Religare Enterprises Limited

Q2FY16 Results

RELIGARE
Values that bind

November 2, 2015

Religare Enterprises Overview

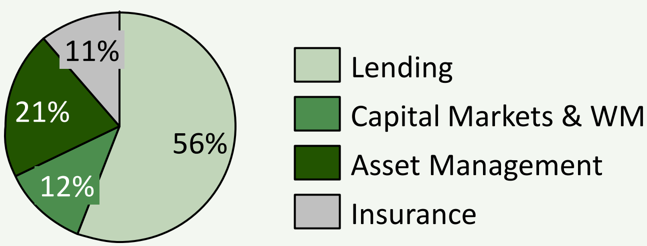
REL Overview

REL is an investment holding company that has built an integrated financial services platform

Business Overview

- Religare Enterprises Limited (REL) is an investment holding company that has built an integrated financial services platform through its portfolio companies
- Portfolio companies service over 1.53* mn. clients from over 1,575* locations with more than 8,700* employees in India and abroad
- Consolidated net worth of ₹41.34 bn. (USD 625 mn.) as of 30-Sep-2015. Consolidated revenue of ₹11.54 bn. (USD 178 mn.) in Q2FY16
- Listed on NSE and BSE: market capitalization of ₹51.60 bn. (~USD 780 mn.) as of 30-Sep-2015

Revenue Split by Verticals



Q2FY16

Key awards and accolades

Brand Religare was recognised as a 'Delhi NCR Hot 50 Brand - 2015'

'CEO of the Year' at the 'Asia BFSI Excellence Awards – 2015' for REL Group CEO

'FICCI Healthcare Excellence Award - 2015' for Religare Health Insurance

*Clients, locations and employees include those of joint ventures

RELIGARE Values that bind

Portfolio Functions Overview

REL's primary objective is to ensure that its portfolio companies create equity value

REL Structure and Functions

- Religare Enterprises Limited (REL) is an Investment Holding Company managed by a set of professionals and supervised by a majority-independent Board
- The businesses are operated out of its portfolio companies which are structured as subsidiaries or joint ventures
- Portfolio companies are managed by their CEOs and management teams on a day-to-day basis
- REL's objective is to ensure that the portfolio companies create equity value
- To that end, REL
  - Provides capital to the portfolio companies
  - Ensures that the Brand and Group Ethos are safeguarded
  - Determines the Governance Structures, Risk Management and Control mechanisms for the portfolio companies
  - Undertakes performance management

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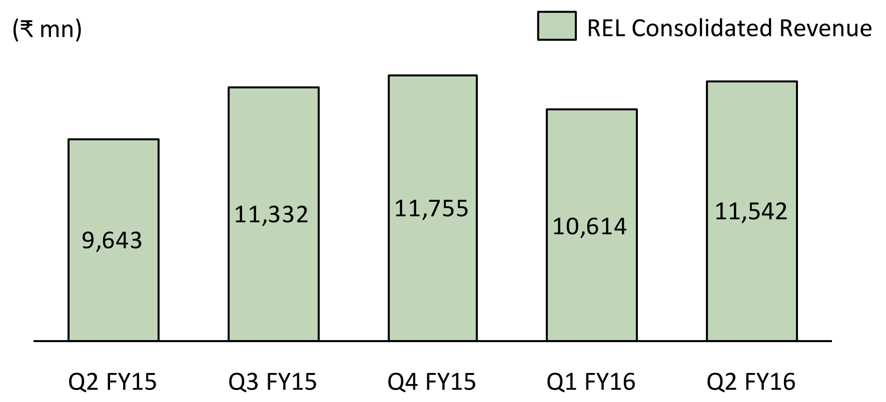
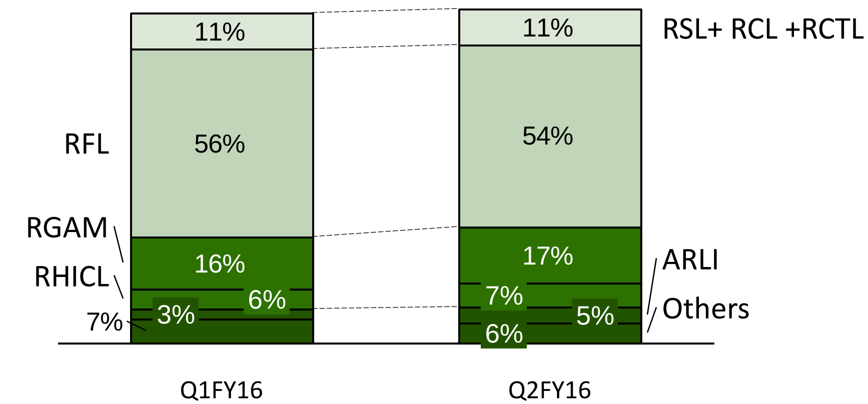
Consolidated Performance

Key financial indicators – Q2 FY16

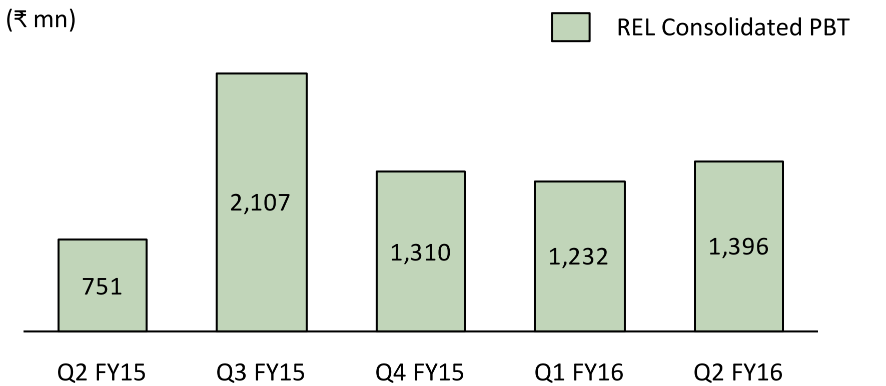
Revenue up 9% QOQ and 20% YOY



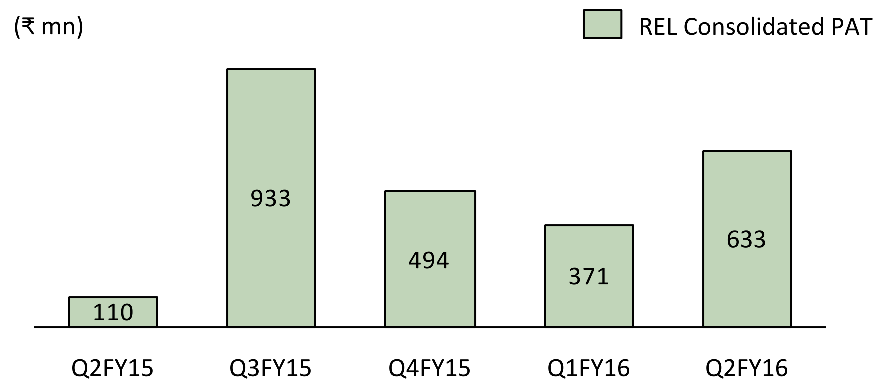
Lending remains largest contributor to revenue mix



Profit Before Tax



Profit After Tax



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Values that bind

Consolidated Income Statement – Q2 FY16

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Total Income	**11,542**	**10,614**	**9%**	**9,643**	**20%**
Personnel Expenses	2,353	2,209	7%	1,828	29%
Operating and Admin Expenses	3,312	2,875	15%	2,760	20%
Interest and Finance Charges	4,535	4,418	3%	4,337	5%
Depreciation	89	87	2%	83	8%
Less: Net Exp. of JV Recoverable	(143)	(207)	nm	(116)	nm
Total Expenses	**10,146**	**9,382**	**8%**	**8,892**	**14%**
PBT	**1,396**	**1,232**	**13%**	**751**	**86%**
Provision for Tax	467	445	5%	400	17%
Corporate Dividend Tax	-	146	nm	-	-
Minority Interest and Share in Associates	296	270	10%	241	23%
PAT after Minority Interest	**633**	**371**	**70%**	**110**	**475%**

RELIGARE
Values that bind

Consolidated Balance Sheet

(₹ mn)	As at September 30, 2015	As at June 30, 2015
Owners' Funds	**41,335**	**39,908**
Share Capital	2,033	2,033
Reserves and Surplus	39,302	37,874
Minority Interest	1,738	2,014
Non-Current Liabilities	**107,033**	**100,991**
Current Liabilities	**118,773**	**112,841**
Total Liabilities	**268,879**	**255,754**
Non-Current Assets	**168,731**	**164,019**
Fixed Assets	22,747	21,878
Non-Current Investments	15,006	14,540
Deferred Tax Assets (net)	953	916
Long-Term Loans and Advances	122,112	118,247
Other Non-Current Assets	7,913	8,438
Current Assets	**100,147**	**91,735**
Current investments	15,830	16,772
Inventories	2,855	3,182
Trade Receivables	6,039	5,119
Cash and Bank Balances	19,214	18,028
Short-Term Loans and Advances	49,378	47,119
Other Current Assets	6,832	1,515
Total Assets	**268,879**	**255,754**

Performance of Portfolio Companies

Lending
Performance Review

Religare Finvest Limited

One of India's **largest Non-Banking Financial Companies**, focusing on the **SME segment**

Business Highlights

Net worth of **₹25.16 bn.**

Lending book of **₹146.31 bn.**

54% of REL's consolidated revenue

(as of/q.e. 30-Sep-2015)

Strategic Priorities

Improve **ROE**

Continuous Growth in Book

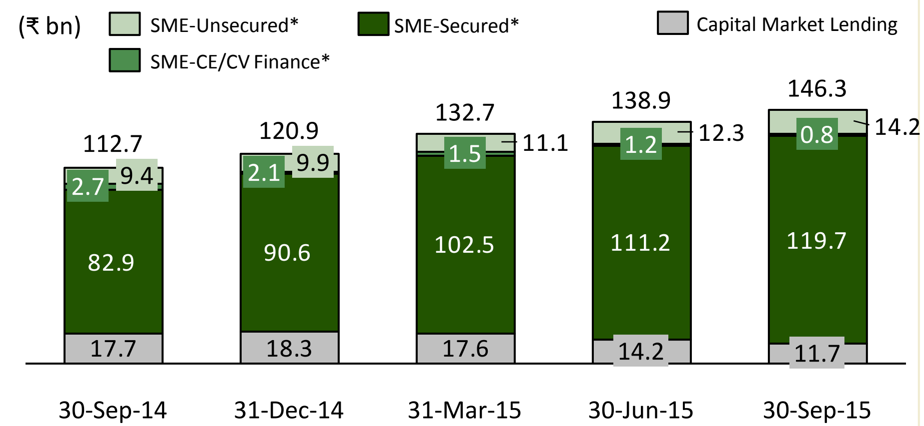
Ensure **Low NPAs**

RELIGARE Values that bind

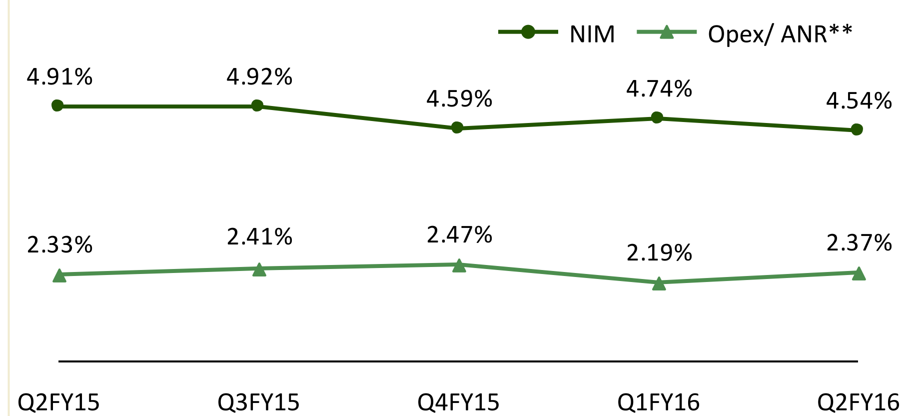
Lending

SME-Secured drives growth in book size

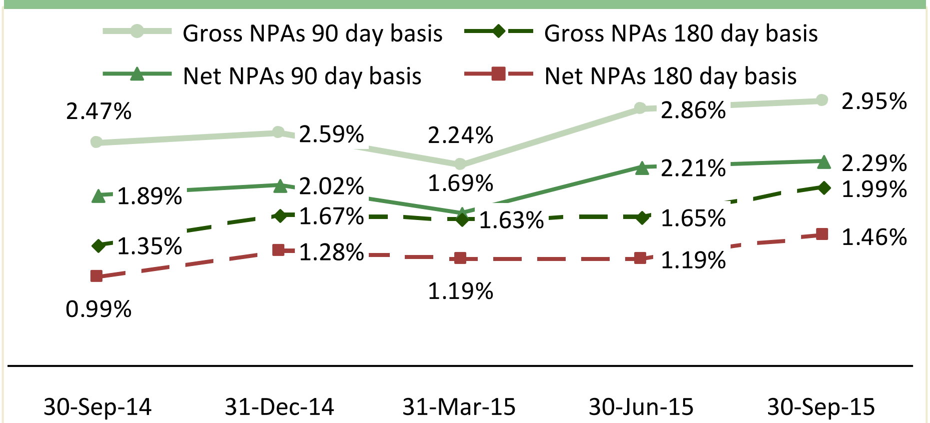
Continued traction in SME-Secured segment: book size up 44% YOY



NIM and Opex to ANR



Non-Performing Assets §



Borrowing programme supported by superior ratings

Instrument	Rating by ICRA	Amount (₹ mn)	Rating by India Ratings	Amount (₹ mn)
Commercial Paper	ICRA A1+	27,000	IND A1+	30,000
ST Debt	ICRA A1+	10,000		
ST Bank Loans	ICRA A1+	6,000	IND A1+	30,000
LT Debt	ICRA AA- (stable)	34,000	IND AA - (stable)	30,000
LT Bank Loans	ICRA AA- (stable)	114,000	IND AA - (stable)	100,000
Tier-2 Sub. Debt			IND AA- (stable)	7,500
Market-Linked Deb.	ICRA pp-MLD AA-	1,000		

Additionally obtained Long Term rating of 'CARE AA-' [₹14,000 mn]

* Net of portfolio assigned to other lenders.

**Excludes one-off items; number restated where necessary to align methodology

§ NPAs are recognised at 90 days since Oct 2011 whereas regulations require transitioning from 180-day NPA recognition to 90-day recognition by 31-Mar-2018

RELIGARE Values that bind

RFL Abridged Income Statement

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Total Income	**6,204**	**5,993**	**4%**	**5,268**	**18%**
Operating and Administrative Expenses	935	774	21%	739	26%
Personnel Expenses	401	363	11%	266	51%
Interest and Finance Charges	3,889	3,705	5%	3,206	21%
Depreciation	17	15	15%	20	-15%
Total Expenses	**5,242**	**4,856**	**8%**	**4,232**	**24%**
PBT	**961**	**1,137**	**-15%**	**1,036**	**-7%**
PAT	**637**	**751**	**-15%**	**679**	**-6%**

Retail Broking
Performance Review

Religare Securities Limited

Religare Commodities Limited

Religare Comtrade Limited

A formidable **retail broking platform** with extensive **distribution capabilities**

Business Highlights

Market share of **1.3%** in equities and **2.9%** in commodities

11% of REL's consolidated revenue

(q.e. 30-Sep-2015)

Strategic Priorities

Increase **Distribution Network** productivity

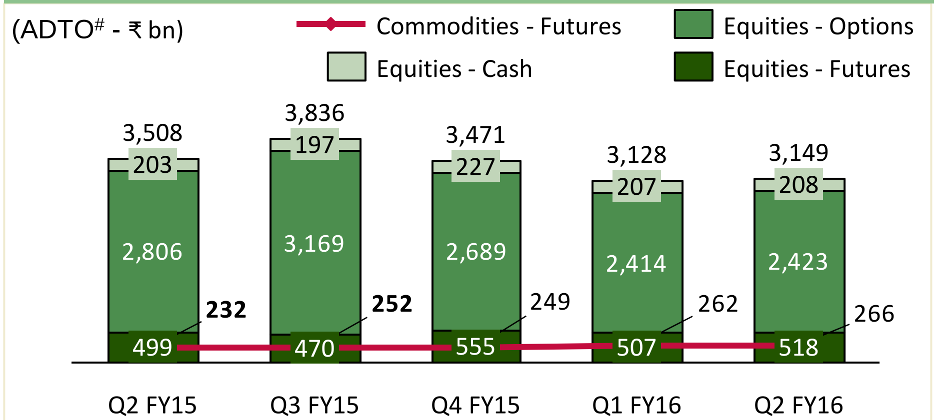
Generate Superior **ROE**

RELIGARE Values that bind

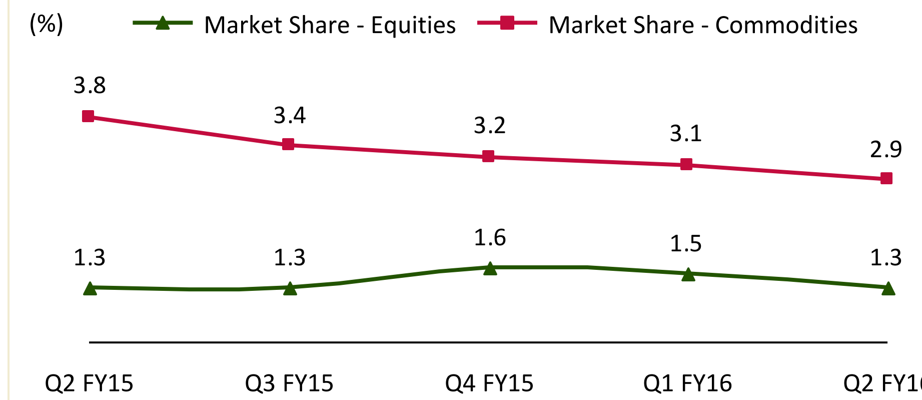
Retail Broking

Improving performance in the face of muted conditions

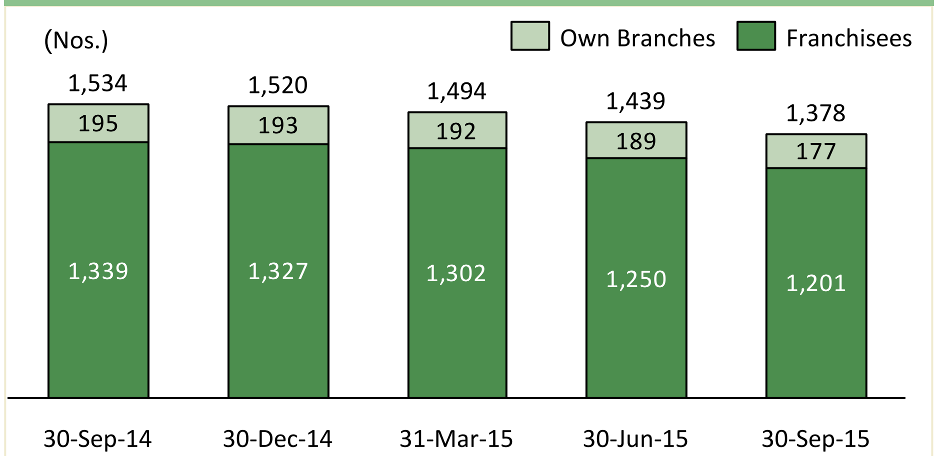
Market wide turnover remains muted across segments



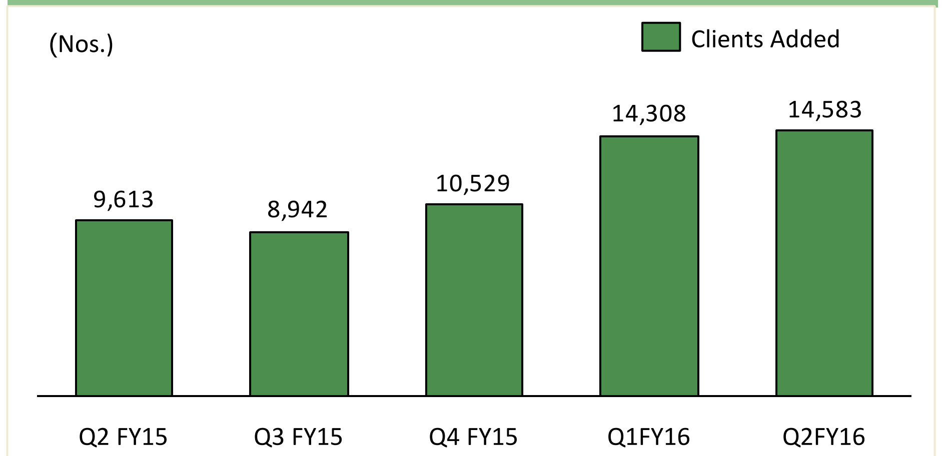
Religare's market-share



Focus on distribution network productivity



Efforts to step up new customer acquisition bearing fruit; to provide pipeline of business for the future



Average Daily Turnover. Source: NSE, BSE

RELIGARE Values that bind

Retail Broking
Financial Performance

*RSL, RCL & RCTL Combined Abridged Income Statement**

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Total Income	**1,294**	**1,133**	**14%**	**1,223**	**6%**
Operating and Administrative Expenses	507	542	-6%	557	-9%
Personnel Expenses	326	329	-1%	292	12%
Interest and Finance Charges	261	304	-14%	226	15%
Depreciation	15	15	0%	9	67%
Total Expenses	**1,109**	**1,189**	**-7%**	**1,084**	**2%**
PBT	**185**	**(56)**	**nm**	**138**	**34%**
PAT	**116**	**(33)**	**nm**	**131**	**-11%**

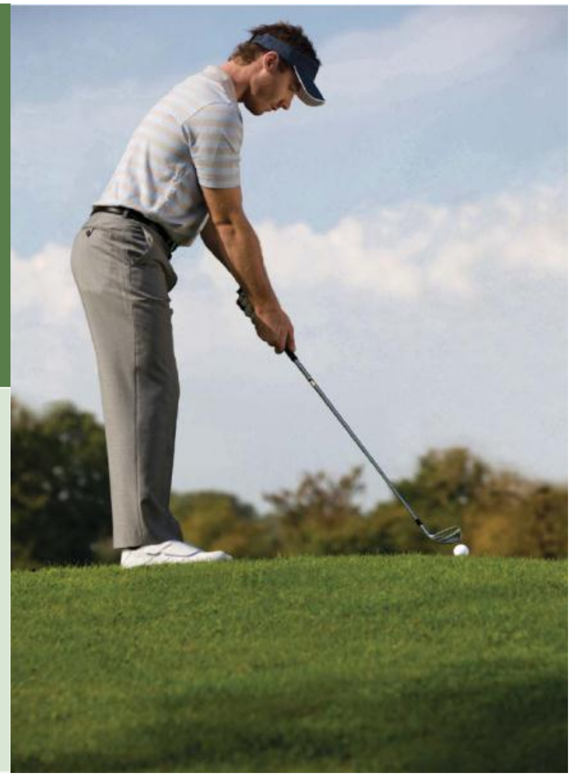
*The combined abridged income statement has been drawn by line by line addition and is not as per AS-21 issued by ICAI.

RELIGARE Values that bind

Wealth Management
Performance Review

Religare Wealth Management Limited

An **open architecture platform** targeting **growing affluence**



Business Highlights

AUM of
₹40.29 bn.

Customer base of over **4,500**

(as of 30-Sep-2015)

Strategic Priorities

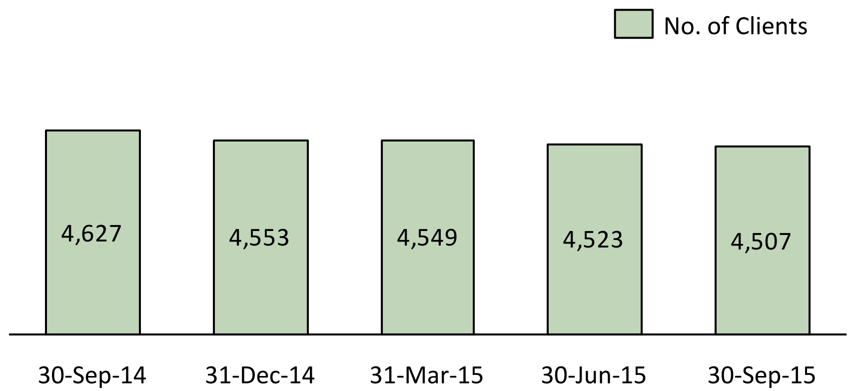
Increase **Yield on AUM**

Increase **Annuity Income**

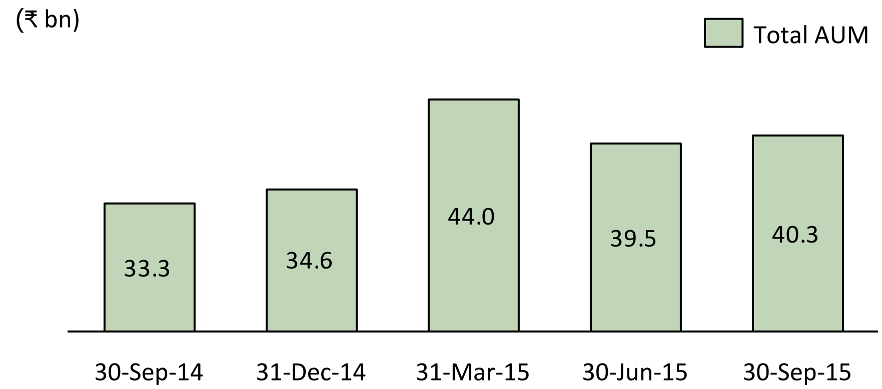
Wealth Management

Differentiating through a focused idea-driven approach

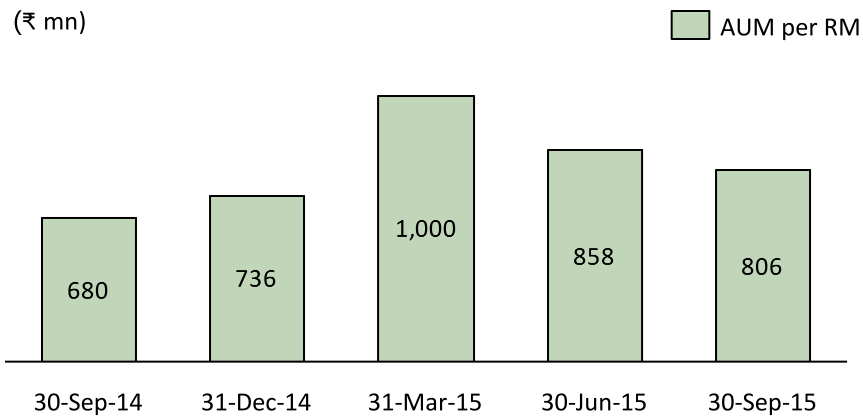
Client Base



AUM



Relationship Manager Productivity



Business update

- Traction in equity PMS has sustained with increasing penetration across clients
- Taken multiple steps towards ease of execution for clients in line with client-centricity philosophy
- Enhanced capability in Structured Products and Fixed Income

RELIGARE
Values that bind

Wealth Management
Financial Performance

RWM Abridged Income Statement

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Total Income	**77**	**41**	**87%**	**67**	**14%**
Operating and Administrative Expenses	19	15	25%	21	-10%
Personnel Expenses	64	63	2%	53	21%
Interest and Finance Charges	1	-	nm	-	nm
Depreciation	1	1	0%	0	nm
Total Expenses	**85**	**79**	**7%**	**74**	**15%**
PBT	**(8)**	**(38)**	**nm**	**(7)**	**nm**
PAT	**(8)**	**(38)**	**nm**	**(7)**	**nm**

Capital Markets
Performance Review

Religare Capital Markets Limited

Asia-focussed **Institutional Equities** and **Investment Banking** platform

Business Highlights

India IE cash market share of **1.1%**

Empanelled with **457 clients** globally

(as of/q.e. 30-Sep-2015)

Strategic Priorities

Increase **Market Share**

Attain **Profitability**

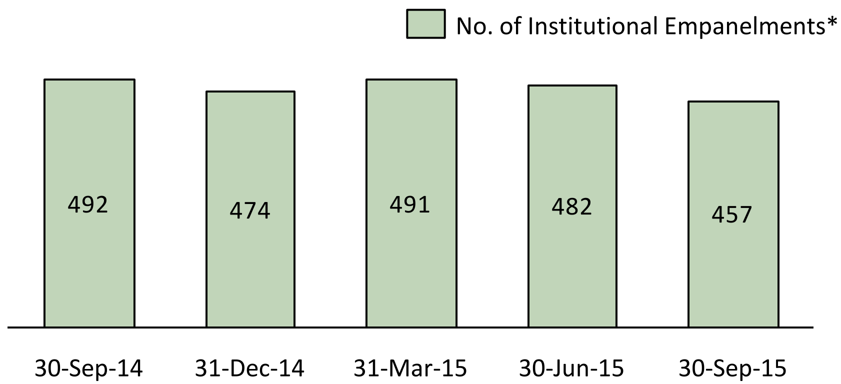
RCML has been deconsolidated from REL w.e.f. 01-Oct-2011

RELIGARE Values that bind

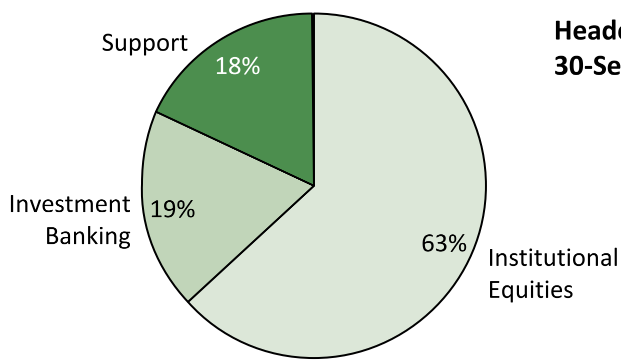
Capital Markets

Creating a sustainable platform

Client empanelment



Headcount



Headcount as of 30-Sep-2015: 114

Business update

- India platform continues to deliver following focus on investing in our areas of strength and resource building: successful in converting the robust investment banking pipeline and enhancing capabilities in Futures & Options to drive growth
- International business continues to expand reach through partnerships with regional securities and advisory firms

IBD update

- Successfully raised ₹513 mn. from private equity for Satin Credit Care Network Limited in a composite equity and warrants issue
- Syndicated multiple debt issues, including for Shanders (₹700 mn), Umang (₹1,000 mn), Belstar (₹150 mn) and ESAF Microfinance (₹150 mn)
- Momentum created through successful execution of ECM transactions continues to bolster RCM positioning with clients

RELIGARE Values that bind

Religare Invesco Asset Management Co. Pvt. Ltd.

Entering the **next phase of growth**

Business Highlights

Q2FY16 Average

AUM of ₹216 bn.

Strategic Priorities

Profitable AUM Growth

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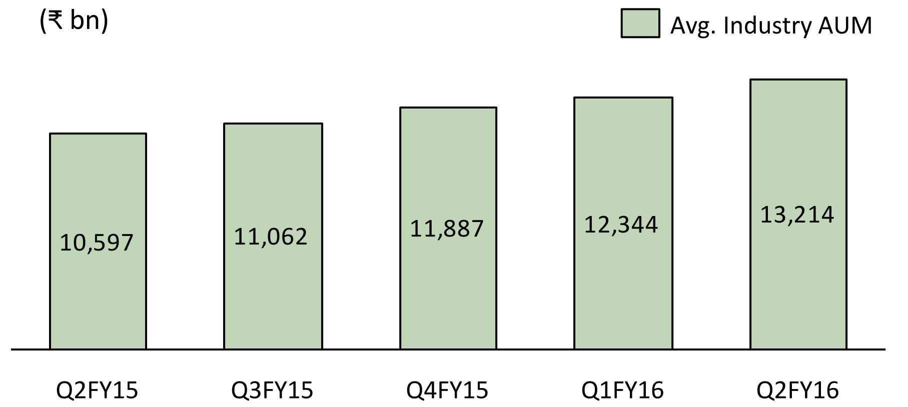
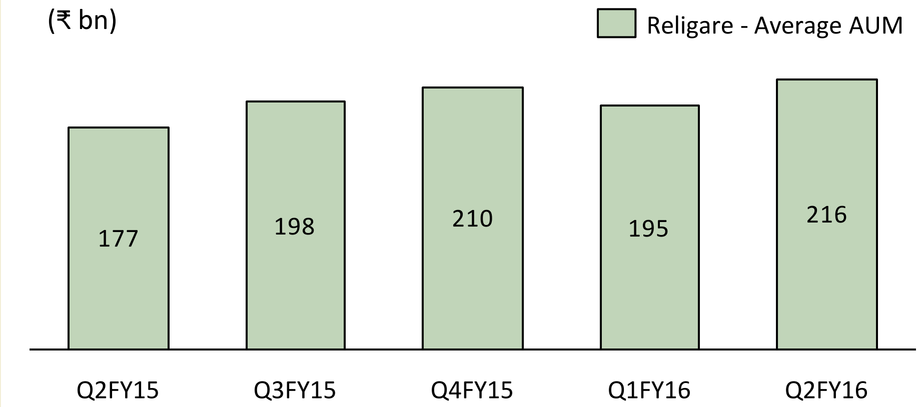
Asset Management

Entering the next phase of growth with Invesco's induction as JV partner

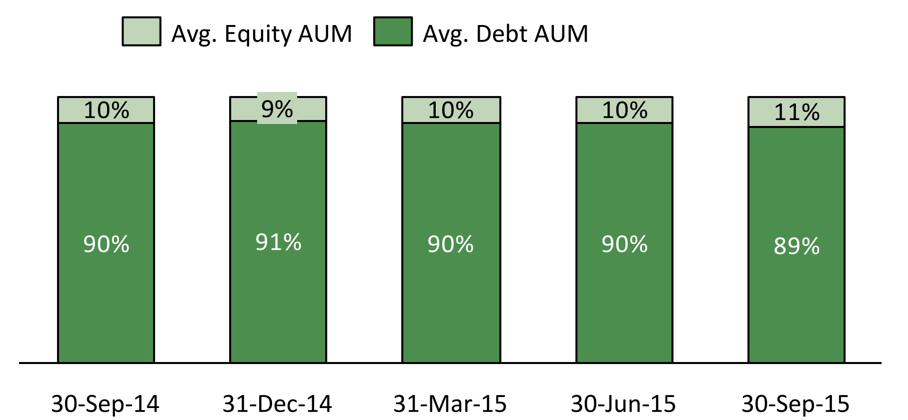
Industry-wide average AUM



Religare Invesco mutual fund AUM grew 11% QOQ



Religare Invesco MF AUM composition



Business update

- Retail interest in equity schemes continues despite recent volatility in the market; sustained momentum in SIP mobilisation reflects long-term view of investors and stable nature of AUM
- Increase in Debt AUM on expectations of rate cuts

Source: AMFI, Company Analysis

Asset Management
Financial Performance

RIAMC Abridged Income Statement

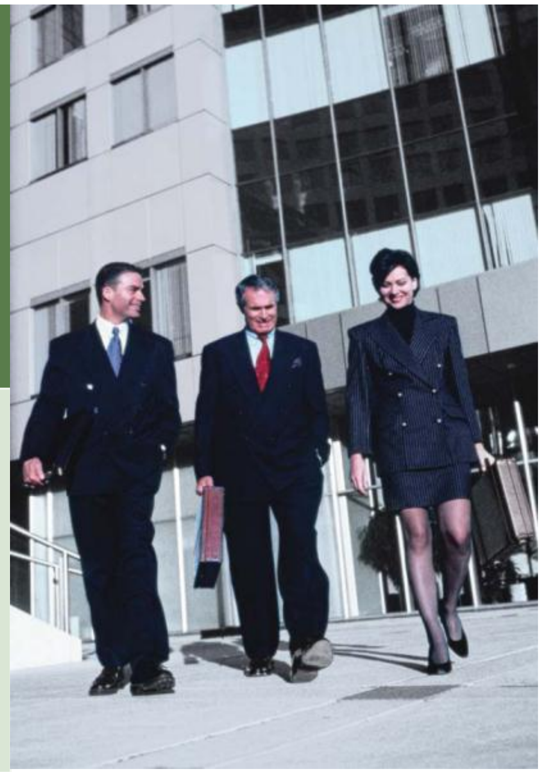
(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Total Income	**253**	**245**	**3%**	**183**	**38%**
Operating and Administrative Expenses	131	113	16%	60	118%
Personnel Expenses	122	125	-2%	114	7%
Interest and Finance Charges	-	-	-	-	-
Depreciation	2	2	0%	2	0%
Total Expenses	**255**	**240**	**6%**	**176**	**45%**
PBT	**(2)**	**5**	**nm**	**7**	**nm**
PAT	**(2)**	**5**	**nm**	**7**	**nm**
PAT After Minority Interest	**(1)**	**3**	**nm**	**4**	**nm**

Financials reflect 100% of the company

Global Asset Management
Performance Review

Religare Global Asset Management

Building a **multi-boutique Alternative Asset Manager**



Business Highlights

AUM of

$20.54 bn.

(as of 30-Sep-2015)

Strategic Priorities

AUM Growth in existing affiliates

Launch of **organic affiliates**

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Values that bind

Global Asset Management

Financial Performance

RGAM Inc. Abridged Consolidated Income Statement

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Total Income	**1,924**	**1,748**	**10%**	**1,512**	**27%**
Operating and Administrative Expenses	289	260	11%	175	65%
Personnel Expenses	850	817	4%	693	23%
Interest and Finance Charges	201	183	10%	168	20%
Depreciation	11	11	0%	9	22%
Total Expenses	**1,351**	**1,271**	**6%**	**1,045**	**29%**
PBT	**573**	**477**	**20%**	**467**	**23%**
PAT	**571**	**473**	**21%**	**461**	**24%**
PAT After Minority Interest and Share of Associate	**253**	**193**	**31%**	**203**	**25%**

RELIGARE
Values that bind

Health Insurance
Performance Review

Religare Health Insurance Co. Limited

Positioned to capture significant **Group synergies**

Business Highlights

GWP of **₹1,065 mn.** in Q2FY16

4,630 hospitals in provider network

(as of 30-Sep-2015)

Strategic Priorities

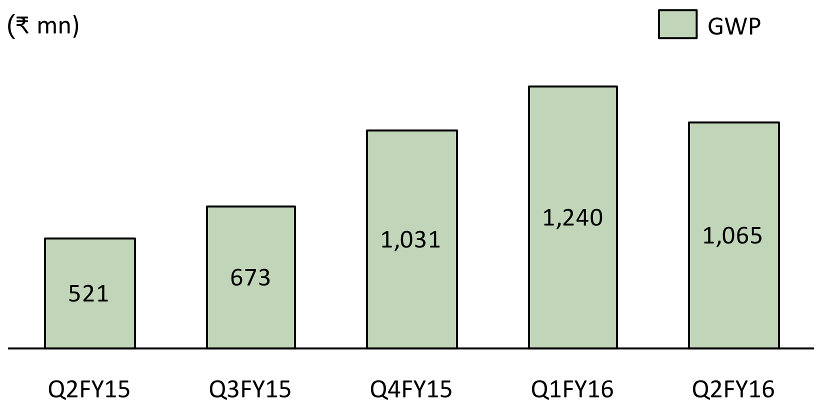
Grow GWP with efficient use of **Capital**

RELIGARE Values that bind

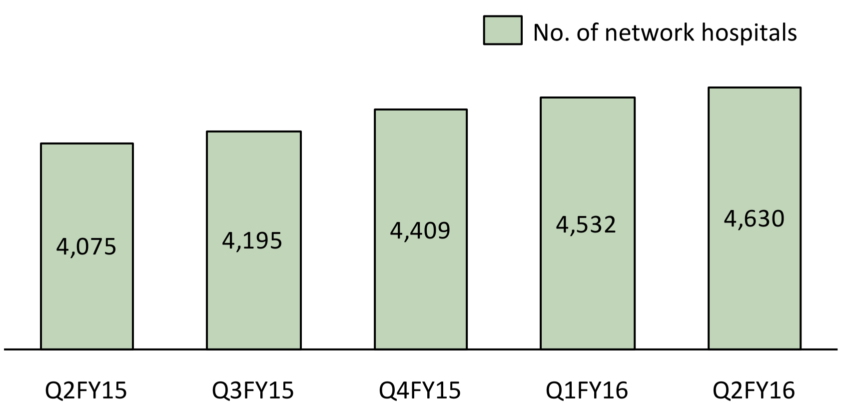
Health Insurance

Robust distribution aiding in rapidly achieving scale

Gross Written Premium



Consistently expanding the Hospital Network



Business Update

- Gross Written Premium (GWP) of ₹1.1 billion in Q2FY16; GWP growth is 105% as compare to previous year
- Total Paid-up Share Capital at ₹4 billion
- Pan-India coverage through 56 offices
- Multi-channel distribution strategy through Agency, Brokers, Corporate Agents, Online and Bancassurance
- Bouquet of 10 products covering health, personal accident, critical illness and travel
- Received the ‘Healthcare Excellence Award - 2015’ under the category ‘Innovations in Insurance Products’ from FICCI

RELIGARE
Values that bind

Health Insurance

Financial Performance

RHICL Abridged Income Statement

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Gross Written Premium	1,065	1,240	-14%	521	105%
Net Written Premium	772	892	-13%	381	102%
Net Earned Premium	**692**	**596**	**16%**	**307**	**125%**
Net Claims Incurred	416	331	26%	184	127%
Net Commission	(48)	(15)	nm	41	-219%
Operating & Administrative Expenses	343	298	15%	206	67%
Personnel Expenses	279	259	8%	176	59%
Total Expenses	**990**	**874**	**13%**	**606**	**63%**
Underwriting Profit/(Loss)	**(298)**	**(278)**	**nm**	**(299)**	**nm**
Investment & Other Income	82	73	12%	49	69%
PBT	**(216)**	**(205)**	**nm**	**(250)**	**nm**
PAT	**(216)**	**(205)**	**nm**	**(250)**	**nm**
PAT After Minority Interest	**(194)**	**(184)**	**nm**	**(225)**	**nm**

Financials reflect 100% of the company

Life Insurance
Performance Review

AEGON Religare Life Insurance Co. Limited

Pioneer in **Online Distribution**

Business Highlights

Approx. **403,000 lives covered**

₹5.8 bn. capital invested by REL

(as of 30-Sep-2015)

Strategic Priorities

Efficient use of **Capital**

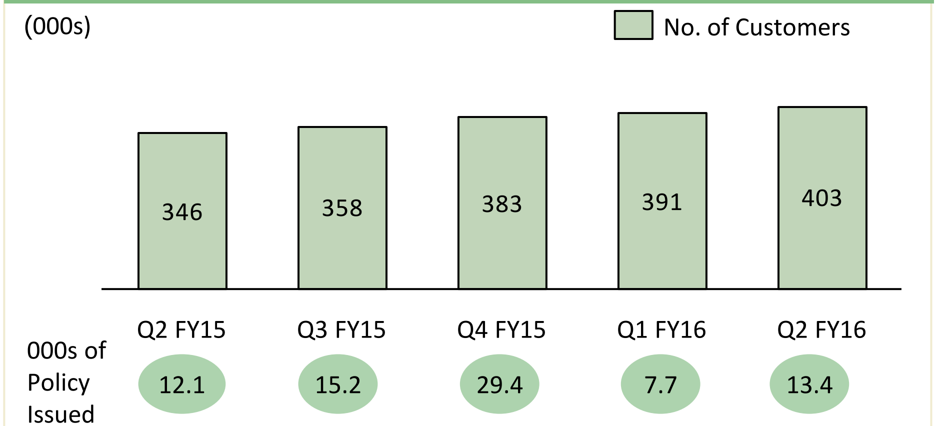
Achieve **Breakeven**

RELIGARE
Values that bind

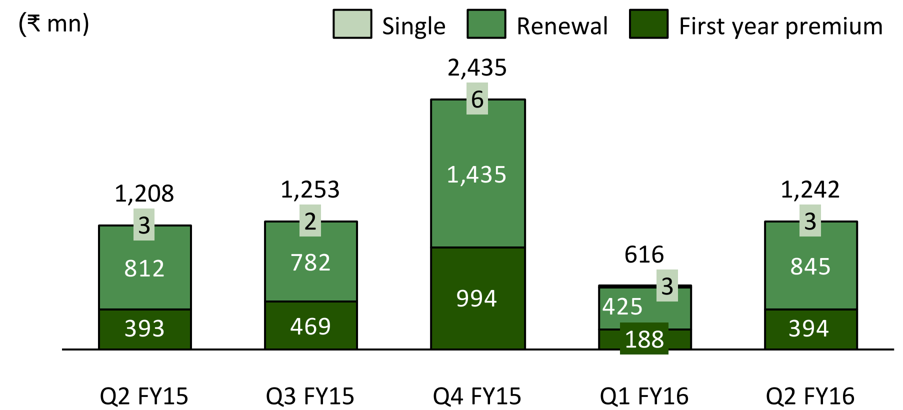
Life Insurance

Acknowledged leader in use of technology

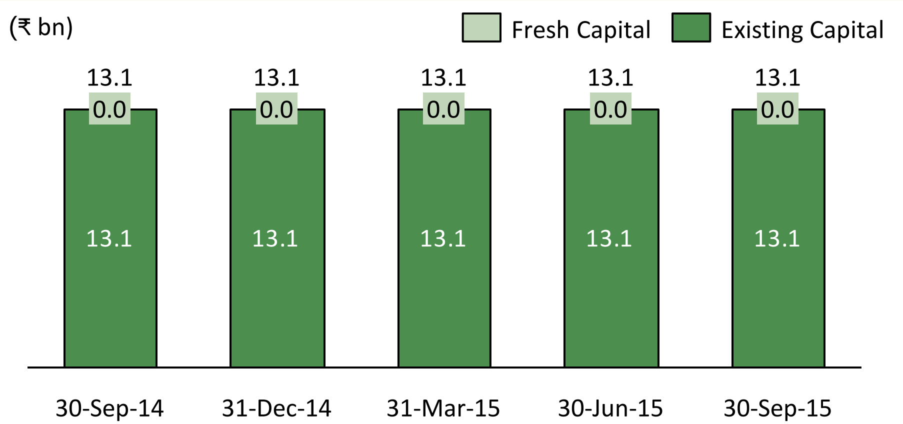
Steadily growing customer base



Premium Income split



Share Capital



Business update

- New products iIncome Insurance Plan, iSpouse Insurance Plan and iCancer Insurance Plan launched on the online platform
- With these new plans, the online channel has a comprehensive suite of products catering to protection, savings and investment needs of customers

RELIGARE Values that bind

Life Insurance

Financial Performance

*ARLI Abridged Income Statement**

(₹ mn)	Q2FY16	Q1FY16	QOQ Change (%)	Q2FY15	YOY Change (%)
Premiums Earned (Net)	1,156	546	112%	1,146	1%
Investment Income and Other Income	35	114	-70%	547	-94%
Total Income	**1,191**	**660**	**80%**	**1,693**	**-30%**
Commission	63	19	238%	70	-10%
Operating Expenses (incl. provisions other than tax)	738	680	8%	709	4%
Benefits Paid (Net)	485	341	42%	539	-10%
Change in valuation of liability in respect of life policies (net)	211	75	183%	622	-66%
Depreciation	20	16	19%	17	14%
Total Expenses	**1,517**	**1,131**	**34%**	**1,957**	**-23%**
PBT	**(326)**	**(471)**	**nm**	**(264)**	**nm**
PAT	**(326)**	**(471)**	**nm**	**(264)**	**nm**

* Financials represent the aggregate of Revenue (Technical) Account and Profit & Loss (Shareholders) Account, and reflect 100% of the company

RELIGARE
Values that bind

Appendix:

Portfolio Companies' Balance Sheets

Portfolio Companies' Balance Sheets (1/4)

RFL Abridged Balance Sheet

(₹ mn)	As at September 30, 2015
Owners' Funds	**25,155**
Share Capital	2,200
Reserves and Surplus	22,955
Non - Current Liabilities	**85,616**
Current Liabilities	**76,733**
Total Liabilities	**187,504**
Non-Current Assets	**120,837**
Fixed Assets	362
Non - Current Investments	2,960
Deferred Tax Assets (net)	783
Long - Term Loans and Advances	116,151
Other Non - Current Assets	581
Current Assets	**66,667**
Current Investments	6,442
Inventories	-
Trade Receivables	2
Cash and Bank Balances	11,226
Short - Term Loans and Advances	42,943
Other Current Assets	6,054
Total Assets	**187,504**

RSL, RCL & RCTL Combined Abridged Balance Sheet

(₹ mn)	As at September 30, 2015
Owners' Funds	**5,254**
Share Capital	345
Reserves and Surplus	4,909
Non - Current Liabilities	**288**
Current Liabilities	**14,543**
Total Liabilities	**20,085**
Non-Current Assets	**3,537**
Fixed Assets	152
Non - Current Investments	1,715
Deferred Tax Assets (net)	182
Long - Term Loans and Advances	526
Other Non - Current Assets	962
Current Assets	**16,549**
Current investments	1,517
Inventories	2,855
Trade Receivables	5,487
Cash and Bank Balances	5,151
Short - Term Loans and Advances	877
Other Current Assets	663
Total Assets	**20,085**

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Values that bind

Portfolio Companies' Balance Sheets (2/4)

RWM Abridged Balance Sheet

(₹ mn)	As at September 30, 2015
Owners' Funds	**41**
Share Capital	1,300
Reserves and Surplus	(1,259)
Non - Current Liabilities	**9**
Current Liabilities	**52**
Total Liabilities	**102**
Non - Current Assets	**46**
Fixed Assets	5
Long - Term Loans and Advances	41
Current Assets	**56**
Current Investments	-
Trade Receivables	37
Cash and Bank Balances	13
Short - Term Loans and Advances	6
Total Assets	**102**

*RIAMC Abridged Balance Sheet**

(₹ mn)	As at September 30, 2015
Owners' Funds	**599**
Share Capital	765
Reserves and Surplus	(166)
Non - Current Liabilities	**14**
Current Liabilities	**124**
Total Liabilities	**737**
Non - Current Assets	**75**
Fixed Assets	16
Non - Current Investments	1
Long - Term Loans and Advances	51
Other Non - Current Assets	7
Current Assets	**661**
Current investments	509
Trade Receivables	49
Cash and Bank Balances	12
Short - Term Loans and Advances	91
Other Current Assets	-
Total Assets	**737**

* Financials reflect 100% of the company

RELIGARE
Values that bind

Portfolio Companies' Balance Sheets (3/4)

RGAM Inc. Abridged Consolidated Balance Sheet

(₹ mn)	As at September 30, 2015
Owners' Funds	**13,839**
Share Capital	0
Reserves and Surplus	13,839
Minority Interest	**569**
Non - Current Liabilities	**185**
Current Liabilities	**11,769**
Total Liabilities	**26,362**
Non - Current Assets	**23,126**
Fixed Assets	20,883
Non - Current Investments	2,050
Long - Term Loans and Advances	193
Other Non - Current Assets	-
Current Assets	**3,236**
Cash and Bank Balances	1,567
Short - Term Loans and Advances	1,669
Other Current Assets	-
Total Assets	**26,362**

*RHICL Abridged Balance Sheet**

(₹ mn)	As at September 30, 2015
Owners' Funds	**1,327**
Share Capital	4,000
Reserves and Surplus	(2,673)
Share Application Money	-
Non - Current Liabilities	**17**
Current Liabilities	**3,495**
Total Liabilities	**4,839**
Non - Current Assets	**3,938**
Fixed Assets	339
Non - Current Investments	2,825
Long - Term Loans and Advances	26
Other Non - Current Assets	748
Current Assets	**901**
Current investments	419
Trade Receivables	150
Cash and Bank Balances	87
Short - Term Loans and Advances	98
Other Current Assets	147
Total Assets	**4,839**

* Financials reflect 100% of the company

RELIGARE
Values that bind

Portfolio Companies' Balance Sheets (4/4)

*ARLI Abridged Balance Sheet**

(₹ mn)	As at September 30, 2015
Owners' Funds	**2,003**
Share Capital	13,130
Reserves and Surplus	(11,127)
Policyholders' Funds (including funds for discontinued policies and future appropriation)	**16,192**
Current Liabilities	**958**
Total Liabilities	**19,153**
Investments	**17,757**
Shareholders' Investments	1,396
Policyholders' Investments	4,921
Assets held to cover Linked Liabilities	11,440
Non - Current Assets	**474**
Fixed Assets	138
Long - Term Loans and Advances	336
Current Assets	**922**
Cash and Bank Balances	131
Short - Term Loans and Advances	196
Other Current Assets	595
Total Assets	**19,153**

* Financials reflect 100% of the company

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Values that bind

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