

November 08, 2019

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

BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Scrip Symbol: RELIGARE

Scrip Code: 532915

Subject: Outcome of Board Meeting of Religare Enterprises Limited ("the Company")

Dear Sir(s),

We would like to inform you that the Board of Directors at their meeting held today i.e. November 08, 2019 (started at 10.30 A.M. and concluded at 10.15 P.M.) has inter-alia approved the Un-audited Financial Results (Standalone and Consolidated) of the Company (which have been subjected to Limited Review by the Statutory Auditors) for the quarter ended September 30, 2019 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Copy of same along with the Limited Review Reports of M/s S.S. Kothari Mehta & Co., Statutory Auditors of the Company, is enclosed herewith.

This is for your record and dissemination purpose.

Thanking you,

Yours truly,

For Religare Enterprises Limited



Reena Jayara
Company Secretary



Encl.: a/a

RELIGARE ENTERPRISES LIMITED
 Regd. Office : 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi -110019
 Statement of Standalone and Consolidated Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2019

		(Rs. in Lakhs, unless otherwise stated)											
Sr No	Particulars	Standalone Results						Consolidated Results					
		Quarter ended			Half Year ended			Quarter ended			Half Year ended		
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue												
	a. Revenue from Operations												
	Interest Income	-	-	128.20	-	280.78	358.69	17,052.17	18,410.23	23,308.24	35,462.40	51,882.23	93,148.03
	Dividend Income	-	-	-	-	-	-	5.22	5.22	5.22	5.22	5.22	5.22
	Fee and Commission Income	-	-	-	-	-	-	665.12	1,763.23	1,176.76	2,428.35	1,937.35	5,943.13
	Sale of Services	-	-	-	-	-	-	4,217.17	4,267.73	4,652.05	8,484.90	10,260.34	19,623.77
	Other Revenue From Operations	-	-	2.51	-	13.53	13.53	39,675.61	28,788.14	25,363.68	68,463.75	47,322.03	1,09,971.23
	Total Revenue from Operations	-	-	130.71	-	294.31	372.22	61,615.29	53,229.33	54,505.95	1,14,844.62	1,11,407.17	2,28,691.38
	b. Other Income	433.28	499.16	1,014.93	932.44	1,446.39	3,144.35	5,927.69	694.46	5,963.83	6,622.15	8,792.44	11,480.43
	Total Revenue (a+b)	433.28	499.16	1,145.64	932.44	1,740.70	3,516.57	67,542.98	53,923.79	60,469.78	1,21,466.77	1,20,199.61	2,40,171.81
2	Expenses												
	(a) Finance Costs	201.49	203.26	1,340.71	404.75	2,812.83	4,470.22	18,667.22	22,318.13	23,318.26	40,985.35	47,790.68	84,998.16
	(b) Fee and Commission Expenses	-	-	-	-	-	-	1,164.96	1,160.20	1,445.90	2,325.16	2,834.51	5,243.51
	(c) Net Loss on Fair Value Changes	99.48	-	-	99.48	-	-	224.56	61.23	151.01	285.79	0.27	248.40
	(d) Impairment and Loss Allowances on Financial Instruments	8,312.91	212.67	-	8,525.58	-	9,934.24	126.27	2,376.19	56,401.45	2,502.46	64,849.71	1,32,968.30
	(e) Expense toward Capital Commitment	650.00	-	-	650.00	-	-	650.00	-	-	650.00	-	-
	(f) Employee Benefits Expense	323.32	381.65	332.72	704.97	596.64	1,279.83	12,686.14	12,903.42	12,678.48	25,589.56	25,112.04	51,762.86
	(g) Depreciation and Amortization Expense	16.69	17.24	22.11	33.93	47.80	85.42	1,774.15	1,436.09	662.16	3,210.24	1,353.02	2,573.14
	(h) Other Expenses	824.55	397.71	734.09	1,222.27	1,274.81	2,358.08	35,614.11	28,028.79	28,964.99	63,642.90	54,704.01	1,12,721.70
	Total Expenses (a to h)	10,428.44	1,212.53	2,429.63	11,640.98	4,732.08	18,127.79	70,907.41	68,284.05	1,23,622.25	1,39,191.46	1,96,644.04	3,90,516.07
3	Profit / (Loss) Before Exceptional Items and Tax (1-2)	(9,995.16)	(713.37)	(1,283.99)	(10,708.54)	(2,991.38)	(14,611.22)	(3,364.43)	(14,360.26)	(63,152.47)	(17,724.69)	(76,444.43)	(1,50,344.26)
4	Exceptional Items												
	Liability toward Capital Commitment (Refer note no. 18)	17,000.00	-	-	17,000.00	-	-	-	17,000.00	-	17,000.00	-	-
	Share in Profit / (Loss) of Joint Ventures	-	-	-	-	-	-	(1.23)	(2.00)	(4.46)	(3.23)	(5.62)	(8.96)
5	Profit / (Loss) Before Tax and Extraordinary Items (3-4)	(26,995.16)	(713.37)	(1,283.99)	(27,708.54)	(2,991.38)	(14,611.22)	(20,365.66)	(14,362.26)	(63,156.93)	(34,727.92)	(76,450.05)	(1,50,353.22)
6	Tax Expense												
	Current Tax	-	-	-	-	-	-	131.25	115.70	123.64	246.95	256.03	429.98
	Deferred Tax (Net)	-	-	-	-	-	-	83.93	221.29	(158.71)	305.22	(171.47)	(688.14)
7	Net Profit / (Loss) After Tax before extraordinary Items (5-6)	(26,995.16)	(713.37)	(1,283.99)	(27,708.54)	(2,991.38)	(14,611.22)	(20,580.84)	(14,699.25)	(63,121.86)	(35,280.09)	(76,534.61)	(1,50,095.06)
8	Extraordinary Items (Net of Tax)	-	-	-	-	-	-	-	-	-	-	-	-
9	Net Profit / (Loss) for the period (7 - 8)	(26,995.16)	(713.37)	(1,283.99)	(27,708.54)	(2,991.38)	(14,611.22)	(20,580.84)	(14,699.25)	(63,121.86)	(35,280.09)	(76,534.61)	(1,50,095.06)
10	Other Comprehensive Income												
	A) (i) Items that will not be reclassified to profit or loss												
	Remeasurement Gain/(Loss) on Defined Benefit Plans	36.52	4.05	(6.16)	40.57	8.39	16.19	(64.56)	(24.44)	15.57	(89.00)	48.46	(41.05)
	Fair Value Gain / (Loss) on Equity Instruments Designated as FVTOCI	-	-	-	-	-	-	1.20	(18.01)	0.48	(16.81)	-	104.06
	B) (i) Items that will be reclassified to profit or loss												
	Net Gain / (Loss) on Debt Securities FVTOCI	-	-	-	-	-	-	749.87	276.71	(419.53)	1,026.58	(1,407.97)	332.33
11	Total Comprehensive Income for the Period/Year, Net of Tax (9+10)	(26,958.64)	(709.32)	(1,290.15)	(27,667.97)	(2,982.99)	(14,595.03)	(19,894.33)	(14,464.99)	(63,525.34)	(34,359.32)	(77,894.12)	(1,49,699.72)
11(a)	Profit/(Loss) for the Period/Year attributable to:												
	Non Controlling Interest	-	-	-	-	-	-	(210.64)	(6,122.49)	(7,714.98)	(6,333.13)	(12,024.26)	(21,378.41)
	Owners of the Company	-	-	-	-	-	-	(20,370.20)	(8,576.76)	(55,406.88)	(28,946.96)	(64,510.35)	(1,28,716.65)
		-	-	-	-	-	-	(20,580.84)	(14,699.25)	(63,121.86)	(35,280.09)	(76,534.61)	(1,50,095.06)
11(b)	Other Comprehensive Income attributable to:												
	Non Controlling Interest	-	-	-	-	-	-	84.15	13.26	12.32	97.41	49.23	30.55
	Owners of the Company	-	-	-	-	-	-	602.36	221.00	(415.80)	823.36	(1,408.74)	364.79
		-	-	-	-	-	-	686.51	234.26	(403.48)	920.77	(1,359.51)	395.34
11(c)	Total Comprehensive Income attributable to:												
	Non Controlling Interest	-	-	-	-	-	-	(126.49)	(6,109.23)	(7,702.67)	(6,235.72)	(11,975.03)	(21,347.86)
	Owners of the Company	-	-	-	-	-	-	(19,767.84)	(8,355.76)	(55,822.67)	(28,123.60)	(65,919.09)	(1,28,351.86)
		-	-	-	-	-	-	(19,894.33)	(14,464.99)	(63,525.34)	(34,359.32)	(77,894.12)	(1,49,699.72)
12	Paid-up Equity Share Capital (Face Value of equity share Rs. 10 each)	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27
13	Other Equity (Excluding Revaluation Reserve) as shown in the Audited Balance Sheet of Previous Year	-	-	-	-	-	1,44,221.02	-	-	-	-	-	61,610.68
14	Earnings Per Share ("EPS") before and after extraordinary items of ₹ 10 each fully paid up (not annualised)												
	a) Basic EPS (Rs.)	(12.44)	(0.33)	(0.64)	(12.77)	(1.58)	(6.93)	(9.39)	(3.95)	(28.99)	(13.34)	(33.75)	(63.32)
	b) Diluted EPS (Rs.)	(12.44)	(0.33)	(0.64)	(12.77)	(1.58)	(6.93)	(9.39)	(3.95)	(28.99)	(13.34)	(33.75)	(63.32)



B Disclosure of standalone & consolidated assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at September 30, 2019:

(₹ In Lakhs)

Particulars	Standalone			Consolidated		
	Half-Year Ended 30-09-2019	Half-Year Ended 30-09-2018	Year Ended 31-03-2019	Half-Year Ended 30-09-2019	Half-Year Ended 30-09-2018	Year Ended 31-03-2019
	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
A Assets						
1 Financial assets						
(a) Cash and cash equivalents	129.42	418.66	344.51	30,045.37	22,097.36	17,303.43
(b) Bank Balance other than above	4.40	52.41	4.40	98,124.24	1,09,410.83	1,12,002.81
(c) Receivables	-	-	-	-	-	-
- Trade Receivables	-	-	-	25,185.43	30,676.81	34,630.13
(d) Loans	-	-	-	4,32,224.99	6,99,766.89	5,05,559.77
(e) Investments	2,02,498.90	2,19,289.16	2,11,209.42	1,74,947.87	1,28,898.45	1,43,775.10
(f) Other financial assets	1,592.70	2,877.52	2,344.02	17,232.92	27,026.91	20,045.00
Sub-total Financial assets	2,04,225.42	2,22,637.75	2,13,902.35	7,77,760.82	10,17,877.25	8,33,316.24
2 Non-Financial assets						
(a) Inventories	-	-	-	21.94	11.57	9.67
(b) Current tax assets (net)	5,023.78	7,582.48	5,472.10	26,895.79	32,596.24	32,758.96
(c) Deferred tax assets (net)	171.59	171.59	173.56	52,077.22	51,854.30	52,384.39
(d) Property, plant and equipment	93.78	124.25	108.64	16,009.40	2,394.22	2,857.17
(e) Goodwill	-	-	-	972.04	972.04	972.04
(f) Intangible assets	21.85	58.47	39.04	4,125.94	4,118.43	4,448.50
(g) Capital Work-in-Progress	-	-	-	-	-	67.50
(h) Intangible Assets Under Development	-	-	-	1,272.15	1,222.16	1,318.75
(i) Other Non Financial Assets	1,596.61	1,603.30	1,503.01	27,142.98	35,587.47	29,668.88
Sub-total Non-Financial assets	6,907.61	9,540.09	7,296.35	1,28,517.47	1,28,756.43	1,24,485.86
Total Assets	2,11,133.03	2,32,177.84	2,21,198.70	9,06,278.29	11,46,633.68	9,57,802.10
B Liabilities and equity						
1 Financial liabilities						
(a) Trade payables	-	-	-	2.73	903.85	47.03
Total outstanding dues to micro enterprises and small enterprises	-	-	-	18,663.65	23,378.13	26,332.36
Total outstanding dues to creditors other than micro enterprises and small enterprises	1,375.14	1,021.08	1,003.35	-	-	-
(b) Other payables	-	-	-	12,191.34	13,156.60	14,053.94
Total outstanding dues to creditors other than micro enterprises and small enterprises	-	-	-	-	3,560.69	-
(c) Debt Securities	-	-	-	-	-	-
(d) Borrowings (Other than debt securities)	38,121.91	38,100.64	38,058.74	5,55,861.57	7,40,222.80	6,15,337.75
(e) Subordinated Liabilities	-	-	-	56,333.81	57,000.00	56,794.41
(f) Other financial liabilities	33,129.41	15,286.83	16,029.14	1,02,587.25	64,867.42	58,702.68
Sub-total Financial liabilities	72,626.46	54,408.55	55,091.23	7,66,640.36	9,03,089.49	7,71,268.17
2 Non-financial liabilities						
(a) Provisions	128.31	81.84	68.85	1,844.59	1,521.18	1,514.90
(b) Other non-financial liabilities	101.45	160.12	123.33	83,038.21	66,377.61	79,795.16
Sub-total Non Financial liabilities	229.76	241.96	192.18	84,882.80	67,898.79	81,310.06
3 Equity						
(a) Equity Share Capital	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27	21,694.27
(b) Other equity	1,16,582.54	1,55,833.06	1,44,221.02	36,437.55	1,22,440.33	61,610.68
Equity Attributable to Owners of the Company	1,38,276.81	1,77,527.33	1,65,915.29	58,131.82	1,44,134.60	83,304.95
Non Controlling Interest	-	-	-	16,623.31	31,510.80	21,918.92
Sub-total Equity	1,38,276.81	1,77,527.33	1,65,915.29	74,755.13	1,75,645.40	1,05,223.87
Total Liabilities and Equity	2,11,133.03	2,32,177.84	2,21,198.70	9,06,278.29	11,46,633.68	9,57,802.10



C Disclosure of Standalone Cash Flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended September 30, 2019:

(₹ in Lakhs)

Particulars	Half-Year Ended 30-09-2019	Half-Year Ended 30-09-2018
Cash Flow From Operating Activities:		
Profit / (Loss) Before Tax	(27,708.54)	(2,991.39)
Adjustments for:		
Loss/(profit) on Sale of Property, Plant and Equipment (Net)	(9.22)	(0.11)
Interest on Income Tax refund	(145.79)	(196.77)
Interest on Fixed Deposit	(0.17)	(2.09)
Amortisation of Discount on issue of Commercial Paper	-	35.34
Depreciation and Amortisation Expense	33.93	47.80
Interest Cost on Debentures/ Term Loan	224.84	2,398.21
Provision for Gratuity and Leave Encashment	72.80	8.38
Income from Non Current Investments	(10.92)	(75.06)
Provision for Non Performing Assets	-	70.18
Provision for Security Deposit	351.56	-
Share Based Payments	9.37	-
Payment for Gratuity and Leave Encashment	(11.37)	(23.93)
Interest expense as per EIR on liability portion of preference shares	179.91	387.96
ECL against Investment	8,525.58	-
Expense toward Capital Commitment	17,650.00	-
(Gain) / Loss on Financial Assets Measured at Fair Value Through Profit or Loss (Net)	99.48	(3.52)
Re-measurement gains / (losses) on defined benefit plans	40.57	8.39
ECL on Support Services	(114.61)	144.61
Operating Profit/Loss before Working Capital changes	(812.58)	(192.00)
Adjustments for changes in Working Capital:		
- (Increase)/Decrease in Financial Assets	748.43	(1,148.42)
- (Increase)/Decrease in Non Financial Assets	(93.60)	30.59
- Increase/ (Decrease) in Trade Payables	371.79	(78.34)
- Increase/ (Decrease) in Financial Liabilities	(454.99)	(3,807.32)
- Increase/ (Decrease) in Non-Financial Liabilities	(21.88)	111.91
Cash Generated From / (Used in) from Operations	(262.83)	(5,083.58)
- Taxes (Paid) / Refunds (Net)	330.74	669.34
1 Net Cash Generated From / (Used) in Operating Activities	67.91	(4,414.24)
Cash Flow From Investing Activities:		
Adjustments for changes in :		
Purchase of Property, Plant and Equipment	(1.88)	(2.16)
Proceeds from Sale of Property, Plant and Equipment	9.22	-
Proceeds from Sale of Non Current / Current Investments in:		
- subsidiary companies (Equity/ Debentures/Commercial Papers (CPs)/Preference Shares)	-	-
- others (including units of mutual funds)	106.31	16,109.18
Investments in Non Current/ Current Investments of:		
- subsidiary Companies (Including Equity share/Debentures/ Preference Shares/CPs)	-	(9,347.40)
- Others (including units of mutual funds)	-	(13,825.00)
Distribution Income from AIF/ VCF	10.92	-
Interest on Fixed deposits	0.17	2.09
2 Net Cash Generated From/ (Used in) Investing Activities	124.74	(7,063.29)
Cash Flow From Financing Activities:		
Interest Paid	(291.01)	(681.12)
Proceed from Issue of Share Capital	-	20,128.96
Proceeds of Share Warrant	-	9,546.11
Repayment from Short Term Borrowings - Inter Corporate Loan	(116.72)	(14,134.26)
Repayment of Commercial Paper	-	(3,001.81)
3 Net Cash Generated From/ (Used In) Financing Activities	(407.73)	11,857.88
Net Increase/ (Decrease) in Cash and Cash Equivalents	(215.09)	380.35
Cash and Cash Equivalents at the Beginning of the Year	344.51	38.31
4 Cash and Cash Equivalents at the end of the Period	129.42	418.66
Cash and Cash Equivalents at the end of the Period comprises of		
Cash in hand	0.44	7.59
Cheques on Hand	-	-
Stamp Papers On Hand	1.57	1.57
Balances with Scheduled Banks in Current Accounts	127.41	409.50
TOTAL	129.42	418.66



D Disclosure of Consolidated Cash Flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended September 30, 2019:

(₹ In Lakhs)

	Particulars	Half-Year Ended 30-09-2019	Half-Year Ended 30-07-2018
1	Cash Flow From Operating Activities:		
	Net Profit / (Loss) Before Tax	(34,727.92)	(76,450.05)
	Adjustments for:		
	Depreciation and Amortisation	3,210.24	1,353.02
	Interest Expense	40,130.97	47,544.72
	Interest Income	(7,608.21)	(6,712.96)
	Dividend Income	(5.22)	(5.22)
	Share of (Profit) / Loss of Associates and Joint Ventures	3.23	5.62
	(Profit)/Loss on Selling of PPE and Intangible Assets Under Development (Net)	(35.55)	(14.70)
	(Profit)/Loss on Selling of Other Investments (Net)	(419.59)	(4,018.86)
	(Profit) / Loss on sale of Flats Under Construction- Held for Sale	-	(1.35)
	Remeasurement Gain or (Loss) on Defined Benefit Plans	(89.00)	48.45
	Employee Stock Option Expenses / Reserve	1,471.94	-
	Adjustment due to change in Lease Accounting	(321.47)	-
	Bad Debts, Balances and Loans Written Off (Net of Balances Written Back)	1,854.58	4,467.59
	Provision Made / (Reversed) Against Loans (Net)	(3,774.59)	64,565.81
	Provision Against Investments	2,052.51	-
	Provision Against Trade Receivables	127.73	-
	Provision Against Others Financial and Non-Financial Assets	322.22	144.61
	Provision for Gratuity and Leave Encashment (written off) / created	329.69	60.26
	(Gain) / Loss on Financial Assets Measured at Fair Value Through Profit or Loss (Net)	285.79	-
	Translation Reserve	0.04	(26.55)
	Expense Towards Capital Commitment	17,650.00	-
	Amortisation of Excess Interest Spread	294.68	1,112.23
	Operating Profit Before Changes in Operating Assets and Liabilities	20,752.07	32,072.62
	Adjustments for Changes in Operating Assets and Liabilities:		
	- (Increase)/Decrease in Trade and Other Receivables	9,316.97	75.09
	- (Increase)/Decrease in Loans	75,254.78	1,44,489.99
	- (Increase)/Decrease in Other Financial Assets	1,136.69	(8,111.38)
	- (Increase)/Decrease in Inventories	(12.27)	(7.52)
	- (Increase)/Decrease in Other Non-Financial Assets	2,525.90	2,647.40
	- Increase/(Decrease) in Trade and Other Payables	(9,575.60)	(492.51)
	- Increase/(Decrease) in Other Financial Liabilities	12,221.88	5,118.06
	- Increase/(Decrease) in Other Non-Financial Liabilities	3,243.04	1,707.70
	Cash Used/ generated in/ from operations before taxes	1,14,863.46	1,77,499.45
	- Taxes Refunded / (Paid) (Net)	5,618.19	(2,114.89)
	Net Cash Generated / (Used) from / In Operating Activities	1,20,481.65	1,75,384.56
2	Cash Flow From Investing Activities:		
	Purchase of Property, Plant and Equipments and Other Intangible Assets	(733.94)	(990.56)
	Proceeds from sale of Property, Plant and Equipments and Other Intangible Assets	69.89	31.56
	Proceeds From Sale of Flats Under Construction Held For Sale	-	185.32
	Intangible Assets Under Development and Capital Works in Process	(215.91)	-
	Proceeds from Sale of Other Investments	2,16,836.39	38,442.67
	Purchase of Other Investments	(2,48,921.35)	(43,605.19)
	Investment in Subsidiary(ies)	-	(3,102.90)
	Increase / (Decrease) in Investment in Fixed Deposits	13,520.95	14,290.61
	Interest Received (Revenue)	9,024.32	4,708.49
	Dividend Received (including dividend from an associate)	5.22	5.22
	Net Cash Generated / (Used) from / In Investing Activities	(10,414.43)	9,965.22
3	Cash Flow From Financing Activities:		
	Proceeds from fresh issue of Equity Share Capital (including securities premium) (Net)	-	20,128.95
	Money Received Against Share Warrants	-	9,546.11
	Proceeds/ (Repayment) for Debt Securities (Net):		
	- Debentures	-	(31,032.11)
	- Commercial Papers	-	(9,942.57)
	- Term Loans	(37,968.30)	(1,50,488.49)
	- Loan Repayable on Demand	(19,074.59)	(6,561.80)
	- Finance Lease Obligations	(37.86)	(72.57)
	- Liability Component of Compound Financial Instruments	-	-
	- Debentures	(298.96)	-
	- Term Loans	(161.64)	299.53
	Proceeds from the Shares issued to Minority Shareholders	2,741.51	-
	Interest Paid	(39,951.06)	(49,612.64)
	Net Cash Generated / (Used) from / In Financing Activities	(94,750.90)	(2,17,735.59)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	15,316.32	(32,385.81)
	Add: Cash and Cash Equivalents at the beginning of the Year	11,975.95	50,768.06
	Add: Effect of Exchange difference on Translation of Foreign Currency Cash & Cash Equivalents	0.95	-
	Cash and Cash Equivalents at the end of the Period	27,293.22	18,382.25
	Cash and Cash Equivalents at the end of the Period Comprises of:		
	Cash in Hand	2.24	9.69
	Cheques on Hand	278.53	148.87
	Stamp Papers On Hand	24.21	15.07
	Balances with Banks in Current Accounts	29,657.67	21,863.61
	Balances with Banks in Fixed Deposits Accounts	82.72	60.11
	Bank Overdrafts	(2,752.15)	(3,715.10)
	Total	27,293.22	18,382.25



E Unaudited Segment-wise Revenue, Results, Assets & Liabilities for Standalone and Consolidated results for Quarter & Half-Year Ended September 30, 2019

(Rs. in Lakhs)

S. No.	Particulars	Standalone Results						Consolidated Results					
		Quarter Ended			Half Year Ended			Quarter Ended			Half Year Ended		
		September 30, 2019	June 30, 2019	September 30, 2018	Sept 30, 2019	September 30, 2018	March 31, 2019	September 30, 2019	June 30, 2019	September 30, 2018	Sept 30, 2019	September 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	SEGMENT REVENUE												
	(a) Investment and Financing Activities	8.16	8.00	171.15	11.18	361.67	473.70	18,036.16	15,521.35	26,110.12	33,557.51	55,066.36	91,786.56
	(b) Support Services	429.90	345.29	611.72	775.19	1,013.17	2,335.12	-	-	-	-	-	-
	(c) Broking Related Activities	-	-	-	-	-	-	4,721.49	5,250.67	5,483.14	9,972.16	11,951.80	23,288.20
	(d) Financial Advisory Services	-	-	-	-	-	-	2.29	11.09	27.22	13.38	63.98	116.03
	(e) E-Governance	-	-	-	-	-	-	521.40	551.84	614.28	1,073.24	1,173.25	2,399.59
	(f) Insurance	-	-	-	-	-	-	42,778.96	32,817.51	27,939.25	75,596.47	51,575.45	1,22,246.97
	(g) Unallocated	0.22	145.87	362.77	146.09	365.86	707.75	1,588.30	185.51	438.00	1,773.81	606.44	858.99
	Total	433.28	499.16	1,145.64	932.44	1,740.70	3,516.57	67,648.60	54,337.97	60,612.01	1,21,986.57	1,20,437.28	2,40,696.34
	Less : Inter-Segment Revenue	-	-	-	-	-	-	(105.62)	(14.18)	(142.23)	(519.80)	(237.67)	(524.53)
	Income from Operations	433.28	499.16	1,145.64	932.44	1,740.70	3,516.57	67,542.98	53,923.79	60,469.78	1,21,466.77	1,20,199.61	2,40,171.81
2	SEGMENT RESULTS												
	Profit/ (Loss) Before Tax from Segment												
	(a) Investment and Financing Activities	(26,059.84)	(234.31)	(1,417.28)	(2,294.16)	(2,964.01)	(14,580.98)	(21,910.50)	(14,010.12)	(61,980.79)	(35,920.62)	(73,014.07)	(1,51,088.78)
	(b) Support Services	(935.54)	(624.92)	(229.49)	(1,560.46)	(393.24)	(737.99)	-	-	-	-	-	-
	(c) Broking Related Activities	-	-	-	-	-	-	(1,159.28)	(965.10)	(721.63)	(2,124.38)	(1,658.47)	(2,256.43)
	(d) Financial Advisory Services	-	-	-	-	-	-	(2.23)	(2.79)	0.15	(5.02)	1.67	(8.37)
	(e) E-Governance	-	-	-	-	-	-	75.26	154.91	163.36	230.17	299.99	658.43
	(f) Insurance	-	-	-	-	-	-	2,108.08	757.01	(112.35)	2,865.09	(897.03)	5,682.27
	(g) Unallocated	0.22	145.86	362.77	146.09	365.86	707.75	630.89	(236.00)	(499.39)	394.89	(1,172.12)	(3,307.46)
	Total	(26,995.16)	(713.37)	(1,284.00)	(2,708.53)	(2,991.39)	(14,611.22)	(20,257.78)	(14,302.99)	(63,150.65)	(34,559.87)	(76,440.03)	(1,50,320.34)
	Less : Interest Expense	-	-	-	-	-	-	107.88	60.17	6.28	168.05	10.02	32.88
	Tax Expense	-	-	-	-	-	-	215.18	336.99	(35.07)	552.17	84.56	(258.16)
	Other Comprehensive Income	36.52	4.05	(6.16)	40.57	8.39	16.19	686.51	234.26	(403.48)	920.77	(1,359.51)	395.34
	Total Profit / (Loss) After Tax	(26,958.64)	(709.32)	(1,290.16)	(2,667.96)	(2,983.00)	(14,595.03)	(19,894.33)	(14,464.99)	(63,525.34)	(34,359.32)	(77,894.12)	(1,49,699.72)
3	SEGMENT ASSETS												
	(a) Investment and Financing Activities	2,04,010.59	2,10,982.97	2,20,221.79	2,04,010.59	2,20,221.79	2,11,703.63	5,68,930.01	6,98,785.53	8,45,440.52	5,68,930.01	8,45,440.52	6,35,045.01
	(b) Support Services	875.37	3,225.99	2,612.59	875.37	2,612.59	2,436.27	-	-	-	-	-	-
	(c) Broking Related Activities	-	-	-	-	-	-	56,873.87	64,862.81	76,076.99	56,873.87	76,076.99	69,846.08
	(d) Financial Advisory Services	-	-	-	-	-	-	170.14	176.32	211.37	170.14	211.37	182.36
	(e) E-Governance	-	-	-	-	-	-	1,409.10	1,420.46	59.68	1,409.10	59.68	1,534.82
	(f) Insurance	-	-	-	-	-	-	1,77,088.99	1,68,756.05	1,32,441.33	1,77,088.99	1,32,441.33	1,56,916.70
	(g) Unallocated	6,247.07	6,185.53	9,343.46	6,247.07	9,343.46	7,058.80	1,01,806.18	11,832.45	92,403.77	1,01,806.18	92,403.79	94,277.13
	Total Segment Assets	2,11,133.03	2,20,394.49	2,32,177.84	2,11,133.03	2,32,177.84	2,21,198.70	9,06,278.29	9,45,833.62	11,46,633.66	9,06,278.29	11,46,633.66	9,57,802.10
4	SEGMENT LIABILITIES												
	(a) Investment and Financing Activities	69,457.72	51,238.37	51,049.68	69,457.72	51,049.68	51,882.92	6,60,466.08	6,82,582.30	8,46,278.18	6,60,466.08	8,46,278.18	6,93,471.72
	(b) Support Services	3,297.05	3,888.84	2,527.88	3,297.05	2,527.88	3,277.16	-	-	-	-	-	-
	(c) Broking Related Activities	-	-	-	-	-	-	48,824.49	55,693.96	50,998.34	48,824.49	50,998.34	60,080.67
	(d) Financial Advisory Services	-	-	-	-	-	-	82.31	86.02	106.19	82.31	106.19	89.27
	(e) E-Governance	-	-	-	-	-	-	1,395.19	1,419.16	31.99	1,395.19	31.99	1,527.66
	(f) Insurance	-	-	-	-	-	-	1,30,712.95	1,25,372.46	1,02,716.07	1,30,712.95	1,02,716.07	1,16,800.27
	(g) Unallocated	101.45	45.44	1,072.95	101.45	1,072.95	123.33	6,665.45	3,390.21	2,368.29	6,665.45	2,368.31	2,527.56
	Total Segment Liabilities	72,856.22	55,172.65	54,650.51	72,856.22	54,650.51	55,283.41	8,48,146.47	8,68,544.11	10,02,499.06	8,48,146.47	10,02,499.06	8,74,497.15

The Company has reported segment information as per IND AS 108 " Operating Segment" read with SEBI circular July 05 ,2016. The identification of segment is consistent with performance assessment and resource allocation by management.



Notes:

- 1 The Group has adopted IND AS 116 , "Leases" effective April 01, 2019 as notified by Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard) Amendment Rules, 2019, using the modified retrospective method. The adoption of this standard did not have any material impact on the profit for the quarter and half year ended September 30, 2019.
- 2 The Statement of Standalone Financial Results for the Quarter and half year ended September 30, 2019 and Consolidated Financial Results for the Quarter and Half-Year ended September 30, 2019 of the Company have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on November 07, 2019 and November 08, 2019 .
- 3 In compliance with Regulation 33 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter and half year ended September 30, 2019 has been carried out by the Statutory Auditors. The Consolidated figures for the corresponding quarter and half year ended September 30, 2018 as reported in these financial results have been approved by the Board of Directors of the Company, but have not been subjected to review. Figures of standalone and consolidated financial results for the quarter ended September 30, 2019 are balancing figures between the financials of Half year ended September 30 , 2019 and published year to date figures for the quarter ended June 30,2019.
- 4 The Company although has equity shares in Religare Capital Markets Limited ("RCML", a subsidiary of the Company), however the right to exercise control through voting rights is not available with the Company. Besides this , in terms of the tripartite agreement between the Company, RCML and RHC Holding Private Limited ("RHCPL"), severe long term restrictions and significant restrictive covenants on major decision making at RCML have been imposed by the holder's of preference shares. Accordingly in view of the above, 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 applicable accounting standards. The Company has already provided fully for the entire investments made by it in RCML in previous years.
- 5 The Company had fully utilized the funds received upto September 30, 2019 from the warrant holders as per the objects stated in the Explanatory Statement to the Notice dated February 19, 2018 sent to shareholders of the Company.

During the month of October, 2019 few warrant holders (original and transferees) exercised their conversion option on 4,11,85,419 warrants by paying the balance 75% of the total consideration money (Issue price @Rs. 52.30 per warrant). Accordingly, 4,11,85,419 equity shares were allotted on conversion of warrants, pursuant to which the total paid up equity share capital of the Company was increased to Rs. 2,581,281,520/- (Rupees Two Hundred and Fifty Eight Crores Twelve Lakhs Eighty One Thousand Five Hundred and Twenty only). Further, due to non-payment of balance 75% amount on 31,825,010 number of warrants, 25% consideration paid against these 31,825,010 warrants stands forfeited by the Company in terms of Regulation 169(3) of SEBI (ICDR) Regulations, 2018.

- 6 RBI issued Supervisory Concerns to the Company in April, 2019 in relation to the Inspection as at March 31, 2018 under Section 45N of the Reserve Bank of India Act, 1934 and has advised the Company to infuse fresh capital by June 30, 2019 to meet the regulatory minimum Adjusted Net Worth (ANW) to Risk Weighted Assets (RWA) ratio of 30%, refrain from accessing public funds till ANW to RWA ratio of 30% is achieved, strengthen the Board of the Company by inducting Whole time Director (WTD) and stop paying dividends till further orders from the RBI. In this regard, the Company has suitably submitted its response to the RBI stating that the Company meets the regulatory minimum ratio of 30% and is engaged with the RBI for closure of other matters.

Further, during the month of July,2019 RBI has again conducted the inspection under section 45N for the financial position of the Company as on March 31, 2019. The Company is yet to receive a report on the same.

- 7 SEBI issued a Confirmatory Order dated September 11, 2019 recording the submissions of Religare companies and modified the directions issued earlier in the interim ex-parte order dated March 14, 2019 in relation to the ongoing investigation of the Company. The relevant modifications in the Confirmatory Order are provided below:

(i) The Company and RFL (i.e. Notice nos. 1 & 2) shall continue with the steps to recall the loans, amounting to Rs.2065.09 Crores (approx.), extended, either directly or indirectly, to the Notice nos. 5 to 17 and 19 to 25 (viz. Platinum Infrastructure Pvt. Ltd, Ad Advertising Pvt. Ltd, Artifice Properties Pvt. Ltd, Best Health Management Pvt. Ltd, Devera Developers Pvt. Ltd, Vitoba Realtors Pvt. Ltd, Fern Healthcare Pvt. Ltd, Modland Wears Pvt. Ltd, Rosestar Marketing Pvt. Ltd, Star Artworks Pvt. Ltd, Tripoli Investment & Trading Co, Volga Management and Consultancy Pvt Ltd, Zolton Properties Pvt. Ltd, RHC Holding Pvt. Ltd , Ranchem Pvt. Ltd , ANR Securities, Shivi Holdings Pvt. Ltd, Malav Holdings Pvt. Ltd, Shri Malvinder Mohan Singh and Shri Shivinder Mohan Singh), along with due interest.



(ii) The Notice nos. 5 to 17 and 19 to 25 shall, pending completion of the investigation and till further orders, not dispose of or alienate any of their assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.

(iii) The directions contained in para 10(ii) of the Interim Order in respect of the Notice no. 4 (Bharat Road Network Limited) and the Notice no. 18 (Religare Comtrade Limited) stand revoked.

(iv) The Notice nos. 24 and 25 (viz. Shri Malvinder Mohan Singh and Shri Shivinder Mohan Singh) shall not associate themselves with the affairs of the Company and RFL, in any manner whatsoever, till further directions.

8 RFL has an exposure of Rs. 203,670 Lakhs as per financials as at March 31, 2019 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. Based on the maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, RFL had, on a prudent basis, made full provision of Rs. 203,670 Lakhs during the previous years against this portfolio. A law firm of repute was appointed to undertake a detailed diligence on this loan book and the said diligence has been completed. Insolvency proceedings have been initiated before the Hon'ble NCLT Delhi and Kolkata against the Borrower's forming a part of the Corporate Loan Book.

The Company, Religare Finvest Limited (RFL) and Religare Comtrade Limited (RCTL) have filled petitions in Hon'ble NCLT for recovery of corporate loans. Hon'ble SC has stayed these proceedings in a hearing of the matter of Daiichi Sankyo Company Limited vs Oscar Investments limited. The Company, RFL and RCTL have filed application for vacating the stay and the order is reserved in the case.

During the quarter, in the insolvency petition titled as "Religare Finvest Limited vs. Bharat Road Network Limited" filed before the Hon'ble NCLT, Kolkata, RFL has recovered an amount of Rs 5,000 Lakhs which has been accounted in the books.

9 A. criminal complaint was filed by Religare Finvest Limited (RFL), subsidiary of the Company with the Economic Offences Wing (EOW) of the Delhi Police against the Promoters of the Company and other persons for various offences under the Indian Penal Code, 1860 including the offences of cheating, criminal breach of trust, misappropriation and embezzlement of funds and forgery pursuant to which an FIR bearing No. 50 of 2019 dated March 27, 2019 was registered. In the matter EOW, Delhi Police has arrested Mr. Malvinder Mohan Singh, Mr. Shivinder Mohan Singh and others on October 10, 2019.

10 W.r.t. the Application dated April 15, 2019 submitted with SEBI for seeking an exemption from strict application of one of the conditions mentioned in erstwhile Regulation 31A(6) in relation to re-classification of existing Promoters and Promoters Group, SEBI has responded vide its letter dated August 28, 2019 that considering the amendment to the LODR Regulations where the shareholding threshold of the promoters in question has been increased from 1% to 10%, exemption per se is not required. SEBI has further advised the Company to therefore, approach the stock exchanges as per the extant LODR. Accordingly, the Company has requested the Stock Exchanges vide letter dated September 04, 2019 to approve the Company's application in terms of SEBI Letter, for which approval is awaited.

11 On July 10, 2019, the Company has entered into a binding term sheet with TCG Advisory Services Private Limited, Religare Finvest Limited ("RFL") and Religare Housing Development Finance Corporation Limited ("RHDFCL"), whereby the Company will divest its entire stake in RFL, a subsidiary of the Company, to TCG Advisory Services Private Limited or any of its affiliates ("Acquirer"). Pursuant to the aforesaid divestment, the Acquirer would also acquire indirect interest of the Company in RHDFCL, which is a subsidiary of RFL. Further, the Share Purchase Agreement for said divestment was signed on October 01, 2019. The transaction is subject to necessary statutory and regulatory approvals and fulfilment of other conditions precedent. The Company will record the financial impact once these conditions precedent are fulfilled in accordance with the Share Purchase Agreement (SPA). Also, RFL has initiated debt restructuring with its lending banks and has signed Inter Creditor Agreement (ICA) dated July 03, 2019. In light of aforesaid, it is expected that the Capital adequacy ratio of RFL will be adequate to initiate additional business in future. Besides these developments, RFL management is of the view that fixed deposit misappropriated by LVB is legally tenable [as stated in point no 30(i)]. Considering the above, accounts of RFL have been continue to be prepared on going concern basis.

The approval of shareholders of the Company has been sought for the aforesaid divestment through a Postal Ballot Notice dated October 04, 2019. The last date of voting through postal votes and e-voting is November 16, 2019. The result of the aforesaid postal ballot shall be declared on November 18, 2019.

12 During the quarter ended September 30, 2019, the Company granted 6,00,000 stock options at a grant price of Rs. 30.85 per share on August 08, 2019 and 10,00,000 options at a grant price of Rs. 31.30 per share on September 09, 2019 under "Religare Enterprises Limited Employees Stock Option Plan 2019".



- 13 In the matter of Daiichi Sankyo Company Limited (Daiichi) vs. Malvinder Mohan Singh & Others (Petition O.M.P. (EFA) (COMM) NO. 6 OF 2016), an interim application having I.A. No. 16727/2018 has been filed by the Company disputing its liability as a garnishee that came up for hearing on December 7, 2018. The Company has not redeemed 1,500,000 preference shares due for redemption on October 31, 2018 (Redemption value of Rs. 4,190.28 lakhs) and disputed the liability stating the transaction to be an illegal one. The Hon'ble High Court of Delhi directed the Company to file an affidavit disclosing the names of persons who were on its Board of Directors and were managing its affairs when the alleged sham transaction was executed. It also remarked that it expected the Company to file a complaint with the concerned Police Station. Accordingly, in compliance thereof, the Company has filed an affidavit disclosing names of persons who were on Board of Directors at relevant times and has also filed a criminal complaint on March 22, 2019 with the Economic Offences Wing, Delhi Police against Mr. Malvinder Mohan Singh, Mr. Shivinder Mohan Singh, Mr. Sunil Godhwani, RHC Holding Private Limited, Oscar Investments Limited, RHC Finance Private Limited and their associates for various offences under the Indian Penal Code, 1860 including the offences of cheating, criminal breach of trust, criminal misappropriation, forgery, forgery for the purposes of cheating and criminal conspiracy w.r.t transactions relating to issuance and redemption of Preference Shares. Now the case is listed for hearing on November, 14, 2019.

On 23.10.2019, Daiichi has moved an application before the Hon'ble Delhi High Court against the alleged settlement talks in respect to case referred to in note no 9 above. The said application is allowed by the Hon'ble Delhi High Court.

- 14 In the matter of Malvinder Mohan Singh vs. Religare Enterprises Limited & Ors., in Hon'ble Delhi High Court, Malvinder Mohan Singh has filed Suit for declaration that termination of indemnity and Release Agreement dated 14.11.2017 by the Company is unlawful. The case is listed for admission hearing on 27-Feb-2020.
- 15 Loancore Servicing Solutions Private Limited ("Loancore") has filed a petition before Hon'ble NCLT, Delhi under Sections 58 and 59 of the Companies Act, 2013 seeking rectification of Register of Members of the Company. The Company is contesting the same on maintainability of the petition. Next date of hearing is 13-Dec-2019.

In the matter of Religare Enterprises Limited vs. Loancore servicing solutions Ltd., the Company has filed anti injunction suit against the Loancore Servicing Solutions, Emqore OU and Foundation Exorior Limited. Hon'ble High Court of Delhi has granted anti-suit injunction against the Defendants till the next date of hearing. The next date of hearing in the said matter is 02-December, 2019.

- 16 Loancore Servicing Solutions Private Limited has also filed a petition under Sec. 9 of the Insolvency and Bankruptcy Code, 2016 claiming damages under a "Penalty Fee Agreement" allegedly signed with the Company. The petition is yet to be admitted.
- 17 The Capital to risk weighted assets ratio (CRAR) of RFL as on March 31, 2019 is below the prescribed limit. Reserve Bank of India ("RBI") vide its letter dated January 18, 2018 has advised RFL to adhere to corrective action plan ("CAP") given by it. The said CAP, inter alia, prohibits RFL from expansion of credit/investment portfolios other than investment in Government Securities and advises RFL not to pay dividend. In this regard, the Company is taking the necessary corrective measures as advised by RBI and will seek removal of cap in the due course. RFL has proposed to its lenders a debt resolution plan for restructuring of its debt obligations in view of the mismatches to its asset liabilities profile. The debts resolution plan proposed within the framework of applicable RBI and other regulatory norms are under consideration by the lenders and subject to the necessary approvals by the respective lenders and other stake holders.

- 18 Axis Bank had filed an original application ("OA") before the DRT-II, Delhi for recovery of approx. Rs. 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. The Company has been made a party to the proceedings based on a Non-Disposal Undertaking ("NDU") for its shareholding in RHICL. The DRT has passed an order dated March 21, 2018 directing inter-alia that the Company 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. The Company has filed 2 applications on May 08, 2018 for deletion of the Company as a party and vacation of the stay order dated March 21, 2018 against the Company. On December 18, 2018 DRT dismissed both the applications. The Company has filed an appeal before the DRAT against the order dated December 18, 2018. Axis Bank has also filed application for restraint on transfer of RFL to TCG Advisors which was granted by the Court on August 26, 2019.

A Consent Agreement dated October 01, 2019 has been entered between Company and its subsidiaries and Axis Bank Ltd. whereby the parties have agreed to amicably settle the matter. In accordance with the Consent Agreement, a payment of Rs. 17,000 lakhs shall be made in phased manner upto June 30, 2020. The accounting impact of Rs 17,000 lakhs on the financial results has been taken and disclosed as exceptional item in the financial results. A joint application along with Consent Agreement was filed before the DRT-II Delhi on October 01, 2019 praying for keeping order dated 21.03.2018 and order dated 26.08.2019 passed by DRT II, in abeyance until further orders and for adjourning the relevant proceedings sine die pending the payment of the remaining installments of the Settlement Amount. The said application was allowed by Hon'ble DRT-II Delhi and the next hearing in DRT has been fixed for 30-Jun-2020. Consent Agreement has also been filed in DRAT and next date of hearing is 06-Jan-2020. The settlement amount has been duly provided for in the current quarter.



- 19 In the matter of NYLIM Jacob Ballas India Fund III (JB) and Resurgence PE Investments matter (at the Hon'ble Delhi High Court), JB and Resurgence are shareholders in Religare Finvest Limited ("RFL"). They have separate Investment Agreements with REL and RFL and Put Option Agreements with REL. They exercised their put options and sought exit from RFL in 2016. However, an exit could not be provided by REL. In November 2017, they filed petitions under Section 9 of the Arbitration and Conciliation Act before the Hon'ble Delhi High Court praying for ad interim and mandatory relief that inter alia: REL deposit an amount of approx. Rs. 39,350 Lakhs and Rs. 27,709 Lakhs respectively with the Hon'ble High Court or give bank guarantees of the said amounts in order to secure the investors' interests. On January 05, 2018, the Court has directed RFL not to withdraw or alienate its fixed deposits lying with Lakshmi Vilas Bank (LVB). Next hearing is scheduled for December, 03, 2019. The Company has entered into a Letter of Intent dated August 21, 2019 with JB and Resurgence for acquiring their shareholding in RFL for a consideration of Rs 5600 Lakhs.
- 20 During the year ended March 31, 2018 RFL entered into a settlement agreement with SCCPL and its associate companies for withdrawing various litigations against each other in respect of assignment of loans by RFL to SCCPL. RFL is pursuing recovery of Rs 79367.20 Lakhs (fully provided for) from SCCPL. Despite the settlement SCCPL and its associates have filed a suit before the Hon'ble District Court Saket seeking various reliefs and also seeking discharge of their obligations under the Settlement Agreement. The next date of hearing is November 30, 2019.
- 21 Strategic Credit Capital Private Ltd. (SCCPL) & Participation Finance & Holdings (India) Pvt. Ltd. (PFH) have filed a commercial civil suit before Hon'ble Delhi High Court against Lakshmi Vilas Bank (LVB), wherein they have arrayed the Company and other entities as party. SCCPL and PFH are seeking various reliefs in the petition against LVB and amongst other relief, a direction against the Company's fixed deposits placed with LVB. An interim order dated February 22, 2018 passed to maintain status quo regarding the trademark as described in the Schedule of the Deed of Assignment. The Company has also filed application for rejection of plaint under order-VII Rule-11 and application u/s 340 Cr.p.c against SCCPL for filing fabricated indemnification cum release agreement. Further, Loancore has filed substitution on behalf of SCCPL by way of assignment deed. Thereafter, SCCPL also moved an application u/o39 R-1/2 of CPC seeking injunction against REL & the Company, restraining them from selling RFL and RHDFC business. The said application is disposed-off on August 9, 2019 in terms of order dated 22.02.2018. Now the case is listed for disposal of interim applications. Next date of hearing is November 19, 2019.
- 22 In the matter of Nakul Goel vs. RHC Holding & Ors.. a FIR is lodged by Nakul Goel against Others and KMP's (past and present) of the Company i.e. Mr.Milind Patel,Mr. Gurvinder Juneja, Ms. Reena Jayara U/S. 406,409,411,420 R.W 120 IPC. The Company has filed a quashing petition which is yet to be listed.
- 23 (i) RFL had filed a suit for recovery of Fixed Deposits amounting to Rs 7,9145 Lakhs misappropriated by Lakshmi Vilas Bank ("LVB") on May 31, 2018 before the Hon'ble Delhi High Court that passed interim Orders directing that status quo be maintained in respect of RFL's current account maintained with LVB. The Hon'ble Court has reserved its order on April 12, 2019 regarding various interim applications filed by RFL.

Further, State Bank of India and SCCPL along with its associates have filed application for impleadment in the said suit. The case is listed for November 27, 2019.

RFL had also filed a complaint against LVB and others on May 15, 2019 with EOW. The EOW, Delhi has registered a FIR bearing no. 189 of 2019 dated September 23, 2019 against LVB & Ors. for committing offence of criminal breach of trust and criminal conspiracy.

(ii) Strategic Credit Capital Private Limited and associates have filed applications to be impleaded in the matter, which are yet to be adjudicated on by the Hon'ble Court. Thereafter, LVB filed another application placing ex-parte SEBI order dated March 14, 2019 on record. RFL filed affidavit pursuant to the order dated April 09, 2019 passed by the Hon'ble High Court of Delhi along with the reply qua the ex-parte interim order of the SEBI dated March 14, 2019 and letters addressed to RBI & NHB. RFL has now filed an application seeking amendment of plaint on which the Hon'ble Court has issued notice to Defendants on August 23, 2019. RFL has also filed a criminal complaint before the EOW on May 15, 2019.

(iii) RFL has not created any additional Deferred Tax Assets during the current year and continuing same from Mar 31, 2018.

- 24 Subsequent to the reporting date, on November 5, 2019, Religare Finvest Limited ("RFL") has sold certain NPA pool at a consideration of Rs 35,063.73 Lakhs (57% of the outstanding principal amount as on June 30, 2019, the cut off date). The Company is of the view that this is a reporting event and not an adjusting event and accordingly the differential expected credit loss is not considered in the financial results for the half year ended September 30, 2019.



25 SEBI has passed an ad-interim ex-parte order on October 17, 2018 ("order") in relation to Fortis Healthcare Limited (FHL) which inter alia includes directions to RFL and other entities covered in the order to repay INR 40,300 Lacs to FHL and not to dispose of or alienate any of the assets or divert any funds except for payment of INR 40,300 Lacs and for meeting business operations without the prior permission of SEBI. RFL has represented to SEBI and denied all the preliminary findings recorded against RFL and further requested SEBI to vacate the directions in the said order till conclusion of the investigation. Furtherance to above, SEBI further issued a confirmatory order dated March 19, 2019. The said order inter-alia continued the debilitating restraints against the RFL which were originally contained in the Ex-parte Order dated October 17, 2018. However, RFL has been allowed to function in compliance with the terms of the CAP as stipulated by the Reserve Bank of India (RBI).

While the detailed investigation by SEBI is underway, RFL further represented to SEBI and denied the findings recorded against RFL and requested SEBI to vacate the directions in the said order qua RFL. In the interim, RFL has filed an appeal in Securities Appellate Tribunal (SAT) on April 23, 2019 against the said order seeking relief from SAT in the matter. While the SAT appeal was to be listed, RFL continued to make representations to SEBI and also had personal hearing with Whole Time Member (WTM). SEBI vide order dated June 28, 2019 gave certain relaxations to RFL to take all measures as it deems fit for revival of RFL (including restructuring of its debts/loans, assignment of its financial assets to ARCs, raising of capital, borrowing etc.) The aforesaid SAT appeal was listed on August 21, 2019. The Bench heard RFL and noted the contradiction in SEBI's order dated October 17, 2018 (in FHL Matter) and subsequent order passed by the Whole Time Member (WTM) in another matter dated March 14, 2019 (in REL matter) and passed an order dated August 22, 2019 wherein SAT has pointed out the aforesaid contradiction. SAT also directed SEBI to file a reply within 2 weeks. The said matter was scheduled to be listed on September 12, 2019.

Meanwhile, SEBI approached SAT and sought time of 3 weeks to submit reply on the matter. SAT on September 11, 2019 accepted the request of SEBI and allowed time of 3 weeks for the submission of reply. The next date of hearing was October 14, 2019. In the date of hearing, as filing from SEBI could not be completed, SAT has given November 11, 2019 as the date of hearing.

26 (i) During the year, Religare Housing Development Finance Corporation Limited (RHDFCL) has entered into a transaction with RARC 059 (RHDFC HL) Trust (special purpose vehicle) wherein it has sold GNPA of Rs. 3,038.13 lakhs for a value of Rs. 2,278.60 lakhs. The transaction has been carried out in compliance with the applicable RBI norms for securitization and the Trust has issued security receipts (SR) in the ratio of 85:15 i.e. of Rs. 1,936.81 lakhs to RHDFCL and Rs. 341.79 lakhs to Reliance ARC Limited. The transaction is concluded within the RBI purview and RHDFCL has obtained true sale opinion for concluding the transaction. Accordingly, RHDFCL had derecognized NPA loan receivables and had recognized security receipts as investments in the books of accounts amounting to Rs.1,936.81 Lakhs as on March 31, 2019. The value of the aforesaid investments as on June 30, 2019 is Rs. 1,914.69 Lakhs. Under INDAS, the security receipts issued by the trust would full-fill the criteria for a financial asset and has been recognized in its books.. [Please refer note no 37(i)]

(ii) During the previous financial year 2018-19, some of the lenders had increased interest rates mainly due to downgrade in External Credit rating (ECR) of the Company. The Company had protested for such increase in the interest rate and had not serviced increased interest rate. As on March 31, 2019, RHDFC had shown Rs. 228.90 lakhs as contingent liability in the financial statements. Further, during the half year ended Sept 30, 2019 under review, the amount has reduced to Rs. 210.46 Lakhs. RHDFCL is under discussion with banks for seeking reversal of the same.

27 Religare Broking Limited (RBL) and Religare Commodities Limited (RCL), subsidiaries of the Company have entered into a Agreement in August 2019 to transfer commodity broking business from RCL to RBL as a going concern on 'as is where is' basis and by way of slump sale as on the effective date for a lump sum consideration of Rs.2300 Lakh. As on the effective date, the consideration would be suitably modified to adjust the movement in working capital. As on the Balance Sheet date, the transfer of the commodity broking business is not yet completed, hence, the impact of the business transfer hasn't been given in the Financial Statement for the Half year ended September 30, 2019.

28 **Management response on Audit Qualifications for FY 2018-19 Audited Standalone Financial Results and June'19 quarter.**

Qualification: Pending the Company's application with Hon'ble High Court of Delhi for staying the redemption of 1,500,000 non-convertible preference shares of the Company held by Oscar Investments Limited, Promoter's Group Company and due on 31st Oct. 2018 with an approx. redemption value of Rs. 4,190.28 lakhs. Pending the outcome of the application, we are unable to comment the likely implication on the statements.

Status: The Company has not redeemed 15,00,000 preference shares due for redemption on October 31, 2018 (Redemption value of Rs 4,190.28 lakhs) and disputed the liability stating the transaction to be a illegal one by filing the interim application having I.A. No. 16727/2018 in the matter of Daiichi Sankyo Company Limited vs. Malvinder Mohan Singh & Others (Petition O.M.P. (EFA) (COMM) NO. 6 OF 2016). The Company has already accounted for the redemption value of Rs. 4,190.28 lakhs in its financial statements. Since the matter is sub-judice, the management can not determine the amount of any additional liability at this point of time, if any, which may arise due to non-redemption of said preference shares. The Company has also filed a petition before Hon'ble NCLT, Delhi for rectification of register of members of the Company (please refer to Note no 13)



Management response on Audit Qualifications for FY 2018-19 Audited Consolidated Financial Results

29 Religare Finvest Limited (RFL)

i). Qualification: Adjustment of fixed deposits of Rs. 79,145 lakhs (excluding Rs. 2,703.39 lakhs interest accrued & due till the date of original maturity i.e. July 20, 2018) with and by the Lakshmi Villas Bank (LVB) against the loans given to promoter group companies in the previous year continued to be under litigation at Hon'ble High Court for declaration and recovery. Pending disposal of the case, we are unable to comment on the status of recoverability and classification of the reported balance.

Status: Please refer the note no. 30 regarding the status of the case. Pending disposal of the case, the likely implication on the financial statements is not ascertainable.

ii). Qualification: Loans given to certain companies appearing in Corporate Loan Book (CLB portfolio) aggregating to Rs. 203,670 lakhs as on March 31, 2019 (substantially these loans were given upto the period March 31, 2017, when we were not the auditors. Loans, so provided including given in financial year ending March 31, 2018 have been reported by us under section 143(12) of the Companies Act, 2013 as referred in point 3(ii) above) (expected credit loss (ECL) fully provided for; no further loans have been given during the financial year ended on March 31, 2019) and proceedings launched by the company (RFL) against these companies continued to be under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Delhi. Most of these proceedings are stayed by the Hon'ble Supreme Court in its order dated April 5, 2019 in case of M/s Daiichi Sankyo Company Limited Versus Oscar Investments Limited & Ors. Refer Note no. 8 of the Statement.

Further, the company (RFL) has subscribed to Non-Convertible Debentures of a corporate entity of Rs. 20,000 lakhs in December 2016 (Impairment of Rs. 13,004.70 lakhs considered till March 31, 2019) and extended loan of Rs 5,000 lakhs (ECL fully provided) to one of the corporate. Due to default in making repayment of NCD/loan to the Company, it has filed the cases against both the parties under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Kolkata.

Considering the pending decision of Hon'ble Supreme Court of India, Hon'ble NCLT Delhi and Hon'ble NCLT, Kolkata, we are unable to comment on adequacy of provision, any additional financial and legal implications on the financial statements of the company.

Status: Please refer the note no.8 & 9 regarding CLB matter.

The management is pursuing the various legal recourse to recover the CLB outstanding.

During the half year ended Sept 30, 2019 the provision of Rs 2100 Lakhs against the NCD mentioned in note no.

iii). Qualification: During the year, some of the lenders have increased interest rates mainly due to downgrade in External Credit rating (ECR) of the Company (RFL). The Company has protested for such increase in the interest rate and has not serviced increased interest rate. Further, Company has not made the provision of increased amount of Interest amounting to Rs. 2,898.47 lakhs, but the company shown the same as contingent liability in the financial statement. As informed, company is in the process of getting approval from respective banks for restoring the original interest rates. Had the provision of the same is made in the books of accounts than losses for the year would have increased by Rs. 2,898.47 Lakhs.

Status: As on March 31, 2019, RFL had shown Rs. 2,898.47 lakhs as contingent liability in the financial statements. Further, during the quarter under review, the Company has made the full provision of increased amount of Interest amounting to Rs. 2,898.47 lakhs.

30 Religare Housing Development Finance Corporation Limited (RHDFC)

i). Qualification: In relation to transaction with RARC 059 (RHDFC HL) Trust (Special Purpose Vehicle) wherein GNPA of Rs. 3038.13 lakhs were sold for a value of Rs. 2278.60 lakhs & Trust has issued security receipts (SR) in the ratio of 85:15. As informed by company (RHDFC), based on the legal opinion obtained it was a true sale. Considering that Company has derecognised NPA loan receivables and has recognized security receipts as investments in the books of accounts amounting to Rs. 1936.81 lakhs as on March 31, 2019 reduced to Rs 1914.69 lakhs as on June 30, 2019. As per Ind AS-109, derecognition of financial assets shall take place only if substantial risk and reward has been transferred. However, in the referred transaction of security receipts, the company (RHDFC) may remain exposed to substantial risk of return.

Status: : The transaction was concluded within the RBI purview and RHDFC has obtained true sale opinion for concluding the transaction. Accordingly, RHDFC has derecognized the NPA loan receivables and has recognized security receipts as investments in the books of accounts. RHDFC shall recognize profit/loss on the Security Receipts based on the evaluation by independent rating agency as stipulated under RBI Regulation. Under INDAS, the security receipts issued by the trust would full-fill the criteria for a financial asset and has been recognized accordingly in the books of RHDFCL.

ii). Qualification: During the previous financial year 2018-19, some of the lenders have increased interest rates mainly due to downgrade in External Credit rating (ECR) of the Company. The Company (RHDFC) has protested for such increase in the interest rate and has not serviced increased interest rate. Further, Company has not made the provision of increased amount of Interest amounting to Rs. 68.92 lakhs, but the Company has shown the same as contingent liability in the financial statements. As informed, company is in the process of getting approval from respective banks for restoring the original interest rates. Had the provision of the same been made in the books of accounts, then profit for the half year ended would decrease by Rs. 68.92 Lakhs

Status: As on March 31, 2019, RHDFC had shown Rs. 228.90 lakhs as contingent liability in the financial statements. Further, during the half year ended Sept 30, 2019 under review, the amount has reduced to Rs. 210.46 Lakhs. RHDFCL is under discussion with banks for seeking reversal of the same.



31 The management of Religare Advisors Limited (RAL) subsidiary of the Company , had taken a decision to not to carry on any commercial operations from March 31, 2017 in RAL . Accordingly the financial statements of RAL have not been prepared under the going concern assumption and all assets and liabilities have been stated at their net realizable values. Adjustments relating to the recoverability and classification of recorded asset amount or to classification of liabilities that may be necessary have been made based on Management's assessment of the same.

Place: Delhi
Date : November 08, 2019



For and on behalf of the Board of Directors

A handwritten signature in blue ink, appearing to read "Rashmi Saluja".

Rashmi Saluja
Non-Executive Independent Chairperson

A small handwritten mark or initials in blue ink, possibly "RS".



Independent Auditor's Limited Review Report on un-audited standalone financial results of Religare Enterprises Limited for the quarter and half year ended September 30, 2019.

**To the Board of Directors of
Religare Enterprises Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Religare Enterprises Limited ('the Company') for the quarter and half year ended September 30, 2019 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("Circular"). Attention is drawn to the fact that the statement of cash flow for the corresponding period from April 1, 2018 to September 30, 2018 as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
2. This statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. The preparation of the statement is in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, "Interim Financial Reporting" (Ind AS), prescribed under section 133 of the Companies Act, 2013 read with relevant rules there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

4. Attention is invited to note no 13 of the standalone financial results of the company relating to pending REL's application with Hon'ble High Court of Delhi for staying the redemption of 1,500,000 non-convertible preference shares of the Company held by Oscar Investments Limited, Promoter's Group Company and due on 31st Oct. 2018 with an approx. redemption value of Rs. 4,190.28 lakhs. Besides this, company is in the process of taking a legal opinion on likely impact of the delayed redemption. Pending the outcome of the application and legal opinion, we are unable to comment the likely implication on the results



Qualified Conclusion

5. Based on our review conducted as above except for the effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with Circular including the manner in which it is to be disclosed, or that it contains any material mis-statement.

Emphasis of Matter

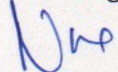

6. Attention is invited to note no 18 of the standalone financial results of the company with respect to the appeal filed with Hon'ble Debt Recovery Appellate Tribunal ("DRAT") for dismissal of application filed by the company for setting aside and deletion of Company's name in the legal proceedings between Axis Bank & Religare Capital Markets International (Mauritius) Limited (i.e RCMIML) wherein the company had issued the non-disposal undertaking (i.e NDU) with respect to the shares of RHICL for a standby letter of credit facility availed by RCMIML from Axis Bank (claimed amount of Rs 31,293 lakhs). In the current financial year, Axis bank has filed application for restraint of transfer of RFL to TCG Advisors Private Limited. Restraint was granted by the Court based on NDU. Subsequently, REL has entered into consent agreement with Axis bank for full and final payment of Rs 17000 lakhs (approx.) thereby discharging REL from all proceedings against it. The said consent agreement has been filed with Hon'ble Debt Recovery Tribunal and DRAT also. Accounting impact of the same has been shown as Exceptional Item in the Statement.

Our report is not qualified on this matter

For **SS Kothari Mehta & Company**

Chartered Accountants

Firm Reg. no. - 000756N

Naveen Aggarwal

Partner

Membership No. - 094380

UDIN No **19094380 AAAAFN8224**

Place: New Delhi

Date: **8/11/2019**

Independent Auditor's Review Report on the Quarterly and year to date Unaudited Consolidated Financial Results of Religare Enterprises Limited pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended

**To the Board of Directors,
Religare Enterprises Limited**

1. We have reviewed the accompanying statement of unaudited Consolidated Financial Results ("the Statement") of Religare Enterprises Limited ("the Parent " or "REL"), its subsidiaries (the Parent and its subsidiary together referred to as "the Group") and its share of net profit/(loss) after tax and total comprehensive income /(loss) of joint venture for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 , attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations, 2015") read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("Circular). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended September 30, 2018 and corresponding period April 1, 2018 to September 30, 2018, and consolidated statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018 as reported in these unaudited Consolidated financial results have been approved by the Parent's Board of Directors but have not been subjected to review.
2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 (Ind AS 34), "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India read with Circular. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the financial results of the following entities:

List of Subsidiaries

- i. Religare Global Asset Management Inc. (RGAM Inc);
- ii. Religare Credit Advisors Pvt. Limited (RCAL);
- iii. Religare Comtrade Limited (RCTL);
- iv. Religare Commodities Limited (RCL);*
- v. Religare Broking Limited (RBL);
- vi. Religare Advisors Ltd. (formerly known as Religare Wealth Management Limited) (RAL);*
- vii. Religare Business Solutions Limited (RBSL);*
- viii. Religare Housing Development Finance Corporation Limited (RHDFCL);**
- ix. Religare Insurance Limited (RIL);
- x. Religare Health Insurance Company Limited (RHICL);
- xi. Religare Finvest Limited (RFL).

* subsidiary of Religare Broking Limited

** subsidiary of Religare Finvest Limited

Joint Venture

- i. IBOF Investment Management Private Limited.

5. **Basis for Qualified Conclusion**

- i. Attention is invited to note no. 13 of the statement of the company relating to pending REL's application with Hon'ble High Court of Delhi for staying the redemption of 15,00,000 Non-Convertible Preference Shares of the Company held by Oscar Investments Limited, Promoter's Group Company and due on October 31, 2018 with an approx. redemption value of Rs. 4190.28 lakhs. Pending the outcome of the application, we are unable to comment on the likely implication on the statements.

a) Religare Finvest Limited ("RFL")

- i. We refer to -



- a. Our Modified Audit Report dated May 20, 2019 and May 30, 2018 (first audit carried out by us) on accounts for the financial year ended March 31, 2019 and March 31, 2018 respectively and;
- b. Our report to Ministry of Company Affairs (MCA) under section 143(12) in the financial year ending March 31, 2019 (wherein we also stated that we do not have access to the intermediate borrowing companies) and;
- c. The subsequent forensic report summarized in SEBI order dated March 14, 2019 and September 11, 2019 and in the above context, we state as under:
 - 1) Attention is invited to note no. 23 of the statement in relation to adjustment of fixed deposits of Rs. 79,145 lakhs (excluding Rs. 2,703.39 lakhs interest accrued & due till the date of original maturity i.e. July 20, 2018) with and by the Lakshmi Vilas Bank (LVB) against the loans given to promoter group companies in the previous years continued to be under litigation at Hon'ble High Court of Delhi for declaration and recovery. However, during the half year ended September 30, 2019, the Company has filed an amendment to its original application stating that appropriations of FDs by LVB was illegal as LVB had colluded and conspired with the old promoters and Ex Directors and two other entities. Pending disposal of the case, we are unable to comment on the status of recoverability and classification of the reported balance.
 - 2) a) Attention is invited to note no. 8 of the statement in relation to loans given to certain companies appearing in Corporate Loan Book (CLB portfolio) aggregating to Rs. 203,670 lakhs as on September 30, 2019 (Rs 203,670 lakhs as on March 31, 2019) [substantially these loans were given upto the period March 31, 2017, when we were not the auditors. Loans, so provided including given in financial year ending March 31, 2018 have been reported by us under section 143(12) of the Companies Act, 2013 as referred in point 5 (a) (i) (b) above] {expected credit loss (ECL) fully provided for; no further loans have been given during the financial year ended on March 31, 2019} and proceedings launched by the company against these companies continued to be under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Delhi. Most of these proceedings are stayed by the Hon'ble Supreme Court in its order dated April 5, 2019 in case of M/s Daiichi Sankyo Company Limited Versus Oscar Investments Limited & Ors.

Based on the due diligence report and the replies filed by the borrowers before the NCLT, the Company had also filed a criminal complaint before the EOW, Delhi, on which a F.I.R. no. 50/2019 has been registered and is under investigation. The Zonal Office of Enforcement Directorate has lodged an enforcement case under the Prevention of Money Laundering Act bearing ECIR no. 5 of 2019 on the basis of said FIR.



b) Further, RFL has subscribed to Non-Convertible Debentures of a corporate entity of Rs. 20,000.00 lakhs in December 2016 [Impairment of Rs. 15,057.22 lakhs considered till September 30, 2019 (Rs 13,004.70 lakhs till March 31, 2019)]. Due to default in making repayment of NCD to the Company, it has filed the cases against the party under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Kolkata.

Considering the pending decision of Hon'ble Supreme Court of India and Hon'ble NCLT Delhi in para 3(b)(i) above and Hon'ble NCLT, Kolkata in para 3(b)(ii) above, we are unable to comment on adequacy of provision, any additional financial and legal implications on the accompanying Statement.

c) Attention is invited to note no. 24 of the statement in relation to subsequent to the reporting date i.e. November 5, 2019, the Company has sold certain NPAs amounting to Rs 63,607.40 lakhs (principal Rs 61,515.31 lakhs and interest Rs 2,092.09 lakhs) at a consideration of Rs 35,063.73 lakhs with cut-off date of June 30, 2019. Management is of the view that this event is a reporting event and not an adjusting event and accordingly the differential expected credit loss of Rs. 19599.79 Lakhs (net of ECL provision of Rs. 8943.88 Lakhs) is not considered in the financial results for the half year ended September 30, 2019. Had the same been provided, the loss for the half year would have increased by Rs. 19599.79 Lakhs and 'Loans' under 'Financial Assets would have reduced by the same amount.

b) Religare Housing Development Finance Corporation Limited ("RHDFC")

- i. Attention is invited to note no. 26 (i) of the statement in relation to transaction with a trust namely "RARC 059 (RHDFC HL) "(special purpose vehicle) wherein during the previous financial year 2018-19, Gross NPA of Rs. 3,038.13 lakhs were sold for a value of Rs. 2,278.60 lakhs & Trust has issued security receipts (SR) in the ratio of 85:15. As informed by Company, based on the legal opinion obtained it was a true sale. Considering that Company had derecognized NPA loan receivables and had recognized security receipts as investments in the books of accounts amounting to Rs.1,936.81 Lakhs as on 31st March 2019. The value of the aforesaid investments as on September 30, 2019 is Rs. 1,914.69 Lakhs. As per Ind AS-109, de-recognition of financial assets shall take place only if substantial risk and reward has been transferred. However, in the referred transaction of security receipts, the Company may remain exposed to substantial risk of return.



- ii. Attention is invited to note no. 26 (ii) of the statement in relation to the fact that during the previous financial year 2018-19, some of the lenders had increased interest rates mainly due to downgrade in External Credit rating (ECR) of the R HDFCL (company) . The Company had protested for such increase in the interest rate and had not serviced increased interest rate. Further, Company has not made the provision of increased amount of Interest amounting to Rs. 141.54 lakhs and Rs 210.46 lakhs for the quarter and half year ended September 30, 2019 (Rs. 224.88 lakhs as on March 31st, 2019) , but the Company has disclosed the same as contingent liability in the financial statements.

6. Qualified Conclusion

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, except for the effects/ possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Emphasis of Matter

- i. We refer to note no 18 of the statement with respect to the appeal filed with Honorable Debt Recovery Appellate Tribunal (“DRAT”) for dismissal of application filed by the parent for setting aside and deletion of parent’s name in the legal proceedings between Axis Bank & Religare Capital Markets International (Mauritius) Limited (i.e RCMIML) wherein the company had issued the non -disposal undertaking(i.e NDU) with respect to the shares of RHICL for a standby letter of credit facility availed by RCMIML from Axis Bank (claimed amount of Rs 31,293 lakhs). In the current financial year, Axis bank has filed application for restraint of transfer of RFL to TCG Advisors Private Limited. Restraint was granted by the Court based on NDU. Subsequently, REL has entered into consent agreement with Axis bank for full and final payment of Rs 17000 lakhs (approx.) thereby discharging REL from all proceedings against it. The said consent agreement has been filed with Hon’ble Debt Recovery Tribunal and DRAT also. Accounting impact of the same has been shown as Exceptional item in the statement.



- ii. We refer to Note no. 4 of the statement in relation to non-consolidation of financials of Religare Capital Markets Limited, subsidiary of the Company, based on management assessment of non-existence of control through voting rights and existence of significant restrictive covenants on major decision making at RCML have been imposed by the holder of the preference shares, we have relied on the management representation.

We draw attention to the following matters of the subsidiary Companies:

a) Religare Finvest Limited ("RFL")

- i. We refer to our modified audit report dated May 20, 2019 and May 30, 2018, on audited annual accounts for the financial year ending on March 31, 2019 and March 31, 2018 respectively, the Company is still pursuing appropriate legal remedies to recover the amounts due from Strategic Credit Capital Private Limited ('SCCPL') and Perpetual Credit Services Private Limited ('Perpetual') aggregating to Rs. 79,367.20 Lakhs (fully provided for in the financial year ended March 31, 2017) and expect that there will not be any obligation on the Company out of these cases. Refer Note no. 20 of the Statement
- ii. RFL continued to carry Deferred Tax Assets amounting to Rs. 49,315.69 Lakh as at September 30, 2019 (Rs 49,315.69 lakhs as of March 31, 2019) considering the availability of future taxable profit against which the deductible temporary differences and unused tax losses can be utilized. We have relied on the management's assessment. Refer Note no. 23 (iii) of the Statement
- iii. RFL has defaulted in repayment of principal and interest to various lenders. Management has represented that the Company has proposed a Debt Restructuring Plan (DRP) for restructuring of its debt obligation. This DRP is subject to approval of lenders, regulators and other stakeholders. As explained, Company is not foreseeing any additional liability and other related implications. We have relied on the management's assessment. Refer Note no.11 of the Statement
- iv. We refer to point no. 11 of the statement in relation to the fact that accounts of the RFL are continued to be prepared on the basis of going concern assumption considering various developments during the half year ended September 30, 2019. We have relied on the management's representation.



b) **Religare Comtrade Limited ("RCTL")**

- i. The nature of operations of the Company may qualify under the definition of Non-Banking Finance Company (i.e NBFC) in accordance with requirements of Reserve Bank of India Act, 1934 and related regulations. However, the Company (RCTL) is not required to be registered as NBFC based on legal opinion obtained by the company.

c) **Religare Advisors Limited (Formerly known as Religare Wealth Management Limited) ("RAL")**

- i. We refer to note no 31 of the statement with respect to the accounts of RAL, indirect subsidiary of the Company continued to be prepared on realizable value basis in the quarter and half year ended September 30, 2019 in view of no commercial operations for the last three previous financial years.

Our conclusion is not modified for the matters stated in paragraph 7 above.

Other Matters

8. We did not review the financial results of one subsidiary included in the unaudited consolidated financial results, whose financial results reflect total assets of Rs 1,77,082.09 lakhs as at September 30, 2019 , total revenue of Rs. 42,823.49 lakhs and Rs 75,639.10 , total net profit/(loss) after tax of Rs. 2058.35 lakhs and Rs 2848.57 lakhs and total comprehensive Income/(loss) of Rs. 2774.94 lakhs and Rs 3789.39 lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 respectively and net cash outflow of Rs 1527.08 lakhs for the period from April 1, 2019 to September 30, 2019 as considered in the unaudited consolidated financial results. These financial results have been reviewed by other auditors, whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

9. The unaudited consolidated financial results include the financial results of three subsidiaries including one subsidiary incorporated outside India which have not been reviewed by their auditors, whose financial results reflect total assets of Rs 62.63 lakhs as at September 30, 2019 , total revenue of NIL , total net profit/(loss) after tax of Rs. (3.02) lakhs and Rs (3.11) lakhs and total comprehensive income/ (loss) of Rs.(3.02)



SS KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

lakhs and Rs (3.11) lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 respectively and net cash outflow of Rs 3.45 lakhs for the period from April 1, 2019 to September 30, 2019 as considered in the unaudited consolidated financial results whose financial results have not been reviewed by us. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter

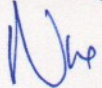
10. The unaudited consolidated financial results include financial results of joint venture which reflect total assets of Rs 71.86 lakhs as at September 30, 2019, total revenue of 1.23 lakhs and Rs 1.86 lakhs, total net profit/(loss) after tax of Rs. (2.45) lakhs and Rs (6.45) lakhs and total comprehensive income/ (loss) of Rs.(2.45) lakhs and Rs (6.45) lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 respectively and net cash inflow of Rs 11.13 lakhs for the period from April 1, 2019 to September 30, 2019. The unaudited consolidated financial results also includes Group share of net profit/(loss) after tax of Rs (1.23) lakhs) and Rs (3.23) lakhs, total comprehensive income / (loss) of Rs (1.23) lakhs and Rs (3.23) lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 as considered in the unaudited consolidated financial results, in respect of one joint venture based on their financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For S S Kothari Mehta & Company

Chartered Accountants

Firm Reg. no. - 000756N



Naveen Aggarwal

Partner

Membership No. - 094380



UDIN - 19094380 AAAA FO 3583

Place: New Delhi

Date: 8/11/2019