

RELIGARE ENTERPRISES LIMITED

Regd. Office :D3, P3B, District Centre, Saket, New Delhi-110017

Statement of Standalone and Consolidated Unaudited Results for the Quarter and 9 Months Ended December 31, 2013

PART I Particulars		(Rs in lacs)											
		Standalone Results						Consolidated Results					
		3 Months Ended 31/12/2013	Preceding 3 Months Ended 30/09/2013	Corresponding 3 Months Ended 31/12/2012	Year to Date Figures for 9 Months Ended 31/12/2013	Year to Date Figures for Corresponding 9 Months Ended 31/12/2012	Previous Year Ended 31/03/2013	3 Months Ended 31/12/2013	Preceding 3 Months Ended 30/09/2013	Corresponding 3 Months Ended 31/12/2012	Year to Date Figures for 9 Months Ended 31/12/2013	Year to Date Figures for Corresponding 9 Months Ended 31/12/2012	Previous Year Ended 31/03/2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations												
	a. Income from Operations	425.75	412.96	484.33	15,334.79	15,375.86	11,306.54	75,582.13	75,379.28	76,131.34	221,551.67	232,649.85	312,767.81
	b. Other Operating Income	1,395.33	25.67	271.06	1,653.76	413.86	790.16	9,096.61	7,203.94	7,657.35	23,414.46	21,833.59	29,564.63
	Total Income from Operations (a+b)	1,821.08	438.63	755.39	16,988.55	15,789.72	12,096.70	84,678.74	82,583.22	83,788.69	244,966.13	254,483.44	342,332.44
2	Expenses												
	a. Employee Benefits Expense	46.31	29.11	63.65	160.10	164.77	213.10	16,273.11	16,399.70	13,916.34	49,024.85	42,548.40	57,112.99
	b. Depreciation and Amortisation Expense	78.34	78.66	78.94	235.35	239.86	320.27	2,968.30	2,962.18	1,342.78	8,431.83	3,431.20	6,008.88
	c. Loss on sale of Long Term Investment (Net) (Refer Note 5)	6,014.41	-	-	6,014.41	-	5,171.96	-	-	-	-	-	-
	d. Provision for Diminution in the value of Long Term Investment	-	-	2.40	-	2.40	7,030.11	-	-	-	-	-	-
	e. Other Expenses	321.59	487.57	93.10	946.65	215.01	443.47	24,118.59	22,279.26	22,656.62	69,142.70	65,278.17	96,339.35
	Total Expenses (a+b+c+d+e)	6,460.65	595.34	238.09	7,356.51	622.04	13,178.91	43,360.00	41,641.14	37,915.74	126,599.38	111,257.77	159,461.22
	Less: Adjustment / Recovery for Net Expenditure of a Joint Venture (Refer Note 3)	-	-	-	-	-	-	1,484.84	1,475.28	1,453.94	4,370.37	4,922.62	5,565.91
	Balance of Expenses	6,460.65	595.34	238.09	7,356.51	622.04	13,178.91	41,875.16	40,165.86	36,461.80	122,229.01	106,335.15	153,895.31
3	Profit/ (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(4,639.57)	(156.71)	517.30	9,632.04	15,167.68	(1,082.21)	42,803.58	42,417.36	47,326.89	122,737.12	148,148.29	188,437.13
4	Other Income (Refer Note 5)	6,773.81	30.80	-	6,830.14	144.54	9,984.63	4,672.69	1,319.80	1,589.90	8,147.56	6,167.34	6,383.72
5	Profit/ (Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	2,134.24	(125.91)	517.30	16,462.18	15,312.22	8,902.42	47,476.27	43,737.16	48,916.79	130,884.68	154,315.63	194,820.85
6	Finance Costs	(6,421.78)	(4,647.02)	(1,172.47)	(15,692.50)	(1,553.51)	(3,451.19)	(40,002.82)	(39,652.72)	(43,233.10)	(118,847.27)	(130,033.08)	(171,661.80)
7	Profit/ (Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(4,287.54)	(4,772.93)	(655.17)	769.68	13,758.71	5,451.23	7,473.45	4,084.44	5,683.69	12,037.41	24,282.55	23,159.05
8	Exceptional Items :												
	a. Profit on sale of investment in subsidiaries (Net)	-	-	-	-	-	-	-	-	-	-	-	32,087.38
	b. Provision for Diminution in the value of Long Term Investment in a subsidiary (Refer Note 7)	(3,100.00)	-	-	(8,060.00)	-	(81,000.00)	(3,100.00)	-	-	(8,060.00)	-	(81,000.00)
	Net of Exceptional Items	(3,100.00)	-	-	(8,060.00)	-	(81,000.00)	(3,100.00)	-	-	(8,060.00)	-	(48,912.62)
9	Profit/ (Loss) from Ordinary Activities before Tax (7 +/- 8)	(7,387.54)	(4,772.93)	(655.17)	(7,290.32)	13,758.71	(75,548.77)	4,373.45	4,084.44	5,683.69	3,977.41	24,282.55	(25,753.57)
10	Tax Expense												
	Current Tax	86.16	94.95	122.64	298.89	415.44	546.40	4,000.70	4,078.42	2,266.77	10,267.97	8,530.77	20,722.74
	Dividend Distribution Tax of a Subsidiary	-	-	-	-	-	-	-	-	-	890.38	1,594.13	1,595.65
11	Net Profit/ (Loss) from Ordinary Activities after Tax (9-10)	(7,473.70)	(4,867.88)	(777.81)	(7,589.21)	13,343.27	(76,095.17)	372.75	6.02	3,416.92	(7,180.94)	14,157.65	(48,071.96)
12	Extra Ordinary Items (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-
13	Net Profit/ (Loss) for the period/ year (11-12)	(7,473.70)	(4,867.88)	(777.81)	(7,589.21)	13,343.27	(76,095.17)	372.75	6.02	3,416.92	(7,180.94)	14,157.65	(48,071.96)
14	Less: Share of Minority Interest	-	-	-	-	-	-	2,743.62	2,225.40	1,472.67	6,443.54	4,767.38	7,341.05
	Add : Share of Profit/ (Loss) from associates	-	-	-	-	-	-	5.32	24.68	5.68	36.77	(12.47)	5.53
15	Net Profit/(Loss) for the period/ year (13-14)	(7,473.70)	(4,867.88)	(777.81)	(7,589.21)	13,343.27	(76,095.17)	(2,365.55)	(2,194.70)	1,949.93	(13,587.71)	9,377.80	(55,407.48)
16	Paid-up Equity Share Capital	14,960.33	14,959.73	14,940.13	14,960.33	14,940.13	14,940.13	14,960.33	14,959.73	14,940.13	14,960.33	14,940.13	14,940.13
	(Face Value of equity share Rs. 10 each, fully paid up)												
17	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year						200,374.15						296,986.58
18	Earning Per Equity Share (EPS), face value of Rs 10 each, before and after extraordinary items (not annualised)												
	a. Basic EPS (Rs)	(5.14)	(3.40)	(0.66)	(5.50)	8.51	(51.50)	(1.72)	(1.61)	1.16	(9.51)	5.85	(37.65)
	b. Diluted EPS (Rs)	(5.14)	(3.40)	(0.66)	(5.50)	8.51	(51.50)	(1.72)	(1.61)	1.16	(9.51)	5.85	(37.65)

PART II SELECT INFORMATION FOR THE QUARTER AND 9 MONTHS ENDED DECEMBER 31, 2013							
		3 Months Ended 31/12/2013	Preceding 3 Months Ended 30/09/2013	Corresponding 3 Months Ended 31/12/2012	Year to Date Figures for 9 Months Ended 31/12/2013	Year to Date Figures for Corresponding 9 Months Ended 31/12/2012	Previous Year Ended 31/03/2013
A	PARTICULARS OF SHAREHOLDING	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<u>Public shareholding</u>						
	-Number of shares	58,780,758	58,495,960	42,204,149	58,780,758	42,204,149	42,204,149
	-Percentage of shareholding	39.29%	39.10%	28.25%	39.29%	28.25%	28.25%
2	<u>Promoters and Promoter Group Shareholding</u>						
	a) Pledged						
	- Number of shares	62,009,900	47,812,900	73,703,200	62,009,900	73,703,200	56,148,400
	- Percentage of shares (as a % to the total shareholding of Promoters and Promoter Group)	68.28%	52.48%	68.76%	68.28%	68.76%	52.38%
	- Percentage of shares (as a % to the total share capital of the Company)	41.45%	31.96%	49.33%	41.45%	49.33%	37.58%
	b) Encumbered						
	- Number of shares	-	-	4,400,000	-	4,400,000	4,400,000
	- Percentage of shares (as a % to the total shareholding of Promoters and Promoter Group)	-	-	4.10%	-	4.10%	4.10%
	- Percentage of shares (as a % to the total share capital of the Company)	-	-	2.95%	-	2.95%	2.95%
	c) Non - encumbered						
	- Number of shares	28,812,601	43,288,399	29,093,974	28,812,601	29,093,974	46,648,774
	- Percentage of shares (as a % to the total shareholding of the Promoters and Promoter Group)	31.72%	47.52%	27.14%	31.72%	27.14%	43.52%
	- Percentage of shares (as a % to the total share capital of the Company)	19.26%	28.94%	19.47%	19.26%	19.47%	31.22%

B	PARTICULARS OF INVESTOR COMPLAINTS	3-Months Ended 31/12/2013
	Pending at the beginning of the quarter	-
	Received during the quarter	4
	Disposed of during the quarter	4
	Remaining unresolved at the end of the quarter	-

1. The Statement of Standalone and Consolidated Unaudited Results for the Quarter and 9 Months Ended December 31, 2013 of Religare Enterprises Limited (the "Company") have been reviewed by the Audit Committee at its meeting held on January 30, 2014 and approved by the Board of Directors (the "Board") at its meeting held on January 31, 2014. The Statement of Standalone Unaudited Results for the quarter is subject to limited review by the Statutory Auditors of the Company. However, the Statement of Consolidated Unaudited Results for the quarter is not subject to limited review by the Statutory Auditors of the Company.

2. During the quarter ended December 31, 2013, the Company made an allotment of 6,000 equity shares of Rs 10 each @ Rs 140 per equity share (including premium of Rs 130 per equity share) to an employee of a subsidiary under the Employee Stock Option Scheme 2006.

Subsequent to the quarter end, the Company has made an allotment of 5,000 equity shares of Rs 10 each @ Rs.140 per equity share (including premium of Rs.130 per equity share) to an employee of a subsidiary under the Employee Stock Option Scheme 2006.

3. The Company has accounted for proportionate share in the financials of Aegon Religare Life Insurance Company Limited ("JV") as per Accounting Standard (AS) - 27. Pursuant to JV agreement and supplementary agreement entered into between Aegon India Holding N.V. ("Aegon") and Religare Enterprises Limited, Aegon has provided capital protection backed by an irrevocable and unconditional bank guarantee ("BG") covering the capital contribution with compounding return at an agreed rate(s) to the Company. Accordingly, the excess of expenditure over income for the nine (9) months period ended December 31, 2013 of Rs 4,370.37 lacs (quarter ended December 31, 2013 Rs 1,484.84 lacs) has been accounted for as recoverable from JV partner under "Other Non Current Assets" in the consolidated financials of the Company. The aforesaid BG has been assigned in favour of Non-Convertible Debentures ("NCD") holders of the Company.

The compounded return in excess of investment made will be recognised in the Standalone Financial Statement on invocation of BG or exit by sale of investment pursuant to the aforesaid agreement or on obtaining Core Investment Company ("CIC") registration from Reserve Bank of India ("RBI"), whichever is earlier. In view of the aforesaid capital protection no provision for diminution in the value of the said long term investment has been made in the standalone accounts.

4. During the quarter/ year to date the Company has made the following investments (including Equity Share Capital / Preference Share Capital / Debentures) in subsidiaries, joint ventures and associates:

		(Rs in lacs)	
S. No.	Name of the Company	For the 3 Months Ended 31/12/2013	Year to Date Figures for 9 Months Ended 31/12/2013
A	Investment in Subsidiaries		
i	RGAM Investment Advisers Private Limited (formerly known as RGAM Corporation Private Limited) ("RGAM India")	4,200.00	10,075.00
ii	Religare Global Asset Management Inc. ("RGAM Inc") (through RGAM India)	4,082.62	9,681.37
iii	Religare Portfolio Managers and Advisors Private Limited (formerly known as P.N. Vijay Financial Services Private Limited) (through RGAM India)	-	250.00
iv	Religare Capital Markets Limited	3,100.00	8,060.00
v	Religare Invesco Asset Management Company Private Limited (through Religare Securities Limited)	-	479.21
vi	Religare Comtrade Limited (through Religare Securities Limited)	-	5,000.00
vii	Religare Health Insurance Company Limited	2,250.00	4,500.00
viii	Religare Wealth Management Limited (formerly known as Religare Macquarie Wealth Management Limited) (through Religare Securities Limited)* (Refer Note 5)	2,489.99	2,489.99
B	Investment in Joint Ventures		
i	Religare Wealth Management Limited (formerly known as Religare Macquarie Wealth Management Limited) (Refer Note-5)	-	195.00
ii	Aegon Religare Life Insurance Company Limited	1,540.00	2,860.00
C	Investment in Associate		
i	Valuequest Capital LLP (through RGAM India)*	-	200.00

* Exclusive of expenses.

5. Pursuant to Share Purchase Agreement ("SPA") entered with Religare Securities Limited ("RSL"), a wholly owned subsidiary of the Company on August 7, 2013, the Company has sold to RSL its entire holding in equity and preference share capital of Religare Wealth Management Limited (formerly known as Religare Macquarie Wealth Management Limited) ("RWML"), a joint venture company. The Company incurred loss of Rs 6,014.41 lacs on sale of such shares and provision for diminution in value of said investments aggregating Rs 6,500 lacs has been reversed and credited to 'Other Income' in the Company's standalone financials. It has no impact on the consolidated results of the Company.

Further pursuant to SPA dated August 29, 2013 RSL has also purchased from Macquarie Financial Services (Asia) Pte. Limited, an affiliate of Macquarie Equities Limited ("MEL") its entire holding in equity and preference share capital of RWML.

With these acquisitions RWML has become a wholly owned subsidiary of RSL, effective from November 27, 2013.

6. The Ministry of Corporate Affairs (MCA) had rejected the Company's application for waiver of excess remuneration of Rs 760.62 lacs paid to Chairman and Managing Director of the Company for the year ended March 31, 2012, since member's special resolution restricted the remuneration to 5% of net profit calculated under section 198 of the Companies Act, 1956 or as per schedule XIII of the Companies Act, 1956.

The shareholders, through a special resolution passed on December 16, 2013 waived the recovery of excess remuneration paid. Accordingly an application has been made by the Company to the MCA for necessary approval. Therefore, no adjustment has been made in these results in this regard.

7. Pursuant to the terms of the tripartite agreement between the Company, Religare Capital Markets Limited ("RCML") and RHC Holding Private Limited, the Company has made provision against long term investment, made by payment of calls on partly paid preference shares of RCML during the quarter ended December 31, 2013 of Rs 3,100 lacs, due to severe long term restrictions imposed on RCML. This provision has been disclosed as an exceptional item.

8. The Board of Directors of the Company on September 27, 2013 proposed the following changes in all outstanding preference shares aggregating Rs 5,610 lacs:

- All the preference shares are to be mandatorily redeemed on October 31, 2018 being the final redemption date; and
- To re-price the redemption premium in line with revised tenor.

The said proposal has been approved by all classes of preference shareholders on October 15, 2013.

9. The figures for the quarters / year have been regrouped/ rearranged, wherever necessary, to make them comparable.

10						
Primary Segment (By Business Segment)						(Rs. in lacs)
Particulars	Consolidated Results					
	3 Months Ended 31/12/2013	Preceding 3 Months Ended 30/09/2013	Corresponding 3 Months Ended 31/12/2012	Year to Date Figures for 9 Months Ended 31/12/2013	Year to Date Figures for Corresponding 9 Months Ended 31/12/2012	Previous Year Ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 SEGMENT REVENUE						
(a) Investment and Financing Activities	54,151.77	52,244.86	55,689.46	155,829.09	173,291.90	261,203.05
(b) Broking Related Activities	7,079.08	7,465.80	10,203.68	22,282.45	31,080.15	40,898.59
(c) Financial Advisory Services	23.54	22.50	23.69	108.42	248.02	789.64
(d) Custodial Activities/ Depository Operations	529.82	630.84	586.43	1,699.40	1,694.29	2,290.27
(e) Insurance	9,066.56	6,370.36	5,694.78	21,749.32	16,605.22	23,664.94
(f) Asset Management Services	18,169.71	16,857.03	13,072.22	50,417.65	37,019.32	50,959.60
(g) Unallocated (included Unallocable Interest Income)	342.51	323.49	117.11	1,058.19	752.36	1,057.71
Total	89,362.99	83,914.88	85,387.37	253,144.52	260,691.26	380,863.80
Less : Inter- Segment Revenue	11.56	11.86	8.78	30.83	40.48	60.26
Income from Operations	89,351.43	83,903.02	85,378.59	253,113.69	260,650.78	380,803.54
2 SEGMENT RESULTS						
Profit/ (Loss) Before Tax from Segment						
(a) Investment and Financing Activities	6,273.25	6,516.24	4,757.13	11,427.99	22,190.94	(25,273.98)
(b) Broking Related Activities	(488.25)	(467.66)	146.74	(1,690.38)	(1,562.41)	(3,179.34)
(c) Financial Advisory Services	(157.71)	(172.69)	(166.89)	(478.59)	(260.93)	(389.91)
(d) Custodial Activities/ Depository Operations	291.33	222.16	264.11	701.91	694.28	1,057.92
(e) Insurance	(2,817.27)	(1,846.05)	(1,193.24)	(6,331.01)	(2,371.72)	(4,472.90)
(f) Asset Management Services	3,617.51	2,264.46	2,301.87	6,876.35	6,575.02	8,063.66
(g) Unallocated	(384.81)	(562.83)	(169.86)	(989.86)	(571.96)	(843.77)
Total	6,334.05	5,953.63	5,939.86	9,516.41	24,693.22	(25,038.32)
Less : Interest Expense	1,960.60	1,869.19	256.17	5,539.00	410.67	715.25
Total Profit / (Loss) Before Tax	4,373.45	4,084.44	5,683.69	3,977.41	24,282.55	(25,753.57)
3 CAPITAL EMPLOYED						
(Segment Assets less Segment Liabilities)						
(a) Investment and Financing Activities	164,762.33	164,906.98	209,508.81	164,762.33	209,508.81	156,854.77
(b) Broking Related Activities	16,724.12	17,231.93	23,898.31	16,724.12	23,898.31	25,564.20
(c) Financial Advisory Services	320.73	183.06	398.22	320.73	398.22	294.23
(d) Custodial Activities/ Depository Operations	507.14	461.02	1,257.46	507.14	1,257.46	528.70
(e) Insurance	61,534.00	62,601.63	64,194.87	61,534.00	64,194.87	61,946.37
(f) Asset Management Services	63,462.02	65,093.12	58,175.43	63,462.02	58,175.43	56,479.18
(g) Unallocated	7,524.70	8,032.12	21,842.87	7,524.70	21,842.87	15,869.26
Total Capital Employed	314,835.04	318,509.86	379,275.97	314,835.04	379,275.97	317,536.71

Note: The Company operates in a single business segment and one geographical segment. Hence segment information in the standalone results is not required as per Accounting Standard (AS) - 17.

For and on behalf of the Board of Directors

Place: New Delhi
Date: January 31, 2014

Sd/-
Harpal Singh
Director