for a consideration as per the Option Agreement had filed petitions in the Delhi High Court praying for interim and mandatory relief or give bank guarantees of the said amounts in order to secure their interests. The High Court passed an interim order stating the RFL shall maintain as unencumbered and not encash fixed deposits lying with Laxmi Vilas bank. Accounting affect will be given on the basis of outcome of the order. Estimated value of exercised put option as at March 31, 2018 amounts to ₹ 7,384,415,794 (March 31, 2017: ₹ 2,770,924,722) as included above.
- During the year ended March 31, 2018, Bartleet Transcapital Limited, partner in Bartleet Religare Securities Private Limited along with Religare Capital Markets International (Mauritius) Limited's (a sub-subsidiary of the Company), has exercised the put option for a consideration as per the Option shareholders' agreement between Religare Capital Markets International (Mauritius) Limited and Bartleet Transcapital Limited. Subsequently the Company has entered into Sale & Purchase Agreement for sale of its share of its investment in Bartleet Religare Securities Private Limited to Bartleet Transcapital Limited the non resident holder. Estimated value of exercised put option as at March 31, 2018 amounts to ₹ 681,471,405 as included above.
- Letter of Comfort issued to banker, by a subsidiary of the Company, for loan taken by its subsidiary company. Outstanding loan as on March 31, 2018 is ₹ 666,666,664.

33.1 Axis Bank has filed an original application ("OA") before the Debt Recovery Tribunal ("DRT") - II, Delhi for recovery of approx ₹ 3,130,000,000 under a facility agreement between Axis Bank and Religare Capital Markets International (Mauritius) Limited ("RCMIML"), which is inter alia secured by security provided by promoters and Religare Capital Markets Limited. REL has not provided any security/guarantee in relation the facility. REL has executed a Non-Disposal Undertaking ("NDU") in favour of Axis Bank stating that until the repayment of the loan to Axis Bank by RCMIML, REL shall not alienate the shares in RHICL. REL has been made a party to the proceedings based on the NDU and certain other actions taken by it. The DRT has passed an order dated March 21, 2018 directing inter-alia that REL shall not



alienate or create any encumbrance in respect of certain assets and its shareholding in any company or business concerns to the extent of claimed amount and enter into any settlement with any creditors without the prior approval of DRT. REL has filed two applications on May 8, 2018 for deletion of REL as a party and to recall the order dated March 21, 2018 against REL. Next Date of hearing on this matter is on May 31, 2018.

- 33.2 The Company had entered into (a) novation agreement whereunder the Share Purchase Agreement dated April 9, 2017 has been novated by Shree Nirman Limited in favor Mridu Hari Dalmia Parivar Trust and Sarvapriya Healthcare Solutions Private Limited and (b) supplemental Agreement on January 11, 2018 extending the Share Purchase Agreement dated April 09, 2017, entered into by the Company with a consortium of investors led by Private Equity firm True North, an India based private equity fund (formerly known as India Value Fund Advisors) for divesting its entire stake in Religare Health Insurance Company Limited. The Transaction was expected to be completed in accordance with the terms and conditions of the Share Purchase Agreement and the Supplemental Agreement. The Transaction is subject to necessary regulatory and other approvals.

Metaffinity Private Limited and Sarvapriya Healthcare Solutions Private Limited (certain purchasers in the buyer consortium) had filed a petition before the Delhi High Court under section 9 of the Arbitration and Conciliation Act, 1996 for interim directions against REL, RHICL and another party seeking certain specific reliefs against REL, RHICL and another party. On May 28, 2018, the Hon'ble High Court dismissed the petition filed by Metaffinity and stated that the relief prayed in the petition cannot be granted. The buyer consortium has invoked arbitration in terms of the Share Purchase Agreement. Both the Claimants (i.e. buyer consortium parties) and the Respondents (i.e. REL & RHICL) have nominated their respective arbitrators.

- 33.3 Roto Power Private Limited ("RPPL") filed a winding up petition no. 150/2016 against Religare Support Services Limited ("RSSL") on December 17, 2015 alleging recovery of ₹ 7,205,937 which RPPL claims to be due for payment for services provided by it under agreements/arrangement between the RPPL and RSSL. RSSL invoked arbitration against RPPL under a service provider agreement entered into between RPPL and RSSL for an aggregate claim amount of Rs 109 lakhs. Pursuant to a composite scheme of arrangement ("Scheme"), RSSL has been merged into REL. Clause 18 of the scheme provides that on and from the April 1, 2016 being the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date being December 29, 2017 shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. In view of this the winding up petition referred below is now automatically continued to be against REL.
- 33.4 Subsequent to the year ended March 31, 2018, the Company has given letter of comfort to the Religare Comtrade Limited ("RCTL"), a wholly owned sub-sub-sidiary of the Company, for the payment of liabilities outstanding as on March 31, 2018 and also for exploring new business opportunities. Hence, RCTL's financial statements are prepared as for a going concern.

34. Commitments

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--------------|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Estimated amount of contracts remaining to be executed and not provided for* | 11,180,175 | 35,553,287 |
| (b) | Other commitments | | |
| | - Undisbursed Sanctioned Loans | 58,257,725 | 342,328,269 |
| | - Contribution in Funds / Others | - | 502,235,000 |
| Total | | 69,437,900 | 880,116,556 |

* Net of Advance, if any

35. Composite Scheme of Arrangement

- (a) Principal Bench of Hon'ble National Company Law Tribunal, New Delhi ("NCLT"), vide its order dated December 08, 2017, approved the Composite Scheme of Arrangement between Religare Securities Limited, Religare Commodity Broking Private Limited, RGAM Investment Advisers Private Limited, Religare Venture Capital Limited, Religare Arts Investment Management Limited, Religare Capital Finance Limited, RGAM Capital India Limited, Religare



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

Investment Advisors Limited, Religare Support Services Limited, Religare Arts Initiative Limited, Religare Capital Markets (India) Limited, Religare Broking Limited and Religare Enterprises Limited. Certified copy of the NCLT Order has been filed with Registrar of Companies on December 29, 2017. Appointed date of Scheme is April 1, 2016 and effective date of scheme is December 29, 2017.

The Scheme of arrangement, provide for a composite Scheme that includes:

- (i) Demerger of broking business of Religare Securities Limited in to Religare Broking Limited, a wholly owned subsidiary of the Company.
- (ii) Amalgamation of Religare Securities Limited (excluding broking business which has been demerged into Religare Broking Limited), Religare Commodity Broking Private Limited, RGAM Investment Advisers Private Limited, Religare Venture Capital Limited, Religare Arts Investment Management Limited, Religare Capital Finance Limited, RGAM Capital India Limited, Religare Investment Advisors Limited, Religare Support Services Limited, Religare Arts Initiative Limited and Religare Capital Markets (India) Limited with Religare Enterprises Limited.

(b) **Nature of Business of the amalgamating companies :**

Religare Securities Limited (Other than broking business)

The company had investment in equity shares, debentures and other securities. As mentioned above broking business of the company was shifted to Religare Broking Limited.

Religare Commodity Broking Private Limited

The company was engaged in the business of commodity broking and had been registered as a trading member of Multi Commodity Exchange of India Limited ("MCX"). However, the Board of Directors in its meeting held on September 2, 2013 decided to surrender its commodities' broking license with MCX. MCX vide its letter dated September 29, 2016 has approved the surrender of license.

RGAM Investment Advisers Private Limited

The company was engaged in providing investment advisory services.

Religare Venture Capital Limited

The company was incorporated to carry on the business of Venture Capital company as permitted under the Securities and Exchange Board of India and to promote, acquire, participate in and finance in India and abroad the Companies, Joint Ventures, Partnerships, etc. The Company had not commenced its commercial operations.

Religare Arts Investment Management Limited

The company was incorporated to carry business of organization, operation and management of collective investment schemes relating to art including paintings, sculptures, antiques, artistic value or antique value or any other intrinsic value. The Company had not commenced its commercial operations.

Religare Capital Finance Limited

The company was incorporated to carry on the business of Merchant Banking, Portfolio Management, other financial and advisory services, to undertake the depository participant activities for all kind of securities, to provide financial consultancy services and to carry out the business of Mutual Funds, receive funds from investors, equity or debts instrument research activity. The Company had not commenced its commercial operations.

RGAM Capital India Limited

The company was incorporated to carry on the business of providing financial, investment advisory services, management and facilitation services. The Company had not commenced its commercial operations.

Religare Investment Advisers Limited

The company was incorporated to carry on the business of providing financial, investment advisory services, including but not limited to identifying investment opportunities, conducting analysis and assessment, providing investment recommendations and consultancy to clients. The Company had not commenced its commercial operations.



Religare Support Services Limited

The company was engaged in the business of providing the support services in form of corporate functions and shared services to its holding company, fellow subsidiaries and associates of the holding company along with providing shared infrastructure facilities.

Religare Arts Initiative Limited

The company was incorporated to carry on the business of buying, selling, trading, stocking, importing-exporting, auctioning, promoting, exhibiting, hiring and dealing in art including paintings, sculptures, antiques, artistic value or antique value or any other intrinsic value and to promote art and provide art related services like gallery space, valuation, authentication, collection building, custodial services to the clients.

Religare Capital Markets (India) Limited

The company was incorporated to carry on business of Merchant Banking, Portfolio Management and other financial advisory service activities and to provide custodial and depository service of all kind of securities. The Company had not commenced its commercial operations.

Resources of all the companies have been combined by amalgamating them to maximise synergies, reduce costs and consolidate the resources while eliminating multiple legal entities.

- (c) As all the amalgamating companies were wholly owned subsidiaries of the Company (directly or indirectly), by the effective date of the scheme, no consideration was payable on amalgamation with the Company.
- (d) The amalgamation has been accounted for under the 'pooling of interests' method as prescribed by Accounting Standard 14 "Accounting for Amalgamation". Accordingly all the assets, liabilities and reserves of respective subsidiaries as of March 31, 2016 have been taken over at their book values and in the same form. The difference between the amounts recorded as investments of the Company and the amount of share capital and share premium of amalgamating companies has been reported as "Capital Reserve arising out of Composite Scheme of Arrangement.

Accordingly, the accounting treatment has been given as under:

- 1) The assets and liabilities as at April 01, 2016 amounting to ₹ 1,47,806.60 Lacs and ₹ 24,117.10 Lacs respectively were incorporated in the financial statement of the Company at its book value.
- 2) The investments held by the Company in transferor entities and related provision for diminution stand cancelled; the difference between book value of investments and face value of shares amounting to ₹ 6,525.65 Lacs has been credited to Capital Reserve.
- 3) All outstanding inter- corporate balances including inter- company investments as at April 01, 2016 stand cancelled.
- 4) The cumulative effect of reserves of all the entities as on April 01, 2016 amounting to ₹ 3,174.77 Lacs (Debit balance) of all the transferor entities have been incorporated under the head 'Reserves and Surplus'.
- 5) Pursuant to the Scheme of Arrangement, the broking business of Religare Securities Limited (RSL) got demerged into Religare Broking Limited (RBL) and RSL's net assets of ₹ 18,079.08 Lacs as at April 1, 2016 have been transferred to RBL. As part of this transaction, the Company was allotted 34,492,800 equity shares of face value of ₹ 10 each in RBL.
- (e) Accordingly, the figures for the year ended March 31, 2018 are after giving effect to the above mentioned merger, while the comparative figures are before giving effect to the merger and hence are not comparable to that extent.
- (f) The Company has initiated the name change formalities to transfer the title in respect of the contracts, agreements, etc. of amalgamating companies.
- (g) As a result of the amalgamation, surplus has been adjusted by the goodwill on consolidation relating to these amalgamating companies, thereby reducing the goodwill on consolidation.
- (h) Owing to demerger Capital Reserve on Consolidation relating to Religare Securities Limited ("RSL") has been bifurcated in to two parts based on bifurcation of investment of the Company in RSL and equity of the RSL. Capital



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

Reserve linked to the broking business transferred to Religare Broking Limited is reported in the 'Reserve and Surplus' and other part resulted in goodwill linked to the portion merged in to the Company has adjusted as mentioned above (g).

36. Information about business and geographical segments:

Primary Segment

- (a) The Company's primary business comprises of 'Broking in securities and commodities', 'Interest on Loans', Financial Advisory Services', 'E-Governance', Assets Management Companies ("AMC") and Health Insurance. The business segments have been identified considering the nature of services, the differing risks and returns, the organization structure and the internal financial reporting system.
- (b) Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.
- (c) Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.
- (d) Assets (including fixed assets) and liabilities that are directly attributable to segments are disclosed under each reportable segment. Common assets have been allocated to each segment on the basis of associated revenues of each segment. Common liabilities have been allocated to each segment on the basis of total segment expense. All other assets and liabilities are disclosed as unallocable.

If the segment result of a segment includes interest or dividend income, its segment assets include the related receivables, loans, investments, or other interest or dividend generating assets.

If the segment result of a segment includes interest expense, its segment liabilities include the related interest-bearing liabilities.



INFORMATION ABOUT PRIMARY BUSINESS SEGMENT

| PARTICULARS | Investment and Financing Activities | Financial Advisory Services | Broking Related Activities | E-Governance | Insurance | AMC | Unallocated | TOTAL |
|--|--|-----------------------------------|----------------------------------|--------------|----------------|----------------|---------------|------------------|
| (i) Segment Revenue | | | | | | | | |
| External Revenue | 15,798,905,356 | 67,357,080 | 3,233,070,058 | 318,959,119 | 7,396,815,664 | 6,371,851 | 157,109,905 | 26,978,588,833 |
| | 30,791,778,341 | 140,152,301 | 3,792,834,667 | 249,136,646 | 5,293,347,279 | 2,641,688,949 | 181,976,818 | 43,090,915,001 |
| Inter -Segmental Revenue | (3,920,120) | - | (16,227,972) | - | (12,550,805) | - | (17,531,657) | (50,230,554) |
| | (89,163,274) | (4,071,766) | (28,375,925) | (168,997) | (47,122,767) | - | (27,918,707) | (196,821,436) |
| Add: Interest/Dividend Income | | | | | | | | 3,055,239 |
| | | | | | | | | 16,114,202 |
| Total Revenue | 15,794,985,236 | 67,357,080 | 3,216,842,086 | 318,959,119 | 7,384,264,859 | 6,371,651 | 139,578,248 | 26,931,413,518 |
| | 30,702,615,067 | 136,080,535 | 3,764,458,742 | 248,967,649 | 5,246,224,512 | 2,641,688,949 | 154,058,111 | 42,910,207,767 |
| (ii) Segment Results | (15,700,564,427) | 2,833,259 | 10,026,816 | 88,362,934 | (163,053,923) | (76,574,827) | 59,083,366 | (15,779,886,802) |
| | (1,207,918,730) | (78,904,780) | 187,025,186 | 71,429,833 | (103,275,027) | 42,135,529 | (247,502,762) | (1,337,010,751) |
| Less: Interest expense | | | | | | | | 1,686,429 |
| | | | | | | | | 43,138,326 |
| Income Taxes (Current, Deferred and Fringe Benefit Tax) | | | | | | | | (2,274,315,950) |
| Profit / (Loss) after tax | | | | | | | | (130,445,760) |
| | | | | | | | | (13,504,202,042) |
| (iii) Segment Assets | 131,492,749,902 | 20,013,540 | 8,653,523,213 | 150,956,402 | 10,980,377,734 | 4,242,643 | - | 151,301,863,434 |
| | 183,997,814,557 | 111,944,504 | 11,438,681,955 | 123,183,482 | 7,488,367,917 | 91,912,758 | - | 203,251,905,173 |
| Unallocated Corporate Assets | | | | | | | 7,459,591,762 | 7,459,591,762 |
| | | | | | | | 7,125,681,422 | 7,125,681,422 |
| Total Assets | 131,492,749,902 | 20,013,540 | 8,653,523,213 | 150,956,402 | 10,980,377,734 | 4,242,643 | 7,459,591,762 | 158,761,455,196 |
| | 183,997,814,557 | 111,944,504 | 11,438,681,955 | 123,183,482 | 7,488,367,917 | 91,912,758 | 7,125,681,422 | 210,377,586,595 |
| (iv) Segment liabilities | 125,937,277,711 | 25,872,415 | 7,163,059,322 | 149,723,396 | 8,473,969,424 | 870,940 | - | 141,750,773,208 |
| | 164,322,717,183 | 48,753,612 | 10,534,961,363 | 122,066,921 | 5,431,844,921 | 23,567,414 | - | 180,483,911,414 |
| Unallocated Corporate Liabilities | | | | | | | 164,241,373 | 164,241,373 |
| | | | | | | | 2,359,784,812 | 2,359,784,812 |
| Total liabilities | 125,937,277,711 | 25,872,415 | 7,163,059,322 | 149,723,396 | 8,473,969,424 | 870,940 | 164,241,373 | 141,915,014,581 |
| | 207,320,729,984 | 214,074,322 | 8,616,571,921 | 45,668,768 | 4,578,590,258 | 13,382,721,445 | 1,506,135,833 | 182,843,696,226 |
| (v) Capital Expenditure | 39,869,287 | - | 54,732,719 | 553,000 | 3,318,673 | - | 2,176,234 | 100,649,913 |
| | 60,468,189 | 1,094,158 | 54,745,700 | 1,331,300 | 189,895,347 | 4,403,199 | 5,686,468 | 317,624,361 |
| (vi) Depreciation/Amortization | 54,607,221 | 1,872,713 | 63,756,514 | 5,026,710 | 150,659,406 | 75,482,789 | 24,663,938 | 376,069,291 |
| | 63,756,082 | 4,019,542 | 59,061,606 | 3,476,177 | 123,089,239 | 18,746,331 | 37,538,587 | 309,687,564 |
| (vii) Non Cash Expenditure other than Depreciation | 6,425,419,800 | - | 39,150,844 | 8,747 | - | - | 47,201,929 | 6,511,781,320 |
| | 10,376,765,462 | - | 61,972,826 | 20,518 | - | - | 14,032,432 | 10,452,791,238 |

Figures in italics represent Previous Year.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

Geographical Segment

The Company reports its operations under the following geographical segments:

Domestic Operations comprise of activities having operations in India.

Foreign Operations comprise of activities outside India.

Geographical Segment results are given below :

| Description | March 31, 2018 | March 31, 2017 |
|--|------------------------|------------------------|
| | Amount (₹) | Amount (₹) |
| Revenue | | |
| Domestic Operations | 26,924,469,663 | 39,867,905,563 |
| Foreign Operations | 6,943,855 | 3,042,302,204 |
| Total | 26,931,413,518 | 42,910,207,767 |
| Carrying Amount of Segment Assets | | |
| Domestic Operations | 158,753,612,262 | 210,369,492,407 |
| Foreign Operations | 7,842,934 | 8,094,188 |
| Total | 158,761,455,196 | 210,377,586,595 |

37 Disclosure as per Accounting Standard 19 - Lease Accounting :

(A) Assets taken on Operating Lease

- The group companies have taken office premises and vehicles on operating lease at various locations and lease rentals in respect of the same have been charged under "Rent" in the Statement of Profit and Loss. The Agreements are executed for a period ranging between 1 to 9 years.
- The future minimum lease rentals for non-cancellable leases outstanding are as under:

| Minimum Lease Rentals | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Not later than 1 year | 72,409,400 | 110,299,629 |
| Later than 1 period and not later than 5 years | 17,572,806 | 76,666,009 |
| Later than 5 years | - | - |

- Rent payments are recognised in the Statement of Consolidated Profit & Loss under 'Rent' in Note No. 31 of "Other Expenses".

(B) Assets taken on Financial Lease

A few group companies have taken vehicles on finance lease. These lease arrangements range for a period between 2 and 5 years.

- Details of assets taken under finance lease are as under:

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Total of future minimum lease payments | 17,538,484 | 47,429,878 |
| Present value of lease receipts | 14,731,821 | 38,716,314 |
| Un-matured finance charges | 2,806,663 | 8,713,564 |



(ii) Maturity Profile of future minimum lease payments:

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Not later than 1 year | 8,637,563 | 18,542,919 |
| Later than 1 year and not later than 5 years | 8,945,939 | 28,886,959 |
| Later than 5 years | - | - |
| Total | 17,583,502 | 47,429,878 |

(iii) Maturity Profile of present value of lease payments:

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Not later than 1 year | 6,898,647 | 13,986,490 |
| Later than 1 year and not later than 5 years | 7,878,192 | 24,729,824 |
| Later than 5 years | - | - |
| Total | 14,776,839 | 38,716,314 |

38. Related Party Disclosures:

| Nature of Relationship | | Name of Party |
|------------------------|---|---|
| a) | Individual Owning Direct or Indirect Interest and Voting Power that Given Them Control* | Mr. Anhad Parvinder Singh (till February 14, 2018) Mr. Kabir Parvinder Singh (till February 14, 2018) Mr. Malvinder Mohan Singh (till February 14, 2018) Mr. Shivinder Mohan Singh (till February 14, 2018) Mr. Surath Singh (till December 16, 2016) Mr. Udayveer Parvinder Singh (till February 14, 2018) Mr. Vivan Parvinder Singh (till February 14, 2018) Ms. Aditi Shivinder Singh (till February 14, 2018) Ms. Japna Malvinder singh (till February 14, 2018) Ms. Nimmi Singh (till February 14, 2018) Ms. Nimrita Parvinder Singh (till February 14, 2018) Ms. Nanaki Parvinder Singh (till February 14, 2018) Ms. Nandini Parvinder Singh (till February 14, 2018) |
| b) | Joint Ventures of the Company/Subsidiaries | IBOF Investment Management Private Limited |
| c) | Key Management Personnel and Relatives | Mr. Krishnan Subramanian (w.e.f. November 14, 2017) Mr. Nitin Aggarwal (w.e.f. January 2, 2018) Mr. Sunil Godhwani (till September 06, 2017) Mr. Shachindra Nath (upto June 3, 2016) Mr. Anil Saxena - Group CFO (till November 14, 2017) Mr. Kavi Arora (till November 12, 2017) Mr. Anuj Gulati |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Nature of Relationship | Name of Party |
|--|--|
| d) Enterprises over which Key Management and Relatives are able to exercise Significant Influence with whom transactions have taken place | <p>Mr. Deepak Joshi (till August 2, 2016)</p> <p>Mr. Gautam Kainth (till January 30, 2017)</p> <p>Ms. Aditi Basu (till October 12, 2016)</p> <p>Mr. Nalin Nayyar (w.e.f October 26, 2016 to March 22, 2017)</p> <p>Mr. Nitin Jain (till January 1, 2018)</p> <p>Mr. T.S. Anantkrishnan (till July 12, 2016)</p> <p>Mr. Neeraj Sharma</p> <p>Mr. P.N.Vijay (till July 12, 2016)</p> <p>Mr. Suhrid Roy (w.e.f. April 1, 2016 to July 8, 2016)</p> <p>Mr. Rajesh Sharma (w.e.f. March 2, 2017 to March 31, 2017)</p> <p>Mr. Maninder Singh (w.e.f. March 22, 2017-November 14, 2017)</p> <p>Ms. Kanchan Jain</p> <p>Mr. Sandeep Adukia</p> <p>Mr. Subramanian Lakshminarayanan (w.e.f. November 14, 2017 to January 22, 2018)</p> <p>Mr. Francis Danial Lee (w.e.f. November 17, 2017 to February 13, 2018)</p> |
| | <p>A-1 Book Company Private Limited (till February 14, 2018)</p> <p>ANR Securities Private Limited (till February 14, 2018)</p> <p>Bindas Realtors Private Limited (till February 14, 2018)</p> <p>Dion Global Solutions Limited (till February 14, 2018)</p> <p>Escorts Heart Institute & Research Centre Limited (till February 14, 2018)</p> <p>Finserve Shared Services Limited (till February 14, 2018)</p> <p>Fortis C-Doc Healthcare Limited (till February 14, 2018)</p> <p>Fortis Charitable Foundation (till February 14, 2018)</p> <p>Fortis Clinical Research Limited (till February 14, 2018)</p> <p>Fortis Global Healthcare Private Limited (till February 14, 2018)</p> <p>Fortis Health Management Limited (till February 14, 2018)</p> <p>Fortis Healthcare Holdings Private Limited (till February 14, 2018)</p> <p>Fortis Healthcare Limited (till February 14, 2018)</p> <p>Fortis Healthcare (India) Limited (till February 14, 2018)</p> <p>Fortis Healthstaff Limited (till February 14, 2018)</p> <p>Fortis Hospitals Limited (till February 14, 2018)</p> <p>Fortis Hospital Management Limited (till February 14, 2018)</p> |



| Nature of Relationship | Name of Party |
|---|--|
| e) Subsidiaries/Fellow Subsidiaries/ Subsidiaries of fellow Subsidiaries Companies | Fortis Hospotel Limited (till February 14, 2018) |
| | Fortis Malar Hospitals Limited (till February 14, 2018) |
| | Green Biofuels Farms Private Limited (till February 14, 2018) |
| | HealthFore Technologies Limited (till February 14, 2018) |
| | Hiranandai Healthcare Private Limited (till February 14, 2018) |
| | Hospitalia Eastern Private Limited (till February 14, 2018) |
| | International Hospital Limited (till February 14, 2018) |
| | Ligare Aviation Limited (till February 14, 2018) |
| | Luxury Farms Private Limited (till February 14, 2018) |
| | Malav Holdings Private Limited (till February 14, 2018) |
| | Oscar Investments Limited (till February 14, 2018) |
| | R C Nursery Private Limited (till February 14, 2018) |
| | Ranchem Private Limited (till February 14, 2018) |
| | RHC Finance Private Limited (till February 14, 2018) |
| | RHC Holding Private Limited (till February 14, 2018) |
| | RHC IT Solutions Private Limited (till February 14, 2018) |
| | RWL Healthworld Limited (till February 14, 2018) |
| | Religare Art Fund (Pratham) - Trust |
| | Shimal Healthcare Private Limited (till February 14, 2018) |
| | Shimal Research Laboratories Limited (till February 14, 2018) |
| | Shivi Holding Private Limited (till February 14, 2018) |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) (till February 14, 2018) |
| | SRL Diagnostics Private Limited (till February 14, 2018) |
| | SRL Limited (till November 30, 2017) |
| | Todays Holdings Private Limited (till February 14, 2018) |
| | Vistas Artworks Private Limited (till February 14, 2018) |
| | DDRC SRL Diagnostics Private Limited (till February 14, 2018) |
| | Religare Capital Markets (Hong Kong) Limited |
| | Religare Capital Markets Inc. |
| | Religare Capital Markets Limited |
| | Religare Capital Markets Corporate Finance Pte. Limited |

* Though Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh are still Promoters of the Company, but they are not falling in the category of persons able to exercise significant influence over the Company as defined under the Accounting Standard (AS)-18 -Related Party Disclosure. Further, both of them have also resigned from the Board members of Religare Enterprises Limited w.e.f. February 14, 2018.



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

Following transactions were carried out with related parties in the ordinary course of business

Amount (₹)

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|---|---------|---------------------------|---------------------------|
| FINANCING TRANSACTIONS | | | | |
| Inter Corporate Loans Given | | | | |
| | ANR Securities Private Limited | d | 75,000,000 | 1,970,000,000 |
| | Oscar Investments Limited | d | - | 2,750,000,000 |
| | Ranchem Private Limited | d | - | 269,000,000 |
| | Religare Capital Markets Limited | e | 67,027,000 | 2,211,000,000 |
| | RHC Holding Private Limited | d | 1,990,000,000 | 990,000,000 |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 3,765,000 |
| Inter Corporate Loans Given Total | | | 2,132,027,000 | 8,193,765,000 |
| Inter Corporate Loans Received Back | | | | |
| | ANR Securities Private Limited | d | 87,237,753 | 2,407,110,875 |
| | Oscar Investments Limited | d | 250,000,000 | 2,500,000,000 |
| | Ranchem Private Limited | d | - | 1,306,500,000 |
| | Religare Capital Markets Limited | e | 2,300,000 | 2,205,000,000 |
| | RHC Holding Private Limited | d | 1,997,000,000 | - |
| Inter Corporate Loans Received Back Total | | | 2,336,537,753 | 8,418,610,875 |
| Redemption of Debentures | | | | |
| | Mr. Shivinder Mohan Singh | a | - | 30,000,000 |
| Redemption of Debentures Total | | | - | 30,000,000 |
| Redemption of Preference Share Capital | | | | |
| | Oscar Investments Limited | d | - | 5,239,900,772 |
| Redemption of Preference Share Capital Total | | | - | 5,239,900,772 |
| Working Capital Loan Received Back | | | | |
| | IBOF Investment Management Private Limited | b | - | 70,000,000 |
| Working Capital Loan Received Back Total | | | - | 70,000,000 |
| INVESTMENTS TRANSACTIONS | | | | |
| Purchase of Bonds / Commercial Papers | | | | |
| | RHC Holding Private Limited | d | 2,936,212,500 | 4,458,528,750 |
| Purchase of Bonds / Commercial Papers Total | | | 2,936,212,500 | 4,458,528,750 |
| Sale of Bonds / Commercial Papers | | | | |
| | RHC Holding Private Limited | d | 4,500,000,000 | 4,499,452,500 |
| Sale of Bonds / Commercial Papers Total | | | 4,500,000,000 | 4,499,452,500 |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|---|---------|---------------------------|---------------------------|
| Subscription/Investment to Equity Shares/ Preference Shares/ Share Application Money by the Company | | | | |
| | Religare Capital Markets Limited | e | - | 150,000,000 |
| Subscription/Investment to Equity Shares/ Preference Shares/ Share Application Money by the Company Total | | | - | 150,000,000 |
| Issue of Preference Share Capital | | | | |
| | RHC Finance Private Limited | d | - | 250,000,000 |
| Issue of Preference Share Capital Total | | | - | 250,000,000 |
| OTHER RECEIPTS AND PAYMENTS | | | | |
| Advance received against Stock Option Exercised | | | | |
| | Mr. Sunil Godhwani | c | - | 22,442,000 |
| Advance received against Stock Option Exercised Total | | | - | 22,442,000 |
| Purchase of Fixed Asset | | | | |
| | Dion Global Solutions Limited | d | 7,106 | 2,872,523 |
| | Religare Capital Markets Limited | e | 387,951 | - |
| Purchase of Fixed Asset Total | | | 395,057 | 2,872,523 |
| Insurance Claims Payment | | | | |
| | DDRC SRL Diagnostics Private Limited | d | 178,335 | - |
| | Escorts Heart Institute & Research Centre Limited | d | 6,538,361 | 6,158,235 |
| | Fortis C-Doc Healthcare Limited | d | 1,836,429 | 1,930,259 |
| | Fortis Charitable Foundation | d | 13,524 | - |
| | Fortis Health Management Limited | d | 1,248,844 | 380,657 |
| | Fortis Healthcare Limited | d | 10,281,198 | 8,393,830 |
| | Fortis Hospitals Limited | d | 87,407,019 | 75,236,202 |
| | Fortis Malar Hospitals Limited | d | 1,169,317 | 1,315,822 |
| | Hiranandai Healthcare Private Limited | d | 4,216,916 | 4,280,549 |
| | International Hospital Limited | d | - | 821,416 |
| | RHC Holding Private Limited | d | 225,062 | - |
| | SRL Limited | d | 9,325,950 | 10,386,625 |
| Insurance Claims Payment Total | | | 122,440,955 | 108,903,595 |
| Premium Received in Advance / Cash Deposit | | | | |
| | Dion Global Solutions Limited | d | 456,000 | 40,888 |
| | Religare Capital Markets Limited | e | 55,000 | 32,359 |
| | RHC Holding Private Limited | d | - | 58,870 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|---|---------|---------------------------|---------------------------|
| | RHC IT Solutions Private Limited | d | - | 1,970 |
| Premium Received in Advance / Cash Deposit Total | | | 511,000 | 134,087 |
| Reimbursement of Statutory | | | | |
| | SRL Limited | d | 290,385 | - |
| Reimbursement of Statutory Total | | | 290,385 | - |
| Receipt of Premium | | | | |
| | Dion Global Solutions Limited | d | 4,180,000 | 92,067 |
| | Mr. Anuj Gulati | c | 11,000 | 20,595 |
| | Religare Capital Markets Limited | e | 81,902 | 919,051 |
| | RHC Holding Private Limited | d | - | 3,765,000 |
| Receipt of Premium Total | | | 4,272,902 | 4,796,713 |
| Marketing Expenses | SRL Limited | d | - | 483,720 |
| Marketing Expenses Total | | | - | 483,720 |
| Medical Charges | | | | |
| | SRL Limited | d | - | 303,728 |
| Medical Charges Total | | | - | 303,728 |
| Refund of Premium | | | | |
| | Fortis Charitable Foundation | d | 3,217 | - |
| | Mr. Anuj Gulati | c | - | 20,123 |
| | RHC Holding Private Limited | d | 123,450 | - |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 119,710 |
| Refund of Premium Total | | | 126,667 | 139,833 |
| Security Deposits Given | | | - | - |
| | Religare Capital Markets Limited | e | 100,000 | 200,000 |
| Security Deposits Given Total | | | 100,000 | 200,000 |
| Security Deposits received back | | | - | - |
| | Religare Capital Markets Limited | e | 100,000 | 200,000 |
| Security Deposits received back Total | | | 100,000 | 200,000 |
| Transfer of Margin Money | | | | |
| | RHC Holding Private Limited | d | - | 300,000 |
| Transfer of Margin Money Total | | | - | 300,000 |
| Advance given for Settlement of Corporate Guarantee | Religare Capital Markets Limited | e | 132,649,800 | - |
| Advance given for Settlement of Corporate Guarantee Total | | | 132,649,800 | - |
| INCOME | | | | |
| Brokerage Earned | | | | |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|-------------------------------|--|---------|---------------------------|---------------------------|
| | RHC Holding Private Limited | d | - | 29,880 |
| Brokerage Earned Total | | | - | 29,880 |
| Depository Charges | | | | |
| | A-1 Book Company Private Limited | d | 1,400 | 1,394 |
| | ANR Securities Private Limited | d | 1,300 | 1,445 |
| | Bindas Realtors Private Limited | d | 500 | 508 |
| | Dion Global Solutions Limited | d | 3,284 | 3,679 |
| | Fortis Clinical Research Limited | d | 1,400 | 1,208 |
| | Fortis Global Healthcare Private Limited | d | 500 | 2,803 |
| | Fortis Health Management Limited | d | - | 918 |
| | Fortis Healthcare Holdings Private Limited | d | 15,584 | 16,578 |
| | Fortis Healthcare Limited | d | 2,846 | 1,559 |
| | Fortis Healthstaff Limited | d | 1,400 | 1,401 |
| | Fortis Hospital Management Limited | d | 5,200 | 4,906 |
| | Fortis Hospitals Limited | d | 2,270 | 2,214 |
| | Fortis Hospotel Limited | d | 1,300 | 1,303 |
| | Fortis Malar Hospitals Limited | d | 516 | 432 |
| | Hospitalia Eastern Private Limited | d | - | 500 |
| | International Hospital Limited | d | - | 1,372 |
| | Luxury Farms Private Limited | d | 1,500 | 1,324 |
| | Malav Holdings Private Limited | d | 1,524 | 1,540 |
| | Mr. Anhad Parvinder Singh | a | 974 | 982 |
| | Mr. Kabir Parvinder Singh | a | 974 | 982 |
| | Mr. Malvinder Mohan Singh | a | 6,104 | 3,965 |
| | Mr. Shivinder Mohan Singh | a | 2,654 | 2,585 |
| | Mr. Udayveer Parvinder Singh | a | 974 | 982 |
| | Mr. Vivan Parvinder Singh | a | 1,074 | 982 |
| | Ms. Aditi Shivinder Singh | a | 966 | 782 |
| | Ms. Japna Malvinder singh | a | 908 | 782 |
| | Ms. Nanaki Parvinder Singh | a | 316 | 326 |
| | Ms. Nandini Parvinder Singh | a | 416 | 440 |
| | Ms. Nimmi Singh | a | 916 | 732 |
| | Ms. Nimrita Parvinder Singh | a | 1,016 | 640 |
| | Oscar Investments Limited | d | 2,608 | 2,882 |
| | R C Nursery Private Limited | d | 500 | 24 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|---|---------|---------------------------|---------------------------|
| | Ranchem Private Limited | d | 500 | 500 |
| | Religare Capital Markets Limited | e | 14,638 | 13,378 |
| | RHC Finance Private Limited | d | 10,934 | 5,350 |
| | RHC Holding Private Limited | d | 11,958 | 13,329 |
| | RWL Healthworld Limited | d | 1,600 | 1,208 |
| | Shimal Healthcare Private Limited | d | 500 | 805 |
| | Shimal Research Laboratories Limited | d | 716 | 1,093 |
| | Shivi Holding Private Limited | d | 1,638 | 1,632 |
| | SRL Diagnostics Private Limited | d | 916 | 2,616 |
| | SRL Limited | d | 2,200 | 932 |
| | Todays Holdings Private Limited | d | 500 | 804 |
| | Vistas Artworks Private Limited | d | 800 | 4,205 |
| Depository Charges Total | | | 107,824 | 108,022 |
| Interest Income on Inter Corporate Loans | | | | |
| | ANR Securities Private Limited | d | 22,486,489 | 187,500,681 |
| | Ligare Aviation Limited | d | 3,457,043 | - |
| | Oscar Investments Limited | d | 8,630,137 | 9,630,137 |
| | Ranchem Private Limited | d | - | 112,897,343 |
| | Religare Capital Markets Limited | e | 8,782,967 | 19,383,986 |
| | RHC Holding Private Limited | d | 66,478,905 | 1,139,178 |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 4,525,089 |
| Interest Income on Inter Corporate Loans Total | | | 109,835,541 | 335,076,414 |
| Interest Earned on Working Capital Loan | | | | |
| | IBOF Investment Management Private Limited | b | - | 345,869 |
| Interest Earned on Working Capital Loan Total | | | - | 345,869 |
| Other Financing Income | | | | |
| | Green Biofuels Farms Private Limited | d | - | 70,000 |
| | IBOF Investment Management Private Limited | b | - | 14,830 |
| Other Financing Income Total | | | - | 84,830 |
| Lease Rental Income | | | | |
| | Religare Capital Markets Limited | e | 60,000 | 20,000 |
| Lease Rental Income Total | | | 60,000 | 20,000 |
| Expenses Reimbursement by other Companies | | | | |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|-------------------------------------|---------|---------------------------|---------------------------|
| | Religare Art Fund (Pratham) - Trust | d | - | 12,000 |
| | Religare Capital Markets Limited | e | 14,169,649 | 7,367,790 |
| | RHC IT Solutions Private Limited | d | - | 765,438 |
| | SRL Limited | d | 135,938 | - |
| Expenses Reimbursement by other Companies Total | | | 14,305,587 | 8,145,228 |
| Support Service Income | | | | |
| | Dion Global Solutions Limited | d | - | 1,137,012 |
| | Religare Capital Markets Limited | e | 981,675 | 3,850,620 |
| Support Service Income Total | | | 981,675 | 4,987,632 |
| Interest Earned on Commercial Papers | | | | |
| | RHC Holding Private Limited | d | 78,602,381 | 38,554,369 |
| Interest Earned on Commercial Papers Total | | | 78,602,381 | 38,554,369 |
| EXPENSES | | | - | - |
| Interest Incurred on Debentures | | | | |
| | Mr. Kavi Arora | c | - | 76,326 |
| | Mr. Shivinder Mohan Singh | a | - | 1,761,986 |
| Interest Incurred on Debentures Total | | | - | 1,838,312 |
| Remuneration to Key Management Personnel | | | | |
| | Mr. Anuj Gulati | c | 119,817,299 | 139,766,581 |
| | Mr. Deepak Joshi | c | | |
| | Mr. Gautam Kainth | c | | |
| | Ms. Aditi Basu | c | | |
| | Mr. Nitin Aggarwal | c | | |
| | Mr. Nitin Jain | c | | |
| | Mr. Kavi Arora | c | | |
| | Mr. Nalin Nayyar | c | | |
| | Mr. Neeraj Sharma | c | | |
| | Mr. P.N.Vijay | c | | |
| | Mr. Sandeep Adukia | c | | |
| | Mr. Suhrud Roy | c | | |
| | Mr. Rajesh Sharma | c | | |
| | Mr. Sunil Godhwani | c | | |
| | Mr. Shachindra Nath | c | | |
| | Mr. Anil Saxena | c | | |
| | Mr. Maninder Singh | c | | |
| | Mr. Subramanian Lakshminaraynan | c | | |
| | Mr. Krishnan Subramanian | c | | |
| | Mr. Francis Danial Lee | c | | |
| | Mr. T.S. Anantkrishnan | c | | |
| | Ms. Kanchan Jain | c | | |
| Remuneration to Key Management Personnel Total | | | 199,817,299 | 139,766,581 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|---|---------|---------------------------|---------------------------|
| Director's Sitting Fees | | | | |
| | Mr. Malvinder Mohan Singh | a | 250,000 | 175,000 |
| | Mr. Shivinder Mohan Singh | a | 100,000 | 100,000 |
| Director's Sitting Fees Total | | | 350,000 | 275,000 |
| Lease Rental Expenses | | | | |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 398,545 |
| Lease Rental Expenses Total | | | - | 398,545 |
| Allocation of Expenses by other Companies | | | | |
| | RHC Holding Private Limited | d | 3,277,929 | 3,118,980 |
| Allocation of Expenses by other Companies Total | | | 3,277,929 | 3,118,980 |
| Expenses Reimbursement to other Companies | | | | |
| | Dion Global Solutions Limited | d | 5,557,069 | 3,588,717 |
| | Religare Capital Markets (Hong Kong) Limited | e | - | 22,039,166 |
| | Religare Capital Markets Corporate Finance Pte. Limited | e | - | 249,565 |
| | Religare Capital Markets Limited | e | 749,888 | 854,920 |
| | RHC Holding Private Limited | d | 20,348,891 | 74,995,558 |
| | RWL Healthworld Limited | d | 499 | 950 |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 34,360,602 |
| Expenses Reimbursement to other Companies Total | | | 26,656,347 | 136,089,478 |
| Travelling Expense | | | | |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 39,418,429 |
| Travelling Expense Total | | | - | 39,418,429 |
| Support Service Expense | | | | |
| | Dion Global Solutions Limited | d | - | 7,914 |
| | Religare Capital Markets Limited | e | - | 120,000 |
| Support Service Expense Total | | | - | 127,914 |
| Technical and Professional Expenses | | | | |
| | Dion Global Solutions Limited | d | - | 2,211 |
| Technical and Professional Expenses Total | | | - | 2,211 |
| Annual Maintenance Charges etc. | | | | |
| | Dion Global Solutions Limited | d | - | 193,648 |
| Annual Maintenance Charges etc. Total | | | - | 193,648 |
| Corporate Social Responsibility Expenses | | | | |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|---|---------|---------------------------|---------------------------|
| | Fortis Charitable Foundation | d | - | 92,111,478 |
| Corporate Social Responsibility Expenses Total | | | - | 92,111,478 |
| OUTSTANDING BALANCES | | | | |
| PAYABLES | | | | |
| Debentures Outstanding | | | | |
| | Mr. Kavi Arora | c | - | 400,000 |
| Debentures Outstanding Total | | | - | 400,000 |
| Interest Payable on Debentures | | | | |
| | Mr. Kavi Arora | c | - | 282,046 |
| Interest Payable on Debentures Total | | | - | 282,046 |
| Security Deposits Payable | | | | |
| | Religare Capital Markets Limited | e | 229,785 | 229,785 |
| Security Deposits Payable Total | | | 229,785 | 229,785 |
| Other Payables | | | | |
| | Finserve Shared Services Limited | d | - | 12,632,775 |
| | Fortis Hospitals Limited | d | - | 555 |
| | Ligare Aviation Limited | d | - | 6,912,040 |
| | Mr. Surath Singh | a | - | 31,388 |
| | Religare Capital Markets (Hong Kong) Limited | e | - | 10,211,230 |
| | Religare Capital Markets Limited | e | 619,557 | 1,017,862 |
| | SRL Limited | d | - | 484,978 |
| Other Payables Total | | | 619,557 | 31,290,828 |
| RECEIVABLES | | | | |
| Inter Corporate Loans Receivable | | | | |
| | ANR Securities Private Limited | d | - | 710,000,000 |
| | Oscar Investments Limited | d | - | 250,000,000 |
| | Religare Capital Markets Limited | e | 91,360,116 | 26,633,116 |
| | RHC Holding Private Limited | d | - | 990,000,000 |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 38,237,003 |
| Inter Corporate Loans Receivable Total | | | 91,360,116 | 2,014,870,119 |
| Interest Receivable on Inter Corporate Loans | | | | |
| | ANR Securities Private Limited | d | - | 12,762,250 |
| | Oscar Investments Limited | d | - | 7,863,014 |



Notes Forming Part of the Consolidated Financial Statements
For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|---|---------|---------------------------|---------------------------|
| | Religare Capital Markets Limited | e | 25,644,154 | 22,391,427 |
| | RHC Holding Private Limited | d | - | 1,025,260 |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 3,079,510 |
| Interest Receivable on Inter Corporate Loans Total | | | 25,644,154 | 47,121,461 |
| Debtors | | | | |
| | Dion Global Solutions Limited | d | - | 1,691,282 |
| | Finserve Shared Services Limited | d | - | 3,822,972 |
| | Religare Capital Markets Limited | e | - | 29,622,714 |
| Debtors Total | | | - | 35,136,968 |
| Commercial Paper-Receiveable | | | | |
| | RHC Holding Private Limited | d | - | 1,483,539,000 |
| Commercial Paper-Receiveable Total | | | - | 1,483,539,000 |
| Interest Receivable on Commercial Paper | | | | |
| | RHC Holding Private Limited | d | - | 1,646,119 |
| Interest Receivable on Commercial Paper Total | | | - | 1,646,119 |
| Other Receivables | | | | |
| | Dion Global Solutions Limited | d | - | 36,723 |
| | Finserve Shared Services Limited | d | - | 366,260 |
| | Fortis Health Management Limited | d | - | 1,295 |
| | Fortis Healthcare (India) Limited | d | - | 3,152 |
| | Fortis Healthstaff Limited | d | - | 1,607 |
| | Fortis Hospotel Limited | d | - | 3,980 |
| | Fortis Malar Hospitals Limited | d | - | 1,539 |
| | HealthFore Technologies Limited | d | - | 7,500 |
| | Hospitalia Eastern Private Limited | d | - | 1,028 |
| | International Hospital Limited | d | - | 2,541 |
| | Religare Capital Markets Limited | e | 189,792,067 | 7,535,058 |
| | RWL Healthworld Limited | d | - | 2,071 |
| | Spectrum Voyages Private Limited (formerly known as Ligare Travels Limited) | d | - | 4,417,219 |
| | SRL Diagnostics Private Limited | d | - | 4,022 |
| Other Receivables Total | | | 189,792,067 | 12,383,995 |



39. Details of Employee Stock Option Plans issued by the Company

| Type of Scheme | ESOP Scheme 2010 (Tranche –I) | ESOP Scheme 2010 (Tranche –II) | ESOP Scheme 2010 (Tranche –III) | ESOP Scheme 2010 (Tranche –IV) |
|--|--|--|---------------------------------|--------------------------------|
| Date of grant | 29-Dec-10 | 18-Mar-11 | 28-Jul-11 | 12-Nov-11 |
| Number Granted | 6,573,000 | 6,037,000 | 592,500 | 610,000 |
| Contractual Life (w.e.f. vesting date) | 9 yrs | 9 yrs | 9 yrs | 9 yrs |
| Vesting Conditions | 33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date | | | |
| Method of Option Valuation | Black Scholes Option Pricing Method | | | |
| Exercise Price | 481 | 480 | 461 | 432 |
| Estimated fair value of share granted | 481 | 480 | 461 | 432 |
| Type of Scheme | ESOP Scheme 2012 (Tranche –I) | ESOP Scheme 2012 (Tranche –II) | | |
| Date of grant | 13-Mar-12 | 30-Oct-12 | | |
| Number Granted | 12,003,200 | 120,000 | | |
| Contractual Life (w.e.f. vesting date) | 9 yrs | 9 yrs | | |
| Vesting Conditions | 66% on expiry of 12 months from Grant Date 34% on expiry of 24 months from Grant Date | 33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date | | |
| Method of Option Valuation | Black Scholes Option Pricing Method | | | |
| Exercise Price | 387 | 303 | | |
| Estimated fair value of share granted | 387 | 303 | | |

| Scheme | No. of Options outstanding as on April 1, 2017 | Issued During the year | Cancellation of Options | Options Exercised | Number of Options outstanding as on March 31, 2018 |
|---------------------------|--|------------------------|-------------------------|-------------------|--|
| Scheme 2010 | - | - | - | - | - |
| Scheme 2012 (Tranche –I) | 5,060,000 | - | 3,256,000 | - | 1,804,000 |
| Scheme 2012 (Tranche –II) | 60,000 | - | - | - | 60,000 |
| TOTAL | 5,120,000 | - | 3,256,000 | - | 1,864,000 |



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

| Scheme | Exercisable as at March 31, 2018 |
|--------------------------------|----------------------------------|
| Scheme 2012 | 1,864,000 |
| Range of Exercise Price | |
| ESOP Scheme 2012 (Tranche –I) | 387 |
| ESOP Scheme 2012 (Tranche –II) | 303 |

40. Other Notes

a. Exceptional Items:

- (i) **Write Back of Provision for Diminution in the value of non-current Investments in a subsidiary of ₹ Nil (March 31, 2017: ₹ 4,500,000,000 and Loss on sale of investment in a subsidiary of ₹ 4,499,910,000).**

During the year ended March 31, 2017, the Company had sold its investment in 450,000,000 0.02 % Preference Shares of Religare Capital Markets Limited and accounted for loss on of sale investment in aforesaid preference shares of the subsidiary of ₹ 4,499,910,000 and written back the provision for diminution in value of said investments aggregating ₹ 4,500,000,000. These have been disclosed as Exceptional Items and it has no material impact on the results for the year.

- (ii) **Provision for diminution in value of non-current investment in a subsidiary ₹ Nil (March 31, 2017: ₹ 150,000,000)**

Pursuant to the terms of the tripartite agreement between the Company, Religare Capital Markets Limited ("RCML") and RHC Holding Private Limited, the Company had subscribed to preference shares of RCML of ₹ 150,000,000. Due to severe long term restrictions imposed on RCML, full provision has been made against said investments and the same had been shown as an exceptional item.

- (iii) **Loans / Sundry Balances written off: ₹ Nil (March 31, 2017: ₹ 7,936,720,176):**

Please refer Schedule 25.1.

Profit / (Loss) on sale of investment in subsidiaries (Net) of ₹ Nil (March 31, 2017: ₹ (832,508,465)):

| S.No. | Particulars | Amount (₹) | Remarks |
|--------------|---|----------------------|----------------------------|
| 1 | Loss on sale of investment in RCML | (4,499,910,000) | Refer sub-note (i) above. |
| 2 | Profit on sale of investment in RIAMC | 4,611,151,965 | Refer sub-note (iv) below. |
| 3 | Loss on sale of investment in RITC | (400,632) | Refer sub-note (iv) below. |
| 4 | Loss on redemption of the share capital in a RGAM Inc | (943,349,798) | Refer sub-note (v) below. |
| Total | | (832,508,465) | |

- (iv) **Profit on sale of investments in subsidiaries: ₹ Nil (March 31, 2017: ₹ 4,610,751,333):**

Pursuant to Share Purchase agreement dated November 18, 2015, the Company had sold on April 5, 2016 its entire stake, held through Religare Securities Limited and RGAM Investment Advisors Private Limited, in Religare Invesco Asset Management Company Private Limited ("RIMAC") and Religare Invesco Trustee Company Private Limited ("RITC") to Invesco Hong Kong Limited. Accordingly, the RIAMC and RITC ceased to be the subsidiaries of the Company effective April 5, 2016.

Profit earned of ₹ 4,610,751,333 on such sales had been disclosed as an exceptional item in the Statement Profit and Loss. The Company wise detail of the profit /(loss) reported as exceptional item is as under:

| Particulars | Amount (₹) |
|---|----------------------|
| Religare Invesco Asset Management Company Private Limited | 4,611,151,965 |
| Religare Invesco Trustee Company Private Limited | (400,632) |
| Total | 4,610,751,333 |



On February 02, 2016, RGAM Investment Advisers Private Limited ("RGAM IAPL"), a subsidiary of the Company had sold its entire shareholding in Religare Health Trust Trustee Manager Pte Limited ("RHTTM"), to Stellant Capital Advisory Services Private Limited, a Promoter Group company at a profit of ₹ 682,849,798. The transaction was at arm's length based on a valuation done by an independent valuer.

(v) Loss on redemption of the share capital in a subsidiary of ₹ Nil (March 31, 2017: ₹ 943,349,798):

Board of Directors of Religare Global Asset Management Inc ("RGAM Inc"), a foreign sub-subsidiary of the Company at its meeting held on May 25, 2016, had given its consent to liquidate RGAM Inc. Further, during the year RGAM Inc sold its entire shareholding in Northgate Capital LLC and Northgate Capital LP, Landmark Partners LLC and Investment Professional Limited.

RGAM Inc remitted USD 117,500,000 to its holding company RGAM Investment Advisers Private Limited ("RGAM IAPL") against share capital held by the holding company and has reduced its share capital to the nominal amount. The said remittance caused loss to the Company of ₹ 943,349,798 which had been disclosed as an exceptional item in the Statement Profit and Loss.

- b. During the year ended March 31, 2018 the Company had entered into a binding Term Sheet on December 19, 2017 with the Edelweiss group to sell its interests in its retail broking business subject to necessary approvals. The said binding arrangement expired in accordance with the terms thereof on March 15, 2018 since conditions specified in binding term sheet were not satisfied.
- c. On the basis of the information and records available, there is no balance outstanding with any of micro enterprises and small enterprises as on March 31, 2018. Further, during the year no interest has been paid or payable under the terms of the said Act.
- d. Classification of Investments / loans and provision thereof has been made in accordance with the Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 issued by Reserve Bank of India after considering realizable value of investments. Provision for Long Term Investment is made as per Accounting Standard (AS) -13, "Accounting for Investments" of Institute of Chartered Accountant of India ("ICAI").
- e. Reserve Bank of India (RBI) vide its letter dated January 18, 2018 has advised Religare Finvest Limited ("RFL"), a NBFC subsidiary of the Company, to adhere to the corrective action plan given by it. The said corrective action plan, inter alia, prohibits RFL from expansion of credit / investment portfolios other than investment in government securities and advises RFL not to pay dividend.
- f. The NBFCs in the group have disbursed loans against mortgage of properties, and the borrowers have assigned their lease rentals, fees, credit card receivable, project receivable etc. through escrow towards repayment of EMIs/ installments. The borrowers have opened their accounts with certain banks under escrow to the company. The aforesaid escrow accounts do not form part of these financial statements.
- g. Securities received from clients by the subsidiaries of the Company, as collateral for margins, are held by the subsidiary companies in its own name in a fiduciary capacity.

h. Joint Venture Information:

Joint Venture as required by AS-27 – "Financial Reporting of Interest in Joint Venture" are given below:

(i) Details of Joint Ventures

| Name | Description of Interest | % of Interest as on | |
|--|-------------------------|---------------------|----------------|
| | | March 31, 2018 | March 31, 2017 |
| IBOF Investment Management Private Limited | Equity Shareholding | 50.00% | 50.00% |
| Milestone Religare Capital Management Limited* | Equity Shareholding | - | 50.00% |

*Company was excluded from consolidation (Refer Note 1(II)(E)).



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

(ii) Company's interest in Joint Ventures

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|------------------------|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Assets | 5,565,703 | 42,329,735 |
| Liabilities | 1,118,205 | 1,648,725 |
| Revenue | 6,371,651 | 16,740,200 |
| Depreciation | 34,005,728 | 15,194,107 |
| Other Expenses | 7,463,688 | 13,958,973 |
| Capital Commitments | - | - |
| Contingent Liabilities | - | - |

i. Details of Closing Stock

(i) Closing Stock of Commodities

| (A) Closing Stock of Bullions | | As at March 31, 2018 | | As at March 31, 2017 | |
|-------------------------------|----------|-------------------------|----------|-------------------------|--|
| Items | Quantity | Amount (₹) | Quantity | Amount (₹) | |
| Easy Gold 10 Gram (Pcs.) | - | - | 48 | 1,521,467 | |
| Easy Gold 100 Gram (Pcs.) | - | - | 4 | 1,239,839 | |
| Easy Gold 50 Gram (Pcs.) | - | - | 11 | 1,708,666 | |
| Total (A) | | - | 63 | 4,469,972 | |

| (B) Closing Stock of Agri Products | | As at March 31, 2018 | | As at March 31, 2017 | |
|---|---------------|-------------------------|---------------|-------------------------|--|
| Items | Quantity (MT) | Amount (₹) | Quantity (MT) | Amount (₹) | |
| Soyabean | - | - | 81.08 | 2,306,602 | |
| Yellow Peas | - | - | 2.26 | 41,966 | |
| Guar seed | - | - | 10.04 | 399,164 | |
| Total (B) | - | - | 93.38 | 2,747,732 | |
| Total Closing Stock of Commodities (A+B) (i) | | - | | 7,217,704 | |

(ii) Closing Stock of Art Works

| Closing Stock of Art Works | | As at March 31, 2018 | | As at March 31, 2017 | |
|----------------------------|---------|-------------------------|---------|-------------------------|--|
| Items | Numbers | Amount (₹) | Numbers | Amount (₹) | |
| Paintings | - | - | - | 178,289 | |
| Total (ii) | - | - | - | 178,289 | |



(iii) Closing Stock of DSC Tokens and USB Token

| Closing Stock of DSC Tokens and USB Tokens | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|----------------|----------------------|------------------|
| | Quantity (Nos) | Amount (₹) | Quantity (Nos) | Amount (₹) |
| DGFT Classs-3 Platinum Ind-2 Year | 21 | 19,634 | 11 | 10,590 |
| DSC Class 3- Ind - 1 Year | - | - | 5 | 3,560 |
| DSC - Class 2 - 2 Year Combo | 267 | 52,185 | 45 | 9,785 |
| DSC - Class 3 - 2 Year Combo | - | - | 7 | 4,984 |
| DSC - Class 2 - 2 Year General | 876 | 96,402 | 98 | 11,467 |
| DSC - Class 3 - 2 Year General | - | - | 129 | 87,768 |
| DSC Class 2- Ind - 1 Year | - | - | 45 | 45,063 |
| USB - Token (e-Pass-2003) | 1,384 | 158,461 | 20 | 6,800 |
| USB Token - (E-Pass 2003 Auto) | - | - | 99 | 19,183 |
| MFS100 Single Fingerprint Scanner | 19 | 38,608 | 19 | 46,222 |
| USB-Token (Proxkey Token) | 330 | 39,600 | 60 | 11,066 |
| Total (iii) | 2,897 | 404,890 | 538 | 256,488 |
| Total Closing Stocks [(i)+(ii)+(iii)] | | 404,890 | | 7,652,481 |

- j. The Audit Committee and the Board of Directors on December 8, 2016 and December 10, 2016 respectively, approved the payment of Brand License Fees to RHC Holding Private Limited ("RHC") for period of 6 years effective April 01, 2016 for usage of the "Religare" trademark / brand. Further, on January 17, 2017, the Audit Committee approved to enter into Sub-license Agreement with various subsidiaries for the sub-license and usage of the "Religare" mark for recovery from them on proportionate basis to their turnover, of the brand license fees payable by the Company to RHC.

Pursuant to letter dated February 21, 2017 between the Company and RHC, for the ease of administration and operation, it has been agreed to pay such fees directly by operating subsidiaries of the Company. Accordingly, the Company advised its subsidiaries for payment of brand sub license fee prescribed under the Sub-license Agreement directly to RHC as due discharge of their obligation under the said Agreement. During the year ended March 31, 2018, RHC Holding Private Limited has assigned the trade mark "Religare" and its logo to Elive Infotech Private Limited ("assignee / Elive") and the right to sell, assign, transfer or encumber all or portion of its rights and obligations for the trade mark or other rights in said trade marks. Further, Elive has waived the right to receive the brand license fee from REL or its subsidiaries / affiliates till the time interest on loans availed by the group companies of Elive and RHC from Religare Finvest Limited is serviced.

- k. Religare Wealth Management Limited ("RWML"), a sub-subsidiary of the Company has approved capital reduction scheme, vide board resolution dated October 16, 2015, and accordingly necessary application was filed before the Hon'ble Delhi High Court ("DHC"). The final order in this regard was passed by the DHC, vide order dated February 09, 2017. The said order was filed with Ministry Of Corporate Affairs ("MCA") on March 16, 2017 and a certificate confirming the capital reduction as approved by the DHC was issued by the MCA, vide certificate dated April 03, 2017.
- l. Pursuant to the agreement dated February 17, 2017 the RWML had sold its right to receive commission income on the assets managed by them for a total consideration of ₹ 80,000,000. The disbursement of which depends on two closing conditions. Pursuant to the first closing condition, part of the consideration of ₹ 60,000,000 has been received on March 31, 2017. RWML has recognized the revenue for the balance consideration of ₹ 20,000,000, even though the second closing had not been completed, as the significant risk and rewards of ownership of its assets under management have been transferred as on March 31, 2017 and only procedural formalities are pending to meet the requirements of the second closing conditions.
- m. RWML had entered into agreement to sale its wealth management services business on February 17, 2017. Consequent to the agreement to sale the right to receive revenue on the wealth management services had been ceased as at March 31, 2017. RWML does not intent to carry out any business activity and accordingly



Notes Forming Part of the Consolidated Financial Statements

For the year ended March 31, 2018

these financial statements are not prepared on a going concern basis. Accordingly all assets have been carried at its estimated realizable value and RWML has provided for all the known liabilities.

The erstwhile Company Secretary ("CS") of the RWML has resigned from the office on July 9, 2017. As per provision of the Section 203 of the Act RWML was required to appoint a CS within six months from vacation of office. The appointment of the CS has been made on May 16, 2018

- n. Previous year then whole time director of the Company, had gifted 8,00,000 equity shares of the company to his wife during the period October 17, 2016 to October 21, 2016 (Trading window closure period). The Company, based upon detailed investigation and collated views of the independent legal professional concluded that transactions in the nature of gift is in the ambit of term "Trading" as under the SEBI (Prohibition of Insider Trading) Regulations 2015 ("PIT Regulation") and the Company's Code of Conduct for prevention of Insider Trading.

Accordingly, as per the recommendation of the Audit Committee, for the non-compliances listed above, a monetary penalty of ₹ 5,000,000 has been levied alongwith restrictions not to do any trading of shares of the Company in the next 6 months, either directly or indirectly. This has been intimated to SEBI vide intimation letter dated May 18, 2017 and necessary disclosures have been made to National Stock Exchange of India Limited and BSE Limited ("Stock Exchanges") on May 17, 2017.

During the year ended March 31, 2018 the Company has adjusted the penalty amount of ₹ 5,000,000 against the the dues payable by the Company to him. The Board of Directors of the Company, vide its meeting held on May 16, 2018, approved to contribute the penalty amount levied on Mr Godhwani to Prime Minister National Relief Fund ("PMNRF").

- o. During the year ended March 31, 2018:
- (i) BSE vide its letter dated June 15, 2017 had levied a penalty of ₹ 2,142,841 (including service tax) as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 by not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company had paid the penalty to BSE on June 16, 2017.
 - (ii) NSE vide its letter dated June 15, 2017 had levied a penalty of ₹ 1,863,345 as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 by not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company had paid the penalty to NSE on June 29, 2017. NSE vide letter dated October 06, 2017, demanded balance amount of ₹ 70,000 which has been paid on October 13, 2017.

41. Previous Year Figures

Previous year figures have been regrouped, re-arranged and reclassified wherever necessary to conform to the current year's classification.

The notes are an integral part of these Consolidated Financial Statements

Signature to Note 1 to 41 Forming Part of the Financial Statements

For and on behalf of the Board of Directors

For SS Kothari Mehta & Co.

Firm Registration No. 000756N

Chartered Accountants

Sd /-

NAVEEN AGGARWAL

Partner

Membership No: 094380

Sd /-

RAMA KRISHNA SHETTY

Director

(DIN-01521858)

Sd /-

ASHOK MEHTA

Interim CEO

Sd /-

KRISHNAN SUBRAMANIAN

Director Finance

(DIN- 08038047)

Sd /-

REENA JAYARA

Company Secretary

Membership No: A19122

Place : Gurugram

Date : May 30, 2018

Place : Gurugram

Date : May 30, 2018



FORM AOC - 1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of Subsidiaries / Associate Companies / Joint Ventures

Part "A" : Subsidiaries

| 1 | SI. No. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|-----|---|--------------------------|--------------------------|------------------------------|---|--|---|---------------------------|
| 2 | Name of the Subsidiary | Religare Finvest Limited | Religare Broking Limited | Religare Commodities Limited | Religare Health Insurance Company Limited | Religare Credit Advisor Private Limited [#] | Argil Advisors LLP (Formerly known as Ceresstra Capital Advisors LLP) | Religare Comtrade Limited |
| 2A | The date since when subsidiary was acquired | September 30, 2005 | July 20, 2016 | April 1, 2006 | April 2, 2007 | December 20, 2013 | February 7, 2014 | June 24, 2010 |
| 3 | Reporting Period if different from Holding Company | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 4 A | Reporting Currency | INR | INR | INR | INR | INR | INR | INR |
| 4 B | Exchange Rate as on last date of financial year | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 5 | Share Capital @ (₹) | 2,620,952,870 | 1,807,958,170 | 20,000,000 | 5,948,298,610 | 9,398,280 | 32,766,000 | 100,000,000 |
| 6 | Reserves & Surplus (₹) | 16,761,004,467 | (121,075,162) | 634,195,489 | (3,187,786,049) | 952,812 | (32,765,030) | (1,186,968,742) |
| 7 | Total Assets (₹) | 125,319,804,081 | 7,797,505,853 | 1,948,954,570 | 10,986,431,722 | 20,012,569 | 970 | 2,824,961,361 |
| 8 | Total Liabilities (₹) (Including Share Capital and Reserves & Surplus) | 125,319,804,081 | 7,797,505,853 | 1,948,954,570 | 10,986,431,722 | 20,012,569 | 970 | 2,824,961,361 |
| 9 | Investments (₹) | 4,537,759,668 | 95,606,089 | 406,036,000 | 8,682,794,885 | - | - | - |
| 10 | Turnover [^] (₹) | 14,298,918,819 | 3,274,033,307 | 294,545,485 | 7,394,341,588 | 27,712,350 | - | 241,917,994 |
| 11 | Profit / (Loss) Before Taxation (₹) [^] | (13,313,853,457) | 80,293,364 | 28,739,512 | (162,511,235) | 952,813 | - | (1,388,628,380) |
| 12 | Provision for Taxation (₹) | (2,286,307,666) | 32,823,400 | 9,089,355 | - | - | - | 2,094,331 |
| 13 | Profit / (Loss) After Taxation (₹) | (11,027,545,791) | 47,469,964 | 19,650,157 | (162,511,235) | 952,813 | - | (1,390,722,711) |
| 14 | Proposed Dividend (₹) | - | - | - | - | - | - | - |
| 15 | % of shareholding (Equity) as on last date of financial year | 85.64% | 100.00% | 100.00% | 90.78% | 99.99% | 100.00% | 100.00% |

**FORM AOC - 1**

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of Subsidiaries / Associate Companies / Joint Ventures**Part "A" : Subsidiaries**

| 1 | Sl. No. | | | | | | | | | | | | | | | | | |
|----|--|------------------------------------|-------------------------------------|---------------------------------------|----------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|
| 2 | Name of the Subsidiary | | | | | | | | | | | | | | | | | |
| 2A | The date since when subsidiary was acquired | | | | | | | | | | | | | | | | | |
| 3 | Reporting Period if different from Holding Company | | | | | | | | | | | | | | | | | |
| 4A | Reporting Currency | | | | | | | | | | | | | | | | | |
| 4B | Exchange Rate as on last date of financial year | | | | | | | | | | | | | | | | | |
| 5 | Share Capital @ (₹) | | | | | | | | | | | | | | | | | |
| 6 | Reserves & Surplus (₹) | | | | | | | | | | | | | | | | | |
| 7 | Total Assets (₹) | | | | | | | | | | | | | | | | | |
| 8 | Total Liabilities (₹) | | | | | | | | | | | | | | | | | |
| | (Including Share Capital and Reserves & Surplus) | | | | | | | | | | | | | | | | | |
| 9 | Investments (₹) | | | | | | | | | | | | | | | | | |
| 10 | Turnover [^] (₹) | | | | | | | | | | | | | | | | | |
| 11 | Profit / (Loss) Before Taxation (₹) ^{^^} | | | | | | | | | | | | | | | | | |
| 12 | Provision for Taxation (₹) | | | | | | | | | | | | | | | | | |
| 13 | Profit / (Loss) After Taxation (₹) | | | | | | | | | | | | | | | | | |
| 14 | Proposed Dividend (₹) | | | | | | | | | | | | | | | | | |
| 15 | % of shareholding (Equity) as on last date of financial year | | | | | | | | | | | | | | | | | |
| | | 8 | 9 | 10 | 11 | 12 | | | | | | | | | | | | |
| | | Religare Wealth Management Limited | Religare Business Solutions Limited | Religare Global Asset Management Inc. | Religare Insurance Limited | Religare Housing Development Finance Corporation Limited | | | | | | | | | | | | |
| | | March 15, 2007 | October 20, 2016 | December 1, 2010 | July 21, 2016 | June 15, 2009 | | | | | | | | | | | | |
| | | N.A. | N.A. | N.A. | N.A. | N.A. | | | | | | | | | | | | |
| | | INR | INR | USD | INR | INR | | | | | | | | | | | | |
| | | N.A. | N.A. | 64.92 | N.A. | N.A. | | | | | | | | | | | | |
| | | 374,800,000 | 200,000 | 6 | 50,000 | 399,980,000 | | | | | | | | | | | | |
| | | (316,791,401) | (94,577) | (22,999,526) | (45,013) | 1,577,743,033 | | | | | | | | | | | | |
| | | 63,255,596 | 133,423 | 7,842,934 | 11,146 | 9,566,760,117 | | | | | | | | | | | | |
| | | 63,255,596 | 133,423 | 7,842,934 | 11,146 | 9,566,760,117 | | | | | | | | | | | | |
| | | - | - | - | - | 300,000,000 | | | | | | | | | | | | |
| | | 8,276,077 | - | 7,326,556 | - | 1,444,242,763 | | | | | | | | | | | | |
| | | (14,901,252) | (56,462) | (4,094,467) | (750) | 119,832,875 | | | | | | | | | | | | |
| | | - | - | - | - | 38,318,750 | | | | | | | | | | | | |
| | | (14,901,252) | (56,462) | (4,094,467) | (750) | 81,514,125 | | | | | | | | | | | | |
| | | - | - | - | - | - | | | | | | | | | | | | |
| | | 100.00% | 100.00% | 100.00% | 100.00% | 87.50% | | | | | | | | | | | | |

Note: The disclosure does not include the companies referred to in second table and para under that table of Note No. 1 (II) E of the Consolidated Financial Statements that were excluded from the consolidation for the year ended March 31, 2018.

* During the year Religare Capital Advisors LLP was converted into Private Limited company named Religare Capital Advisor Private Limited. Profit & Loss account numbers for the entire year are reported here.

® In case of Limited Liability Partnership (LLP) 'Capital Contribution' by partners has been reported as share capital.

^ In case of foreign subsidiaries turnover is converted at monthly average exchange rate.

^^ Profit / (Loss) Before Taxation but after exceptional items.

Names of subsidiaries which are yet to commence operations

Sl. No. Name of the Company

- (1) Religare Insurance Limited
- (2) Argil Advisors LLP (Formerly known as Cerestra Capital Advisors LLP) (dissolved w.e.f. April 06, 2018)
- (3) Religare Business Solutions Limited

Names of the subsidiaries which have been liquidated or sold during the year

Sl. No. Name of the Company

- (1) Cerestra Advisors Limited (formerly known as Religare Finance Limited)
- (2) Religare Commodity DMCC
- (3) Please refer Note no. 35 of the Consolidated Financial Statement for the year ended March 31, 2018 for the subsidiary companies amalgamated with Religare Enterprises Limited

For and on behalf of the Board of Directors

Place : Gurugram
Date : May 30, 2018

Sd/-
ASHOK MEHTA
Interim CEO

Sd/-
KRISHNAN SUBRAMANIAN
Director Finance
DIN-08038047

Sd/-
RAMA KRISHNA SHETTY
Director
DIN-01521858

Sd/-
REENA JAYARA
Company Secretary
Membership No: A19122



FORM AOC - 1

Part "B" : Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associates Companies and Joint Ventures

| Sl. No | Name of Associates / Joint Ventures | Amount (₹) | Amount (₹) |
|--------|---|---|------------|
| | | Joint Ventures | Associates |
| | | IBOF Investment Management Private Limited (IBOF) | |
| 1 | Latest audited balance sheet Date | March 31, 2018 | NIL |
| 2 | Date on which the Associate or Joint Venture was associated or acquired | April 8, 2009 | |
| 3 | Shares of Associate / Joint Ventures held by the company on the year end | | |
| | Nos. | 3,499,999 | |
| | Amount of Investment in Associates / Joint Venture | 34,999,990 | |
| | Extend of Holding % | 50% | |
| 4 | Description of how there is significant influence | Refer Note A below | |
| 5 | Reason why the associate / Joint Venture is not consolidated | NA | |
| 6 | Net worth attributable to shareholding (of Holding Company) as per latest audited Balance Sheet (₹) | 4,447,498 | |
| 7 | Profit / (Loss) for the year | | |
| | i. Considered in Consolidation | (36,233,512) | |
| | ii. Not Considered in Consolidation (Owing to proportionate consolidation of Joint Venture) | (36,233,512) | |

Note A: There is significant influence due to percentage(%) of Share Capital**Note B:** Due to merger effect IBOF become direct JV of Religare Enterprises Limited

For and on behalf of the Board of Directors

Sd/-
ASHOK MEHTA
 Interim CEO

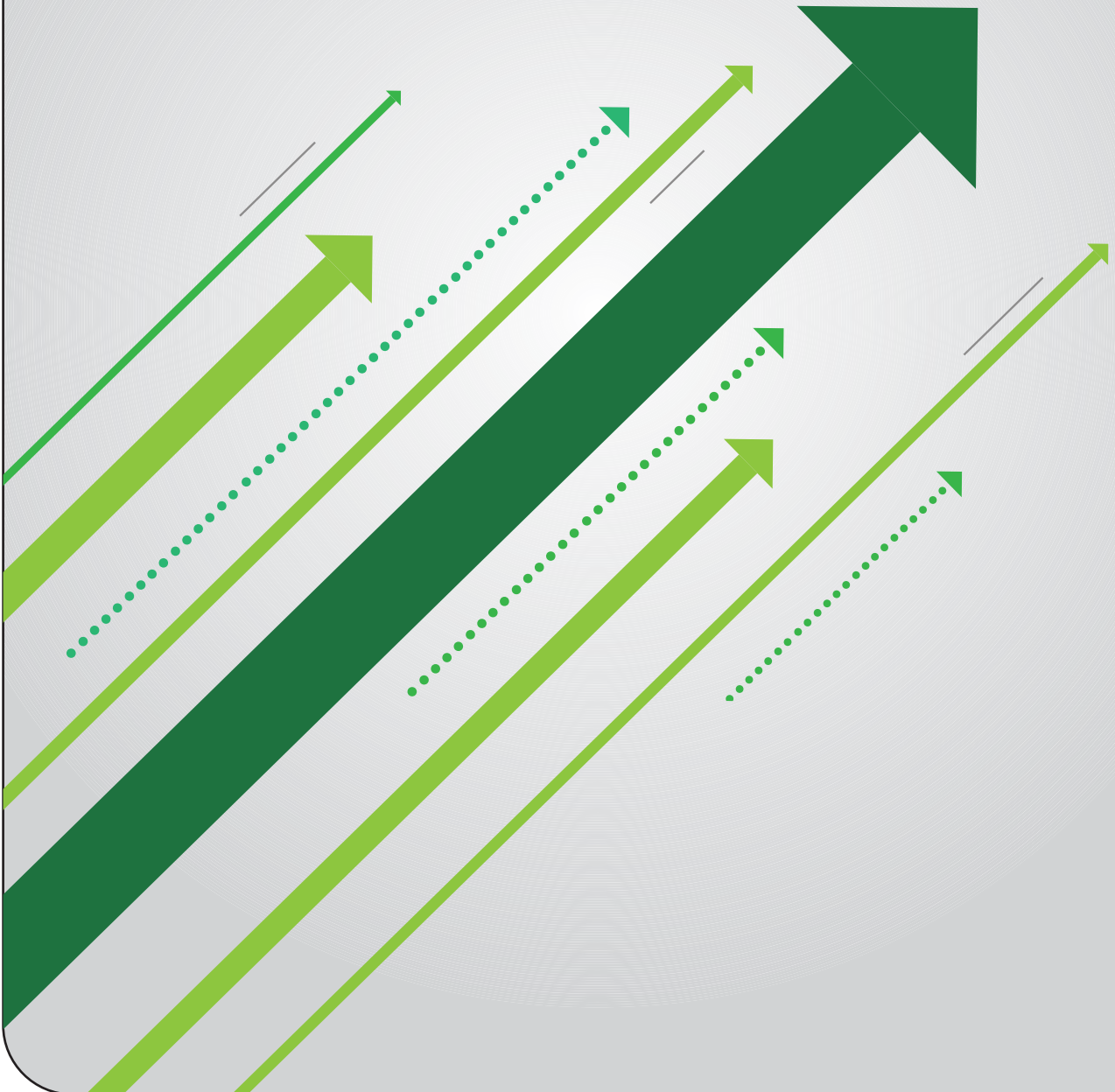
Sd/-
KRISHNAN SUBRAMANIAN
 Director Finance
 DIN-08038047

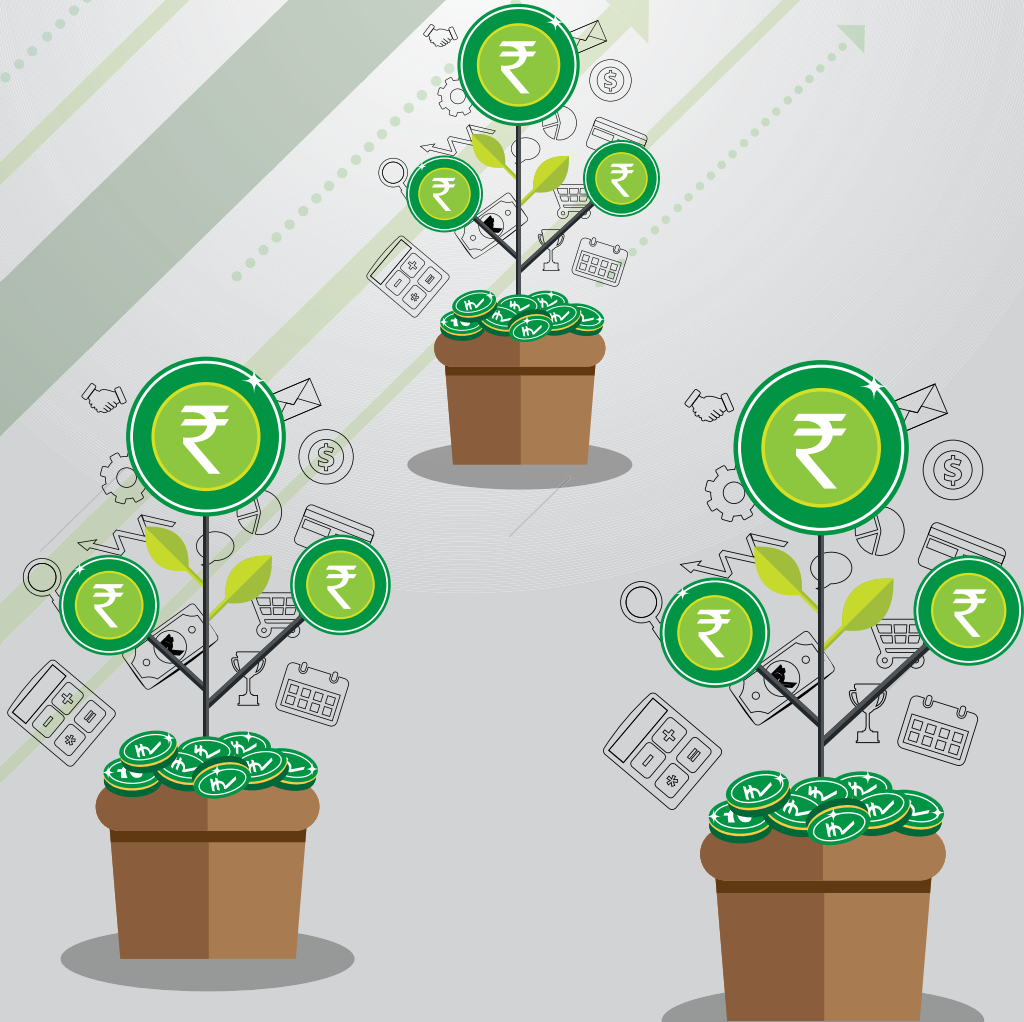
Sd/-
RAMA KRISHNA SHETTY
 Director
 DIN-01521858

Sd/-
REENA JAYARA
 Company Secretary
 Membership No: A19122

Place : Gurugram
 Date : May 30, 2018

STANDALONE FINANCIALS







TO THE MEMBERS, RELIGARE ENTERPRISES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Religare Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flows Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

Management's Responsibility for the Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows in accordance with the Accounting Standards generally accepted in India, including the accounting standards prescribed under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules 2014, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its loss, its cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to note No. 14 (b) of the standalone financial statement regarding significant decline in the net worth of Religare Finvest Limited (RFL), subsidiary of the company, adjustment of Fixed deposit of ₹ 75,000 Lakhs (representing ₹ 79,145 Lakhs as per financial statement as on March 31, 2018 by Laxmi Vilas Bank (LVB), which is under litigation, besides concerns raised by the RBI on the operations of RFL and restriction on expansion of credit/ investment portfolio. Management of the RFL is in the process of taking various action including the definitive additional capital infusion plan, induction of new management personnel, discussion with RBI for relaxing the restriction imposed on the business capability of the company, initiating detailed diligence from a law firm of repute of (i) corporate loan book and (ii) Recoverable from Strategic Credit Capital Private Limited and Perpetual Credit Services Private Limited besides strengthening the internal controls and corporate governance mechanism,



Considering all these measures, management is of the view that there would be significant improvement in the financial position of RFL. Hence, decline in the net worth of RFL is considered as temporary and consequently no impairment provision has been considered necessary.

Our opinion is not qualified in respect of this matter.

Report on Legal and Other Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flows statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representation received from the Directors as on March 31, 2018, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 28.
 - (ii) The Company has made provisions as at March 31, 2018 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 7. The Company did not have any derivative contracts as at March 31, 2018.
 - (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018 – Refer Note 10.1

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
Firm Registration Number: 000756N

Sd/-
Naveen Aggarwal
Partner
Membership Number: 094380

Place: Gurugram
Date: May 30, 2018



Annexure 'A' to the Independent Auditor's Report of even date on the Standalone Financial Statements of Religare Enterprises Limited.

The Annexure as referred in paragraph (1) "Report on Legal and Other Regulatory Requirements" of the Independent Auditor's Report of even date to the members of Religare Enterprises Ltd on the standalone Financial Statements for the year ended March 31, 2018, we report that :

- i) a) The Company has maintained proper records showing full particulars including, quantitative details and situation of fixed assets.
- b) According to the information and explanation provided to us, the management has not conducted physical verification during the year. As informed, the management has initiated a program to conduct physical verification of fixed asset.
- c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the standalone financial statements, are held in the name of the company.
- ii) The Company is engaged in the business of financing and other services, consequently does not hold any inventory. Accordingly, Clause (ii) of Para 3 of the order is not applicable to the Company.
- iii) As per the information and explanation given to us and on the basis of our examination of the records, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties required to be covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) As per the information and explanation given to us and on the basis of our examination of the records, the Company has not granted any loans or made any investment or provided any guarantees or security to parties covered under section 185.

As per the information and explanation given to us and on the basis of our examination of the records, the company has complied with the provisions of section 186 of the Companies Act 2013 in respect of the loans and investments made and guarantees and security provided by it.
- v) As per the information and explanation provided to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder to the extent notified.
- vi) As per the requirement under section 148(1) of Companies Act, 2013 the Central government has not prescribed for maintenance of the cost records for any of the products of the company. Accordingly, Clause (vi) of Para 3 of the order is not applicable to the Company.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, value added tax, service tax, Goods and Services Tax though there has been slight delays in few cases and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, service tax, sales tax, value added tax and Goods and Services Tax which have not been deposited as at March 31, 2018 on account of any dispute are as follows :



| Nature of Statute | Nature of Dues | Period to which amount relates | Amount (INR) | Forum where dispute is pending |
|---------------------------------|-----------------------|--------------------------------|--------------------|--|
| The Income Tax Act, 1961 | *Income Tax | AY 2014-15 | 99,938,033 | Commissioner of Income Tax (Appeals) |
| | Income Tax | AY 2013-14 | 24,807,840 | Commissioner of Income Tax (Appeals) |
| | *Income Tax | AY 2012-13 | 118,514,944 | Commissioner of Income Tax (Appeals) |
| | *Income Tax (Penalty) | AY 2012-13 | 43,300,168 | Commissioner of Income Tax (Appeals) |
| | Income Tax | AY 2011-12 | 39,209,030 | Income Tax Appellate Tribunal |
| | Income Tax | AY 2011-12 | 26,316,850 | Commissioner of Income Tax (Appeals) |
| | Income Tax | AY 2010-11 | 2,577,937 | Income Tax Appellate Tribunal |
| | Income Tax (Penalty) | AY 2010-11 | 10,358,000 | Income Tax Appellate Tribunal |
| | Income Tax | AY 2009-10 | 21,819,500 | Income Tax Appellate Tribunal |
| | Income Tax | AY 2009-10 | 41,084,458 | Commissioner of Income Tax (Appeals) |
| | Income Tax | AY 2008-09 | 70,120,000 | Income Tax Appellate Tribunal |
| Service Tax Regulations | Service Tax | FY 2005-06 to FY 2009-10 | 1,053,180 | Custom Excise and Service Tax Appellate Tribunal |
| | Service Tax | FY 2010-11 | 3,954,567 | Custom Excise and Service Tax Appellate Tribunal |
| | Service Tax | FY 2011-12 | 5,195,173 | Custom Excise and Service Tax Appellate Tribunal |
| Total (Refer Note below) | | | 508,249,680 | |

Note : Pursuant to Composite Scheme of Arrangement as referred to in Note No. 4.1, all the pending disputes at various forums in case of transferor entities shall stand transferred to the Company and excluding ₹ 12,505,369 transferred pursuant to above referred Composite Scheme of Arrangement.

* Including ₹ 138,526,501 for which relevant orders are yet to be provided by the management.

- viii) According to the records of the Company examined by us and the information & explanation given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not defaulted in the repayment of the dues to debenture holders as at balance sheet date.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x) According to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given to us and based on our examination of the record of the Company, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.



- xiii) According to the information and explanations given to us and based on our examination of the record of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3 (xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the record of the Company, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is required to and has been registered under section 45-IA of the Reserve Bank of India Act, 1934, as a Core Investment Company (CIC) .

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
Firm Registration Number: 000756N

Sd/-
Naveen Aggarwal
Partner
Membership Number: 094380

Place: Gurugram
Date: May 30, 2018



Annexure 'B' to the Independent Auditor's Report of even date on the Standalone Financial Statements of Religare Enterprises Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of Religare Enterprises Limited as at March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk



that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified opinion

Based on our review, information & explanation during the year we have observed the following material weaknesses:

- a) As stated in Note No. 19.2 to the standalone financial statement and according to information and explanation furnished to us and based on our audit, continuing material weakness has been identified in the Internal Financial Control Over Financial Reporting in the Credit evaluation process, recovery mechanism in respect of Corporate Loan which was not operating effectively as at March 31, 2018.
- b) Review of process of identification and updation of documentation of Micro Small & Medium Enterprises as per MSMED Act 2006 and Information Technology General Controls.
- c) The Company's internal control process need to be strengthened in respect of process of initiating payment accounting entries and closure of outstanding entries in Bank Reconciliation Statements;

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the Company has maintained adequate internal control over financial reporting as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by ICAI and except for possible effects of the material weaknesses described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the Control Criteria, the Company's internal financial controls over financial reporting were operating effectively as at March 31, 2018.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2018 and these material weaknesses do not affect our opinion on the financial statements of the Company.

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
Firm Registration Number: 000756N

Sd/-
Naveen Aggarwal
Partner
Membership Number: 094380

Place: Gurugram
Date: May 30, 2018



| Particulars | Note No. | As at March 31, 2018 Amount (₹) | As at March 31, 2017 Amount (₹) |
|--|----------|---------------------------------------|---------------------------------------|
| Equity and Liabilities | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 2,049,552,480 | 2,048,344,980 |
| Reserves and Surplus | 4 | 21,232,635,915 | 16,769,151,818 |
| Share application money pending allotment (Refer Note 4.2) | | - | 16,905,000 |
| Non - Current Liabilities | | | |
| Long - Term Borrowings | 5 | - | 4,250,000,000 |
| Other Long - Term Liabilities | 6 | - | 452,712,329 |
| Long - Term Provisions | 7 | 6,214,349,643 | 6,922,404,670 |
| Current Liabilities | | | |
| Short - Term Borrowings | 8 | 4,793,851,296 | 5,383,860,868 |
| Trade Payables | 9 | - | - |
| Total Outstanding Dues of Micro Enterprises and Small Enterprises | | - | - |
| Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises | | 109,942,075 | 150,851,294 |
| Other Current Liabilities | 10 | 830,627,317 | 4,507,424,513 |
| Short - Term Provisions | 11 | 953,116,851 | 7,839,000 |
| Total | | 36,184,075,577 | 40,509,494,472 |
| Assets | | | |
| Non - Current Assets | | | |
| Property, Plant and Equipment - Tangible Assets | 12 | 14,262,596 | 2,750,158 |
| Intangible Assets | 13 | 8,585,678 | 1,258,937 |
| Non - Current Investments | 14 | 33,551,588,131 | 39,395,542,865 |
| Long - Term Loans and Advances | 15 | 896,100,302 | 256,729,248 |
| Other Non - Current Assets | 16 | 37,671,891 | - |
| Current Assets | | | |
| Current Investments | 17 | 460,767,965 | - |
| Cash and Bank Balances | 18 | 9,072,339 | 22,040,870 |
| Short - Term Loans and Advances | 19 | 1,136,257,502 | 818,356,534 |
| Other Current Assets | 20 | 69,769,173 | 12,815,860 |
| Total | | 36,184,075,577 | 40,509,494,472 |
| Overview and Significant Accounting Policies | 1 & 2 | | |

The accompanying notes are an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For SS Kothari Mehta & Co.
Firm Registration No. 000756N
Chartered Accountants

Sd /-
NAVEEN AGGARWAL
Partner
Membership No: 094380

Sd /-
KRISHNAN SUBRAMANIAN
Director-Finance
(DIN- 08038047)

Sd /-
RAMA KRISHNA SHETTY
Director
(DIN-01521858)

Sd /-
ASHOK MEHTA
Interim CEO

Sd /-
REENA JAYARA
Company Secretary
Membership No: A19122

Place : Gurugram
Date : May 30, 2018

Place : Gurugram
Date : May 30, 2018



Statement of Profit and Loss for the year ended March 31, 2018

| Particulars | Note No. | Year Ended March 31, 2018 Amount (₹) | Year Ended March 31, 2017 Amount (₹) |
|--|----------|--|--|
| Revenue | | | |
| Revenue from Operations | 21 | 73,006,450 | 345,915,427 |
| Other Income | 22 | 636,952,977 | 5,017,143 |
| Total Revenue | | 709,959,427 | 350,932,570 |
| Expenses | | | |
| Employee Benefits Expense | 23 | 185,442,516 | 33,521,582 |
| Finance Costs | 24 | 498,855,529 | 1,556,298,597 |
| Depreciation and Amortization Expense | 25 | 20,591,052 | 3,797,983 |
| Other Expenses | 26 | 1,178,369,323 | 228,431,655 |
| Total Expenses | | 1,883,258,420 | 1,822,049,817 |
| Profit/ (Loss) Before Exceptional Items and Tax | | (1,173,298,993) | (1,471,117,247) |
| Exceptional Items: | | | |
| (a) Write Back of Provision for Diminution in the value of Long Term Investments in a subsidiary (Refer Note 14.2 (a)) | | - | 4,500,000,000 |
| (b) Provision for diminution in value of long term investment in a subsidiary (Refer Note 14.2 (b)) | | - | (150,000,000) |
| (c) Provision for diminution in value of long term investment in a subsidiary (Refer Note 14.2(c)) | | - | 38,500,000 |
| (d) Profit /(Loss) on Sale of Long Term Investment in subsidiary/ Joint Venture (Refer Note 14.2 (c)) | | - | (4,499,910,000) |
| Profit/ (Loss) before Tax | | (1,173,298,993) | (1,582,527,246) |
| Tax Expense | | | |
| Current Tax | | | |
| - For the year | | - | 15,506,000 |
| - MAT Credit Entitlement | | 49,767,295 | - |
| - For earlier years | | (122,462,961) | (5,632,545) |
| Deferred Tax (Net) | | 1,225,800 | - |
| Profit / (Loss) for the Year | | (1,101,829,127) | (1,592,400,702) |
| Earnings per equity share | 28 | | |
| Basic (Face value of ₹ 10 each) | | (6.19) | (8.94) |
| Diluted (Face value of ₹ 10 each) | | (6.19) | (8.94) |
| Overview and Significant Accounting Policies | 1 & 2 | | |

The accompanying notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date

For and on behalf of the Board of Directors

For **SS Kothari Mehta & Co.**
Firm Registration No. 000756N
Chartered Accountants

Sd /-
NAVEEN AGGARWAL
Partner
Membership No: 094380

Sd /-
KRISHNAN SUBRAMANIAN
Director-Finance
(DIN- 08038047)

Sd /-
RAMA KRISHNA SHETTY
Director
(DIN-01521858)

Sd /-
ASHOK MEHTA
Interim CEO

Sd /-
REENA JAYARA
Company Secretary
Membership No: A19122

Place : Gurugram
Date : May 30, 2018

Place : Gurugram
Date : May 30, 2018



| Particulars | Year Ended March 31, 2018 Amount (₹) | Year Ended March 31, 2017 Amount (₹) |
|--|--|--|
| A Cash Flow From Operating Activities: | | |
| Profit / (Loss) after Exceptional Item but Before Tax | (1,173,298,993) | (1,582,527,246) |
| Adjustments for: | | |
| Loss/(profit) on Sale of Fixed Assets (net) | (227,619) | 59,692 |
| Income from Arbitrage and Trading of Securities and Derivatives | (2,445,595) | - |
| Interest on Income Tax refund | (73,902,515) | - |
| Interest on Fixed Deposit | (427,294) | - |
| Amortisation of Discount on issue of Commercial Paper | 194,771,195 | - |
| Amortisation of Expenses related Issue of Non-Convertible Debentures | 3,141,030 | - |
| Depreciation and Amortisation Expense | 20,591,052 | 3,797,983 |
| Interest Cost on Debentures/ Term Loan | 300,937,889 | - |
| Fixed Asset Written off | 480,754 | - |
| Provision for Gratuity and Leave Encashment | 4,442,792 | 6,668,000 |
| Contingent Provision on Standard Assets (net) | 2,840,000 | (4,000,000) |
| Loss/ (Profit) on Sale of Non Current Investments | (45,400,499) | 4,499,910,000 |
| Write Back of Provision for Diminution in the Value of Non Current Investments in Subsidiaries | - | (4,538,500,000) |
| Provision for Diminution in value of Non Current Investments | 50,000 | 153,000,000 |
| Provision for Non Performing Assets | 830,412,052 | - |
| Provision for security deposit | 12,603,490 | - |
| Provision for Deferred Consideration | - | 6,900,000.00 |
| Liabilities Written Back (net) | (148,972,451) | (1,017,143) |
| Payment for Gratuity and leave encashment | (10,466,000) | - |
| Unrealised foreign exchange loss (net) | 1,548 | 113,382 |
| Operating Profit/Loss before Working Capital changes | (84,869,164) | (1,455,595,333) |
| Adjustments for changes in Working Capital : | | |
| - (Increase)/Decrease in Other Non-Current Assets | (37,671,891) | - |
| - (Increase)/Decrease in Long Term Loans & Advances | (712,061,250) | 12,247,795 |
| - (Increase)/Decrease in Short Term Loans & Advances | (272,208,882) | 1,494,835,816 |
| - (Increase)/Decrease in Other Current Assets | (56,953,313) | 55,829,295 |
| - Increase/ (Decrease) in Trade Payables | (40,909,218) | 124,683,445 |
| - Increase/ (Decrease) in Other Long - Term Liabilities | (452,712,329) | - |
| - Increase/ (Decrease) in Other Current Liabilities | (1,062,922,875) | 696,657,329 |
| - Provision for Income tax for earlier years reversed | 122,462,961 | - |
| - MAT credit reversed | (49,767,295) | - |
| Cash Generated From / (Used in) from Operations | (2,647,613,258) | 928,658,347 |
| - Taxes (Paid) / Refunds (Net) | 28,210,429 | 743,585 |
| Net Cash Generated From / (Used) in Operating Activities | (2,619,402,829) | 929,401,932 |
| B Cash Flow From Investing Activities: | | |
| Adjustments for changes in : | | |
| Purchase of Fixed Assets | (221,266) | (110,136) |
| Proceeds from Sale of tangible assets | 336,758 | 5,212 |
| Proceeds from Sale of Non Current / Current Investments in: | | |
| - subsidiary companies (Equity/ Debentures/Commercial Papers (CPs)/Preference Shares) | 36,874,317 | 90,000 |
| - others (including units of mutual funds) | 3,959,744,296 | 25,844,500,008 |
| Investments in Non Current/ Current Investments of: | | |
| - subsidiary Companies (Including Equity share/Debentures/ Preference Shares/CPs) | (674,755,500) | (603,392,601) |
| - Others (including units of mutual funds) | (3,955,982,930) | (25,754,500,008) |
| - Changes due to the effect of scheme of arrangement (Fixed Asset) | (39,798,858) | - |
| - Changes due to effect of scheme of arrangement (Investment) | 5,605,700,486 | - |
| - Interest on Fixed deposits | 427,294 | - |
| Net Cash Generated From/ (Used in) Investing Activities | 4,932,324,597 | (513,407,525) |



Cash Flow Statement for the year ended March 31, 2018

Particulars

| Year Ended March 31, 2018 Amount (₹) | Year Ended March 31, 2017 Amount (₹) |
|---|--|
| C Cash Flow From Financing Activities: | |
| Redemption of Preference Share Capital (including premium) | - (5,239,900,772) |
| Proceeds from fresh issue of Preference Share Capital | - 250,000,000 |
| Interest Paid | (179,900,615) - |
| Share Application money pending for allotment | - 16,905,000 |
| (Repayment) of Long Term Secured Borrowings (NCDs) | (1,361,000,000) (1,361,500,000) |
| Proceeds of Long Term Secured Borrowings (NCDs) | - 4,250,000,000 |
| Repayment from Short Term Borrowings - Inter Corporate Loan | (557,400,000) - |
| Proceeds of Short Term Borrowings -Inter Corporate Loans | 5,052,104,430 2,500,000 |
| Proceeds from Short Term Borrowings - Commercial Paper | - 24,296,914,925 |
| Repayment of Commercial Paper | (1,478,156,845) (22,620,000,000) |
| Changes due to effect of scheme of arrangement (Commercial papers) | (3,801,328,352) - |
| Net Cash Generated From/ (Used In) Financing Activities | (2,325,681,381) (405,080,847) |
| Net Increase/ (Decrease) in Cash and Cash Equivalents | (12,759,613) 10,913,560 |
| Cash and Cash Equivalents at the Beginning of the Year | 21,831,952 10,918,392 |
| Cash and Cash Equivalents at the end of the Year | 9,072,339 21,831,952 |
| <u>Cash and Cash Equivalents at the end of the Year comprises of</u> | |
| Cash in hand | 167,847 18,127 |
| Cheques/ Stamps in hand | 181,451 186,100 |
| Balances with Scheduled Banks in Current Accounts | 3,481,791 21,627,725 |
| Balances with Scheduled Banks in Fixed Deposit | 5,241,250 - |
| TOTAL | 9,072,339 21,831,952 |

Notes :

- (1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.
- (2) Figures in the bracket indicate cash outgo / income.
- (3) Previous year's figures have been regrouped and rearranged wherever necessary to conform to the current year's classification.

The accompanying notes are an integral part of these Financial Statements

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For SS Kothari Mehta & Co.
Firm Registration No. 000756N
Chartered Accountants

Sd /-
NAVEEN AGGARWAL
Partner
Membership No: 094380

Sd /-
KRISHNAN SUBRAMANIAN
Director-Finance
(DIN- 08038047)

Sd /-
RAMA KRISHNA SHETTY
Director
(DIN-01521858)

Sd /-
ASHOK MEHTA
Interim CEO

Sd /-
REENA JAYARA
Company Secretary
Membership No: A19122

Place : Gurugram
Date : May 30, 2018

Place : Gurugram
Date : May 30, 2018



1. OVERVIEW

Religare Enterprises Limited ("REL" or "the Company") is a leading emerging markets financial services company in India. REL was originally incorporated as a private limited company under the Companies Act, 1956 on January 30, 1984. The Company is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company was registered with the Reserve Bank of India as a Non-Banking Financial Company under section 45 IA of RBI Act, 1934 governed by erstwhile Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("NBFC Directions").

The Company now holds the Certificate of Registration as a Non-Deposit Taking Systemically Important Core Investment Company ("CIC-ND-SI") vide Certificate No. N-14.03222 dated June 03, 2014 issued by the Reserve Bank of India ("RBI") and accordingly at present is governed by the directions contained in Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016 ("CIC Directions"). More than 90% of its total assets are invested in Non Current Investments in group companies.

W.e.f. December 1, 2016, the Company has changed its registered office from D3, P3B District Centre, Saket, New Delhi -110017 to 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi -110019.

Hon'ble NCLT vide its order dated December 08, 2017 approved the Scheme of Arrangement/ Amalgamation between Religare Securities Limited (excluding broking business which has been demerged into Religare Broking Limited, a wholly owned subsidiary of the Company), Religare Commodity Broking Private Limited, RGAM Investment Advisers Private Limited, Religare Venture Capital Limited, Religare Arts Investment Management Limited, Religare Capital Finance Limited, RGAM Capital India Limited, Religare Investment Advisors Limited, Religare Support Services Limited, Religare Arts Initiative Limited, Religare Capital Markets (India) Limited, Religare Broking Limited and Religare Enterprises Limited. Certified copy of the NCLT Order has been filed with Registrar of Companies on December 29, 2017. Appointed date of Scheme is April 1, 2016 and effective date of scheme is December 29, 2017. The effect of the scheme is considered during the year ended March 31, 2018. The effect of the scheme is considered during previous quarter and nine months ended December 31, 2017 only. Figures for the quarter and year ended March 31, 2017 have not been reworked and restated. Accordingly, the financials are not fully comparable. Religare Enterprises Limited (REL) is a diversified financial services group present across three verticals. REL offers an integrated suite of financial services through its underlying subsidiaries and operating entities, including loans to SMEs, Affordable Housing Finance, Health Insurance and Retail Broking. REL is listed on the BSE (formerly Bombay Stock Exchange) and National Stock Exchange (NSE) in India.

2. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF ACCOUNTING

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 ("Companies Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation with and after examination of recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, NBFC Master Directions, 2016 and CIC Directions.

The Ministry of Corporate Affairs ("MCA") has issued the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on April 1, 2016 or after the date of notification.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act read with CIC Directions as aforesaid. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

B) USE OF ESTIMATES

The presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which results are known / materialized.

C) REVENUE RECOGNITION

- (i) Interest income from financing activities is recognized on an accrual basis except in the case of non-performing assets, where it is recognised on realisation, as per the NBFC Master Directions, 2016 and CIC Directions.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

- (ii) Dividend from investments is accounted for as income when the right to receive dividend is established by the reporting date. Dividend income is included under the head "Revenue from Operations" in the Statement of Profit and Loss.
- (iii) Income from Interest on Fixed Deposits is recognized on an accrual basis.
- (iv) Profit earned on sale of securities is recognised on trade date basis, net of expenses. The cost of securities is computed based on weighted average basis.
- (v) Income from Support Services Fees for rendering of professional services to group companies is recognized on accrual basis.
- (vi) Revenue excludes service tax, goods and service tax.

D) PROPERTY, PLANT AND EQUIPMENT -TANGIBLE ASSETS

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses. Cost for this purpose includes purchase price, non refundable taxes or levies and other directly attributable costs of bringing the asset to its working condition for its intended use. Subsequent expenditure related to an item of tangible assets is added to its book value only if it increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost less accumulated depreciation are recognised in the Statement of Profit and Loss.

E) INTANGIBLE ASSETS

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated depreciation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

F) DEPRECIATION

Immovable assets at the leased premises including civil works, electrical items are capitalized as leasehold improvements and are amortized over the primary period of lease subject to maximum of 6 years.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or the rates based on the useful life of the asset as estimated by the Management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is provided for on a pro-rata basis on the assets acquired, sold or disposed off during the year.

| Asset Description | Useful life and rates specified in Schedule II of Companies Act-2013 application on or after April 1, 2014 | | Useful life and rates considered by the Company on or after April 1, 2014 | |
|------------------------|--|-----------------------|---|-----------------------|
| | Useful Life of Asset (In year) | Depreciation Rate (%) | Useful Life of Asset (In year) | Depreciation Rate (%) |
| Office Equipment's | 5 | 20% | 2 to 5 | 20 % - 50% |
| Server and Networks | 6 | 16.67% | 5 to 6 | 16.67% - 20% |
| Laptop, Desktop etc. | 3 | 33.33% | 3 | 33.33% |
| Furniture and Fixtures | 10 | 10% | 10 | 10% |
| Car | 8 | 12.50% | 8 | 12.50% |

G) INVESTMENTS

Investments are classified into non current investments and current investments. Investments which are by nature readily realisable and intended to be held for not more than one year from the date of investment are current investments and Investments other than current investments are long term investments. Non Current investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for Current investments are valued at lower of cost and fair/ market value.



In case of mutual funds, the net asset value of the units declared by the Mutual Funds is considered as the fair value.

H) FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.
- (ii) Exchange differences arising on settlement of revenue transactions are recognized in the Statement of Profit and Loss.
- (iii) Monetary items denominated in foreign currency are restated using the exchange rates prevailing at the date of the balance sheet and the resulting net exchange difference is recognized in the Statement of Profit and Loss.

I) EMPLOYEE BENEFITS

- (i) Contribution towards provident fund for all employees is made to regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on monthly basis which are charged to the Statement of Profit and Loss as incurred.
- (ii) The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contribution to the gratuity fund ("Religare Enterprises Limited Group Gratuity Scheme") established as trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet Date.
- (iii) The employees of the Company are entitled to compensate absences and leave encashment as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation as at the Balance Sheet date.
- (iv) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Statement of Profit and Loss as income or expense.
- (v) The undiscounted amount of short - term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period when the employee renders the service.
- (vi) Stock Options granted to eligible employees under the relevant Stock Option Schemes are accounted for at intrinsic value as per the accounting treatment prescribed by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 ("SEBI Regulations"). Accordingly, the excess of average market price, determined as per SEBI Guidelines of the underlying equity shares (market value) over the exercise price of the options is recognized as deferred stock option expense and is charged to Statement of Profit and Loss on a straight line basis over the vesting period of the options. The unamortised portion of the cost is shown under reserves and surplus.

J) LEASED ASSETS

- (i) Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.
- (ii) Assets given on operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct cost such as legal costs, brokerages etc. are charged to Statement of Profit and Loss as incurred.

K) TAXES ON INCOME

- (i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- (ii) Provision for taxation for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years. Deferred Tax Asset are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.



- (iv) Deferred Tax asset and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.
- (v) Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is intention to settle the assets and the liabilities on a net basis.
- (vi) Deferred tax asset and liabilities are offset when there is a legally enforceable rights to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.

L) PROVISIONS, CONTINGENT LIABILITIES

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are disclosed where there is a possible obligation arising from past events, the existence of which will be conformed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or at present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settled or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. Provision for non-performing assets and contingent provision against standard assets has been made as per NBFC Master Directions 2016.

M) IMPAIRMENT OF ASSETS

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is adjusted/ reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

N) BORROWING COSTS

Borrowing costs include interest and amortisation of ancillary costs (such as Loan processing charges and Debenture Issue Expenses) incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or development of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit and Loss in which they occur.

O) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

P) SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses/ income".

Q) EARNINGS PER SHARE

The Basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year.

For the purpose of calculating Diluted earnings per share the net profit / loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the reporting year is adjusted for the effects of all dilutive potential equity shares

In considering whether potential equity shares are dilutive or antidilutive, each issue or series of potential equity shares is considered separately rather than in aggregate.



3. Share Capital

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Authorized Capital (Refer Note 4.1 (a)) * | | |
| 654,450,000 ((March 31, 2017: 250,000,000) Equity Shares of ₹ 10/- each | 6,544,500,000 | 2,500,000,000 |
| 162,000,000 (March 31, 2017: 100,000,000) Redeemable Preference shares of ₹ 10/- each | 1,620,000,000 | 1,000,000,000 |
| Total | 8,164,500,000 | 3,500,000,000 |
| Issued, subscribed and fully paid up shares | | |
| 178,455,248 (March 31, 2017: 178,334,498) Equity Shares of ₹ 10/- each | 1,784,552,480 | 1,783,344,980 |
| 1,500,000 (March 31, 2017: 1,500,000) 13.66% Cumulative Non Convertible Redeemable Preference shares of ₹ 10/- each | 15,000,000 | 15,000,000 |
| 25,000,000 (March 31, 2017: 25,000,000) 0.01% Non Cumulative Non Convertible Redeemable Preference shares of ₹ 10/- each | 250,000,000 | 250,000,000 |
| Total Issued, Subscribed and Fully Paid Up Shares | 2,049,552,480 | 2,048,344,980 |

* Consequent to approval of merger order the Authorised Share Capital of the Company stands increased with effect from December 29, 2017 from ₹ 3,500,000,000 (250,000,000 Equity Shares of ₹ 10/- each and 100,000,000 Redeemable Preference Shares of ₹ 10/- each) to ₹ 8,164,500,000 (654,450,000 Equity Shares of ₹ 10/- each and 162,000,000 Redeemable Preference shares of ₹ 10/- each)

3.1 Reconciliation of the shares outstanding at the beginning and at the end of reporting period

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|----------------------|----------------------|---------------|
| | Number | Amount (₹) | Number | Amount (₹) |
| Issued, subscribed and fully paid up Equity Shares of ₹ 10/- each | | | | |
| Balance at the beginning of the year | 178,334,498 | 1,783,344,980 | 178,334,498 | 1,783,344,980 |
| Add: Shares issued during the year through ESOP | 120,750 | 1,207,500 | - | - |
| Balance at the end of the year | 178,455,248 | 1,784,552,480 | 178,334,498 | 1,783,344,980 |
| 13.66% Cumulative Non Convertible Redeemable Preference shares of ₹ 10/- each Fully Paid Up | | | | |
| Balance at the beginning of the year | 1,500,000 | 15,000,000 | 25,000,000 | 250,000,000 |
| Less: Redeemed during the year (Refer Note 3.2 (c)) | - | - | 23,500,000 | 235,000,000 |
| Balance at the end of the period/ year | 1,500,000 | 15,000,000 | 1,500,000 | 15,000,000 |
| 0.01% Non Convertible Non Cumulative Redeemable Preference shares of ₹ 10/- each Fully Paid Up | | | | |
| Balance at the beginning of the year | 25,000,000 | 250,000,000 | - | - |
| Add: Shares issued during the year (Refer Note 3.2 (d)) | - | - | 25,000,000 | 250,000,000 |
| Balance at the end of the year | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 |
| Total | 204,955,248 | 2,049,552,480 | 204,834,498 | 2,048,344,980 |

Subsequent to the Balance Sheet Date, Pursuant to shareholders approval dated March 18, 2018, the Investment, Borrowing and Share Allotment Committee of the Board of Directors on April 19, 2018 issued and allotted 111,497,914 convertible warrants at a price of ₹ 52.30 per share (including a premium of ₹ 42.30 per share) each on preferential basis under the provisions of Chapter VII of Securities Exchange and Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended "ICDR Regulations" and Section 62 and 42 of the Companies Act, 2013.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

The company has received upfront payment of ₹ 1,457,835,243, equivalent to 25% of total consideration as per terms of preferential issue. Subsequent to the balance sheet date two convertible warrant holder i.e Milky Investment and Trading Company and M.B. Finmart Private Limited, have exercised their rights for conversion and applied for conversion of part of the warrants into equity share. Consequently, the Investment, Borrowing, and Share allotment committee of the Board of Directors at its meeting held on May 29, 2018 has made allotment of 3,824,091 Equity share of face value of ₹10/- (with premium of ₹ 42.30 per equity share). The Company is yet to make an application for listing with the stock exchanges.

3.2 (a) The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital is as under:

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each shareholder is entitled to one vote per share. The company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

(b) The rights, preferences and restrictions attaching to Preference Shares including restrictions on the distribution of dividends and the repayment of capital is as under:

Board of Directors of the Company on September 28, 2013 approved the proposal to seek the consent of preference shareholders of the Company to vary the terms and conditions of 56,100,000 preference shares 13.66% of face value of ₹ 10/- each including but not limited to the change in date of redemption. All Preference shareholders have given their consent on October 15, 2013 under section 48 (1) of the Companies Act, 2013 (erstwhile Section 106 of the Companies Act, 1956) to vary the terms and conditions. Out of these shares, 1,500,000 13.66% preference shares are outstanding as at March 31, 2018.

(c) The company has following classes of Preference Shares:

13.66% Cumulative Redeemable Preference Shares

The face value of each preference share is ₹ 10. The shares shall have same voting rights applicable to the preference shares under the Companies Act, 2013. Each preference share entitles the holder a right to receive, in priority to Equity shareholder, preference dividend on cumulative basis at a rate not exceeding 13.66% per financial year. In the event of liquidation of the Company, the holder is entitled to receive in priority to all equity shares, amount equal to the total of paid up capital plus the redemption premium, any unpaid dividend as per the terms of issue. The aggregate shares allotted were 50,000,000 at ₹ 100 each (including premium of ₹ 90 per share) of which the company had already redeemed 25,000,000 shares at premium (12,000,000 shares at ₹ 144.26 per share and 13,000,000 shares at ₹ 138.28 per share) in prior years.

During the previous year ended March 31, 2017, the Company redeemed 23,500,000 shares at ₹ 222.97 (at a premium of ₹ 212.97 per share). Redemption was being made out of the proceeds of the fresh issuance of 25,000,000 no(s) of 0.01% Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") on private placement basis.

The redemption of above shares had been made out of proceeds of preferential allotment of shares as stated in Note 3.2 in accordance with provisions of Section 55 of the Companies Act, 2013 (erstwhile Section 80 of the Companies Act 1956) and no amount required to be transferred to Capital Redemption Reserve, since the redemption of the aforesaid preference shares has been made out of proceeds of the preferential allotment.

Preference Shareholders of the Company relinquished their voting rights by virtue of Section 47(2) of the Companies Act, 2013 (erstwhile Section 87 (2) (b) of the Companies Act, 1956).

The repayment terms of preference shares issued are as below:

The above shares are redeemable at an amount (including premium) not exceeding ₹ 269.36 per share on October 31, 2018 or at an earlier date as may be decided by the Board of Directors of the Company.

(d) 0.01% Non Convertible Non Cumulative Redeemable Preference Shares

The face value of each preference share is ₹ 10. The shares shall have same voting rights applicable to the preference shares under the Companies Act, 2013. Each preference share entitles the holder a right to receive, in priority to Equity shareholder, preference dividend on non cumulative basis at a rate not exceeding 0.01% per financial year. In the event of liquidation of the Company, the holder is entitled to receive in priority to all equity shares, amount equal to the total of paid up capital plus the redemption premium, any unpaid dividend as per the terms of issue. The shares are allotted in one tranche on August 30, 2016 having face value of ₹ 250,000,000 at par. The redemption of all or part of preference shares can take place any time prior to final redemption, at the option of the Company. The above shares are redeemable at an amount (including premium) not exceeding ₹ 168.51 per share on August 30, 2021.


3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

| Name of the Shareholder | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|--------------|----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| a. Equity Shares | | | | |
| RHC Finance Private Limited | - | - | 29,112,634 | 16.33 |
| Malvinder Mohan Singh | - | - | 11,123,525 | 6.24 |
| Shivinder Mohan Singh | - | - | 10,876,602 | 6.10 |
| RHC Holding Private Limited | - | - | 39,709,358 | 22.27 |
| Shabnam Dhillon | - | - | 15,188,441 | 8.52 |
| India Horizon Fund Limited | 17,838,467 | 9.99 | 12,137,336 | 6.81 |
| Axis Bank Limited | 15,789,000 | 8.85 | - | - |
| Resilient India Growth Fund | 17,638,579 | 9.88 | - | - |
| International Finance Corporation | 12,818,331 | 7.18 | 12,818,331 | 7.19 |
| b. Non Convertible Preference Shares | | | | |
| Oscar Investments Limited | 1,500,000 | 5.66 | 1,500,000 | 5.66 |
| RHC Finance Private Limited | 25,000,000 | 94.34 | 25,000,000 | 94.34 |

3.4 There are no shares bought back by the company during the period of five years immediately preceding the Balance Sheet Date. There are no securities that are convertible into equity/ preference shares other than employee stock options issued by the Company.

4. Reserves and Surplus

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| a. Capital Redemption Reserve (as per last balance sheet) | | | |
| Balance at the beginning of the year | | 750,000 | 750,000 |
| Add: Transfer On account of scheme of arrangement (Refer Note 4.1) | | 11,563,700 | - |
| Balance at the end of the year | | 12,313,700 | 750,000 |
| b. Capital Reserve arises out of scheme of arrangement (Refer Note 4.1) | | 652,564,987 | - |
| c. Securities Premium Account | | | |
| Balance at the beginning of the year | | 35,356,927,396 | 40,361,828,168 |
| Add : Premium on issue of Equity/ Preference Shares issued during the year | | 15,697,500 | - |
| Less : Premium utilised for redemption of Preference Shares (Refer Note 3.2) | | - | (5,004,900,772) |
| Balance at the end of the year | | 35,372,624,896 | 35,356,927,396 |
| d. Share Options Outstanding Account (as per last balance Sheet) | | | |
| Opening Balance | | - | 902,700 |
| Less: Transfer to General Reserve (Refer Note 4.2) | | - | (902,700) |
| Closing Balance | | - | - |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| e. General Reserve | | | |
| Opening Balance | | 73,797,007 | 72,894,307 |
| Add: Transfer On account of scheme of arrangement (Refer Note 4.1) | | 191,616,771 | - |
| Add: Transfer from Share Option Outstanding Account (Refer Note 4.2) | | - | 902,700 |
| Balance at the end of the year | | 265,413,778 | 73,797,007 |
| f. Statutory Reserve U/s 45 IC of RBI Act, 1934 | | | |
| Balance at the beginning of the year | | 177,852,074 | 177,852,074 |
| Add: Transfer On account of scheme of arrangement (Refer Note 4.1) | | 793,411,151 | - |
| Balance at the end of the year | | 971,263,225 | 177,852,074 |
| g. Surplus in Statement of Profit and Loss | | | |
| Balance Profit/ (Loss) as at the beginning of the year | | (18,840,174,659) | (17,247,773,958) |
| Add: Transfer On account of Scheme of arrangement (Refer Note 4.1) | | 4,591,945,267 | - |
| Less: Transfer to Statutory Reserves U/s 45 IC of RBI Act, 1934 (Refer Note 4.1) | | (793,411,151) | - |
| Add: Provision for diminution in the value of investment written back | | 101,925,000 | - |
| Add: Profit/(Loss) for the year | | (1,101,829,127) | (1,592,400,702) |
| Balance of Profit/ (Loss) at the end of the year | | (16,041,544,671) | (18,840,174,659) |
| Total | | 21,232,635,915 | 16,769,151,818 |

- 4.1 (a) The Hon'ble NCLT vide its order dated December 08, 2017 approved the Composite Scheme of Arrangement between Religare Enterprises Limited and its eleven subsidiary. Certified copy of the NCLT Order has been filed with the Registrar of Companies on December 29, 2017. Appointed date of the Scheme is April 1, 2016 and effective date of the scheme is December 29, 2017.

Pursuant to the terms of the approved scheme of arrangement, the amalgamation has been accounted for under the pooling of interest method as prescribed by Accounting Standard 14 "Accounting for Amalgamation", accordingly all the assets and liabilities (net of intercompany balances) recorded in the books of respective subsidiaries as of April 1, 2016 has been recorded by the Company at their respective book values.

- (b) The amalgamation has been accounted for under the 'Pooling of Interest' method as prescribed by the Accounting Standard 14, 'Accounting for Amalgamations'. Accordingly, the accounting treatment has been given as under:
- 1) The assets and liabilities as at April 01, 2016 amounting to ₹ 147,806.60 Lacs and ₹ 24,117.10 Lacs respectively were incorporated in the financial statement of the Company at its book value.
 - 2) The investments held by the Company in transferor entities and related provision for diminution stand cancelled; the difference between book value of investments and face value of shares amounting to ₹ 6,525.65 Lacs has been credited to Capital Reserve.
 - 3) All outstanding inter-corporate balances including inter-company investments as at April 01, 2016 stand cancelled.
 - 4) The cumulative effect of reserves of all the entities as on April 01, 2016 amounting to ₹ 3,174.77 Lacs (Debit balance) of all the transferor entities have been incorporated under the head 'Reserves and Surplus'.
 - 5) Pursuant to the Scheme of Arrangement, the broking business of Religare Securities Limited (RSL) got demerged into Religare Broking Limited (RBL) and RSL's net assets of ₹ 18,079.08 Lacs as at April 1, 2016 have been transferred to RBL. As part of this transaction, the Company was allotted 34,492,800 equity shares of face value of ₹ 10 each in RBL.



(c) Nature of Business of the amalgamating companies :

| | |
|---|--|
| Religare Securities Limited (Other than broking business) | The company had investment in equity shares, debentures and other securities. As mentioned above broking business of the company was shifted to Religare Broking Limited. |
| Religare Commodity Broking Private Limited | The company was engaged in the business of commodity broking and had been registered as a trading member of Multi Commodity Exchange of India Limited ("MCX"). However, the Board of Directors in its meeting held on September 2, 2013 decided to surrender its commodities broking license with MCX. MCX vide its letter dated September 29, 2016 has approved the surrender of license. |
| RGAM Investment Advisers Private Limited | The company was engaged in providing investment advisory services. |
| Religare Venture Capital Limited | The company was incorporated to carry on the business of Venture Capital company as permitted under the Securities and Exchange Board of India and to promote, acquire, participate in and finance in India and abroad the Companies, Joint Ventures, Partnerships, etc. The Company had not commenced its commercial operations. |
| Religare Arts Investment Management Limited | The company was incorporated to carry on the business of organization, operation and management of collective investment schemes relating to art including paintings, sculptures, antiques, artistic value or antique value or any other intrinsic value. The Company had not commenced its commercial operations. |
| Religare Capital Finance Limited | The company was incorporated to carry on the business of Merchant Banking, Portfolio Management, other financial and advisory services, to undertake the depository participant activities for all kind of securities, to provide financial consultancy services and to carry out the business of Mutual Funds, receive funds from investors, equity or debts instrument research activity. The Company had not commenced its commercial operations. |
| RGAM Capital India Limited | The company was incorporated to carry on the business of providing financial, investment advisory services, management and facilitation services. The Company had not commenced its commercial operations. |
| Religare Investment Advisers Limited | The company was incorporated to carry on the business of providing financial, investment advisory services, including but not limited to identifying investment opportunities, conducting analysis and assessment, providing investment recommendations and consultancy to clients. The Company had not commenced its commercial operations. |
| Religare Support Services Limited | The company was engaged in the business of providing the support services in form of corporate functions and shared services to its holding company, fellow subsidiaries and associates of the holding company alongwith providing shared infrastructure facilities. |
| Religare Arts Initiative Limited | The company was incorporated to carry on the business of buying, selling, trading, stocking, importing-exporting, auctioning, promoting, exhibiting, hiring and dealing in art including paintings, sculptures, antiques, artistic value or antique value or any other intrinsic value and to promote art and provide art related services like gallery space, valuation, authentication, collection building, custodial services to the clients. |
| Religare Capital Markets (India) Limited | The company was incorporated to carry on business of Merchant Banking, Portfolio Management and other financial advisory service activities and to provide custodial and depository service of all kind of securities. The Company had not commenced its commercial operations. |

Resources of all the companies have been combined by amalgamating them to maximise synergies, reduce costs and consolidate the resources while eliminating multiple legal entities.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

- (d) As all the amalgamating companies were wholly owned subsidiaries of the Company (directly or indirectly), by the effective date of the scheme, no consideration was payable on amalgamation with the Company.
- (e) The effect of the scheme is considered during previous quarter and nine months ended December 31, 2017 only. Figures for the quarter and year ended March 31, 2017 have not been reworked and restated. Accordingly, the results are not fully comparable.

4.2 Share Application Money Pending for Allotment received from employees towards exercise of stock options:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|------------|----------------------|------------|
| | No of shares | Amount (₹) | No of shares | Amount (₹) |
| Equity shares of face value of ₹ 10 each proposed to be issued | - | - | 120,750 | 16,905,000 |
| TOTAL | - | - | 120,750 | 16,905,000 |

- (a) The Company had received share application money of ₹ 16,905,000 from whole time director (as an employee) under Employee Stock Option Scheme 2006 which was pending allotment till the year end March 31, 2017. During the year ended March 31, 2018, the above share application money has been allotted to 120,750 number of equity shares having face value of ₹ 10 each aggregating to ₹ 1,207,500 on May 19, 2017.
- (b) Further, whole time director of the company, had gifted 800,000 equity shares of the company to his wife during the period October 17, 2016 to October 21, 2016 (Trading window closure period). The company, based upon detailed investigation and collated views of the independent legal professional concluded that transactions in the nature of gift is in the ambit of term "Trading" as under the SEBI (Prohibition of Insider Trading) Regulations 2015 ("PIT Regulation") and the Company's Code of Conduct for prevention of Insider Trading.

Accordingly, as per the recommendation of the Audit Committee, for the non-compliances listed above, a monetary penalty of ₹ 5,000,000 had been levied alongwith restrictions not to do any trading of shares of the Company in the next 6 months, either directly or indirectly. This was intimated to SEBI vide intimation letter dated May 18, 2017 and necessary disclosures have been made to National Stock Exchange of India Limited and BSE Limited ("Stock Exchanges") on May 17, 2017. The matter was under follow up for recovery of penalty.

Subsequent to the balance sheet date the company has adjusted the penalty amount of ₹ 5,000,000/- against the the dues payable by the company to him. The Board of directors of the company vide its meeting held on May 16, 2018 approved to contribute the penalty amount levied on Mr Godhwani to Prime Minister National Relief Fund ("PMNRF").

5. Long Term Borrowings

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Unsecured Loans | | |
| Non Convertible Debentures (Refer Note 5.1) | - | 4,250,000,000 |
| Total | - | 4,250,000,000 |
| Total | - | 4,250,000,000 |

5.1 Details of Privately Placed Unsecured Non Convertible Debentures (NCD's) outstanding as on March 31, 2018 are as below:

| Coupon Rate | Current | Non Current | As at March 31, 2018 | Current | Non Current | As at March 31, 2017 |
|--------------|---------|-------------|-------------------------|---------|---------------|-------------------------|
| 12% * | - | - | - | - | 4,250,000,000 | 4,250,000,000 |
| Total | - | - | - | - | 4,250,000,000 | 4,250,000,000 |

*During the previous year ended March 31, 2017, the company has issued and allotted long term unsecured, unrated and unlisted redeemable 4,250 Non Convertible Debentures of face value of ₹ 1,000,000 each ("NCD") for cash at par, on a private placement basis, aggregating to ₹ 3,800,000,000 to erstwhile Religare Securities Limited and ₹ 450,000,000 to erstwhile RGAM Investment Advisers Private Limited, stand cancelled pursuant to the scheme of arrangement. (Refer note No. 4).

**6. Other Long Term Liabilities**

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Interest Accrued but not due on Unsecured Loans | - | 452,712,329 |
| Total | - | 452,712,329 |

7. Long Term Provisions

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|--|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) Provision for employee benefits | | | |
| Leave Encashment | | 3,846,000 | 2,033,000 |
| (b) Others | | | |
| - Provision for diminution in the value of Non-Current Investments | | 6,210,503,643 | 6,920,371,670 |
| Total | | 6,214,349,643 | 6,922,404,670 |

8. Short Term Borrowings

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Unsecured | | |
| Inter Corporate Loan (Refer Note 8.1) (Amount due to related party) | 4,481,804,424 | 2,500,000 |
| Inter Corporate Loan (Amount due to Non related party) | 15,400,006 | - |
| Commercial Papers (net) (Refer Note 8.2) | 296,646,866 | 5,381,360,868 |
| Total | 4,793,851,296 | 5,383,860,868 |

8.1 Inter Corporate Loan from Related Parties

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| From Related Party | | |
| RGAM Investment Advisers Private Limited | - | 2,500,000 |
| Religare Comtrade Limited (Refer Note 32b) | 2,626,804,424 | - |
| Religare Finvest Limited (Refer Note 32b) | 1,855,000,000 | - |
| Total | 4,481,804,424 | 2,500,000 |

Rate of interest for above loans ranges between 9.5% to 16.5% p.a.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

8.2. The maximum amount of face value of the Commercial Paper outstanding at any time during the year was ₹ 7,742,863,800/- (Previous Year ₹ 6,950,000,000/-). The aggregate amount outstanding is as below:

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--------------------------------|-------------------------|---------------------------|
| | Amount (₹) | Amount (₹) |
| Discount Rate (Range) | 9.73% | 7.50% to 11.00% |
| Issued date to Redemption Date | May 2017 to May-2018 | April 2016 to Aug-2017 |
| Total Outstanding Balance | 300,000,000 | 5,490,000,000 |
| Less: Unamortised Discount | (3,353,134) | (108,639,132) |
| Net Outstanding Balance | 296,646,866 | 5,381,360,868 |

9. Trade Payables

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 109,942,075 | 150,851,294 |
| Total | 109,942,075 | 150,851,294 |

10. Other Current Liabilities

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| (a) Current maturities of long-term debt (Refer Note No.10.2) | - | 3,121,000,000 |
| (b) Interest accrued but not due on Secured Loans (NCDs) (Refer Note No.10.2) | - | 1,358,001,427 |
| (c) Interest accrued but not due on Unsecured Loans (ICDs) | 119,204,118 | 20,034 |
| (c) Interest accrued and due on Unsecured Loans (ICDs) | 1,853,190 | - |
| (d) Book Overdraft | 37,978,983 | - |
| (e) Unpaid dividends (Refer Note 10.1) | - | 208,918 |
| (f) Taxes & Other Statutory Payables | 4,820,762 | 22,217,852 |
| (g) Security Deposits | 181,905,302 | - |
| (h) Others (Includes amount payable to Religare Broking Limited on account of transfer under scheme of arrangement) | 484,864,962 | 5,976,282 |
| Total | 830,627,317 | 4,507,424,513 |

10.1 During the year ended March 31, 2018, unpaid dividend of ₹ 208,918 pertaining to the year 2009-10 has been transferred to Investor Education and Protection Fund (IEPF) account of Central Government from the restricted bank accounts referred in Note 18.



10.2 Details of Privately Placed Secured Non Convertible Debentures (NCD's) outstanding as on March 31, 2018 are as below:

| Coupon Rate | Current | Non Current | As at March 31, 2018 | Current | Non Current | As at March 31, 2017 |
|--------------|---------|-------------|----------------------|---------------|-------------|----------------------|
| 14% * | - | - | - | 1,361,000,000 | - | 1,361,000,000 |
| Zero ** | - | - | - | 1,760,000,000 | - | 1,760,000,000 |
| Total | - | - | - | 3,121,000,000 | - | 3,121,000,000 |

* Date of Allotment: March 28, 2013, Redeemed on June 30, 2017

** Date of Allotment: March 28, 2013, stand cancelled due to scheme of arrangement

The above listed Non-Convertible Debentures (NCDs) were privately placed with FIIs/ Corporates/ Banks and Trust and were secured by way of first mortgage / charge on the Company's asset and Investment in Equity Shares of its certain subsidiaries and the assets cover thereof exceeds hundred percent of the principal amount of the said debentures. Details of secured NCDs is as follows:

| Next Due Date | March 31, 2018 | | March 31, 2017 | |
|----------------------|----------------|----------|----------------|---------------|
| | Principal | Interest | Principal | Interest |
| Series - I (14%) | NA | NA | June 30, 2017 | June 30, 2017 |
| Series - II (Zero %) | NA | NA | Mar-28, 2018 | Mar-28, 2018 |

Interest and Principal have been paid on the due dates. The Company domestic ratings has revised from 'IND AA-/Stable' to 'IND A1/ Watch Negative' from India Ratings & Research Private Limited in respect of its borrowing in form of Non Convertible Debentures (NCD).

10.3 On March 28, 2013 the Company had allotted 14% Listed Rated Secured Non Convertible Debentures of face value of ₹ 1,000,000 each which are secured by charge over land of the Company in Gujarat and pledge over 100% equity shares of Religare Finvest Limited. The charge on the land has been vacated in July, 2017.

Further, the Company had also allotted Zero Coupon Rated Listed Secured Non Convertible Debentures of face value of ₹ 1,000,000 each which are secured by charge over land of the Company in Gujarat and pledge over 2,735,914 (Previous Year 2,735,914) equity shares of Religare Securities Limited and 10,650,000 preference shares of RGAM Investment Advisers Private Limited (Previous Year 10,650,000 preference shares of RGAM Investment Advisers Private Limited) held by the Company. The principal amount and interest had been paid on the due date(s) upto June 30, 2017. or the previous year ended March 31, 2018, the Company has bought back and cancelled 1,240 Zero Coupon Secured Rated Listed Non Convertible Debentures face value of ₹ 1,000,000 each. The charge on debenture has been satisfied on April 05, 2018.

11. Short Term Provisions

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|---|----------------------|----------------------|
| | Amount (₹) | Amount (₹) |
| Leave Encashment | 3,631,000 | 160,000 |
| Gratuity | 2,262,000 | 4,679,000 |
| Provision for security deposit | 12,603,490 | - |
| Provision against Recoverable for Support services | 35,817,216 | - |
| Provision for Non Performing Assets | 895,963,145 | - |
| Contingent Provision on Standard Assets (Refer Note no. 11.1) | 2,840,000 | 3,000,000 |
| Total | 953,116,851 | 7,839,000 |

11.1 Contingency provision represents 0.45% (Previous Year 0.40%) of the Outstanding Standard Loans, which is in compliance with provisioning requirements for NBFCs prescribed under Master Direction DNBR.PD.008/03.10.119/2016-17-Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.



12. Property, Plant and Equipment - Tangible Assets

| Particulars | Gross Block | | | | | Depreciation | | | | | Net Block Balance as at March 31, 2018 |
|------------------------------------|-----------------------------------|--|---------------------------------|---|------------------------------------|-----------------------------------|--|---------------------------------|---|---------------------------------------|---|
| | Balance as at April 1, 2017 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2018 | Balance as at April 1, 2017 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2018 | |
| | Amount (₹) | | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) |
| Land | 2,471,290 | - | - | - | 2,471,290 | - | - | - | - | - | 2,471,290 |
| Computer System and Peripherals | 865,873 | 21,507,140 | 116,275 | 1,144,638 | 21,344,651 | 840,852 | 19,843,465 | 730,195 | 1,129,361 | 20,285,150 | 1,059,501 |
| Vehicles | 135,000 | 19,705,124 | - | 625,000 | 19,215,124 | 67,902 | 6,800,735 | 917,402 | 530,956 | 10,255,083 | 8,960,041 |
| Leasehold Improvement | - | 29,258,432 | - | 29,258,432 | - | - | 28,306,704 | 471,153 | 28,777,857 | - | - |
| Furniture & Fixture | - | 5,283,148 | - | - | 5,283,148 | - | 3,844,600 | 600,112 | - | 4,444,712 | 838,437 |
| Office Equipment | 3,648,590 | 43,271,800 | 12,491 | 525,258 | 46,407,623 | 3,461,841 | 42,045,574 | 492,138 | 525,258 | 45,474,295 | 933,327 |
| Total | 7,120,753 | 119,025,644 | 128,766 | 31,553,328 | 94,721,835 | 4,370,595 | 100,841,078 | 6,211,001 | 30,963,432 | 80,459,240 | 14,262,596 |

Tangible Assets

| Particulars | Gross Block | | | | | Depreciation | | | | | Net Block Balance as at March 31, 2017 |
|------------------------------------|-----------------------------------|--|---------------------------------|---|------------------------------------|-----------------------------------|--|---------------------------------|---|---------------------------------------|---|
| | Balance as at April 1, 2016 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2017 | Balance as at April 1, 2016 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2017 | |
| | Amount (₹) | | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) |
| Land | 2,471,290 | - | - | - | 2,471,290 | - | - | - | - | - | 2,471,290 |
| Computer System and Peripherals | 1,146,293 | - | 40,635 | 321,055 | 865,873 | 987,571 | - | 109,434 | 256,153 | 840,852 | 25,021 |
| Vehicles | 135,000 | - | - | - | 135,000 | 27,159 | - | 40,743 | - | 67,902 | 67,098 |
| Office Equipment | 3,832,270 | - | 69,500 | 253,180 | 3,648,590 | 3,175,852 | - | 539,169 | 253,180 | 3,461,841 | 186,749 |
| Total | 7,584,853 | - | 110,135 | 574,235 | 7,120,753 | 4,190,582 | - | 689,346 | 509,333 | 4,370,595 | 2,750,158 |

* Refer Note 4

12.1 There are no adjustments to Property, Plant and Equipment - Tangible Assets on account of borrowing costs and exchange differences. There is no revaluation of assets during the period/ year.

12.2 Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost or revalued amount are recognised in the Statement of Profit and Loss.

12.3 The title deeds in respect of land are in the name of the Company. The charge on the land pertaining to NCDs has been vacated in July 2017.



13. Intangible Assets

| Particulars | Gross Block | | | | | Depreciation | | | | | Net Block | |
|--------------------|-----------------------------|---|---------------------------|--|------------------------------|-----------------------------|---|---------------------------|--|------------------------------|------------------------------|------------|
| | Balance as at April 1, 2017 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2018 | Balance as at April 1, 2017 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2018 | Balance as at March 31, 2018 | |
| | Amount (₹) | | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) |
| Computer Softwares | 178,907,833 | 54,944,061 | 92,500 | - | 233,944,394 | 177,648,896 | 33,329,769 | 14,380,051 | - | 225,358,716 | 8,585,678 | |
| Total | 178,907,833 | 54,944,061 | 92,500 | - | 233,944,394 | 177,648,896 | 33,329,769 | 14,380,051 | - | 225,358,716 | 8,585,678 | |

| Particulars | Gross Block | | | | | Depreciation | | | | | Net Block | |
|--------------------|-----------------------------|---|---------------------------|--|------------------------------|-----------------------------|---|---------------------------|--|------------------------------|------------------------------|------------|
| | Balance as at April 1, 2016 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2017 | Balance as at April 1, 2016 | Adjustment (Merger) Includes FY 2016-17 * | Additions during the Year | Disposals / Adjustment during the Year | Balance as at March 31, 2017 | Balance as at March 31, 2017 | |
| | Amount (₹) | | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) | Amount (₹) |
| Computer Softwares | 178,907,833 | - | - | - | 178,907,833 | 174,540,259 | - | 3,108,637 | - | 177,648,896 | 1,258,937 | |
| Total | 178,907,833 | - | - | - | 178,907,833 | 174,540,259 | - | 3,108,637 | - | 177,648,896 | 1,258,937 | |

* Refer Note 4

13.1 There are no adjustments to Intangible Assets on account of borrowing costs and exchange differences. There is no revaluation of assets during the year.

13.2 Losses arising from the retirement of, and gains or losses arising from disposal of intangible assets which are carried at cost or revalued amount are recognised in the Statement of Profit and Loss.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

14. Non Current Investments

| Particulars | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|--|------------|----------------------|----------------|----------------------|----------------|
| | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| (a) Investment in Equity Shares at Cost (Fully paid up)- Unquoted | | | | | |
| Of Subsidiaries (Unquoted) | | | | | |
| - Religare Securities Limited | ₹ 10 | - | - | 34,492,800 | 2,868,224,518 |
| - Religare Finvest Limited | ₹ 10 | 224,454,083 | 20,903,356,811 | 189,454,083 | 15,303,356,811 |
| - Religare Support Services Limited # | ₹ 10 | - | - | 30,850,000 | 417,000,000 |
| - Religare Health Insurance Company Limited | ₹ 10 | 540,009,810 | 5,400,098,100 | 472,534,260 | 4,725,342,600 |
| - RGAM Investment Advisers Private Limited | ₹ 10 | - | - | 151,994,859 | 8,961,937,265 |
| - Religare Commodity Broking Private Limited # | ₹ 10 | - | - | 300,000 | 39,856,670 |
| - Religare Arts Initiative Limited # | ₹ 10 | - | - | 41,070,000 | 308,775,001 |
| - Religare Capital Markets (India) Limited # | ₹ 10 | - | - | 50,000 | 500,000 |
| Religare Broking Limited @ | ₹ 10 | 180,795,817 | 903,738,610 | 5,000 | 50,000 |
| Religare Insurance Limited# | ₹ 10 | 5,000 | 50,000 | - | - |
| Religare Global Asset Management Inc. (U.S.A.) ** | | 10 | - | - | - |
| Religare Credit Advisors Pvt Limited (Formerly known as Religare Credit Advisors LLP)# | ₹ 10 | 9,398,262 | 218,526,000 | - | - |
| Investment in Joint Venture (Unquoted) | | | | | |
| IBOF Investment Management Private Limited | ₹ 10 | 3,499,999 | 34,999,990 | - | - |
| Investment in other than Subsidiaries (Unquoted) | | | | | |
| Equity Shares (Fully Paid Up) | | | | | |
| Netambit Infosource & E-Services Private Limited # | ₹ 1 | 67,536 | 282,332,771 | - | - |
| Capital Contribution in Limited Liability Subsidiaries | | | | | |
| ARGIL Advisors LLP | - | - | 1,000 | - | - |
| (b) Investment in Equity instruments at Cost (Partly paid up)- Unquoted | | | | | |
| Of Subsidiaries | | | | | |
| - Religare Capital Markets Limited # | ₹ 15 | 81,550,000 | 3,855,500,000 | 81,550,000 | 3,855,500,000 |
| (c) Investments in Preference Shares of other than Subsidiaries (Fully Paid Up) | | | | | |
| Netambit Infosource & E-Services Private Limited- Compulsory Convertible Cumulative Preferred Participatory Series E Preference Shares Tranche -1 & 2 -Coupon Rate 0.01% # | ₹ 10 | 40,952 | 4,095,200 | - | - |
| Of Subsidiaries (Fully Paid Up) | | | | | |
| -Religare Capital Market Limited # | | | | | |
| 0.002 % Cumulative Non-Convertible # | ₹ 10 | 170,000,000 | 1,700,000,000 | 170,000,000 | 1,700,000,000 |
| 0.003 % Cumulative Non-Convertible # | ₹ 10 | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| 0.004 % Cumulative Non-Convertible # | ₹ 10 | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| - RGAM Investment Advisers Private Limited | | | | | |
| 0.01% Non cumulative Non Convertible | ₹ 10 | - | - | 10,650,000 | 1,065,000,000 |
| Investment in Alternative Investment Fund | | | | | |
| Religare Credit Investments Trust | - | - | 7,393,597 | - | - |
| Cerestra Infrastructure Trust | - | - | 50,000,000 | - | - |
| India Bulls Real Estate Fund Category II AIF | - | - | 41,496,052 | - | - |
| Total | - | - | 33,551,588,131 | - | 39,395,542,865 |



* Reserve Bank of India (RBI) vide its letter dated January 18, 2018 has advised Religare Finvest Limited (RFL), a subsidiary of the Company, to adhere to corrective action plan given by it. The said corrective action plan, inter alia, prohibits RFL from expansion of credit / investment portfolios other than investment in government securities and advises RFL not to pay dividend.

With representations of high quality professionals on Board, REL and RFL are committed to the highest standard of corporate governance, and assist in revival of the business of Religare Finvest Limited to its past growth. Accordingly REL expects the value of its investments in RFL to be sustainable in the future, and to create shareholder value going forward. No impairment, therefore, needs to be made in the investment made by REL in the equity of RFL. Management of the RFL is in the process of taking various action including the definitive additional capital infusion plan, induction of new management personnel, discussion with RBI for relaxing the restriction imposed on the business capability of the company, initiating detailed diligence from a law firm of repute of corporate loan book and recoverables from Strategic Credit Capital Pvt Ltd ("SCCPL") and Perpetual Credit Services Private Limited besides strengthening the internal controls and corporate governance mechanism. Considering all these measures, management is of the view that there would be significant improvement in the financial position of RFL.

** Investment in RGAM Inc has been written off before scheme of arrangement.

@ On January 2, 2018, the subsidiary company Religare Broking Limited, has allotted 34,492,800 equity shares of ₹ 10 each against the company purchase consideration pursuant to the Composite Scheme of Arrangement approved by NCLT

Pursuant to the shareholders' approval in their Extraordinary General Meeting, the Board of the Company in its meeting held on January 16, 2018 has allotted 146,298,017 bonus shares of ₹ 10 each pursuant to demerger of Broking Business of Religare Securities Limited to the Company.

During the year, the Company (erstwhile RGAM Investment Advisors Private Limited) has sold its stake in Cerestra Advisors Limited.

Provision for diminution in value of its long term investments has been made in accounts.

14.1 Exceptional Items :-

Year Ended March 31, 2017

- (a) During the year ended March 31, 2017, the company has sold its investment in 450,000,000 0.02 % Preference Shares of Religare Capital Markets Limited and accounted for loss on sale of investment in aforesaid preference shares of the subsidiary of ₹ 4,491,910,000 and written back the provision for diminution in value of said investments aggregating ₹ 4,500,000,000. These have been disclosed as Exceptional Items and it has no material impact on the results for the year.
- (b) Pursuant to the terms of tripartite agreement between the Company, Religare Capital Markets Limited (RCML) and RHC Holding Private Limited, the Company has subscribed to preference shares of RCML for ₹ 150,000,000. Due to severe long term restrictions imposed on RCML, full provision has been made against said investment and the same has been disclosed as an exceptional item.

14.2 Exceptional Items :-

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|----------------------------------|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Aggregate amount of : | | |
| - Quoted Investments | - | - |
| - Unquoted Investments | 33,551,588,131 | 39,395,542,865 |
| Book Value of Investments | 33,551,588,131 | 39,395,542,865 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

15. Long Term Loans and Advances

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|-------------|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| a. | Unsecured, considered good | | |
| | Security Deposits | - | 25,444,748 |
| b. | Prepaid expenses | 1,593,030 | 2,152,664 |
| c. | Advance payment of Taxes and tax deducted at source (net of Provision for Tax ₹ 3,236,584,384/- Previous Year ₹ 640,213,850) | 894,507,272 | 229,131,836 |
| | TOTAL | 896,100,302 | 256,729,248 |

16. Other Non Current Assets

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|-------------|---|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| | Assets Acquired in Satisfaction of Receivables* | 36,397,413 | - |
| | Art works | 178,289 | - |
| | - Fixed Deposit Accounts (See note 18.1) | 1,096,189 | - |
| | Total | 37,671,891 | - |

* Pursuant to the approved scheme of arrangement, asset (land & buliding) transfered from erstwhile Religare Securities Limited. The title of the acquired asset is in the name of erstwhile Religare Securities Limited.

17. Current Investments

| Particulars | Face Value | As at March 31, 2018 | | As at March 31, 2017 | |
|---|-------------|----------------------|--------------------|----------------------|------------|
| | | Numbers | Amount (₹) | Numbers | Amount (₹) |
| Investment in Debentures | | | | | |
| Religare Comtrade Limited-12.50% Unsecured unrated unlisted Compulsory Convertible Debentures (CCD-II) | ₹ 1,000,000 | 250 | 250,000,000 | - | - |
| Religare Comtrade Limited-13% Non Convertible Debentures | ₹ 1,000,000 | 200 | 200,000,000 | - | - |
| Venture Capital Fund | | | | | |
| India Build Out- Fund- I | ₹ 1,000 | - | 10,593,744 | - | - |
| India Build Out -Fund- I -Class B units | - | - | 170,488 | - | - |
| Milestone Army Trust-Class B units | - | - | 3,733 | - | - |
| Total | | - | 460,767,965 | - | - |

**18. Cash and Bank Balances**

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|-------------|---|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| a. | Cash and Cash Equivalents: | | |
| | Cash in hand | 167,847 | 18,127 |
| | Cheques/ Stamps in hand | 181,451 | 186,100 |
| | Balances with banks in Current Accounts | 3,481,791 | 21,627,725 |
| | - Fixed Deposit Account** | 5,241,250 | - |
| | | 9,072,339 | 21,831,952 |
| | - Others Bank Balances* (Refer Note 10.1) | - | 208,918 |
| | Total | 9,072,339 | 22,040,870 |

* Other Bank Balances includes restricted bank balances amounting to ₹ Nil (March 31, 2017 ₹ 208,918) in restricted Accounts which are not available for use by the company. The restrictions are primarily on account of balances in unclaimed dividend for prior years.

** Fixed deposit balances include FD's with statutory authorities.

18.1 Cash and Bank Balances

| Particulars | As at March 31, 2018 | | | As at March 31, 2017 | | |
|--|----------------------|------------------|--------------------|----------------------|------------------|--------------------|
| | Total | Kept as Security | Free from any Lien | Total | Kept as Security | Free from any Lien |
| Fixed Deposits with Banks | | | | | | |
| - Upto 3 months maturity from the date of Acquisition | - | - | - | - | - | - |
| Total (A) | - | - | - | - | - | - |
| - Upto 12 months maturity from the date of Acquisition | - | - | - | - | - | - |
| - Maturity more than 12 months but within one year from the Reporting Date | 5,241,249 | 5,241,249 | - | - | - | - |
| Total | 5,241,249 | 5,241,249 | - | - | - | - |
| Shown as Current Assets (A) | 5,241,249 | 5,241,249 | - | - | - | - |
| - Maturity more than 12 months from the reporting date | 1,096,189 | 1,086,189 | 10,000 | - | - | - |
| Shown as Non- Current Assets (B) | 1,096,189 | 1,086,189 | 10,000 | - | - | - |
| Total (A+B) | 6,337,438 | 6,327,438 | 10,000 | - | - | - |

19. Short Term Loans and Advances

| Particulars | | As at March 31, 2018 | As at March 31, 2017 |
|---|--|-------------------------|-------------------------|
| | | Amount (₹) | Amount (₹) |
| Unsecured, considered good | | | |
| a1. As per NBFC Guidelines - Standard | | | |
| - To related parties | | 30,400,000 | 718,500,000 |
| - To others | | - | - |
| a2. As per NBFC Guidelines - Doubtful | | | |
| - To related parties* | | 22,500,000 | - |
| - Others | | 736,171,144 | - |
| b. Loans and advances to related parties | | 141,480,778 | - |
| c. Security deposits | | 78,282,346 | 6,487,469 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| d. Prepaid expenses (previous year includes unamortised NCD Issue related expenses) | 5,757,724 | 5,839,028 |
| e. Deferred Consideration against Sale of Investment of a subsidiary company (Refer Note 19.3) | - | 6,900,000 |
| f. Loans and Advances recoverable in cash or in kind | 11,503,866 | 17,807,658 |
| g. Balances with Service Tax Authorities | 101,194,764 | 69,722,379 |
| h. Deposits paid under protest | 8,966,880 | - |
| Less: Provision against Deferred Consideration | - | (6,900,000) |
| Total | 1,136,257,502 | 818,356,534 |

19.1

| Name of Related Party | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Standard | | |
| ANR Securities Private Limited* | - | 710,000,000 |
| Religare Support Services Limited | - | 7,000,000 |
| Religare Broking Limited | 3,500,000 | - |
| Religare Comtrade Limited | 26,900,000 | 1,500,000 |
| Doubtful | | |
| Religare Capital Markets Limited | 22,500,000 | - |
| Total (A) | 52,900,000 | 718,500,000 |
| Other Advances | | |
| Religare Capital Markets Limited | 132,825,154 | - |
| Religare Broking Limited | 1,870,152 | - |
| Religare Comtrade Limited | 1,033,573 | - |
| Religare Housing Development Finance Corporation Limited | 20,074 | - |
| Religare Capital Markets Hong Kong | 42,064 | - |
| Religare Wealth Management Limited | 3,113,697 | - |
| Religare Health Insurance Company Limited | 2,436,292 | - |
| Religare Credit Advisors LLP | 139,773 | - |
| Total (B) | 141,480,778 | - |
| Total (A + B) | 194,380,778 | 718,500,000 |

* ANR Securities Private limited is not related party as at March 31, 2018

19.2 Loans and Advances includes a sum of ₹ 710,000,000 as on March 31, 2017 given to ANR Securities Private Limited, a related party, where currently credit evaluation has been done on the basis of Board Approval. Going forward internal control system is being strengthen and more robust credit evaluation process is put in place. During the year ended March 31, 2018, as the aforesaid loan became non performing assets, as per prudential norms, this loan has been provided in full and interest receivable thereon has been reversed accordingly.

19.3 During the year ended March 31, 2013, the Company has sold 100% equity shares of the SMPL Financial Consultancy Services Limited (formerly Religare Financial Consultancy Services Limited) at an aggregate price of ₹ 50,000,000 and received ₹ 43,100,000 against such consideration. For the previous year ended March 31, 2017, the company has made provision against outstanding balance amount of ₹ 6,900,000. The same has been written off during the financial year ended March 31, 2018.

**20. Other Current Assets**

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| | Amount (₹) | Amount (₹) |
| Interest Accrued but not due on Inter Corporate Loans (from related parties) (Note 20.1) | 10,751,928 | 12,815,860 |
| Interest Accrued but not due on Inter Corporate Loans (from non related parties) | 3,457,043 | - |
| Recoverable for Support services | 55,400,897 | - |
| Interest Accrued on Fixed Deposits | 159,305 | - |
| Total | 69,769,173 | 12,815,860 |

20.1

| Name of Related Party | As at March 31, 2018 | As at March 31, 2017 |
|-----------------------------------|-------------------------|-------------------------|
| ANR Securities Private Limited* | - | 12,762,250 |
| Religare Comtrade Limited | 9,004,110 | 51,365 |
| Religare Capital Markets Limited | 1,525,678 | - |
| Religare Broking Limited | 222,140 | - |
| Religare Support Services Limited | - | 2,245 |
| Total | 10,751,928 | 12,815,860 |

* ANR Securities Private limited is not related party as at March 31, 2018

21. Revenue from Operations

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Interest Income on Non Current Investments in Debentures | 40,082,877 | - |
| Interest Income on Commercial Papers | 4,996,969 | 2,967,100 |
| Interest Income on Short Term Inter Corporate Loans | 26,488,157 | 326,862,314 |
| Profit on sale/ redemption of Current Investments | 1,438,447 | 16,086,013 |
| Total | 73,006,450 | 345,915,427 |

22. Other Income

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Interest on Fixed Deposits with Banks | 427,294 | - |
| Write Back of Contingent Provision on Standard Assets | - | 4,000,000 |
| Profit on sale of Non Current Investments** | 43,962,053 | - |
| Support Service Income * | 367,243,068 | - |
| Income from Arbitrage and Trading of Securities and Derivatives | 2,445,595 | - |
| Interest on Income Tax Refund | 73,902,515 | - |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Profit on Sale of Fixed Assets | 227,619 | - |
| Miscellaneous Income (including liabilities written back)(net of balances written off) | 148,744,833 | 1,017,143 |
| Total | 636,952,977 | 5,017,143 |

* The company (erstwhile Religare Support Services Limited) has ventured into providing the support services in form of corporate functions and shared services to its fellow subsidiaries and associate companies w.e.f September 1, 2015 in addition to activity of providing shared infrastructure facilities. Pursuant to scheme of arrangement the support service income forms part of the Company other income.

** The profit on sale of non current investment includes profit of ₹ 32,424,907 for sale of stake in subsidiary company Cerestra Advisors Limited.

23. Employee Benefits Expense

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Salaries, Allowances and Bonus | 171,521,130 | 25,594,899 |
| Contribution to Provident and Other Funds | 7,088,103 | 516,047 |
| Leave Encashment (Refer Note 30) | 1,770,427 | 2,133,000 |
| Gratuity (Refer Note 30) | 2,672,365 | 4,737,000 |
| Staff Welfare Expenses | 2,387,491 | 647,568 |
| Training and Recruitment Expenses | 3,000 | - |
| Less: Expenses shared by Subsidiaries/ Sub-Subsidiaries/Joint Venture/ Others (Refer Note 26.2) | - | (106,932) |
| Total | 185,442,516 | 33,521,582 |

24. Finance Costs

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| <u>Interest Expense</u> | | |
| - Inter Corporate Loans | 239,568,972 | 32,232,877 |
| - Interest on Non- Convertible Debentures | 61,368,917 | 1,106,306,604 |
| - Interest (on Tax) | - | 28,949 |
| - Amortisation of Discount on issue of Commercial Paper | 194,771,195 | 405,960,756 |
| - Amortisation of Expenses related Issue of Non-Convertible Debentures | 3,141,030 | 11,769,411 |
| - Bank Charges | 5,415 | - |
| Total | 498,855,529 | 1,556,298,597 |

24.1 There are no finance costs arising on account of exchange gain difference on account of foreign borrowings.

**25. Depreciation and Amortization Expense**

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Depreciation - Property, Plant and Equipment's - Tangible Assets | 6,211,001 | 689,346 |
| Amortization - Intangible Assets | 14,380,051 | 3,108,637 |
| Total | 20,591,052 | 3,797,983 |

26. Other Expenses

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Rent | 68,877,881 | 83,597,155 |
| Insurance | 1,679,444 | 1,290,753 |
| Foreign Exchange Loss (net) | 1,548 | 113,382 |
| Communication Expenses | 20,341,164 | 386,436 |
| Printing and Stationery | 1,982,255 | 1,542,727 |
| Directors Sitting Fees | 9,737,500 | 10,431,150 |
| Filing Fees | 1,704,945 | 737,682 |
| Advertisement and Business Promotion | 3,281,729 | 1,359,047 |
| Postage and Courier | 868,377 | 488,876 |
| Electricity and water expenses | 35,239,020 | 27,796,897 |
| Repair and Maintenance - Others | 8,242,344 | 781,462 |
| Legal and Professional Charges | 174,801,798 | 166,637,423 |
| Membership and Subscription | 2,373,496 | 2,124,047 |
| Office Expenses | 2,259,787 | 113,059 |
| Traveling and Conveyance Expenses | 10,058,888 | 4,137,349 |
| Loss on sale of Fixed assets | 480,754 | 59,692 |
| Miscellaneous Expenses | 1,566,278 | 844,204 |
| Custodial and Stamp Charges | 1,690,232 | 1,047,929 |
| Provision for Non Performing Assets (Net)* | 830,412,052 | - |
| Fines & Penalties ### | 4,044,389 | 312,316 |
| Payment to Auditors (Refer Note 26.1) | 3,682,800 | 5,622,296 |
| Provision For Diminution In Value Of Non Current Investment (Refer Note 27.2) | 50,000 | 3,000,000 |
| Contingent Provision against Standard Assets (Refer Note 26.1) | 2,840,000 | - |
| Provision for security deposit | 12,603,490 | - |
| Provision for Deferred Consideration (Refer Note 19.3) | - | 6,900,000 |
| Less: Expenses shared by Subsidiaries/ Sub-Subsidiaries/Joint Venture/ Others (Refer Note 26.2) | (20,450,848) | (90,892,228) |
| Total | 1,178,369,323 | 228,431,655 |

* During the year ended March 31, 2018.

- The company has provided for an amount of ₹ 697,762,252/- on inter corporate loan given and reversed the outstanding interest receivable being recognised as interest income during the current year.
- The company has provided for an amount of ₹ 132,649,800/- on advance given to Religare Capital Markets Limited (RCML) given on account of settlement of corporate guarantee given to banks on behalf of subsidiary company.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

- ## (i) BSE vide its letter dated June 15, 2017 had levied a penalty of ₹ 2,142,841 (including service tax) as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 by not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company had paid the penalty to BSE on June 16, 2017.
- (ii) NSE vide its letter dated June 15, 2017 had levied a penalty of ₹ 1,863,345 as on June 15, 2017 on the Company for non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for not submitting its audited financial results within 60 days from end of financial year ended March 31, 2017. The Company had paid the penalty to NSE on June 29, 2017. NSE vide letter dated October 06, 2017, demanded balance amount of ₹ 70,000/- which was paid on October 13, 2017.
- (iii) The Company had paid ₹ 38,203 /- as interest on late payment of service tax and TDS.

26.1 Payment to Auditors (Exclusive of Service Tax /GST)

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|-------------------------------|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| As Auditors: | | |
| Audit fees | 2,000,000 | 4,271,000 |
| Tax Audit Fees | 100,000 | 150,000 |
| In other Capacity | | |
| For Other Services | 1,400,000 | 770,000 |
| For Reimbursement of Expenses | 182,800 | 431,296 |
| Total | 3,682,800 | 5,622,296 |

- 26.2 Recovery of Expenses in Note No. 23 "Employee Benefit Expenses" represents the amount of ₹ Nil (March 31, 2017 ₹ 106,932) reimbursed by the Group Entities towards the Insurance premium cost and in Note 26 "Other Expenses" represents the amounts of ₹ 20,450,848 (March 31, 2017: ₹ 90,892,225) reimbursed by the Group Entities towards the cost of shared common facilities as per mutually agreed terms with such entities.

27. Earnings Per Share

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| (i) Net Profit/ (Loss) after tax | (1,101,829,127) | (1,592,400,702) |
| Less: Dividend on Cumulative Preference shares | (2,049,000) | (2,049,000) |
| Less: Provision for dividend distribution tax on Cumulative Preference shares dividend | (428,753) | (428,753) |
| Net Profit available for Equity Shareholders | (1,104,306,881) | (1,594,878,455) |
| (ii) Weighted Average number of Equity Shares for Basic EPS (Number) | 178,439,038 | 178,334,498 |
| Add: Adjustments on Weighted Average Number of Potential Equity Shares | | |
| On account of Employees Stock Options | - | - |
| On account of Share Application Money Pending for Allotment | - | 19,198 |
| Weighted Average number of Equity Shares for Diluted EPS (Number) | 178,439,038 | 178,353,696 |
| (iii) Nominal value of Equity shares | 10 | 10 |
| (iv) Earnings Per Equity Share | | |
| Basic (in ₹) | (6.19) | (8.94) |
| Diluted (in ₹) | (6.19) | (8.94) |

**28. Contingent Liabilities and Commitments**

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| - Guarantees given to the bankers and stock exchanges and others by the Company on behalf of subsidiaries * | 161,500,000 | - |
| - Disputed Tax Demands not provided for | 520,755,049 | 332,592,872 |
| - Claim against the company not acknowledged as debts | 1,037,298 | 1,037,298 |
| - Underwriting commitments / obligations for shares/ debentures (Refer Note 28.1, 28.2, 28.3) | 8,473,637,799 | 3,431,179,952 |
| Total | 9,156,930,146 | 3,764,810,122 |

* During the year ended March 31, 2018, the company has given corporate guarantee to bankers on behalf of its subsidiary companies Religare Securities Limited (now Religare Broking Limited) and Religare Capital Markets Limited (RCML) amounting to ₹ 4,250,000,000/- and ₹ 400,000,000/- respectively against the fund based and non fund based facilities. As on March 31, 2018, the outstanding fund based and non fund based facilities availed by aforesaid subsidiaries amounts to ₹ 161,500,000. Further, the company has paid an amount of ₹ 132,649,800/- lacs on account of settlement of corporate guarantee given to banks on behalf of RCML.

28.1 Inclusive of Unpaid Capital call on equity shares of Religare Capital Markets Limited amounting to ₹ 407,750,000.

28.2 (a) During the year ended March 31, 2018, non-resident shareholders of Religare Finvest Limited ("RFL"), a subsidiary of the Company, subsequent to exercise of put option for a consideration as per the Option Agreement had filed petitions in the Delhi High Court praying for interim and mandatory relief or give bank guarantees of the said amounts in order to secure their interests. On January 5, 2018 the High Court passed an order stating the RFL shall maintain as unencumbered and not encash fixed deposits with Laxmi Vilas Bank Limited (LVB). As per the information available with management the Fixed deposit has been encashed by LVB on February 22, 2018 in respect of which RFL has filed suit for recovery of FDs before Hon'ble Delhi High Court. Accounting impact will be given on the basis of outcome of the final order. The next hearing in the case has been scheduled for July 31, 2018. Estimated value of exercised put option as at March 31, 2018 amounts to ₹ 7,384,415,794 (March 31, 2017 ₹ 2,770,924,722) as included above.

(b) REL had assigned the rights and obligation pertaining to shares of Bartleet Religare Securities Pvt. Ltd. to Religare Capital Markets Limited and Religare Capital Market (Mauritius) International Limited. During the year ended March 31, 2018, a non-resident share holder of Bartleet Religare Securities (Private) Limited (BRSPL) had exercised its put option for a consideration as per the Option Shareholders' Agreement. The Company and RCML (Mauritius) had entered into Sale and Purchase Agreement to sell investment in BRSPL held by Religare Capital Markets International (Mauritius) Limited, a step down subsidiary of the Company. RCML (Mauritius) is not consolidated into REL. Estimated value of exercised put option as at March 31, 2018 amounts to ₹ 681,471,405 as included above.

28.3 The Audit Committee and the Board of Directors on December 8, 2016 & December 10, 2016 respectively, approved the payment of Brand License Fees to RHC Holding Private Limited ("RHC") for period of 6 years effective April 01, 2016 for usage of the "Religare" trademark/brand. Further, on January 17, 2017, the Audit Committee approved to enter into Sub-license Agreement with various subsidiaries for the sub-license and usage of the "Religare" mark for recovery from them on proportionate basis to their turnover, of the brand license fees payable by the Company to RHC.

Pursuant to letter dated February 21, 2017 between the company and RHC, for the ease of administration and operation, it has been agreed to pay such fees directly by operating subsidiaries of the Company. Accordingly, the Company advised its subsidiaries for payment of brand sub license fee prescribed under the Sub-license Agreement directly to RHC as due discharge of their obligation under the said Agreement. Accordingly, no related party transaction for expense and recovery thereof is accounted for in the Company. During the year ended March 31, 2018, RHC holding Pvt Limited has assigned the trade mark "Religare" and its logo to Elive Infotech Pvt Limited (assignee/Elive) and the right to sell, assign, transfer or encumber all or portion of its rights and obligations for the trade mark or other rights in said trade marks. Further, Elive has waived the right to receive the brand license fee from REL or its subsidiaries/affiliates till the time interest on loans availed by the group companies of Elive and RHC from Religare Finvest Limited is serviced.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

- 28.4** The Company had entered into a share purchase agreement dated April 9, 2017 with a buyer consortium to sell its stake in Religare Health Insurance Company Limited (RHICL) to the buyer consortium. Metaffinity Private Limited and Sarvapriya Healthcare Solutions Private Limited (certain purchasers in the buyer consortium) had filed a petition before the Delhi High Court under section 9 of the Arbitration and Conciliation Act, 1996 for interim directions against REL, RHICL and another party seeking certain specific reliefs against REL, RHICL and another party. On May 28, 2018, the Hon'ble High Court dismissed the petition filed by Metaffinity and stated that the relief prayed in the petition cannot be granted. The buyer consortium has invoked arbitration in terms of the Share Purchase Agreement. Both the Claimants (i.e. buyer consortium parties) and the Respondents (i.e. REL & RHICL) have nominated their respective arbitrators.
- 28.5** During the year ended March 31, 2016, there were certain assignment of loans by the Company to Strategic Credit Capital Private Limited ('SCCPL') and during the year ended March 31, 2017, the amounts recoverable from SCCPL and Perpetual Credit Services Private Limited ('Perpetual') aggregating to ₹ 79,367.20 lakhs were written off by the Company and various legal proceedings were initiated by the parties against each other. During the year ended March 31, 2018 the Company entered into a settlement agreement with the counterparties pursuant to which the various cases against each other at various courts and tribunals were withdrawn on consent terms, however the Company retained its right to recover the amounts due from SCCPL and Perpetual. Despite the settlement agreement SCCPL has filed suits against the Company at various forums. The Company is in the process of detailed diligence on these and connected transactions and is pursuing appropriate legal remedies to recover the amounts due to it and expect that there will not be any obligation on the Company out of these cases.
- In February 2018, SCCPL and Perpetual filed a civil suit before the Delhi High Court seeking (among other reliefs) specific performance against Lakshmi Vilas Bank and impleading RFL and REL as parties. In March 2018, SCCPL, Perpetual and its associates filed a suit before the Saket District Court seeking, (among other reliefs) discharge from their obligations under the settlement agreement. RFL and REL have filed applications for rejection of plaint, extension of time to file written statement and certain interrogatories.
- 28.6** Roto Power Private Limited ("RPPL") filed a winding up petition no. 150/2016 against Religare Support Services Limited ("RSSL") on December 17, 2015 alleging recovery of ₹ 7,205,937/- which RPPL claims to be due for payment for services provided by it under agreements/arrangement between the RPPL and RSSL. RSSL invoked arbitration against RPPL under a service provider agreement entered into between RPPL and RSSL for an aggregate claim amount of ₹ 109 lakhs. Pursuant to a scheme of arrangement ("Scheme"), RSSL has been merged into REL. Clause 18 of the scheme provides that on and from the April 1, 2016 being the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date being December 29, 2017 shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. In view of this the winding up petition referred below is now automatically continued to be against REL.
- 28.7** Axis Bank has filed an original application ("OA") before the DRT-II, Delhi for recovery of approx. ₹ 31,300 lakhs under a facility agreement between Axis Bank and Religare Capital Markets International (Mauritius) Limited ("RCMIML"), which is inter alia secured by security provided by Promoters and Religare Capital Markets Limited. REL has not provided any security/guarantee in relation the facility. REL has executed a Non-Disposal Undertaking ("NDU") in favour of Axis Bank stating that until the repayment of the loan to Axis Bank by RCMIML, REL shall not alienate the shares in RHICL. REL has been made a party to the proceedings based on the NDU and certain other actions taken by it. The DRT has passed an order dated March 21, 2018 directing inter-alia that REL shall not alienate or create any encumbrance in respect of certain assets and its shareholding in any company or business concerns to the extent of claimed amount and enter into any settlement with any creditors without the prior approval of DRT. REL has filed 2 applications on May 8, 2018 for deletion of REL as a party and recall of the order dated March 21, 2018 against REL. Next Date of hearing on this matter is on May 31, 2018.
- 28.8** Subsequent to the year ended March 31, 2018, the Company has given letter of comfort to the Religare Comtrade Limited ("RCTL"), a wholly owned sub-subsidiary of the Company, for the payment of liabilities outstanding as on March 31, 2018 and also for exploring new business opportunities. Hence, RCTL's financial statements are prepared as for a going concern.



29. Expenditure in Foreign Currency on account of:

| Particulars | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|------------------------------|------------------------------|
| | Amount (₹) | Amount (₹) |
| Legal and Professional Charges | 10,732,546 | 1,402,571 |
| Annual Maintenance Expense - IT Expense | 19,294 | - |
| Travelling and communication | 196,346 | 485,930 |
| Director Sitting Fees | - | 255,669 |
| Subscription Expenses | 1,437,708 | 680,424 |
| Total | 12,385,894 | 2,824,594 |

30. Employees Benefits

a) Defined Benefit Plan — Gratuity and Leave Encashment

The following tables summarize the components of the net employee benefit expenses recognized in the Statement of Profit and Loss, the fund status and amount recognized in the Balance Sheet for the gratuity and leave encashment for the year ended March 31, 2018.

Method: Projected Unit Credit Method

| S.No. | Particulars | Leave Encashment | Gratuity | Leave Encashment | Gratuity |
|-------|--|---|---|---|---|
| | | Year Ended March 31, 2018 | | Year Ended March 31, 2017 | |
| I | Assumptions | | | | |
| | Mortality | Indian Assured Lives Mortality (2006-08) modified Ult | Indian Assured Lives Mortality (2006-08) modified Ult | Indian Assured Lives Mortality (2006-08) modified Ult | Indian Assured Lives Mortality (2006-08) modified Ult |
| | Discount Rate | 7.50% | 7.50% | 6.25% | 6.25% |
| | Rate of Increase in Compensation | 8% | 8% | 6% | 6% |
| | Rate of return(expected) on plan assets | NA | 8% | NA | 8% |
| | Withdrawal Rates | 18-35: 20% p.a., 36-45: 15% p.a., 46 and above: 5% p.a | 18-35: 20% p.a., 36-45: 15% p.a., 46 and above: 5% p.a | 18-35: 20% p.a., 36-45: 15% p.a., 46 and above: 5% p.a | 18-35: 20% p.a., 36-45: 15% p.a., 46 and above: 5% p.a |
| | Expected average remaining service | NA | NA | NA | NA |
| II | Changes in present value of obligations | | | | |
| | PBO at beginning of year | 2,193,000 | 5,012,000 | 204,000 | 223,000 |
| | Acquisitions Cost (credit) | 9,300,573 | - | - | - |
| | Interest Cost | (44,000) | 155,000 | 10,000 | 17,000 |
| | Short Term Service Cost | - | - | - | - |
| | Current Service Cost | 75,000 | 361,000 | 29,000 | 59,000 |
| | Benefits Paid | (5,787,000) | (5,061,000) | (144,000) | - |
| | Transfer in/(out) | - | 12,329,000 | - | - |
| | Actuarial (Gain)/Loss on Obligation | 1,739,427 | 1,976,000 | 2,094,000 | 4,713,000 |
| | PBO at end of period | 7,477,000 | 14,772,000 | 2,193,000 | 5,012,000 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| S.No. | Particulars | Leave Encashment | Gratuity | Leave Encashment | Gratuity |
|-------|---|---------------------------|--------------|---------------------------|-----------|
| | | Year Ended March 31, 2018 | | Year Ended March 31, 2017 | |
| III | Changes in Fair Value of Plan Assets | | | | |
| | Fair Value of Plan Assets at beginning of year | - | 333,000 | - | 281,000 |
| | Expected Return of Plan Assets | - | 28,000 | - | 22,000 |
| | Contributions made | - | 5,089,365 | - | - |
| | Adjustment due to merger | - | 12,329,000 | - | - |
| | Benefits paid | - | (5,061,000) | - | - |
| | Transfer in/(out) | - | - | - | - |
| | Actuarial (Gain) / Loss on Plan Assets | - | (208,365) | - | 30,000 |
| | Fair Value of Plan Assets at end of year | - | 12,510,000 | - | 333,000 |
| IV | Fair Value of Plan Assets | | 11,259,000 | - | - |
| | Fair Value of Plan Assets at beginning of year | - | 333,000 | - | 281,000 |
| | Actual Return of plan assets | - | - | - | - |
| | Contributions | - | - | - | - |
| | Benefit paid | - | - | - | - |
| | Transfer in/(out) | - | - | - | - |
| | Fair Value of Plan Assets at end of year | - | 12,510,000 | - | 333,000 |
| | Funded Status –deficit/ (surplus) | - | - | - | - |
| | Excess of actual over estimated return on Plan Assets | - | - | - | - |
| V | Actuarial Gain/(Loss) Recognized | - | - | - | - |
| | Actuarial (Gain)/Loss for the year (Obligation) | - | - | - | - |
| | Actuarial Gain/(Loss) for the year (Plan Assets) | - | - | - | - |
| | Total (Gain)/Loss for the year | 1,739,427 | 1,976,000 | 2,094,000 | 4,713,000 |
| | Actuarial (Gain)/loss Recognized for the year | - | - | - | - |
| | Unrecognized Actuarial Gain /(Loss) at the end of year | - | - | - | - |
| VI | Amounts to be Recognized in the Balance Sheet | - | - | - | - |
| | PBO at the end of year | 7,477,000 | 14,772,000 | 2,193,000 | 5,012,000 |
| | Fair Value of Plan Assets at end of year | - | (12,510,000) | - | (333,000) |
| | Funded Status –deficit/ (surplus) | - | - | - | - |
| | Unrecognized Actuarial Gain /(Loss) | - | - | - | - |
| | Net (Asset)/Liability recognized in the Balance Sheet * | 7,477,000 | 2,262,000 | 2,193,000 | 4,679,000 |
| VII | Expense Recognized | | | | |
| | Current Service Cost | 75,000 | 361,000 | 29,000 | 59,000 |
| | Interest Cost | (44,000) | 155,000 | 10,000 | 17,000 |
| | Expected Return on Plan Assets | - | (28,000) | - | (22,000) |
| | Net Actuarial (Gain) /Loss recognized for the year | 1,739,427 | 2,184,365 | 2,094,000 | 4,683,000 |
| | Expense recognized in the Statement of Profit & Loss | 1,770,427 | 2,672,365 | 2,133,000 | 4,737,000 |



| S.No. | Particulars | Leave Encashment | Gratuity | Leave Encashment | Gratuity |
|-------|---|---------------------------|--------------|---------------------------|-------------|
| | | Year Ended March 31, 2018 | | Year Ended March 31, 2017 | |
| VIII | Movements in the liability Recognized in Balance Sheet | | | | |
| | Opening Net Liability | (2,193,000) | (4,679,000) | 204,000 | 58,000 |
| | Acquisitions cost (credit) | (9,300,573) | - | - | - |
| | Expenses as above | (1,770,427) | (2,672,365) | 2,094,000 | (4,737,000) |
| | Short Term Service Cost | - | - | 39,000 | - |
| | Net Transfer in/(out) | - | - | - | - |
| | Contributions made & Benefit paid | 5,787,000 | 5,089,365 | (144,000) | - |
| | Closing Net Liability | (7,477,000) | (2,262,000) | 2,193,000 | (4,679,000) |
| | Current Liability | (3,631,000) | (2,262,000) | 160,000 | (4,679,000) |
| | Non-Current- Liability/(Assets) | (3,846,000) | - | 2,033,000 | - |
| IX | Experience Adjustment | | | | |
| | Benefit Obligation | (7,477,000) | (14,772,000) | (2,193,000) | (5,012,000) |
| | Fair Value of plan assets | - | 12,510,000 | - | 333,000 |
| | Funded status- deficit/(surplus) | (7,477,000) | (2,262,000) | (2,193,000) | (4,679,000) |
| | Experience adjustments on plan liabilities (loss/ gain) | (1,522,427) | (1,420,000) | (2,052,000) | (4,616,000) |
| | Experience adjustments on plan assets (loss/ gain) | - | (208,365) | - | 30,000 |
| | Actuarial Gain/ (loss) due to change in assumptions | (217,000) | (556,000) | (42,000) | (97,000) |

As per actuarial valuation report experience adjustment is not applicable for prior years.

b) Defined Contribution Plan

The Company deposits amount determined at fixed percentage of basic pay every month to the state administered Provident Funds and to the Employees State Insurance Scheme for the benefit of employees.

31. Pursuant to scheme of arrangement, disclosure as per segment reporting is given as per Accounting Standard -17. prior to the scheme of arrangement, the company operates in only one business segment as Investment and Finance and one geographical segment and hence disclosure as per segment information was not required as per Accounting Standard -17.

Information about business and geographical segments:

Primary Segment

- The business segment has been considered as the primary segment for disclosure. The Company's primary business comprises of 'Investment and Financing' and 'Support Services'. The business segments have been identified considering the nature of services, the differing risks and returns, the organization structure and the internal financial reporting system.
- Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.
- Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.
- Assets (including fixed assets) and liabilities that are directly attributable to segments are disclosed under each reportable segment. Common assets have been allocated to each segment on the basis of associated revenues of each segment. Common liabilities have been allocated to each segment on the basis of total segment expense. All other assets and liabilities are disclosed as unallocable.



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

If the segment result of a segment includes interest or dividend income, its segment assets include the related receivables, loans, investments, or other interest or dividend generating assets.

If the segment result of a segment includes interest expense, its segment liabilities include the related interest-bearing liabilities.

INFORMATION ABOUT PRIMARY BUSINESS SEGMENT

Amount (₹)

| | PARTICULARS | Investment and Financing Activities | Support Services | Unallocated | TOTAL |
|-------|--|-------------------------------------|------------------|---------------|-----------------|
| (i) | Segment Revenue | | | | |
| | External Revenue | 268,386,550 | 367,243,068 | 74,329,809 | 709,959,427 |
| | Inter -Segmental Revenue | - | - | - | - |
| | Total Revenue | 268,386,550 | 367,243,068 | 74,329,809 | 709,959,427 |
| | | - | - | - | - |
| (ii) | Segment Results | (1,264,003,668) | 16,374,866 | 74,329,809 | (1,173,298,993) |
| | Income Taxes (Current, Deferred and Minimum Alternative Tax) | - | - | - | (71,469,866) |
| | Profit / (Loss) after tax | - | - | - | (1,101,829,127) |
| (iii) | Segment Assets | 35,050,007,053 | 123,428,718 | 14,937,770.23 | 35,188,373,541 |
| | Unallocated Corporate Assets | | | 995,702,036 | 995,702,036 |
| | Total Assets | 35,050,007,053 | 123,428,718 | 1,010,639,807 | 36,184,075,577 |
| (iv) | Segment liabilities | 12,677,567,365 | 224,319,816 | - | 12,901,887,182 |
| | Unallocated Corporate Liabilities | - | - | - | - |
| | Total liabilities | 12,677,567,365 | 224,319,816 | - | 12,901,887,182 |
| (v) | Capital Expenditure | 221,266 | - | - | 221,266 |
| (vi) | Depreciation/Amortization | 1,457,704 | 19,133,347 | - | 20,591,052 |
| (vii) | Non Cash Expenditure other than Depreciation | 834,385,867 | 1,483,023 | 300,163 | 836,169,052 |

32. Related Party Disclosures

| Nature of Relationship | Name of Party |
|------------------------|--|
| (a) (i) Subsidiaries | Religare Securities Limited (till December 29, 2017) Religare Finvest Limited Religare Capital Markets Limited Religare Support Services Limited(till December 29, 2017) Religare Arts Initiative Limited (till December 29, 2017) Religare Health Insurance Company Limited Religare Capital Markets (India) Limited (till December 29, 2017) RGAM Investment Advisers Private Limited (till December 29, 2017) Religare Commodity Broking Private Limited (till December 29, 2017) Religare Broking Limited Religare Housing Development Finance Corporation Limited Religare Comtrade Limited |



| Nature of Relationship | Name of Party |
|-----------------------------------|--|
| | Religare Commodities Limited Religare Capital Markets International (Mauritius) Limited Religare Capital Markets International (UK) Limited Religare Capital Markets (Europe) Limited Religare Capital Markets (UK) Limited Religare Capital Markets Corporate Finance Pte Limited Religare Capital Markets Inc. (till August 17, 2016) Religare Capital Markets (Hongkong) Limited Tobler (UK) Limited Kyte Management Limited Religare Capital Markets (Singapore) Pte Limited Bartleet Wealth Management (Private) Limited Bartleet Asset Management (Private) Limited Strategic Research Limited Bartleet Religare Securities (Private) Limited Religare Wealth Management Limited Religare Credit Advisors Private Limited ARGIL Advisors LLP Religare Insurance Limited Religare Global Assets Management (Private) Limited Religare Business Solutions Limited (w.e.f October 20, 2016) |
| a (ii) Subsidiaries of Subsidiary | Religare Arts Investment Management Limited (till December 29, 2017) Religare Invesco Asset Management Company Private Limited (till April 7, 2016) Cerestra Advisors Limited (till September 7, 2017) Religare Invesco Trustee Company Private Limited (till April 7, 2016) Religare Venture Capital Limited (till December 29, 2017) Religare Investment Advisors Limited (till December 29, 2017) RGAM Capital India Limited (formerly Northgate Capital Asia (India) Limited) (till December 29, 2017) Religare Commodity DMCC Religare Capital Finance Limited (formerly Religare Share Brokers Limited) Religare Portfolio Managers and Advisors Private Limited (till July 14, 2016) Charterpace Limited Tobler (Mauritius) Limited (dissolved w.e.f March 29, 2017) |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Nature of Relationship | Name of Party |
|--|--|
| | Religare Investment Holdings (UK) Limited (Formerly known as Relsec Australia Pty. Ltd) (till October 6, 2016) |
| | Northgate Capital LLC (till July 22, 2016) |
| | Northgate Capital Asia Limited, Hong Kong (till July 22, 2016) |
| | Northgate Mexico S. de R.L de C.V., Mexico (till July 22, 2016) |
| | Northgate Capital LP (till July 22, 2016) |
| | Landmark Partners LLC (till August 17, 2016) |
| | Landmark Realty Advisors LLC (till August 17, 2016) |
| | Landmark Equity Advisors LLC (till August 17, 2016) |
| | Mill Pond Associates LLC (till August 17, 2016) |
| | LMK Services Inc(till August 17, 2016) |
| | Religare Heal Fund Advisors LLP (dissolved w.e.f May 27, 2017) |
| a (iii) Joint Ventures of Subsidiaries | IBOF Investment Management Private Limited (formerly Quadria Investment Management Private Limited) |
| | Milestone Religare Capital Management Limited (till August 17, 2017) |
| a (iv) Associate of Subsidiaries | Noah Capital Markets (Pty) Ltd (till December 15, 2016) |
| | YourNest Capital Advisors Private Limited (upto August 4, 2016) |
| | Noah Nominees (Pty) Limited (till December 15, 2016) |
| | Investment Professionals Ltd (till September 1, 2016) |
| | I PRO Stockbroking Ltd (till July 12, 2016) |
| | I PRO Fund Management Ltd (till July 12, 2016) |
| | I PRO Botswana (Pty) Ltd (till July 12, 2016) |
| (b) Joint Ventures | - |
| (c) Individuals owning directly or indirectly interest in voting power that gives them control | Mr. Malvinder Mohan Singh (upto February 14, 2018) |
| | <u>Relatives of Mr. Malvinder Mohan Singh</u> |
| | Mrs. Japna Malvinder Mohan Singh (upto February 14, 2018) |
| | Ms. Nimrita Parvinder Singh, (upto February 14, 2018) |
| | Ms. Nanaki Parvinder Singh (upto February 14, 2018) |
| | Ms. Nandini Parvinder Singh (upto February 14, 2018) |
| | Ms. Harjit Grewal (upto February 14, 2018) |
| | Mr. Shivinder Mohan Singh (upto February 14, 2018) |
| | Mrs. Aditi Shivinder Singh (upto February 14, 2018) |
| | Mr. Shivinder Mohan Singh (upto February 14, 2018) |



| Nature of Relationship | Name of Party |
|---|--|
| | <u>Relatives of Mr. Shivinder Mohan Singh</u> Mrs. Aditi Shivinder Singh (upto February 14, 2018) Mrs. Nimmi Singh (upto February 14, 2018) Mr. Udayveer Parvinder Singh, (upto February 14, 2018) Mr. Vivan Parvinder Singh (upto February 14, 2018) Mr. Kabir Parvinder Singh (upto February 14, 2018) Mr. Anhad Parvinder Singh (upto February 14, 2018) Ms. Harjit Grewal (upto February 14, 2018) Mr. Malvinder Mohan Singh (upto February 14, 2018) Mrs. Japna Malvinder Singh (upto February 14, 2018) |
| (d) Key Managerial personnel | Mr. Sunil Godhwani - Chairman & MD (upto July 28, 2016) Mr. Sunil Godhwani - Whole Time Director & CEO (w.e.f July 29, 2016 to October 21, 2016 (however he is continouining as Whole Time Director)) Mr. Sunil Godhwani - Whole Time Director (till September 06, 2017) Mr. Nalin Nayyar - Interim CEO (w.e.f October 26, 2016 to March 22, 2017) Mr. Maninder Singh - Group CEO (w.e.f. March 22, 2017-November 14, 2017) Mr. Anil Saxena - Group CFO (till November 14, 2017) Mr. Shachindra Nath - Group CEO (upto June 3, 2016) Mr. Subramanian Lakshminarayanan (November 14, 2017 - January 22, 2018) Mr. Francis Danial lee (November 17, 2017 to February 13, 2018) Mr. Krishnan Subramanian (w.e.f November 14, 2017) |
| (e) Enterprises over which KMP (c) and (d) are able to exercise significant influence with whom transactions have taken place | RHC Holding Private Limited (upto February 14, 2018) RC Nursery Private Limited (upto February 14, 2018) Oscar Investments Limited (upto February 14, 2018) ANR Securities Private Limited (upto February 14, 2018) Ranchem Private Limited (upto February 14, 2018) RHC Finance Private Limited (upto February 14, 2018) Dion Global Solutions Limited (upto February 14, 2018) Fortis Health Care Limited (upto February 14, 2018) Fortis Health Care Holdings (P) Limited (converted into a Private Company w.e.f. February 10, 2012) Spectrum Voyages Private Limited (formerly Ligare Travels Private Limited) (upto February 14, 2018) SRL Limited (formerly Super Religare Laboratories Limited) (upto November 30, 2017) |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

32b. Following transactions were carried out with related parties in the ordinary course of business at arm's length basis:

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|--|---------|---------------------------|---------------------------|
| Inter Corporate Loans taken | | | | |
| | RGAM Investment Advisers Private Limited | a (i) | - | 2,227,500,000 |
| | Religare Comtrade Limited | a (i) | 2,771,304,424 | - |
| | Religare Finvest Limited | a (i) | 2,135,000,000 | - |
| Inter Corporate Loans taken Total | | | 4,906,304,424 | 2,227,500,000 |
| Inter Corporate Loans repaid | | | | |
| | Religare Investment Advisors Limited | a (i) | - | 2,225,000,000 |
| | Religare Comtrade Limited | a (i) | 144,500,000 | - |
| | Religare Finvest Limited | a (i) | 347,545,560 | - |
| Inter Corporate Loans repaid Total | | | 492,045,560 | 2,225,000,000 |
| Allotment of Debentures (NCD's) | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 3,800,000,000 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 450,000,000 |
| Allotment of Debentures (NCD's) Total | | | - | 4,250,000,000 |
| Issue of Commercial Paper (net) | | | | |
| | Religare Finvest Limited | a (i) | 2,245,644,600 | 1,117,551,720 |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 2,028,334,260 |
| | Religare Comtrade Limited | a (i) | 1,410,884,650 | 478,099,000 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 13,268,701,700 |
| Issue of Commercial Paper (net) Total | | | 3,656,529,250 | 16,892,686,680 |
| Redemption of Commercial Paper | | | | |
| | Religare Finvest Limited | a (i) | 2,440,000,000 | 999,671,500 |
| | Religare Comtrade Limited | a (i) | 2,999,065,800 | 194,126,400 |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 1,366,707,694 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 10,734,827,050 |
| Redemption of Commercial Paper Total | | | 5,439,065,800 | 13,295,332,644 |
| Inter Corporate Loans Given | | | | |
| | ANR Securities Private Limited | (e) | 75,000,000 | 1,970,000,000 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 170,000,000 |
| | Religare Comtrade Limited | a (i) | 31,900,000 | 1,052,500,000 |
| | Ranchem Private Limited | (e) | - | 269,000,000 |
| | Religare Support Services Limited | a (i) | - | 393,000,000 |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | | 3,500,000 | - |
| | Religare Arts Initiative Limited | a (i) | - | 2,200,000 |
| Inter Corporate Loans Given Total | | | 110,400,000 | 3,856,700,000 |
| Inter Corporate Loans Received Back | | | | |
| | RGAM Investment Advisers Private Limited | a (i) | - | 170,000,000 |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|---|---------|---------------------------|---------------------------|
| | ANR Securities Private Limited | (e) | 87,237,753 | 2,407,110,875 |
| | Ranchem Private Limited | (e) | - | 1,306,500,000 |
| | Religare Comtrade Limited | a (i) | 9,156,470 | 1,051,000,001 |
| | Cerestra Advisors Ltd(Formerly known as Religare Finance Limited) | a (ii) | 124,207,160 | - |
| | Religare Support Services Limited | a (i) | - | 386,000,000 |
| | Religare Arts Initiative Limited | a (i) | - | 6,008,802 |
| Inter Corporate Loans Received Back Total | | | 220,601,383 | 5,326,619,678 |
| Corporate Guarantee given on behalf of subsidiaries | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | | 4,250,000,000 | - |
| Corporate Guarantee given on behalf of subsidiaries Total | | | 4,250,000,000 | - |
| Subscription/Investment to Equity / Preference Shares/ Commercial Papers by the Company | | | | |
| | Religare Capital Markets Limited (Preference) | a (i) | - | 150,000,000 |
| | Religare Health Insurance Company Limited (Equity) | a (i) | 674,755,500 | 450,342,600 |
| | Religare Commodities Limited | a (i) | 185,900,000 | - |
| | Religare Comtrade Limited (NCD) | | 200,000,000 | - |
| | Religare Comtrade Limited (Commercial Paper) | a (ii) | 395,932,300 | 497,032,900 |
| | Religare Arts Initiative Limited (Equity) | a (i) | - | 3,000,000 |
| | Religare Capital Markets (India) Limited (for purchase equity shares of Religare Broking Limited) | a (i) | - | 50,000 |
| Subscription/Investment to Equity / Preference Shares/ Commercial Papers by the Company Total | | | 1,456,587,800 | 1,100,425,500 |
| Allotment of Equity Shares pursuant to Composite Scheme of Arrangement | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 344,928,000 | - |
| Allotment of Equity Shares pursuant to Composite Scheme of Arrangement Total | | | 344,928,000 | - |
| Issue of Bonus Shares | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 1,462,980,170 | - |
| Issue of Bonus Shares Total | | | 1,462,980,170 | - |
| Repayment of liabilities to other parties for & On behalf of Transferee Company as per the Composite Scheme of Arrangement | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 504,248,100 | - |
| Repayment of liabilities to other parties for & On behalf of Transferee Company as per the Composite Scheme of Arrangement Total | | | 504,248,100 | - |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|--|---------|---------------------------|---------------------------|
| Payment Paid against the recoverable by Virtue of Merger | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 150,600,000 | - |
| Payment Paid against the recoverable by Virtue of Merger Total | | | 150,600,000 | - |
| Sale of Investment in Equity Shares/ Commercial Papers | | | | |
| | Religare Comtrade Limited | a (i) | 500,000,000 | 500,000,000 |
| Sale of Investment in Equity Shares/ Commercial Papers Total | | | 500,000,000 | 500,000,000 |
| Redemption of Preference Share Capital (including premium) | | | | |
| | Oscar Investments Limited | (e) | - | 5,239,900,772 |
| Redemption of Preference Share Capital (including premium) Total | | | - | 5,239,900,772 |
| Issue of Preference Share Capital | | | | |
| | RHC Finance Private Limited | (e) | - | 250,000,000 |
| Issue of Preference Share Capital Total | | | - | 250,000,000 |
| Advance received against Stock Option Exercised | | | | |
| | Sunil Godhwani | (d) | - | 22,442,000 |
| Advance received against Stock Option Exercised Total | | | - | 22,442,000 |
| Security Deposits Received (for appointment of directors) | | | | |
| | RHC Holding Private Limited | (e) | - | 300,000 |
| Security Deposits Received (for appointment of directors) Total | | | - | 300,000 |
| Security Deposits Given (for appointment of directors) | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 100,000 |
| | Religare Capital Markets (India) Limited | a (i) | - | 100,000 |
| | Religare Capital Markets Limited | a (i) | 100,000 | 200,000 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 100,000 |
| | Religare Commodity Broking Private Limited | a (i) | - | 100,000 |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 300,000 | - |
| | Religare Finvest Limited | a (i) | 200,000 | 100,000 |
| | Religare Health Insurance Company Limited | a (i) | 100,000 | 100,000 |
| Security Deposits Given (for appointment of directors) Total | | | 700,000 | 800,000 |
| Refund of Security Deposits Given (for appointment of directors) | | | | |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|--|---------|---------------------------|---------------------------|
| | Religare Finvest Limited | a (i) | 200,000 | 100,000 |
| | Religare Capital Markets Limited | a (i) | 100,000 | 200,000 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 100,000 |
| | Religare Commodity Broking Private Limited | a (i) | - | 100,000 |
| | Religare Capital Markets (India) Limited | a (i) | - | 100,000 |
| | Religare Health Insurance Company Limited | a (i) | 200,000 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 300,000 | - |
| | Religare Securities Limited | a (i) | - | 100,000 |
| Refund of Security Deposits Given (for appointment of directors) Total | | | 800,000 | 700,000 |
| Security Deposits Paid / Refunded | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 35,627,593 | - |
| | Religare Commodities Limited | a (i) | 2,372,407 | - |
| | Religare Finvest Limited | a (i) | 72,481,733 | - |
| Security Deposits Paid / Refunded Total | | | 110,481,733 | - |
| Reimbursement of Statutory Liabilities (on behalf of employee) | | | | |
| | SRL Limited | (e) | 290,385 | - |
| Reimbursement of Statutory Liabilities (on behalf of employee) Total | | | 290,385 | - |
| Insurance Premium - Health / Travel | | | | |
| | Religare Health Insurance Company Limited | a (i) | 62,258 | - |
| Insurance Premium - Health / Travel Total | | | 62,258 | - |
| Advance given for Settlement of Corporate Guarantee | | | | |
| | Religare Capital Markets Limited | a (i) | 132,649,800 | - |
| Advance given for Settlement of Corporate Guarantee Total | | | 132,649,800 | - |
| Interest Income on Inter Corporate Loans | | | | |
| | Ranchem Private Limited | (e) | - | 112,897,343 |
| | ANR Securities Limited | (e) | 22,486,489 | 187,500,681 |
| | Religare Capital Market Limited | a (i) | 2,474,999 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 246,822 | - |
| | RGAM Investment Advisers Private Limited | a (i) | - | 6,483,972 |
| | Religare Support Services Limited | a (i) | - | 10,202,150 |
| | Religare Arts Initiative Limited | a (i) | - | 241,255 |
| | Ligare Aviation Limited | | 3,457,043 | - |
| | Religare Comtrade Limited | a (ii) | 2,370,475 | 9,536,913 |
| Interest Income on Inter Corporate Loans Total | | | 31,035,828 | 326,862,314 |
| Support Service Income | | | | |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|--|---------|---------------------------|---------------------------|
| | Religare Capital Markets Limited | a (i) | 981,675 | - |
| | Religare Commodities Limited | a (i) | 3,557,697 | - |
| | Religare Comtrade Limited | a (i) | 372,597 | - |
| | Religare Finvest Limited | a (i) | 241,961,095 | - |
| | Religare Health Insurance Company Limited | a (i) | 32,088,795 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 89,143,959 | - |
| Support Service Income Total | | | 368,105,817 | - |
| Rental Income | Religare Commodities Limited | a (i) | 90,884 | - |
| | Religare Finvest Limited | a (i) | 136,620 | - |
| | Religare Health Insurance Company Limited | a (i) | 709,802 | - |
| | Religare Housing Development Finance Corporation Limited | a (i) | 34,780 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 2,062,216 | - |
| | Religare Wealth Management Limited | a (i) | 2,230,965 | - |
| Rental Income Total | | | 5,265,266 | - |
| Interest Income on Commercial Papers | | | | |
| | Religare Comtrade Limited | a (i) | 4,946,969 | 2,967,100 |
| Interest Income on Commercial Papers Total | | | 4,946,969 | 2,967,100 |
| Interest Income on Debenture (CCD/ NCD) | Religare Comtrade Limited | a (i) | 40,082,877 | - |
| Interest Income on Debenture (CCD/ NCD) Total | | | 40,082,877 | - |
| Allocation of Expenses | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 956,407 | - |
| | Religare Capital Markets Limited | a (i) | 337,927 | - |
| | Religare Commodities Limited | a (i) | 6,034 | - |
| | Religare Comtrade Limited | a (i) | 651 | - |
| | Religare Finvest Limited | a (i) | 3,637,512 | - |
| | Religare Housing Development Finance Corporation Limited | a (i) | 649 | - |
| Allocation of Expenses Total | | | 4,939,180 | - |
| Rent Expenses | | a (i) | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 523,400 | - |
| | Religare Finvest Limited | | 1,914,276 | - |
| Rent Expenses Total | | | 2,437,676 | - |
| Director Sitting Fees | | | | |
| | Mr. Malvinder Mohan Singh | (d) | 250,000 | 175,000 |
| | Mr. Shivinder Mohan Singh | (d) | 100,000 | 125,000 |
| Director Sitting Fees Total | | | 350,000 | 300,000 |
| Interest Expense on NCD's issued | | | | |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|---|--|---------|---------------------------|---------------------------|
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 794,708,531 |
| | Religare Commodities Limited | a (i) | - | 6,030,117 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 53,260,274 |
| Interest Expense on NCD's issued Total | | | - | 853,998,922 |
| Interest Expense on ICD's taken | | | | |
| | Religare Comtrade Limited | a (i) | 105,285,756 | - |
| | Religare Finvest Limited | a (i) | 128,611,660 | - |
| Interest Expense on ICD's taken total | | | 233,897,416 | - |
| Amortised Discount of Commercial Paper | | | | |
| | Religare Finvest Limited | a (i) | 46,802,469 | 18,892,259 |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 28,164,755 |
| | Religare Commodities Limited | a (i) | - | 4,976 |
| | Religare Comtrade Limited | a (i) | 45,451,571 | 9,078,961 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 234,702,724 |
| Amortised Discount of Commercial Paper Total | | | 92,254,040 | 290,843,675 |
| Legal & Advisory Services | | | | |
| | Religare Global Asset Management Inc., USA | a (i) | - | (10,382,094) |
| Legal & Advisory Services Total | | | - | (10,382,094) |
| Travelling Expense Paid | | | | |
| | Spectrum Voyages Private Limited | (e) | - | 1,695,888 |
| Travelling Expense Paid Total | | | - | 1,695,888 |
| Expenses Reimbursement by Other Companies / (Recovery of Expenses) | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 2,874,471 |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | | 4,018,148 | - |
| | Religare Finvest Limited | a (i) | 4,699,073 | 2,629,918 |
| | Religare Support Services Limited | a (i) | - | 80,323,935 |
| | Religare Commodities Limited | a (i) | 81,124 | 1,630 |
| | Religare Capital Markets Limited | a (i) | 63,231 | 22,111 |
| | Cerestra Advisors Limited | a (i) | - | 506,906 |
| | Religare Housing Development Finance Corporation Limited | a (i) | 195,036 | 263,466 |
| | Religare Health Insurance Company Limited | a (i) | 1,834,610 | 4,061,982 |
| | Religare Wealth Management Limited | a (i) | - | 111,431 |
| | Religare Invesco Asset Management Company Private Limited | a (i) | - | 37,358 |
| | Religare Commodity Broking Private Limited | a (i) | - | 92 |
| | SRL Limited (Super Religare Laboratories Ltd) | (e) | 135,938 | - |
| | Religare Credit Advisors Private Limited | a (i) | 5,105 | - |
| | Religare Comtrade Limited | a (i) | 3,089 | 13,680 |
| | RHC Holding Private Limited | (e) | (20,348,891) | - |
| | Dion Global Solutions Limited | (e) | (3,425,194) | - |
| | Religare Venture Capital Limited | a (i) | - | 1,254 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 25,124 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|--|---------|---------------------------|---------------------------|
| Expenses Reimbursement by Other Companies Total | | | (12,738,731) | 90,873,358 |
| Depository Expenses | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 8,145 | 2,700 |
| Depository Expenses Total | | | 8,145 | 2,700 |
| Remuneration to Key Managerial Personnel | Mr. Maninder Singh | (d) | 20,482,081 | - |
| | Mr. Sunil Godhwani | (d) | 6,500,000 | 14,801,667 |
| | Mr. Shachindra Nath | (d) | - | 880,320 |
| | Mr. Anil Saxena | (d) | 3,130,026 | 5,030,400 |
| | Mr. Subramanian Lakshminaraynan | (d) | 7,994,623 | - |
| | Mr. Krishnan Subramanian | (d) | 3,516,979 | - |
| | Mr. Francis Danial Lee | (d) | 435,555 | - |
| Remuneration to Key Managerial Personnel Total | | | 42,059,264 | 20,712,387 |
| Outstanding Balances | | | | |
| Payable/ Liabilities | | | | |
| Inter Corporate Loans | | | | |
| | RGAM Investment Advisers Private Limited | a (i) | - | 2,500,000 |
| | Religare Comtrade Limited | a (i) | 2,626,804,424 | - |
| | Religare Finvest Limited | a (i) | 1,855,000,000 | - |
| Unsecured Loans Total | | | 4,481,804,424 | 2,500,000 |
| Interest on Intercompany Loans Payable | | | | |
| | RGAM Investment Advisers Private Limited | a (i) | - | 20,034 |
| Interest on Intercompany Loans Payable Total | | | - | 20,034 |
| Commercial Paper (net) | | | | |
| | Religare Finvest Limited | a (i) | - | 635,625,331 |
| | Religare Comtrade Limited | a (i) | - | 273,394,922 |
| | Religare Commodities Limited | a (i) | - | 19,661,609 |
| | Religare Securities Limited | a (i) | - | 192,590,892 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 3,265,778,218 |
| Commercial Paper (net) Total | | | - | 4,387,050,972 |
| Non Convertible Debentures | | | | |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 5,460,000,000 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 450,000,000 |
| | Religare Commodities Limited | a (i) | - | 100,000,000 |
| Non Convertible Debentures Total | | | - | 6,010,000,000 |
| Interest on Inter Corporate Loans | | | | |
| | Religare Comtrade Limited | a (i) | 64,662,444 | - |
| | Religare Finvest Limited | a (i) | 53,515,480 | - |
| Interest on Inter Corporate Loans Total | | | 118,177,924 | - |
| Interest on Non Convertible Debentures | | | | |



| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--|--|---------|---------------------------|---------------------------|
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | - | 1,553,090,081 |
| | RGAM Investment Advisers Private Limited | a (i) | - | 47,934,247 |
| | Religare Commodities Limited | a (i) | - | 69,212,058 |
| Interest on Non Convertible Debentures Total | | | - | 1,670,236,386 |
| Security Deposit Payable | Religare Capital Markets Limited | a (i) | 229,785 | - |
| | Religare Commodities Limited | a (i) | 62,165,385 | - |
| | Religare Finvest Limited | a (i) | 117,852,535 | - |
| Security Deposit Payable Total | | | 180,247,705 | - |
| Other Payables | | | | |
| | Religare Finvest Limited | a (i) | 19,194,378 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 485,427,648 | - |
| | Mr. Shivinder Mohan Singh | (d) | - | 25,000 |
| Other Payables Total | | | 504,622,026 | - |
| Receivable | | | | |
| Investments (Debentures) | | | | |
| | Religare Comtrade Limited | a (i) | 450,000,000 | - |
| Investments (Debentures) Total | | | 450,000,000 | - |
| Inter Corporate Deposits (ICD) | | | | |
| | ANR Securities Private Limited | (e) | - | 710,000,000 |
| | Religare Support Services Limited | a (i) | - | 7,000,000 |
| | Religare Capital Markets Limited | a (i) | 22,500,000 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 3,500,000 | - |
| | Religare Comtrade Limited | a (i) | 26,900,000 | 1,500,000 |
| Inter Corporate Deposits (ICD) Total | | | 52,900,000 | 718,500,000 |
| Interest Receivable | Ranchem Private Limited | (e) | - | - |
| | Religare Capital Market Limited | 0 | 1,525,678 | - |
| | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 222,140 | - |
| | ANR Securities Private Limited | (e) | - | 12,762,250 |
| | Religare Support Services Limited | a (i) | - | 2,245 |
| | Religare Comtrade Limited | a (i) | 9,004,110 | 51,365 |
| Interest Receivable Total | | | 10,751,928 | 12,815,860 |
| Advance given for Settlement of Corporate Guarantee | | | | |
| | Religare Capital Markte Limited | a (i) | 132,649,800 | - |
| Advance given for Settlement of Corporate Guarantee Total | | | 132,649,800 | - |
| Other Receivables | Religare Broking Limited (formerly known as Religare Securities Limited) | a (i) | 15,417,738 | 713,276 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Nature of Transactions | Name of the Related Party | RP Type | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|--------------------------|---|---------|---------------------------|---------------------------|
| | Religare Finvest Limited | a (i) | - | 1,318,992 |
| | Religare Commodities Limited | a (i) | 1,096,313 | 1,579,644 |
| | Religare Comtrade Limited | a (i) | 1,033,573 | 4,486 |
| | Religare Support Services Limited | a (i) | - | 5,270,123 |
| | Religare Wealth Management Limited | a (i) | 3,113,697 | - |
| | Religare Capital Markets Limited | a (i) | 31,281,288 | - |
| | Religare Health Insurance Company Limited | a (i) | 3,139,833 | 1,348,471 |
| Receivables Total | | | 55,082,441 | 10,234,992 |

1. The aforesaid schedule also includes the entities which have been merged as per Scheme of Arrangement. (Refer Note 4).
2. All outstanding Equity and Preference Capital contributions are not shown. Movements during the year are disclosed above as transactions during the year.
3. All outstanding balances stated above are gross of provisions.

33. Other Notes

- a. (i) During the financial year ended March 31, 2015, the Company received the Certificate of Registration as a Non-Deposit Taking Systemically Important Core Investment Company ("CIC-ND-SI") vide Certificate No. N-14.03222 dated June 03, 2014 issued by the RBI under the CIC Directions. By virtue of the CIC registration as aforesaid, the provisions of net owned fund requirements under section 45-IA (1)(b) of the RBI Act, 1934 and provisions related to "Asset Income Pattern", "Requirement to Capital Adequacy (CRAR)" and "Concentration of Credit/Investment" as applicable for NBFCs under NBFC Master Directions 2016 shall not apply to the company, subject to the compliance of conditions specified in the CIC Directions.

| (ii) Core Investment Company (CIC) Compliance Ratios: | 31-Mar-18 | 31-Mar-17 |
|---|------------------|------------------|
| (a) Investment and Loans to group companies as a proportion to Net Assets (%) | 96.11% | 97.61% |
| (b) Investment in Equity Shares and Compulsory Convertible Instruments of group companies as a proportion of Net Assets (%) | 89.04% | 78.61% |
| (c) Capital Adequacy Ratio (%) [Adjusted Network / Risk Weightage Assets] (%) | 69.76% | 65.07% |
| (d) Leverage Ratios (Times) [Outside liabilities / Adjusted Network] (Times) | 0.26 | 0.38 |

Disclaimer:

- (a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company.
- (b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the Company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/body corporate.
- b. The paid up capital of the Company comprises of domestic and foreign direct investment funds as per FEMA regulations. During the year under audit, the company has invested, as a part of its treasury management activities, surplus funds in short term debt/liquid mutual funds.



c. I. **Capital to Risk Weighted Assets Ratio (CRAR)**

As mentioned in Para 33 a(i), requirement of maintaining CRAR is not applicable on the company being a CIC.

| Items | | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|-------|------------------------------|------------------------------|------------------------------|
| (i) | CRAR (%) | Refer Note 33 (a)(i) | Refer Note 33 (a)(i) |
| (ii) | CRAR - (Tier I Capital (%)) | Refer Note 33 (a)(i) | Refer Note 33 (a)(i) |
| (iii) | CRAR - (Tier II Capital (%)) | Refer Note 33 (a)(i) | Refer Note 33 (a)(i) |

II. **Exposure to Real Estate Sector**

| Category | | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|----------|---|------------------------------|------------------------------|
| | | Amount (₹) | Amount (₹) |
| (a) | Direct Exposures | | |
| | (i) Residential Mortgages:- | - | - |
| | (a) Individuals housing loans upto Rs.15 lacs | - | - |
| | (b) Individuals housing loans more than Rs.15 lacs | - | - |
| | (ii) Commercial Real Estate | - | - |
| | (iii) Investments in Mortgage Backed Securities (MBS) and other Securitised exposures:- | - | - |
| | (a) Residential, | - | - |
| | Total | - | - |
| (b) | Indirect Exposures | | |
| | Fund based and non fund based exposures on National Housing Bank(NHB) and Housing Finance Companies(HFCs) | - | - |

III **Maturity pattern of certain items of assets and liabilities (At Book Value)**

Amount (₹)

| Particulars | 1 to 30 days | Over 1 month to 2 month | Over 2 month to 3 months | Over 3 Months upto 6 months | Total |
|---------------------------------|--------------|-------------------------|--------------------------|-----------------------------|-------------|
| Liabilities | | | | | |
| Borrowing from Banks | - | - | - | - | - |
| Market Borrowings | - | 296,646,866 | - | - | 296,646,866 |
| Assets | | | | | |
| Advances | - | - | - | - | - |
| Investments (net of provisions) | - | - | - | 250,000,000 | 250,000,000 |

| Particulars | Over 6 months to 1 year | 1 Year to 3 years | Over 3 years to 5 years | Over 5 years | Total |
|---------------------------------|-------------------------|-------------------|-------------------------|----------------|----------------|
| Liabilities | | | | | |
| Borrowing from Banks | - | - | - | - | - |
| Market Borrowings | 4,497,204,430 | - | - | - | 4,497,204,430 |
| Assets | | | | | |
| Advances | 789,071,144 | - | - | - | 789,071,144 |
| Investments (net of provisions) | 460,767,965 | - | - | 33,551,588,131 | 34,012,356,096 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

d. Disclosures of details as required in terms of Paragraph 21 of CIC Direction:

| Liabilities: | | Amount Outstanding | Amount Overdue |
|---|--|--------------------|----------------|
| | | Amount (₹) | Amount (₹) |
| 1) Loans and Advances availed by the CIC inclusive of interest accrued thereon but not paid: | | | |
| a) | Debentures : Secured* | - | - |
| | : Unsecured* | - | - |
| | (other than falling within the meaning of Public deposits) | - | - |
| b) | Deferred Credits | - | - |
| c) | Term Loans | - | - |
| d) | Inter-Corporate loans and borrowings | 4,497,204,430 | - |
| e) | Commercial Paper | 296,646,866 | - |
| f) | Other Loans (unsecured finance lease) | - | - |
| | a) Working Capital Loan from Banks | - | - |
| | b) Interest accrued and not due on Unsecured Loans | 119,204,118 | - |

| Assets: | | Amount Outstanding |
|--|------------|--------------------|
| | | Amount (₹) |
| 2) Break-up of Loans and Advances including bills receivables (other than those included in (4) below): | | |
| a) | Secured* | - |
| b) | Unsecured* | 942,055,788 |

| | | |
|---|--|---|
| 3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities | | |
| i) | Lease assets including lease rentals under sundry debtors: | |
| | a) Financial Lease | - |
| | b) Operating Lease | - |
| ii) | Stock on hire including hire charges under Sundry Debtors: | - |
| | a) Assets on hire | - |
| | b) Repossessed Assets | - |
| iii) | Hypothecation loans counting towards AFC activities | |
| | a) Loans where assets have been repossessed | - |
| | b) Loans other than (a) above | - |



4) Break-up of Investments:

| | Current Investments: | |
|---|--|----------------|
| 1 | Quoted: | |
| | i) Shares: a) Equity | - |
| | b) Preference | - |
| | ii) Debentures and Bonds | 450,000,000 |
| | iii) Units of mutual funds | - |
| | iv) Government Securities | - |
| | v) Others | 10,767,965 |
| 2 | Unquoted: | |
| | i) Shares: a) Equity | - |
| | b) Preference | - |
| | ii) Debentures and Bonds | - |
| | iii) Units of mutual funds | - |
| | iv) Government Securities | - |
| | v) Others | - |
| | Long Term Investments (at gross value): | |
| 1 | Quoted: | |
| | i) Shares: a) Equity | - |
| | b) Preference | - |
| | ii) Debentures and Bonds | - |
| | iii) Units of mutual funds | - |
| | iv) Government Securities | - |
| | v) Others | - |
| 2 | Unquoted: | |
| | i) Shares: a) Equity * | 31,598,603,281 |
| | b) Preference** | 1,854,095,200 |
| | ii) Debentures and Bonds | - |
| | iii) Units of mutual funds | - |
| | iv) Government Securities | - |
| | v) Others | 98,889,649 |

* Including Partly paid up Equity shares of for ₹ 3,855,500,000 (Face Value of ₹ 15 each out of which ₹ 10 is paid up)



5) Borrower group-wise classification of assets financed as in (2) and (3) above:

| Category | | Amount net of Provisions | | |
|--------------|--------------------------------|--------------------------|--------------------|--------------------|
| | | Secured | Unsecured | Total |
| | | Amount (₹) | Amount (₹) | Amount (₹) |
| 1 | Related Parties | | | |
| | a) Subsidiaries | - | - | - |
| | b) Companies in the same group | - | 194,724,546 | 194,724,546 |
| | c) Other related parties | - | - | - |
| 2 | Other than related parties | - | 747,331,242 | 747,331,242 |
| Total | | - | 942,055,788 | 942,055,788 |

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

| Category | | Market Values/Break-up or Fair value or NAV | Book Value (Net of Provisions) |
|--------------|---------------------------------|---|--------------------------------|
| | | Amount (₹) | Amount (₹) |
| 1 | Related Parties | | |
| | (a) Subsidiaries | 22,931,067,124 | 27,207,194,521 |
| | (b) Companies in the same group | 4,449,484 | 34,999,990 |
| | (c) Other related parties | - | - |
| 2 | Other than related parties | - | 559,657,614 |
| Total | | 22,935,516,608 | 27,801,852,125 |

7) Other information

| Particulars | | Amount (₹) |
|-------------|---|------------|
| (i) | Gross Non-Performing Assets | |
| | (a) Related parties | - |
| | (b) Other than related parties | - |
| (ii) | Net Non-Performing Assets | |
| | (a) Related parties | - |
| | (b) Other than related parties | - |
| (iii) | Assets acquired in satisfaction of debt | - |



e. Details of Employee Stock Option Plans issued by the company

| Type of Scheme | ESOP Scheme 2006 (Tranche -I) | ESOP Scheme 2010 (Tranche -II) | ESOP Scheme 2010 (Tranche -I) |
|--|--|-----------------------------------|----------------------------------|
| Date of grant | 15-Nov-06 | 17-Nov-07 | 29-Dec-10 |
| Number Granted | 2,000,000 | 125,000 | 6,573,000 |
| Contractual Life (w.e.f. vesting date) | 9 yrs | 9 yrs | 9 yrs |
| Vesting Conditions | 33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date | | |
| Method of Option Valuation | Black Scholes Option Pricing Method | | |
| Exercise Price | 140 | 140 | 481 |
| Estimated fair value of share granted | 111.47 | 185 | 481 |

| Type of Scheme | ESOP Scheme 2010 (Tranche -II) | ESOP Scheme 2010 (Tranche -III) | ESOP Scheme 2010 (Tranche -IV) | ESOP Scheme 2012 (Tranche -I) | ESOP Scheme 2012 (Tranche -II) |
|---|--|---------------------------------------|--------------------------------------|--|--|
| Date of grant | 18-Mar-11 | 28-Jul-11 | 12-Nov-11 | 13-Mar-12 | 30-Oct-12 |
| Number Granted | 6,037,000 | 592,500 | 610,000 | 12,003,200 | 120,000 |
| Contractual Life (w.e.f. vesting date) | 9 yrs | 9 yrs | 9 yrs | 9 yrs | 9 yrs |
| Vesting Conditions | 33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date | | | 66% on expiry of 12 months from Grant Date 34% on expiry of 24 months from Grant Date | 33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date |
| Method of Option Valuation | Black Scholes Option Pricing Method | | | | |
| Exercise Price | 480 | 461 | 432 | 387 | 303 |
| Estimated fair value of share granted | 480 | 461 | 432 | 387 | 303 |

| Scheme | No. of Options outstanding as on April 1, 2017 | Issued During the year | Cancellation of Options | Options Exercised | Number of Options outstanding as on March 31, 2018 |
|------------------------|---|---------------------------|----------------------------|----------------------|--|
| Scheme 2010 | - | - | - | - | - |
| Scheme 2012 -tranche 1 | 5,060,000 | - | 3,256,000 | - | 1,804,000 |
| Scheme 2012 -tranche 2 | 60,000 | - | - | - | 60,000 |
| TOTAL | 5,120,000 | - | 3,256,000 | - | 1,864,000 |



Notes Forming Part of the Financial Statements

For the year ended March 31, 2018

| Scheme | Exercisable as at March 31, 2018 |
|--------------------------------|----------------------------------|
| Scheme 2006 | - |
| Scheme 2010 | - |
| Scheme 2012 | 1,864,000 |
| Range of Exercise Price | |
| ESOP Scheme 2012 (Tranche –I) | 387 |
| ESOP Scheme 2012 (Tranche –II) | 303 |

34. Joint Venture as required by AS-27 – “Financial Reporting of Interest in Joint Venture” are given below:

| Name | Description of Interest | % of Interest | |
|---|-------------------------|---------------|---------|
| | | Mar -18 | Mar -17 |
| IBOF Investment Management Private Limited | Equity Shareholding | 50.00% | 50.00% |
| Milestone Religare Capital Management Limited * | Equity Shareholding | 0.00% | 50.00% |

*Due to long term restrictions, company excluded from consolidation

Company's Interest in Joint Ventures

| Particulars | As at March 31, 2018 | As at March 31, 2017 |
|------------------------|----------------------|----------------------|
| | Amount (₹) | Amount (₹) |
| Assets | 5,565,703 | 42,329,735 |
| Liabilities | 1,118,205 | 1,648,725 |
| Revenue | 6,371,651 | 16,740,200 |
| Depreciation | 34,005,728 | 15,194,107 |
| Other Expenses | 7,463,688 | 13,958,973 |
| Capital Commitments | - | - |
| Contingent Liabilities | - | - |

35. Loans and advances in the nature of loans to subsidiaries and associates

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|--|----------------------|--|
| | Outstanding Balance | Maximum amount outstanding at any time during the year | Outstanding Balance | Maximum amount outstanding at any time during the year |
| Relegare Support Services Limited | - | - | - | 253,500,000 |
| Relegare Comtrade Limited | 26,900,000 | 36,937,683 | - | 434,000,000 |
| Religare Art Initiative Limited | - | - | - | 6,008,805 |
| Religare Capital Markets Limited | 155,325,154 | 188,669,857 | - | - |
| RGAM Investment Advisers Private Limited | - | - | - | 1,085,000,000 |
| Religare Broking Limited | 3,500,000 | 3,500,000 | - | - |
| ANR Securities Private Limited | - | - | - | 2,367,110,872 |
| Religare Art Fund Pratham | - | 171,880 | - | - |
| Ranchem Private Limited | - | - | - | 2,344,000,000 |

**36. Other Notes**

- a. Classification of Loans and Advances and provision for Non-Performing Assets/ Provision for diminution of Investments Other than Long Term has been made in accordance with the NBFC Directions after considering subsequent recoveries and realizable value of investments respectively. Provision for Long Term Investment is made as per Accounting Standard (AS) -13, "Accounting for Investments" of Institute of Chartered Accountant of India (ICAI). The classification of loans into standard, sub-standard and loss assets and investments have been disclosed at gross value and the corresponding provision against non-performing assets/ investments has been included under provisions in accordance with NBFC Directions.
- b. There are no transactions during the year with Micro, Small and Medium enterprises and as such there is no balance outstanding as at March 31, 2018.
- c. The provision for Income Tax for year ended March 31, 2018 has been made on an estimated basis in accordance with the provision of Income Tax Act, 1961 of India. No provision has been made for Corporate Dividend Tax in view of Exemption u/s 115-O of Income Tax Act, 1961.

d. Operating Cycle

An asset or a liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle; or
- b. it is held primarily for the purpose of being traded; or
- c. it is expected to be realized / due to be settled within twelve months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date; or
- e. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

37. Corporate Social Responsibility

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendation of the Committee, the Board has approved a Corporate Social Responsibility ('CSR') policy and the same has been uploaded on the website of the Company www.religare.com. CSR Policy contains the CSR activities which can be carried out by the Company, governance structure, implementation process, etc.

As the Average Net Profits of the Company as per last three Audited Financial Year as per Section 198 of the Companies Act, 2013 were negative, no amount was required to be spent on CSR activities during the financial year 2017-18.

38. Previous Year Figures

Previous year figures have been regrouped, re-arranged and reclassified wherever necessary to conform to the current period's classification. The effect of the merger scheme is considered during year ended March 31, 2018. Accordingly, figures for the year ended March 31, 2018 are stated after giving the effect of the Composite Scheme of Arrangement. However, figures for the corresponding year ended March 31, 2017 has not been restated. Accordingly, the financials are not fully comparable.

The accompanying notes are an integral part of these Financial Statements

Signature to Note No. 1 to 38 forming part of Financial Statement

For and on behalf of Board of Director

For SS Kothari Mehta & Co.

Firm Registration No. 000756N

Chartered Accountants

Sd /-

NAVEEN AGGARWAL

Partner

Membership No: 094380

Sd /-

KRISHNAN SUBRAMANIAN

Director-Finance

(DIN- 08038047)

Sd /-

ASHOK MEHTA

Interim CEO

Sd /-

RAMA KRISHNA SHETTY

Director

(DIN-01521858)

Sd /-

REENA JAYARA

Company Secretary

Membership No: A19122

Place : Gurugram
Date : May 30, 2018

Place : Gurugram
Date : May 30, 2018

Values that steer us ahead

Passion

To demonstrate tremendous energy and enthusiasm at all times and act entrepreneurially to achieve organizational objective.



Innovation

To constantly challenge the status quo and to look beyond mundane ways of working and think out of the box.



Ambition

To think big: Aspire to achieve seemingly impossible and to set highest standards of performance.



Diligence

To make constant and earnest efforts to accomplish whatever is undertaken and to adhere to defined processes and systems.



Team Work

To build relationships to ensure collaboration and integration across business groups / boundaries and to act to build a positive spirit, morale and co-operation within and across teams, take action to resolve team conflict.



Religare Enterprises Limited

CIN No. : L74899DL1984PLC146935

Registered Office:

2nd Floor, Rajlok Building, 24, Nehru Place,
New Delhi - 110019, India
Phone No. : 91-11-46272400

Corporate Office:

Tower A, A-3,4,5, Prius Global, Sector 125,
Noida - 201301, Uttar Pradesh, India
Phone No. : 91-120-3391000

E-mail: info@religare.com, **Website:** www.religare.com