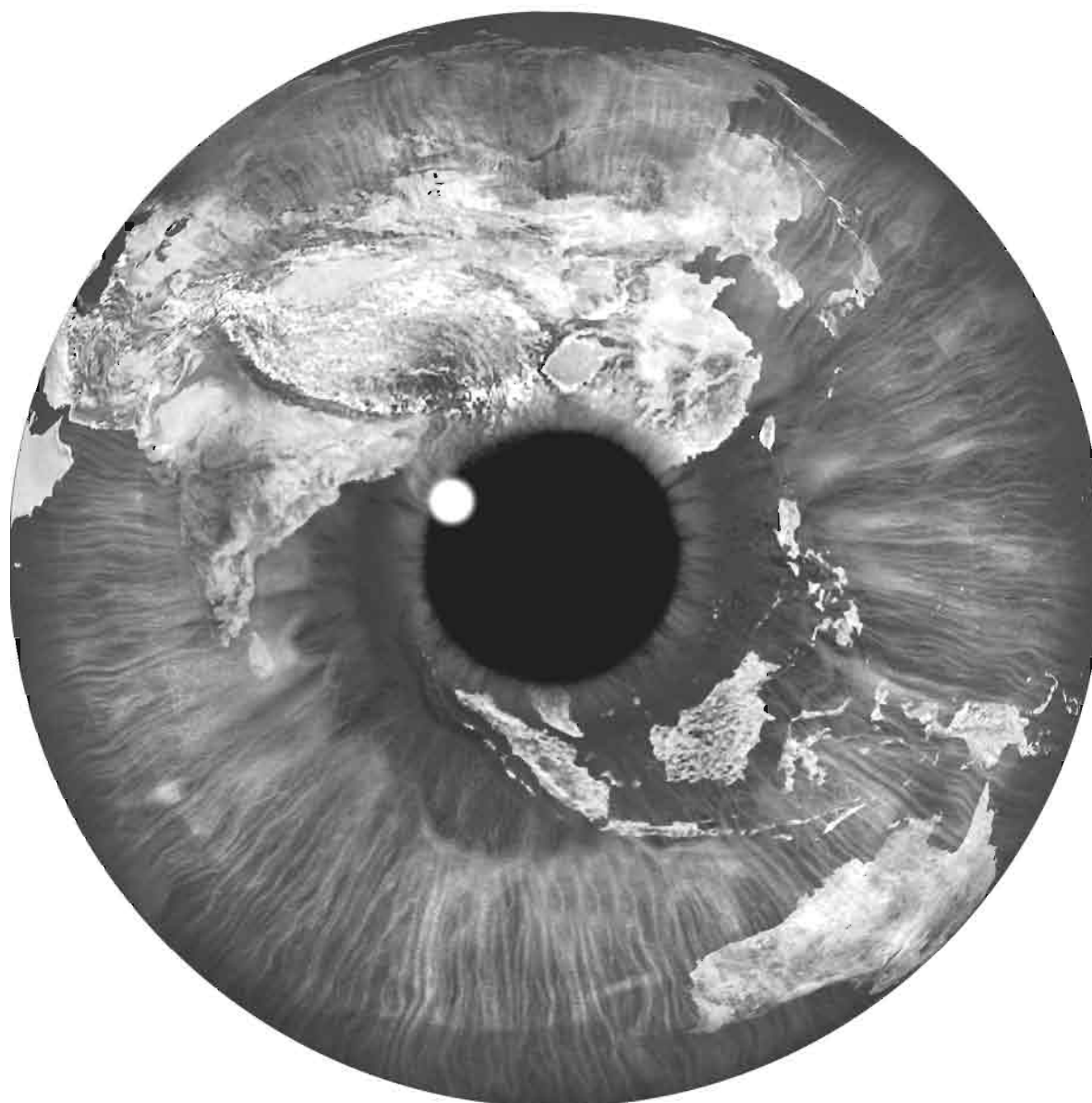
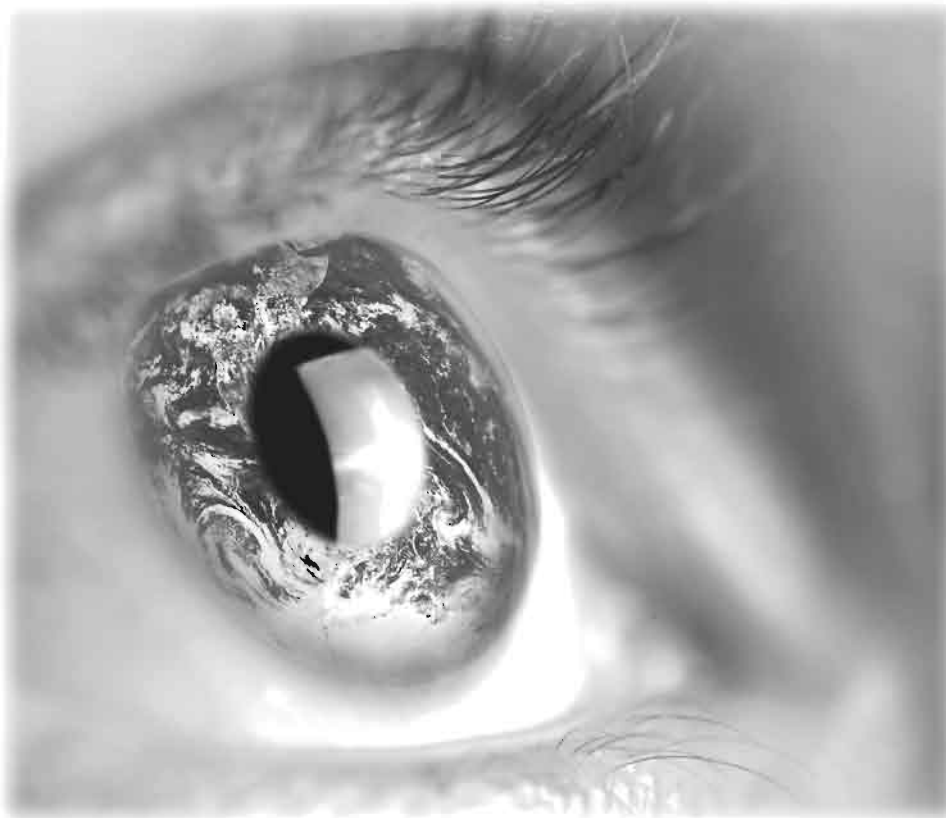




Focused on Emerging Markets



RELIGARE ENTERPRISES LIMITED
ANNUAL REPORT 2010 -11



Vision is the ability to see beyond what is apparent and look deeper. It is the capacity to focus on the potential, instead of limitations, that leads to success. At Religare, this *mantra* lies at the core of all our endeavours. It's a philosophy that has stood us in good stead, even as we have progressed from strength to strength, locally and globally.

With the worldwide rebalancing of the economy, the emerging markets are becoming more dynamic, initiating more opportunity and capital. They are becoming significant wealth generators and drivers of the global economy. Our business institution is positioned right in the centre of this mega-trend. We are focused on tapping these opportunities and looking to grow along with our key stakeholders.

Our vision is firmly anchored in India and we are leading in the emerging markets growth story, driving it with innovative products and solutions, and creating value. We have a unique portfolio of businesses in all asset classes, in markets with amazing tailwinds. The foundation for any successful business is its people and systems, into which we have already made significant investments. Over the last few years, we have successfully built a one stop financial services shop that is well poised to exploit the growth in Indian financial services. In order to tap the huge potential in emerging markets in the future, we have an experienced global capital markets team in place, offering a client-centric platform with high quality sectoral and product content and execution capability.

It's our belief that we live in exciting times. In an era, that is seeing a paradigm shift in the growth engines and power centres of world economy together with new hopes, aspirations and expectations from global citizens of the world. A world that is increasingly borderless, timeless and characterized by equal opportunity. Therefore, we are focused on taking Religare into emerging markets which offer lucrative opportunities, wherein we will define new standards through an exciting customer-centric approach and inclusiveness.



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Religare Office, Noida, India.



Religare Corporate Office, Saket, New Delhi, India.



Company Information

BOARD OF DIRECTORS

Mr. Sunil Godhwani (Chairman and Managing Director)
Mr. Shachindra Nath (Director & Group Chief Executive Officer)
Mr. Anil Saxena (Director & Group Chief Finance Officer)
Mr. Ravi Mehrotra (Director)
Mr. Harpal Singh (Director)
Mr. Deepak Ramchand Sabnani (Independent Director)
Ms. Kathryn Matthews (Independent Director)
Mr. Padam Bahl (Independent Director)
Mr. J. W. Balani (Independent Director)
Dr. Sunita Naidoo (Independent Director)
Mr. Stuart D Pearce (Independent Director)
Mr. R. K. Shetty (Alternate to Mr. J. W. Balani)
Capt. G. P. S. Bhalla (Alternate to Mr. Deepak Sabnani)

COMPANY SECRETARY

Mr. Ravi Batra

REGISTERED OFFICE

D3, P3B, District Centre, Saket, New Delhi - 110 017, India.

BANKERS TO THE COMPANY

HDFC Bank Limited
Axis Bank Limited
Citibank N.A
Oriental Bank of Commerce

AUDITORS

Price Waterhouse
Chartered Accountants,
252, Veer Savarkar Marg, Opp. Shivaji Park, Dadar (West),
Mumbai - 400 028, India.

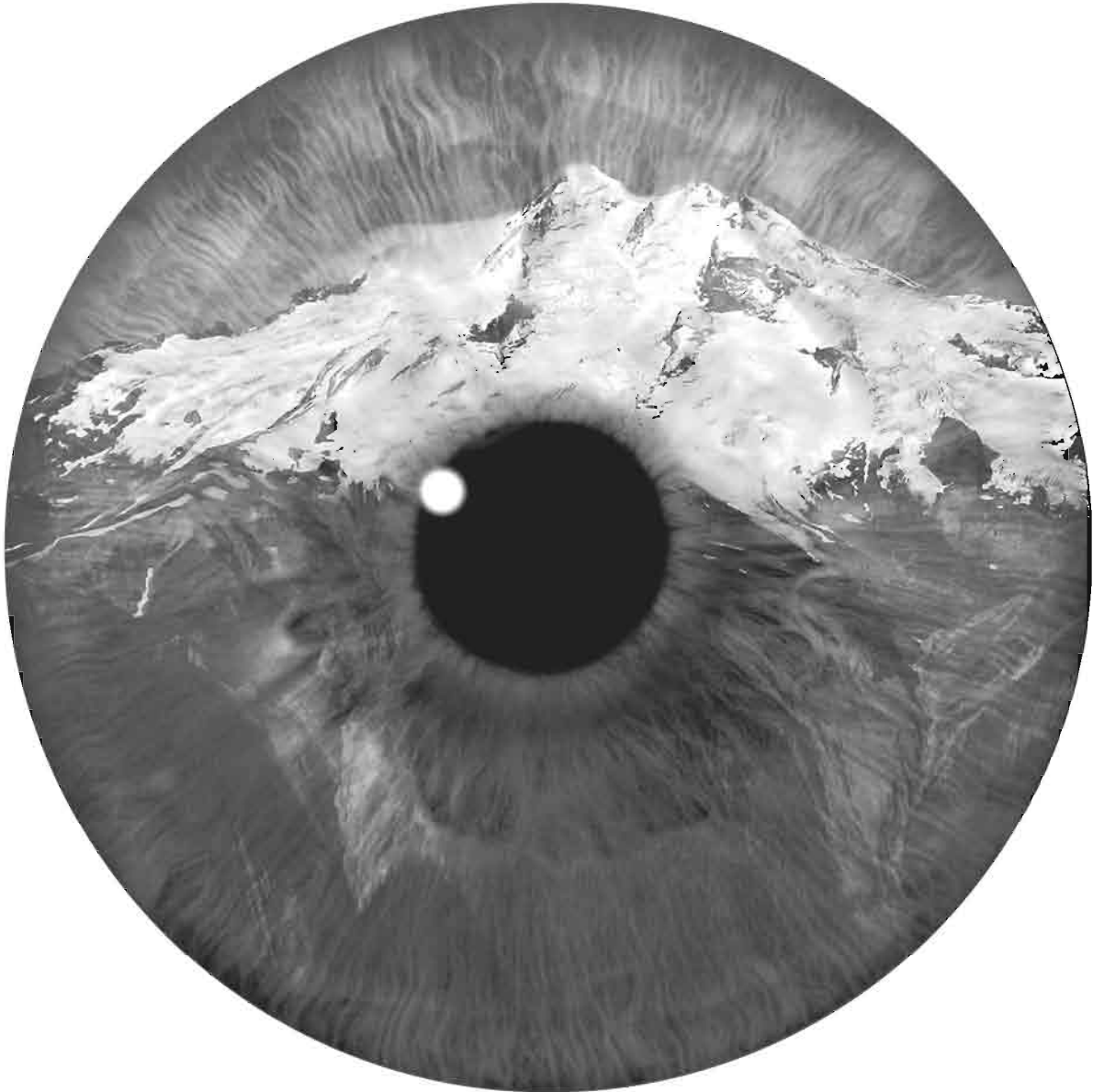
REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Plot no. 17 to 24, Vittalrao Nagar, Madhapur,
Hyderabad - 500 081, India.

**We go where our
vision leads us**

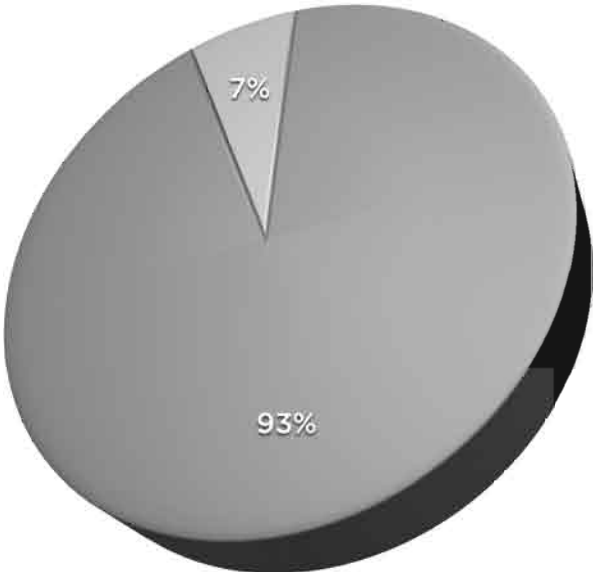


The journey so far



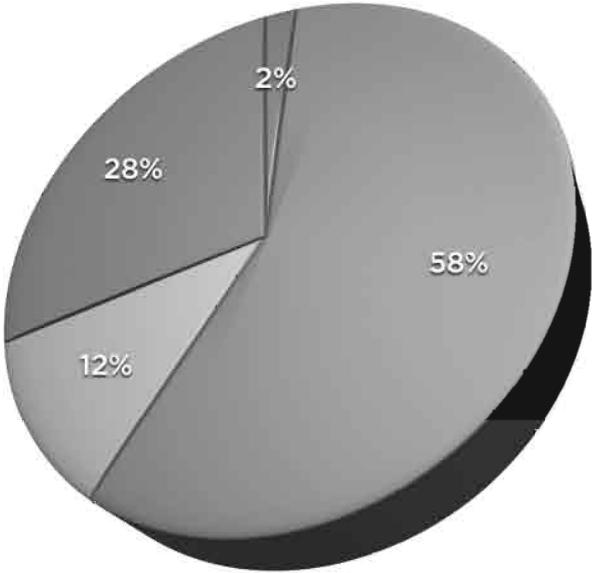
Milestones

Our journey so far has been characterized by constant evolution. On the path of success, there have been many landmarks and these, in turn, spur us on to create new ones.



Broking

FY 2003



Lending

Broking

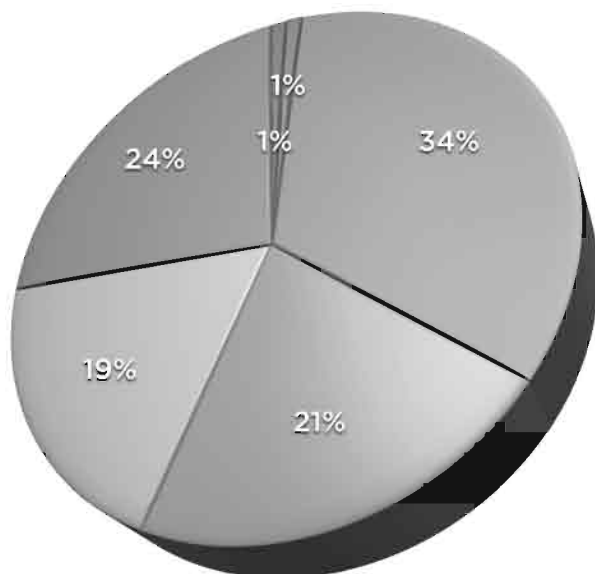
FY 2006



Our Evolution



- Broking
- Lending
- Capital Markets
- Life Insurance
- Asset Management
- Others



Asset Management

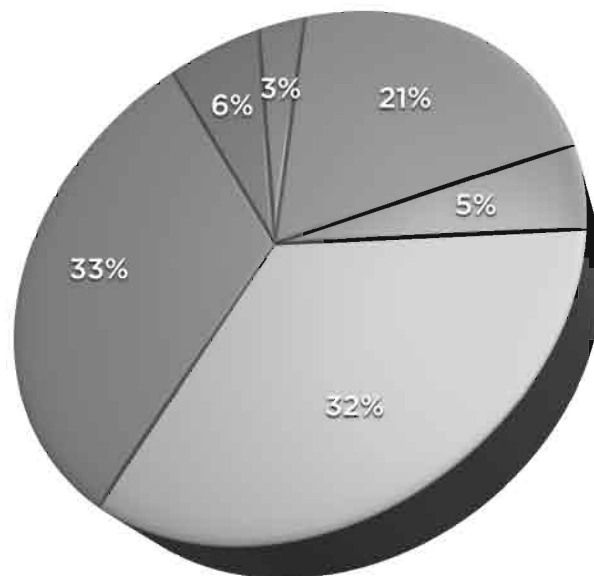
Life Insurance

Wealth Management

Lending

Broking

FY 2009



Health Insurance

Capital Markets

Global Asset Management

Asset Management

Life Insurance

Wealth Management

Lending

Broking

FY 2011

Significant Growth in Platform

Over the last 10 years, Religare has:

- Evolved from a pure-play retail broking operation into an integrated financial services platform
- Developed a pan-India network of 2,209 business locations in 579 cities and towns
- Achieved leading positions in various business verticals
- Become one of the fastest growing financial services businesses in India
- Made significant progress in building an emerging markets franchise

**It is not what
you look at, but
what you see**



Those with vision lead the change





Sunil Godhwani
Chairman and Managing Director



Message from the Chairman & Managing Director

Dear Shareholders,

Fiscal 2011 has been a year of single-minded focus at Religare. A year of building our business around our chosen three pillar strategy comprising an Integrated Indian Financial Services Platform, an EM Capital Markets Platform and a Global Asset Management Platform. A year of reinforcing our leadership position by expanding our reach, extending our suite of offerings and improving customer experience.

In India, Religare continues to rank among the foremost financial services franchises – we have come a long way from being a standalone retail equity broking business less than a decade ago to an integrated financial services platform today. As the Indian economy stands in the midst of a multi-year growth cycle, the Indian financial sector in general, and Religare in particular, are set to benefit immensely from this structural buoyancy, notwithstanding short periods of dampened sentiment as we saw in the second half of fiscal 2011.

The global financial crisis of 2008-09 has irreversibly altered the course of global economic evolution. Even before the crisis, we had anticipated a shift in the balance of economic power and outlined the broad contours of our EM Capital Markets business. While this shift is now widely acknowledged, we think very few companies will be able to harness its full potential. Our belief is that there is room for one or two firms from each of the four large emerging markets – Brazil, Russia, India and China – to dominate intermediation of investment flows across emerging markets. Religare will certainly be one out of this select group. During the year, we have added critical mass to our presence in various target markets, both organically and through niche acquisitions. We have committed significant investments for this purpose and will make no compromise in achieving our objective of building a world-class Capital Markets platform.

Our Global Asset Management business has been founded to fulfil the pressing need in the western world to reallocate capital to emerging markets for earning better returns and also look for new pools of capital in the developing world. This business will primarily be built inorganically and while we will allow the acquired asset managers to function independently, they will be able to leverage our emerging markets expertise to both invest and look for new sources of capital in the developing world. We have made two acquisitions after evaluating over a hundred opportunities. Our patience has been well rewarded as our new affiliates come with an impeccable pedigree and track-record.

I am often asked why we are transforming Religare into an emerging markets business when the Indian market itself offers such a lucrative opportunity. It is our firm belief that in the current dispensation, there is a large gap between the needs of institutional customers who invest across emerging markets and the market-specific services they currently get from financial services providers. Religare's proposition will define the new standards in the business and in the process, create for us multiple engines that will provide growth opportunities for a long time to come.

The most important requirements for realising our ambitions are the relentless perseverance of our management team, unwavering commitment of our employees and unflinching support of our shareholders. We have received these in abundance and look forward to their continuation.

With best wishes,



Shachindra Nath
Group CEO



Message from the Group CEO

Dear Shareholders,

After some return to normalcy in the earlier year, fiscal year 2011 started on a positive note but was marked by periods of uncertainty through the year. High inflation and rising interest rates in India, high oil prices globally, and the spectre of default by countries that have stretched their finances – all contributed to the turbulence. For many, the natural response would have been to get overwhelmed and hold back plans, but Religare stayed on its chosen course.

In India, we focused on increasing operational efficiencies in our businesses and saw improvement in several metrics although the softness in the market during the second half of the year had some dampening effect. We added some new products, and developed and test marketed others for launch in fiscal year 2012. We embarked on a mass-media campaign which has greatly improved the visibility of the Religare brand. In the equity broking business, average daily volumes grew 10% year-on-year to touch ₹38.9 billion, but the mix shifted towards lower-yielding derivatives. We grew our lending book by 119% year-on-year to ₹89.7 billion, with growth mainly coming from the SME-oriented Asset Finance segment. At the same time, we improved the quality of our portfolio and our margins. The average AUM for Religare Mutual Fund during the quarter ended March 31, 2011 stood at ₹115 billion and it improved its position one notch to become the 13th largest mutual fund in India out of a total of 43.

Our EM Capital Markets business is gaining traction with clients: Institutional Equities volumes are picking up and the investment banking deal pipeline is encouraging. We have attracted some of the brightest minds in the industry to work with us, and built a robust technology platform and physical infrastructure to support our activities. We acquired two niche institutional equities firms overseas – one operates in Singapore, Hong Kong and Australia and the other provides US and UK distribution for South African equities – to augment our existing presence. We also acquired a 50% stake in a top-3 equity brokerage firm in Sri Lanka, a frontier market. We are now present across the key money centres globally and have a presence in most of our target markets.

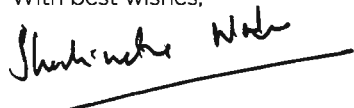
We are progressing well on building out the Global Asset Management Platform: we acquired 70% equity interest in Northgate Capital, USA, a leading private equity and venture capital fund-of-funds, and a 55% stake in Landmark Partners, USA, which created the private equity secondaries category. Religare Global Asset Management's affiliates now have over US\$ 11 billion in assets under management. The common distribution infrastructure is being rolled out and has already met with early success in cross-selling products from our India-based asset management company.

On a consolidated basis, our revenues were ₹29.8 billion, 78% higher than a year ago. Before income taxes, we made a loss of ₹1.99 billion as against a profit of ₹2.0 billion in the earlier year and on a post-tax basis, the loss was ₹3.0 billion as against a profit of ₹1.0 billion a year ago. In the financial services business, the key to success is hiring the right set of people and providing them the necessary enablers in terms of technology and physical infrastructure, before these can be converted into revenues. While in accounting terms we have incurred a loss, the expenditure has gone towards achieving exactly this and the loss should therefore be looked upon as an investment.

Over the last couple of years, we have built a formidable management team and we have cemented their commitment to the growth of the business by introducing, with your approval, a co-ownership plan. Under the plan, 581 employees of the company and its subsidiaries have been granted co-ownership rights, giving them a direct interest in the success of our businesses. Our people are our greatest asset and we believe it is only fitting that their success should be intertwined with the success of the organisation.

We look forward to your continued trust and support.

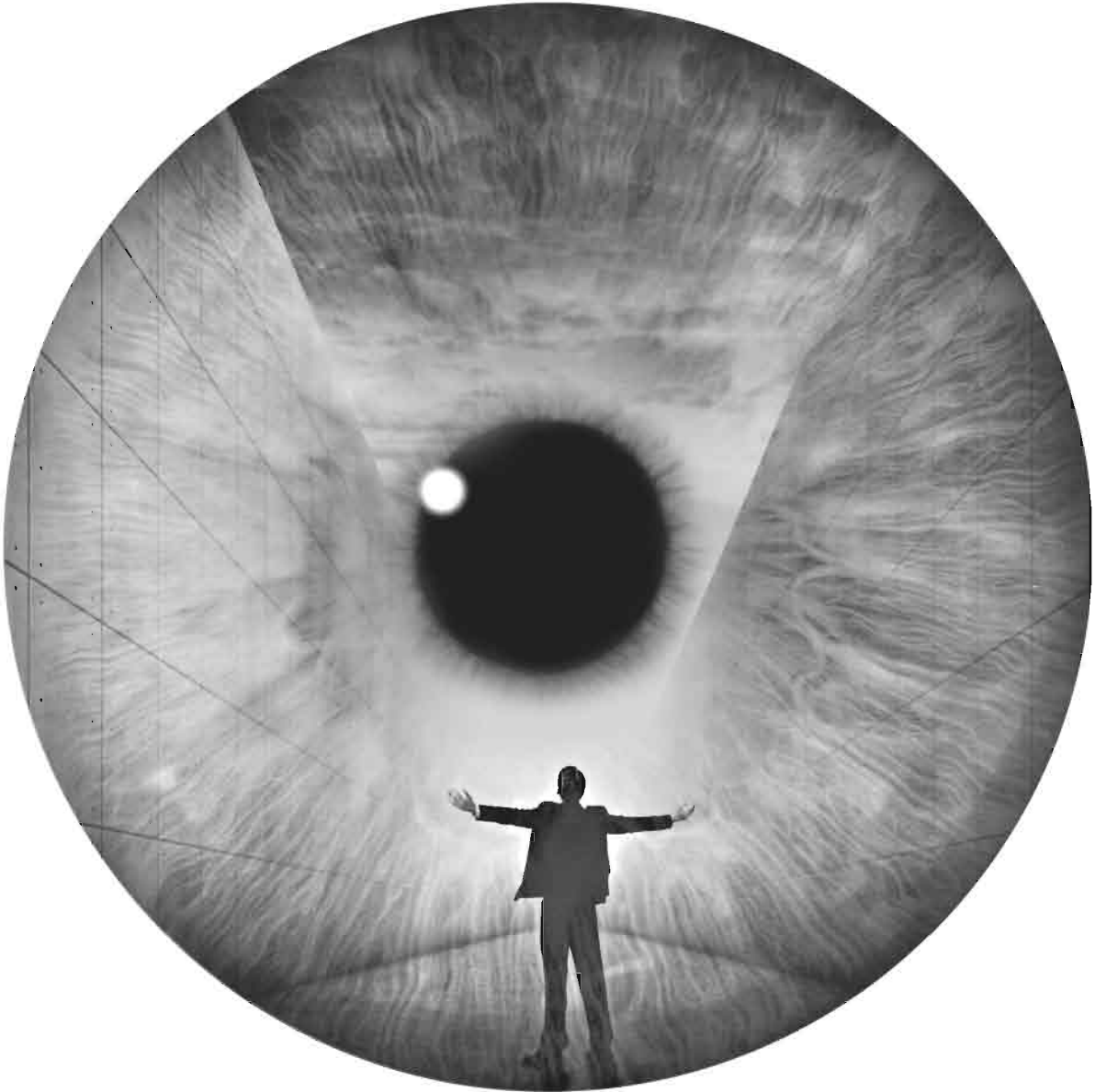
With best wishes,


Shashank Mohan

**You cannot
discover new lands
if you lack the
courage to lose
sight of the shore**



The pillars of vision



Religare's Three Pillar Strategy

Starting as a pure-play retail broking operation, Religare has evolved into an integrated financial services group in less than a decade. Religare has a presence across the Indian financial services spectrum - we offer an integrated suite of products and services comprising broking, distribution, lending, asset management, wealth management and insurance. Anchored in India, we are now building an emerging markets financial services business.



Our vision is 'To be the leading emerging markets financial services group driven by innovation, delivering superior value for all stakeholders globally.'

This vision is being fulfilled by our three-pillar strategy that seeks to maximize value from our vast presence in India, and use the learnings from our home market to develop a financial services franchise connecting emerging markets globally.



Integrated Indian Financial Services Platform



The Religare name is ubiquitous in the financial services space in India. Our network of 2,209 business locations in 579 towns and cities (as of 31st March, 2011) gives us presence across the length and breadth of the country. The diversity of our offerings – comprising broking, lending, asset management, wealth management and insurance – means that our customers can fulfil most of their financial services needs under a single roof. Religare touches the lives of over a million people, be it providing small investors access to profitable opportunities in the capital markets, linking agriculturists and traders in the mandis of India to global commodity markets, assisting the young and old alike to accumulate savings to achieve their life goals, helping entrepreneurial dreams come to life by funding thousands of micro, small and medium enterprises or providing savings and protection options to deal with the uncertainties of life.

Our businesses are making a mark in the marketplace: our retail equity broking arm was named among the top three retail equity brokerage houses in India by Dun & Bradstreet in its report, "India's Leading Equity Broking Houses 2010"; our commodities broking arm was named "India's Best Commodities Broker" by UTV Bloomberg; in a short span of three years, our asset management business, with average assets under management of ₹115 billion for the quarter ended March 31, 2011, became the 13th largest in India out of 43 fund houses; our lending business closed FY11 with a loan book of ₹89.67 billion, reflecting 119% growth year-on-year; our life insurance joint venture recorded 83% higher new business premium in FY11 than a year ago.

As the Indian economy continues on its growth path, the demand for financial products and services is set to grow exponentially. The evolution of the market will mean that Indian consumers, like their counterparts in the West, will become savvier and demand newer and more sophisticated financial products. These two factors will combine to form a beneficial spiral for trusted financial services providers; Religare is fully geared to make the most of this opportunity.

EM Capital Markets Platform



The crisis of 2008-09 has irreversibly altered the course of global economic evolution: the developed world came to the brink of financial collapse more than once but emerging markets continued on their growth path. Religare has firmly believed for a long time that emerging markets have the potential to become drivers of the world economy; the crisis has catalyzed this transformation. Over the coming years, we anticipate acceleration in the flow of capital across emerging markets, as companies based in these markets raise resources to finance their businesses or acquire assets overseas, and businesses and investors from the western world acquire interests in emerging market companies to improve their own returns. A Goldman Sachs report of September 2010 estimates that emerging markets' share of world GDP will move from 37% currently to 59% in 2030 and consequently market capitalization of emerging market equities will grow from US\$ 14 trillion in 2010 to US\$ 80 trillion in 2030, accounting for 55% of world market capitalization. The estimated fee pool on primary equity issuances and secondary market transactions underlying this staggering increase is US\$ 420 billion.

This is an unprecedented opportunity for the creation of a capital markets business of a new breed: an emerging markets-based, emerging markets-focused capital markets platform that will specialise in intermediating on the capital flows into and out of emerging markets. Such a platform will provide its customers a winning proposition based on its global reach and an on-the-ground understanding of how emerging markets function. We believe there is room for one or two firms from each of the four large emerging markets – Brazil, Russia, India and China – to make a mark. We have positioned ourselves to make the most of the opportunity and will certainly be one out of this select group.



Global Asset Management Platform



A corollary to the fundamental shift in global growth composition is the axiomatic truth that emerging markets assets will provide far superior returns vis-à-vis investments in the developed world in the next two decades. At the same time, the prospect of slowing growth in the west has led to a fall in valuation of western asset managers, often ignoring the fact that some of these firms have very valuable investment skills embedded within them. The same research paper from Goldman Sachs that sizes the emerging markets investment banking and institutional equities opportunity at US\$ 420 billion, estimates that developed economies, in pursuit of better returns, would be net buyers of US\$ 4 trillion worth emerging markets equities in the next 20 years. Religare, with its commitment to emerging markets, saw another very large opportunity here – one that marries our emerging markets expertise with the investing skills embedded in developed world asset managers – and set out to create a global asset management platform that seeks to unlock value in western asset managers.

Our global asset management platform is built on three fundamental principles: we will acquire niche asset managers in the alternatives space; we will acquire controlling stakes in the acquired affiliates but will ensure that the existing management continues to run the investment process as before, and along with the founders, has a significant minority stake; and we will use our network to provide common distribution infrastructure as also access to investment opportunities in emerging markets. We have laid the foundation of our distribution infrastructure and completed the first phase of acquisitions, and sown the seeds of a disruptive asset management model.

A Unique Proxy for Emerging Markets

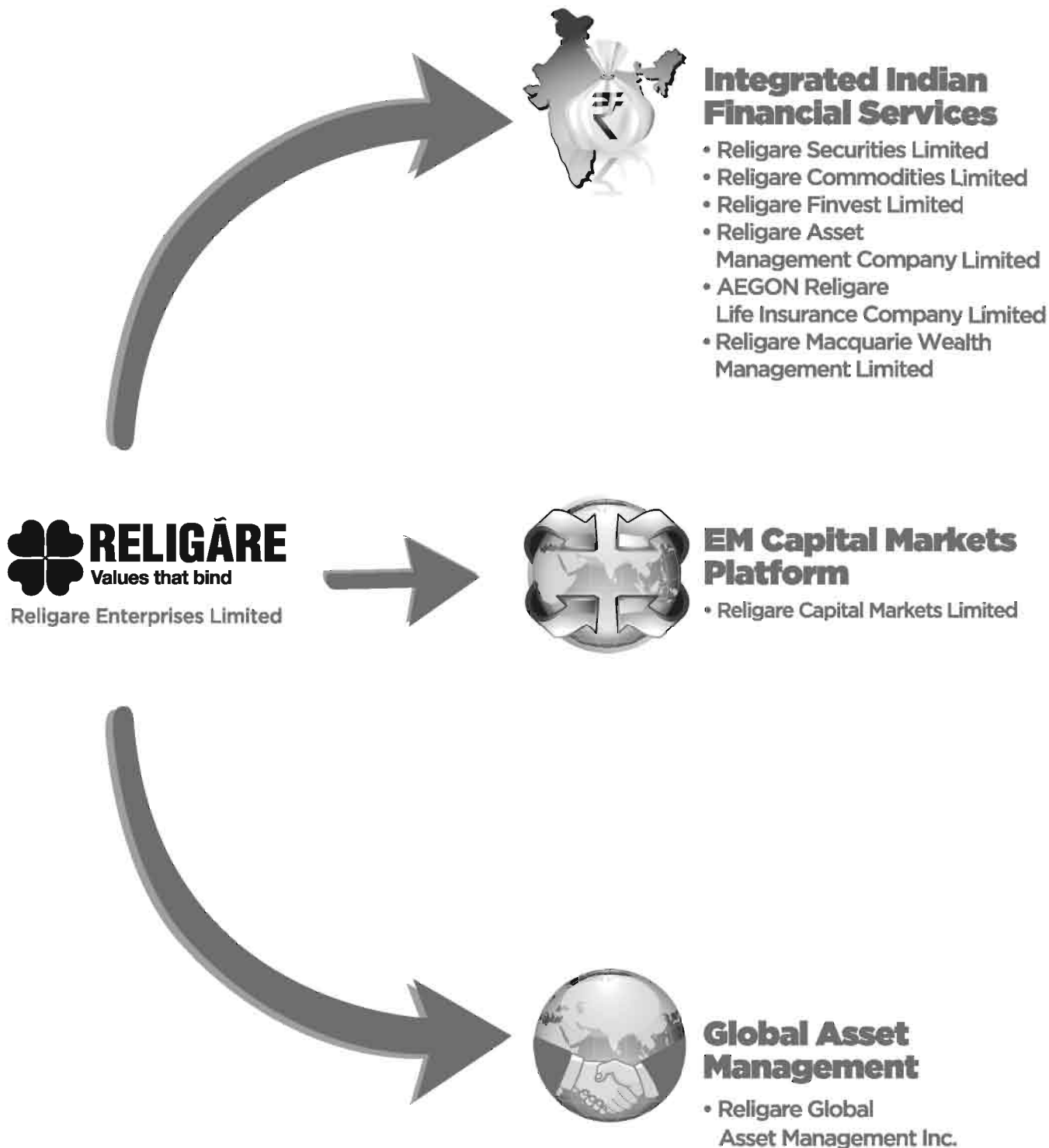
We believe our model is one with no parallel. The Indian financial services sector is experiencing significant growth tailwinds, which bodes extremely well for our established and new businesses in our home market. Our experience of doing business in India positions us better than firms from the developed world to work around the constraints and peculiarities of other emerging markets that are in the midst of similar multi-year growth cycles. Our platform in India is well-established – we enjoy leading positions in various segments within the financial services space – and sufficiently scalable to accommodate our growth aspirations. Our portfolio in India covers virtually the entire gamut of financial services. Our EM Capital Markets business has scaled up rapidly, integrating three bolt-on acquisitions in the process, and is gaining traction in the market. We have established the distribution infrastructure for our Global Asset Management business and acquired two asset managers in the alternatives space who are now part of the platform. Our Board comprises professionals and independent directors who are luminaries in their fields, thus providing a solid governance framework. In an industry where talent is everything, we have attracted some of the best by providing them a robust platform and the opportunity to create a unique business.

Religare, we believe, is truly a unique proxy for the emerging markets opportunity.





Our Structure and Global Network



**Action with
vision makes
a positive
difference**



Engines of growth





Religare Securities Limited

One of India's largest retail equity broking houses, our nationwide presence allows us to tap into the opportunity that lies beyond India's metro centres, in the cities and towns that will drive future growth in financial services.



India has a long history of equity investing – dating back at least to 1875 AD – and is home to the oldest stock exchange in Asia. The Indian market experienced renewed interest in equity investing over the last three decades and we now have a vibrant market with a growing equity culture. Yet, penetration of equities as an asset class is low: the share of direct equities in household assets is a meagre 3% in India, while it is several times that in most developed countries and as much as 44% in the United States of America. Given

the high rate of economic growth and favourable demographics, the opportunity for equity broking, as for various other financial services, is enormous.

Over the past decade, Religare Securities Limited (RSL) has painstakingly built its franchise in the retail equity broking space. Recognising the fact that sustained growth will come from reaching out to the savvy yet underserved population in the Tier-II and Tier-III cities and towns of India, RSL has established a network that stretches far beyond the traditional metro centres and spans 1,962 locations across 563 cities and towns. Our strategy has been to work with both, the professional trader and the first-time investor. Our broking product suite comprises a full-service advisory-based offering geared to the professional trader, and an execution-only, no-frills service for active and occasional investors. We have a dedicated acquisition team that enrolls clients on the platform, and a focused private client group that provides personalised services to the discerning high-net worth investor. Our brick-and-mortar presence is complemented by an online investment portal: our state-of-the-art technology platform ensures that orders are executed at blazing speed and our clients have 24x7 access to their trading and holding records. We have a robust risk management system that provides our clients the maximum flexibility to trade, while safeguarding our interests at all times. Our differentiated research regularly

provides new investment ideas to clients and has uncovered many a hidden gem. We provide various trading-related and allied services under a single roof: besides trading membership of the National Stock Exchange of India, the Bombay Stock Exchange and the MCX Stock Exchange, RSL is a depository participant with the National Securities Depository and Central Depository Services, an authorised TIN facilitation centre, an NSDL-appointed enrolment agency for Aadhaar UID (Unique Identification Number) and an AMFI-registered mutual fund distributor.

It is our strong belief that a valuable broking franchise is one that has a very high level of client retention and can provide differentiated services based on client needs. This we are achieving using a combination of a dedicated, professional workforce and cutting-edge technology. While our dealers and relationship managers provide a live interface to clients, our technology platform works in the background to provide our customers innovative and targeted products that offer a high level of customisation while ensuring accuracy in execution. As we look to the future, we foresee an era that is based on strong partnerships. RSL's focus for the near future is on establishing a wider physical presence through franchisees and distribution partners and expanding the reach of the Bancinvest channel.

Quick Facts

- Ranked among the top three retail equity brokerage houses in India and adjudged 'Best Broking House with a Global Presence' by Dun & Bradstreet
- Among India's largest retail equity broking networks- 1,962 business locations across 563 cities and towns
- Over 780,000 clients as of March 31, 2011
- Over 157,000 online clients; online market share of 8.35% for the year ended March 31, 2011
- Transacted 128 million trades in FY11
- Securities worth ₹282.45 billion held in depository accounts through RSL as of March 31, 2011

0.070	0.73%	27
0.010	0.18%	39
0.100	0.35%	28
0.1425	0.74%	19
0.6472	1.17%	54
0.100	0.35%	28
0.060	0.36%	16
0.050	0.08%	58
0.200	0.73%	27
0.040	0.52%	7
0.460	1.07%	43
0.0026	0.25%	1
0.200	0.73%	27
0.040	0.52%	7
0.460	1.07%	43
0.0028	0.25%	1
0.100	0.78%	6





Religare Commodities Limited

One of India's largest commodities brokers with market share of over 4%, we bring a convenient and reliable hedging platform to the doorstep of producers and end-users of commodities in virtually every corner of India.



As an asset class, Commodities are substantially under-owned in India: globally, turnover on commodities exchanges ranges from 30 to 40 times of the underlying physical market, but in India, total turnover on commodities exchanges is only 3 times of the underlying physical market. This is particularly low considering the Indian economy has a high dependence on commodities: around 45% of India's GDP is contributed by commodities and India is the world's largest consumer of commodities such as gold and silver and the largest producer of several agricultural commodities. In addition to this



under-penetration, there are several tailwinds that point to an inevitable increase in commodities trading turnover. First is the fact that the quantitative easing programmes in the developed world have injected substantial liquidity in the global financial system - in times of high inflation that follows high liquidity, real assets provide the best avenue for protection and appreciation of capital. Secondly, in times of high price volatility such as these, both producers and consumers are seeking some certainty in the value of their outputs and inputs respectively - commodity exchanges transparently facilitate the meeting of this objective. Thirdly, as traditional asset classes are either fully discovered or returns from such asset classes decline, investors are seeking diversification and the convenience in trading and ownership, and transparency in price discovery make commodities a suitable alternative for investors.

Religare Commodities Limited (RCL) targets the savvy professional investor or trader seeking diversification, as well as producers and consumers of commodities seeking to hedge their positions and derive price certainty. RCL has leveraged the group's pan-India network to rapidly establish points of presence in 883 locations across the country. The Religare network already extends to the large production and consumption centres of many commodities, particularly agricultural commodities and in addition, RCL has set up a presence in 46 mandi locations across the nation, resulting in a truly deep penetration of the hinterland. This presence has

allowed RCL the opportunity to provide a convenient and reliable transaction platform to producers and end-users at their doorstep and at the same time undertake on-the-ground primary research. In fact, relevant and timely research is RCL's forte - RCL's award-winning research desk is considered among the best in the industry. We have set up a dedicated corporate desk to provide large corporations assistance in meeting their specialised hedging requirements. Dealing in multiple markets, each with their peculiar customs and processes and differing trading hours, means that the demands on RCL's technology and communications network are many - RCL's robust infrastructure backbone supports an operation that virtually runs on a 24x7 basis.

As the structural change in the commodities trading space unfolds, RCL is poised to occupy a dominant position in commodities broking in India. We are confident that our on-the-ground presence in important trading centres and continued focus on providing relevant and timely research will distinguish us from our peers. RCL has also committed itself to spreading awareness about investing in commodities, in the form of investor camps and publication of literature. These steps, we firmly believe, will go a long way in cementing our position as one of the foremost commodities brokers in the country.

Quick Facts

- Named "Best Commodities Broker" by UTV Bloomberg
- Member of all leading commodities exchanges in India: MCX, NCDEX, NSEL, NCDEX SEL and NMCE
- Network of 883 business locations including 46 mandi locations
- Market share of 4.14% for the year ended March 31, 2011
- Over 140,000 customers as of March 31, 2011





Religare Finvest Limited

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



The Small and Medium Enterprises (SME) sector plays a significant role in India's growth. It employs around 60 million people, accounts for about 45% of the manufacturing output and generates around 40% of the country's exports. An ASSOCHAM study estimates that the SME sector's contribution to India's GDP will go up from around 17% in 2010 to around 22% in 2012 – an increase of five percentage points on a rapidly growing base. Ironically, the SME sector faces significant challenges in getting credit to support this level of economic activity. A CRISIL study points out that Indian banks have funded only about 60% of the incremental working capital requirements of MSMEs in India between 2006-07 and 2008-09 as against the norm of funding up to 75%. SMEs therefore present a ₹500 billion funding opportunity and Religare Finvest Limited (RFL's) mission is to capitalise on this opportunity.

RFL's suite of SME-centric products includes Loans Against Property (LAP), Commercial Assets finance (comprising commercial vehicle finance and construction equipment finance) and SME working capital finance (collectively referred to as Asset Finance). While the products may be identified by the nature of security offered (as in the case of LAP), RFL focuses on loans that have enhancement of productive capacity rather than consumption as their end-use. One of our strengths in this business is our understanding of the psyche of entrepreneurs – this has been institutionalised in the form of a proprietary credit scoring model that we believe is not easily replicable and gives us a competitive advantage. Our scoring model allows us to make credit decisions that are neither conservative nor aggressive. We have restricted delinquencies to levels that are the envy of our peers: at the end of FY11, accounts that were 30 days past due (DPD) were 0.84% and 90 DPD were just 0.25% of outstanding loans. Our obsessive focus on operating efficiencies has translated to an Operating Expenses to Average Net Receivables ratio for the Asset Finance segment of just 1.92% for the fourth quarter of FY11 – this, we believe, is the benchmark, and is a source of great pride for us. RFL has established a presence in all the important SME clusters across India and as of March 31, 2011, had 46 branches

in 13 states assisting nearly 3,500 SMEs in the fulfilment of their dreams. The size of our Asset Finance book stood at ₹58 billion as on March 31, 2011, or practically two-thirds of RFL's overall book size; 89% of these loans are secured.

In addition to SME financing which is the core focus, RFL provides Capital Market Finance (comprising Loans Against Shares to promoters as well as retail investors, ESOP financing and IPO financing), which complements the services offered by RSL; and Corporate Lending, which allows us to profitably park temporary surpluses. We had deployed ₹21.4 billion and ₹10.3 billion in Capital Market Finance and Corporate Lending respectively, as of March 31, 2011.

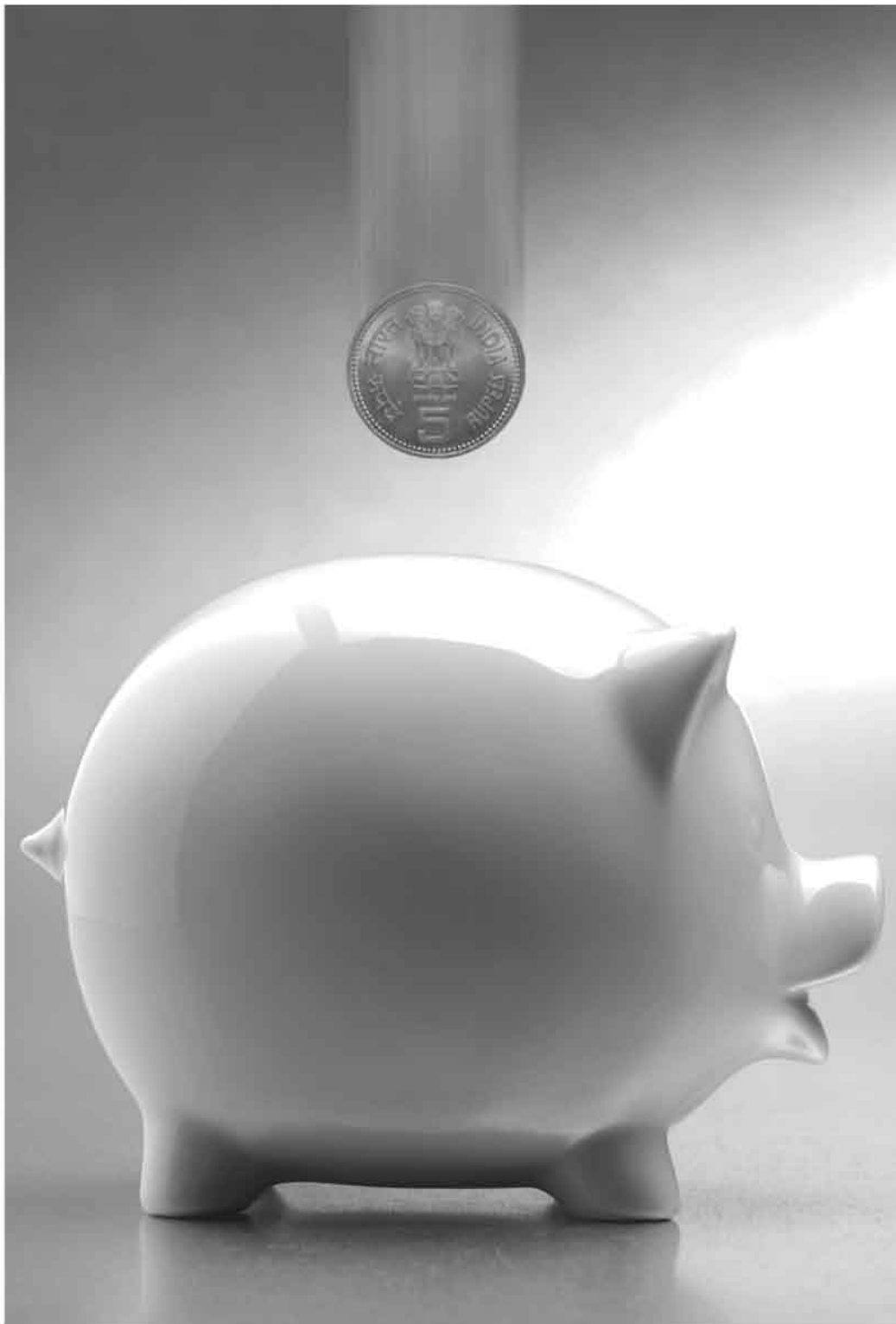
RFL has one of the strongest balance sheets in its peer group: our net worth as of March 31, 2011 stood at ₹16.1 billion. The ratings assigned to our debt are a testament to the strength of our balance sheet: ICRA has assigned the highest rating ('A1+') to our short term debt for an amount up to ₹75 billion; a rating of 'LAA-' to long term debt for an amount up to ₹20 billion and a rating of 'LAA-' to long term bank loans for an amount up to ₹48 billion. Additionally, CARE has assigned a rating of 'CARE AA-' to RFL's long term debt for an amount up to ₹2.5 billion and FITCH has assigned a rating of 'AA-(Ind)' to RFL's Tier-II subordinate debt program for an amount up to ₹2.5 billion.

As we stand at the threshold of a massive opportunity, our conviction is that our proprietary knowledge of the SME sector and their credit needs will stand us in good stead and allow us to profitably serve this systemically important sector.

Quick Facts

- Focused on meeting credit needs of the underserved SME sector
- Book size of ₹89.7 billion (nearly US\$ 2 billion) as of March 31, 2011
- Extremely well-capitalized: net worth of ₹16.1 billion as of March 31, 2011
- Top short-term credit rating of 'A1+' from ICRA for an amount of ₹75 billion





Religare Asset Management Company Limited

In a business where performance track record is the calling card, Religare Mutual Fund has made its presence felt in less than three years. With a product to suit everyone's need, we were one of the few fund houses in India that saw a net increase in retail folios in FY11.



Religare took over the erstwhile Lotus Mutual Fund, which was severely challenged, in December 2008 and the asset manager was rechristened as Religare Asset Management Company Limited (RAMC). As we started to resurrect the organisation, we committed ourselves to building a process-driven organisation that follows a team approach rather than revolving around star fund managers. We also understood very clearly that it is only with a robust, repeatable and disciplined investment process that long term investment success can be ensured and it is only with high quality investment portfolios delivering consistent results, that customer satisfaction is achieved. We therefore focused on getting the investment process right – once that was in place, establishing a track record was a matter of time. We're proud to say that we have achieved this faster than planned: in a little over two years from taking over, two of our funds were rated 'Five-Star' by Value Research. Innovation was another theme that we pursued – Religare Mutual Fund launched several new products during FY11, and we were the first to introduce a Monthly Income Plan with an allocation to gold and the first to launch a PSU Fund. It's therefore no surprise that we closed the year with a net addition of over 11,000 folios while the industry as a whole lost around 729,000 folios.

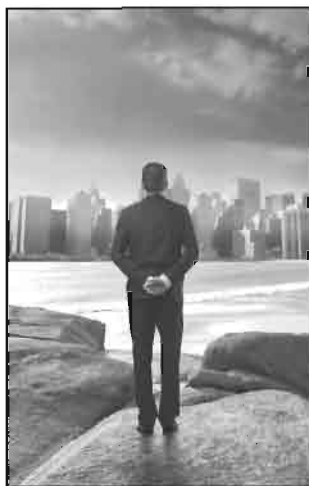
The changes in the regulatory regime implemented since 2009 have had a debilitating impact on the industry as is evident from the declining AUM. While RAMC has also been impacted, the silver lining is that the changed environment has prompted us to sharpen our focus on acquiring profitable AUM. A key initiative we undertook was to seek mandates for managing offshore funds, given the lack of retail interest in the market. These efforts are now bearing fruit: in February 2011, we secured a mandate from a leading Japanese asset manager to deploy US\$ 105 million that it raised from over 5,000 Japanese retail investors, in our India mid- and

small-cap strategy. We continue to work towards winning more such offshore mandates and creating a steady alternative source of revenue.

Even as we seek newer revenue opportunities, we have already optimised the cost side of the equation. Our infrastructure and team have attained critical size and we are confident that we can handle substantially larger volumes without adding significant operational cost. The loss we reported in FY11 was largely a function of legacy, the clean-up of which is now complete. Going forward, we believe that with operational costs in control, much of the revenue buoyancy will accrue directly to the bottom line.

Quick Facts


- India's 13th largest mutual fund by AUM (out of a total of 43 mutual funds) as of March 31, 2011
- Average AUM during the quarter ended March 31, 2011 stood at ₹115 billion
- Nearly 250,000 folios
- Presence in 58 business locations across 55 cities in India
- Two funds rated 'Five-Star' by Value Research





AEGON Religare Life Insurance Company Limited

A true innovator, AEGON Religare Life Insurance launched the first online-only term assurance policy and online-only unit linked plan in the country. In less than three years of existence, we have insured over 150,000 lives.



The Life Insurance industry in India has grown by leaps and bounds in the last decade, as the monopoly enjoyed by the Life Insurance Corporation of India ended and a slew of private sector players were licensed to commence insurance operations. However, by global standards, the Indian market remains underinsured even today: the sum assured to GDP ratio is 55% in India compared to nearly 250% for the United States of America. Closer home, South Korea and Singapore have sum assured equivalent to approximately 170% of GDP.

AEGON Religare Life Insurance Company Limited (ARLI), a three-way joint venture between AEGON of the Netherlands (26%), Religare (44%) and Bennett, Coleman & Company Limited (30%), started operations in 2008, at a time when several other new private sector insurers were already in the market for seven to eight years. However, this was an opportune time for Religare to enter the business – Religare could learn from the good and bad experiences of the earlier entrants in the industry. The key learning for ARLI was conservation of capital: Life Insurance is a long-gestation, capital-intensive business and many of the new companies, in pursuit of rapid growth, designed their business to be high-capital expenditure operations. While this served the near-term objective of high growth and market share, the capital strain was evident within a few years. ARLI, on the other hand, has created an asset-light model: in three years of existence, we have carefully selected only 118 locations where we have created a physical presence. To top that, we have stringent requirements as to branch profitability that we enforce rigorously. This model was validated sooner than we expected: in the aftermath of the regulatory changes that came about in 2010, while the competition had to cut back branches and headcount, we diligently built out our branches to plan and in fact, more than doubled the number of locations in FY11. Innovative use of technology is another

differentiator for ARLI. We were the first insurance company to launch an online-only term policy (known as iTerm) that offered the lowest premiums in the market as well as the first online unit-linked policy (known as iMaximize). Pricing the products attractively was possible only because they were sold on the internet with practically no human intervention.

Insurance by its very nature is a long-term contract – long term stability of the insurer and goodwill for the brand are therefore paramount. ARLI has the backing of two strong financial services brands, one European and one Indian, which resonate extremely well with the general public. The company is extremely well-capitalised – the paid up capital as of March 31, 2011 was ₹9.5 billion – ensuring its financial stability. In summary, with an asset-light model, a culture of innovation, the backing of well-respected promoters and a solid capital base, ARLI has all the ingredients to ensure its long-term success.

Quick Facts

- **Leader in use of technology: first in India to introduce online-only term and unit-linked policies**
- **Growth of 83% in new business premium in FY11 despite challenging industry conditions**
- **Over 150,000 lives insured as of March 31, 2011; total sum assured of ₹96.5 billion**
- **Presence in 118 business locations across India**





Religare Macquarie Wealth Management Limited

An award-winning model that combines Religare's local knowledge and Macquarie's global expertise, Religare Macquarie Wealth Management Limited provides an advisory-led private wealth management proposition supported by research-backed best-of-breed investment solutions and services through an open architecture platform.



Rapid economic growth in India over the past decade has seen the creation of many new millionaires and this trend is set to continue. A recent Boston Consulting Group study estimates the number of High Net Worth Individuals (HNIs – defined as individuals with investible surplus exceeding US\$ 1 million) in India at the end of 2010 to be 190,000, the 11th largest in the world. The study estimates that this number will grow at a compounded annual growth rate of 18% until 2015. Research firm Celent estimates that the wealth management opportunity (in terms of AUM) will touch a staggering US\$ 1.2 trillion by 2014 – India's wealth management industry is on the cusp of explosive growth.



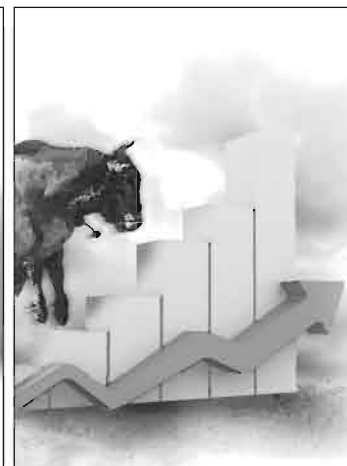
the best-of-breed traditional solutions (mutual funds, insurance, PMS) to cutting-edge next generation investment solutions (both onshore and offshore). We follow a unique PGA (Protection, Growth, Aspirational) model, which underpins our advisory philosophy. We understand that every client is unique and has different investment objectives and risk appetite, and we accordingly develop customised solutions that are enabled by our state-of-the-art technology platform. We make extensive use of technology at all stages in our relationship with customers – starting with assessment of the client's risk appetite to developing tailor-made portfolios and ongoing portfolio monitoring, rebalancing and optimisation. Our services extend beyond the traditional domain of wealth management to real estate advisory, art advisory and estate planning. Our investment solutions and services are completely wrapped around a robust risk management framework that encapsulates many years of experience that Macquarie has in the business.

Before Religare Macquarie Wealth Management Limited (RMWM) was established, there were two kinds of wealth managers in India – foreign banks that offered expertise developed by their overseas parents but focused on the lucrative top end of the market, and local brokerage firms that understood the Indian psyche well but were less discerning about their clientele. RMWM, as a joint venture between Religare and Macquarie of Australia, offers the best of both, with Religare bringing intimate knowledge of the Indian market and Macquarie bringing to the table, global experience and expertise in designing sophisticated products. Since its inception, RMWM has positioned itself as an open-architecture advisory-led model. Our belief is that the investment needs of HNIs in India have evolved considerably in the last few years. Increased client sophistication, complex investment vehicles combined with dynamic market conditions have given rise to a new breed of investors valuing investment advice. This increased client awareness and sophistication combined with ongoing regulatory changes affecting investment advisors, leads us to believe that an advisory-led private wealth model is the only one that is sustainable over the long term. RMWM provides a broad spectrum of investment solutions and services from

For us, value to the client is paramount and this permeates all interaction that we have with our clients. To that end, every client has a nominated wealth advisory team comprising the wealth advisor, investment advisor and the service manager. Our approach of providing transparent, tailor-made solutions, we believe, positions us at the forefront of the wealth management industry today. Religare Macquarie Wealth Management won the award for 'Most Exciting New Wealth Management Model' at the Private Banker International (PBI) Global Awards – this is an endorsement of our unique proposition.

Quick Facts

- Assets Under Management of ₹21.5 billion as of March 31, 2011, 169% year-on-year growth
- Over 4,000 clients serviced by a team of knowledgeable and committed wealth advisors





Religare Capital Markets Limited

The only capital markets business from India that has positioned itself to capitalise on the increasing weight and growing integration of emerging markets as drivers of global economic growth.



The crisis of 2008-09 has broken the myth of the infallibility of developed markets and has proven beyond doubt that emerging economies are more resilient than earlier imagined. Religare has believed in the potential of emerging markets to become drivers of the world economy; this potential is now being realised. Flowing from this postulation is the prospect of acceleration in the flow of capital across emerging markets. Goldman Sachs estimates that on the back of the higher share of world GDP and market capitalization that emerging market equities will secure, western asset managers will invest a net of US\$ 4 trillion in emerging market equities; the fee pool on primary equity issuances and secondary market transactions that will enable this flow is pegged at US\$ 420 billion.

Religare Capital Markets Limited (RCML's) vision is to create a capital markets business of a new breed: an emerging markets-based, emerging markets-focused capital markets platform that will dominate the flow of capital into and out of emerging markets. Our proposition to our customers is unique: global reach combined with an on-the-ground understanding of how emerging markets function.

We are already well down the path of fulfilling this vision. RCML's business is headquartered in London with hubs in Mumbai, Singapore and Hong Kong and regional offices in New York, Dubai, Johannesburg and Melbourne. We have rapidly built a formidable team comprising 277 professionals with rich experience and impeccable pedigree. In India we have established a full-service capital markets platform. Our institutional equities desk has best-of-breed research, sales and trading capabilities; our equities research team comprises 16 writing analysts, including four rated by AsiaMoney / Institutional Investor. In other markets, we have established a presence providing focused sets of services suited to local requirements. The Investment Banking Division has fast established a team of accomplished bankers

focusing primarily on cross-border transactions, initially in the India-UK and India-Singapore-South East Asia corridors.

We opportunistically use acquisitions to supplement organic growth and accelerate the build-out of our business: in this spirit, we acquired during FY11, Central Joint Enterprises Limited, an ideas-based institutional equities broker with a presence in Hong Kong, Singapore and Melbourne; the US and UK operations of Barnard Jacobs Mellet, which focuses on providing agency, broking and research on South African stocks; and Bartleet Mallory Stockbrokers, one of the top-3 brokers in Sri Lanka. All acquired businesses have been rebranded to reflect their affiliation with Religare and have significantly added to our emerging markets franchise. Our credentials have been recognised: RCML was named 'Best India Brokerage Research Firm' at the Starmine Awards, a part of the Thomson-Reuters family of awards.

We firmly believe that the anticipated flow of capital will support the emergence of one or two firms from each of the BRIC nations that will occupy centre-stage in facilitating the flow of capital into and out of these markets. Religare will certainly represent India in this new league. The shift of economic gravity from west to east is irreversible and Religare is already in pole position.

Quick Facts

- **Formidable team comprising 277 professionals with rich experience and impeccable pedigree**
- **Four writing analysts rated by AsiaMoney/Institutional Investor out of a total of 16 writing analysts**
- **185 stocks under research coverage in India, representing more than 75% of the BSE's market capitalization as of March 31, 2011**
- **Named 'Best India Brokerage Research Firm' at the Starmine Awards**





Religare Global Asset Management Inc.

Religare Global Asset Management seeks to create value by building a multi-boutique asset management platform by partnering with established asset managers and growing their business by providing access to capital and alpha in emerging markets.



The ongoing shift in global growth composition means that over the coming decades, emerging markets assets will deliver superior returns as compared to developed markets and consequently capital from the developed world will flow towards emerging markets. With rising

income levels and high savings rates, emerging markets are likely to become significant providers of capital in not too distant a future. This attractive opportunity will force established asset management firms in the developed world to increase their focus on emerging markets; local access and knowledge will become the key to getting this right. Recognizing this trend and leveraging on our emerging markets network, we have commenced building a global multi-boutique asset management platform that we believe will be the best in its class.

Religare Global Asset Management (RGAM's) plan is to create such a platform by acquiring controlling stakes in top quartile asset management companies with proven performance and capabilities in various asset classes. RGAM will support the growth of acquired asset managers (or 'affiliates') by providing wider sales and distribution network and facilitating local access in key emerging markets. Existing investment professionals would retain significant stakes – so they have 'skin in the game' – and continue to manage the investment function and day to day operations.

FY11 has been a year of laying the foundation for this platform through the acquisition of two reputed US based investment managers - Northgate Capital and Landmark Partners. We also took important steps in building our distribution infrastructure and now have a direct or indirect presence in Tokyo, Hong Kong, Dubai and Delhi/Mumbai.

Northgate Capital: RGAM has acquired 70% interest in Northgate Capital, a leading US-based manager of global

private equity funds of funds with assets under management of approximately US\$ 3 billion and offices in San Francisco, London and Hong Kong. Northgate Capital currently focuses on investment in private equity and venture capital funds in developed markets, including North America, Europe and Japan. Northgate Capital also invests in emerging market private equity and venture capital funds, primarily in Asia, emerging Europe and Latin America.

Landmark Partners: RGAM acquired a 55% interest in Landmark Partners, a leading private equity and real estate investment advisory company headquartered in Simsbury, Connecticut, USA with offices in Boston and London. Landmark has approximately US\$ 8.5 billion in committed capital across its 27 funds as of March 31, 2011. Landmark Partners was chosen as the "Best Secondaries Firm in North America" for the years 2009 and 2010 by Private Equity International.

Landmark Partners has funds focused on venture capital, buyout, mezzanine, and real estate partnerships. Landmark Partners holds a variety of interests in the US as well as Europe, the Middle East, Latin America and Asia. The acquisition of Landmark was completed in April 2011.

Quick Facts

- Presence in the private equity fund of funds and secondaries categories within the alternatives space
- AUM of over US\$ 11 billion
- Landmark Partners named the "Best Secondaries Firm in North America" for the year 2010 by Private Equity International



**Leaders must
invoke an
alchemy of
great vision**



Leading from the front





Governance

At the time of Religare's revitalisation a decade ago, a conscious decision was made to ensure that the company is professionally managed and the management operates under the oversight of an experienced Board. For almost ten years, our Board had representation from the majority shareholders as well as highly accomplished Independent directors who were experts in various fields. Our promoters then took a decision that was unparalleled in the context of Corporate Governance in India: in April 2010, they stepped down from the Board despite continuing to own a majority stake in the company. This decision was taken with a view to elevating key management personnel – well-accomplished in their own right – to Board positions and bringing about a complete separation of ownership and management. The logical next step, given Religare's plans to build its EM Capital Markets and Global Asset Management platforms, was to induct on our Board, directors with experience of operating in global markets. While the company is run by a professional management that has always acted as fiduciaries for the shareholders, a Board with majority independent directors ensures that we have right checks and balances in place. We believe this governance framework best serves the interests of our shareholders and will become a model for others to emulate.



Mr. Sunil Godhwani
Chairman & Managing Director (elevated in April 2010)

Mr. Sunil Godhwani, Chairman and Managing Director, Religare Enterprises Limited, is the driving force behind the company. A man with a vision to create a global business of excellence, he is the inspiration to all as he spearheads the company's management and global operations; strategizing and directing it through its next phase of growth.



Mr. Shachindra Nath
Director & Group CEO (inducted on the Board in April 2010)

Mr. Shachindra Nath, Group Chief Executive Officer, Religare Enterprises Limited, carries the overall responsibility for managing all pivotal operations of the group. He is associated with Religare since the year 2000 and is prominently known as a dynamic strategist. He has been instrumental in building various businesses under the Religare umbrella from scratch and has hands-on experience in most of the businesses. His expertise and in-depth analysis of the business is core to all group business operations and development plans. Mr. Nath steers all action plans of the group. His competence in tapping the right opportunities and creating the perfect blueprint for growing the business is greatly valued and respected.



Mr. Anil Saxena
Director & Group CFO (inducted on the Board in April 2010)

Mr. Anil Saxena, Group Chief Finance Officer, Religare Enterprises Limited, plays a crucial role in supervising the operations of Group Treasury, Finance, Accounts and Risk function for the organization. He played a key role in the organization's journey integrating various acquisitions done during the course of its business. He has over 20 years of experience in the financial services industry and is with Religare since the past 10 years.



Mr. Stuart D Pearce
Director (inducted on the Board in July 2010)

Mr. Stuart Pearce has experience of 35 years in International financial services business including Asset Management, Corporate Banking & Private Banking. Besides being a proven Chief Executive with prior Board experience, he is a seasoned professional with a successful track record in setting up new and restructuring existing businesses in ten different countries across Europe, Asia and the Middle East. In his last assignment, Mr. Pearce was Chief Executive Officer and Director General of the Qatar Financial Centre Authority (QFC) and led the centre's transformation into a world-class financial centre.



Ms. Kathryn Matthews
Director (inducted on the Board in July 2010)

Ms. Kathryn Matthews has experience of almost three decades in the international financial services arena and has during this period held leadership positions in leading asset management firms globally. These positions have vested her with immense knowledge of the asset management business globally, a key focus area for Religare. Ms. Matthews started her career at Baring Asset Management. She spearheaded a global asset management business for Santander based in Boston. She moved to Axa Investment Managers as Head of their Global Institutional business and was a consultant to the asset management industry at William M Mercer briefly before joining Fidelity in 2003.



Mr. Ravi Mehrotra
Director (inducted on the Board in February 2011)

Mr. Ravi Mehrotra has over 25 years of experience in the financial services domain both in India and internationally. Prior to joining Religare, Mr. Mehrotra was associated with PineBridge Investments (erstwhile AIG) where he was the Global Head of Retail & Intermediary Channels. His career span also includes assignments in India as the President of Franklin Templeton Asset Management, CIO of Kothari Pioneer, Executive Vice President & Co-founder of Prime Securities and Vice President of Bank of America in their Investment Banking & Treasury Group.

Leadership Team



Mr. Anuj Gulati, CEO, Religare Health Insurance Company Limited

In his capacity as CEO, Anuj is responsible for setting up this business and working towards making Religare as one of the dominant players in the Indian Health Insurance industry. In his last role at ICICI Lombard General Insurance Company Limited, Anuj was the Director for Services and Business Development. Previously, he has been an entrepreneur and started his career as a financial analyst with Procter & Gamble India Ltd.



Mr. Basab Mitra, Group COO and Head of Strategy

Mr. Basab Mitra as Group COO & Head of Strategy and member of the Executive Committee is responsible for group operations, IT, Brand and Marketing and Administration functions. He is responsible for evaluation and execution of new business opportunities and supporting the portfolio of businesses in the formulation and execution of strategy to achieve Religare's vision and objective. Basab joined Religare from Arcapita, a leading private equity player and before that, he has worked with McKinsey serving financial institutions, and in GE Capital.



Mr. Gagan Randev, CEO, Religare Securities Limited

Mr. Gagan Randev brings more than 20 years of rich experience in Financial services – Consumer & Retail Banking, Consumer Finance and Insurance sector. His last assignment was with ABN AMRO Bank as Sr. Vice President & Head – Sales & Distribution, Retail Bank and Head – Royal Wealth Management. In this role, Gagan was responsible for Revenue delivery, Contribution, Strategy and Service Delivery across the Branch Banking and Royal Wealth Management (NBFC) channels (individual and Wealth clients) in India. Prior to ABN AMRO, Gagan was associated with Tata AIG Life Insurance, ANZ Grindlays bank and Citibank.



Mr. Kamlesh Dangi, Group Chief People Officer

Mr. Kamlesh Dangi plays a crucial role in the management and supervision of the Company's human resource development. Prior to joining Religare, he has worked with ICICI Bank and was handling Wholesale and International Banking Compensation at group level, HR systems and other similar portfolios. He has also spent two years in ICICI Bank, United Kingdom setting up the operations for the bank. He has over 16 years of work experience across various organizations such as ICICI Bank, Shopper's Stop, and Toyo Engineering and has been with Religare for the past 3 years.



Mr. Kavi Arora, CEO, Religare Finvest Limited

Mr. Kavi Arora manages the Small and Medium Enterprises (SME) focused commercial lending business of our NBFC, Religare Finvest Limited. With a commitment to helping realize the dreams of India's entrepreneurs he spearheads the company's vision of partnering with their clients as they grow to new heights. With over 17 years of diverse experience in Banking and Financial Services, Kavi has worked with organizations such as ABN AMRO Bank, GE Capital, Citifinancial and 20th Century Finance, prior to joining Religare.



Mr. Martin Newson, CEO, Religare Capital Markets

In his capacity as CEO, Mr Martin Newson oversees the entire Investment Banking and Institutional Brokerage business across various geographies of emerging markets including India. Martin has been one of the leading market professionals in the Global Equity space for the last 20 years. He has experience in EMEA, USA and the emerging markets. Martin is well-known to the leading global institutional asset managers and hedge funds. He has a wealth of experience and has replicated his achievements in different organizations. His last assignment was with Dresdner Kleinwort Investment Bank (DKIB), London, UK as Head - Global Equities & Head - Hedge Fund Solutions. He was also a Member of the DKIB Executive Committee.



Mr. Paresh Thakker, CEO, Religare Global Asset Management

Mr. Paresh Thakker is responsible for the overall Religare Global Asset Management business including driving its strategy, execution, investments and operations. He also leads the Group M&A and is responsible for leading and effecting the acquisition strategy. He has over 19 years of experience in investment management (private equity, venture capital), mergers & acquisitions, corporate finance advisory, fund raising and investor relations. He has represented on Boards of several companies and Investment Committees of private equity funds.



Mr. Raghuram Raju, Group General Counsel

Mr Raghuram Raju as the Group General Counsel provides leadership and strategic direction to the entire Legal, Compliance and Secretarial functions of the Group. Raghu has over 23 years of experience as a commercial and corporate lawyer with leadership experience in marquee organizations. Prior to joining Religare he was the Senior Vice President and General Counsel - International for Genpact and was responsible for providing support to legal and compliance teams across jurisdictions. During his career, Raghu has dealt with numerous and wide-ranging business, transactional and litigation matters in many jurisdictions around the world. Prior to joining Genpact, he was the General Counsel for GE Capital India responsible for all legal, compliance and regulatory affairs associated with GE's financial services business in India.



Mr. Rajiv Jamkhedkar, CEO, AEGON Religare Life Insurance Company Limited

Mr Rajiv Jamkhedkar joined AEGON Religare Life Insurance Company Limited as its Chief Executive Officer in July 2007. Rajiv has two decades of experience in Retail Financial Services in India. He has worked in all parts of the country - North, South and Western India.



Mr. Rohit Bhuta, CEO, Religare Macquarie Wealth Management Limited

Mr. Rohit Bhuta has over 20 years of experience in the financial services industry with extensive knowledge of the wealth management industry in over 5 countries. Rohit is currently the Chief Executive Officer of Religare Macquarie Wealth Management Limited and is responsible for the overall management of business of the Company. Rohit has been with Macquarie for over 18 years in various roles and geographies including Australia, Singapore, Malaysia, South Africa and Hong Kong.



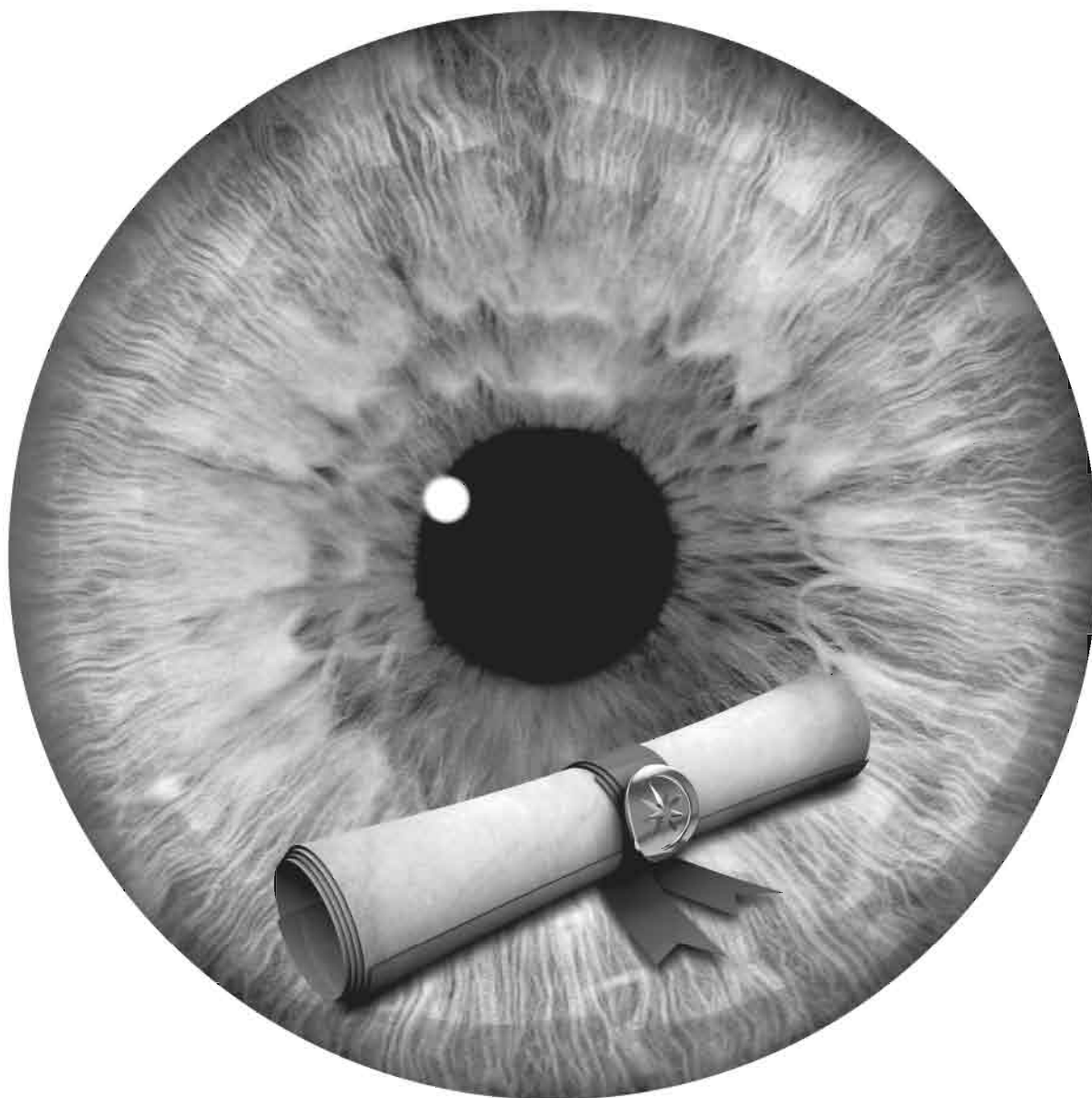
Mr. Saurabh Nanavati, CEO, Religare Asset Management Company Limited

Mr Saurabh Nanavati, CEO of Religare Asset Management, oversees all functions, including investments, operations and sales. He has over 14 years of experience in general management, fund management, business strategy, business development and sales and has been with the group for 4 years now. Saurabh's last assignment was with HDFC Standard Life Insurance as Chief Investment Officer overseeing equity & debt investments, besides other asset classes. His earlier assignments include stints with multinational institutions like Deutsche Asset Management (in India and Singapore), Reuters and HSBC. Saurabh also has the additional responsibility of heading the Religare Global Asset Management distribution set-up in Asia-Pacific, Middle-East and Japan.

**Trust of millions
is the best
reward of all**



Recognition and Accolades





Religare Commodities Limited has been awarded the **'The Best Commodity Broker of the Year'** at the Bloomberg UTV's financial Leadership awards - March 2011, Bloomberg UTV, Mumbai, India.

Awards

Excellence is a continuing journey, without an end. It is not merely a skill, it is an attitude. This habit of doing things beyond the ordinary have fetched us many accolades and honours - this is just the beginning.



Religare Capital Markets Limited has been awarded the coveted Starmine award for the **Best Brokerage Research House** – March 2011, Thomson Reuters, Mumbai, India.



Religare Enterprises Limited was presented the **Best Retail Marketing Campaign of the Year, 2010** at Asia Retail Congress – February 2011, Asia Retail Congress, Mumbai, India.



Religare Enterprises Limited received the coveted **Master Brand Award** for 2010 and **Best Marketing Campaign of the Year** at World Brand Congress 2010 – February 2011, World Brand Congress, Mumbai, India.



Religare Securities Limited was adjudged as the **Best Broking House with a Global Presence** by Dun and Bradstreet for 2010 – November 2010, Dun & Bradstreet, Mumbai, India.



Religare Capital Markets Limited was awarded **Best Deal** in the Healthcare Category for Acquisition of stake in Parkway Holdings Ltd by Fortis Health Care Ltd in the HealthCare/ Life Sciences Category – September 2010, The M&A Advisor New York.



Religare Enterprises Limited was awarded **Greentech HR Excellence Awards, 2010** in 2 categories • Innovation in Recruitment • Technology Excellence in HR – August 2010 – Greentech Foundation, Delhi, India.

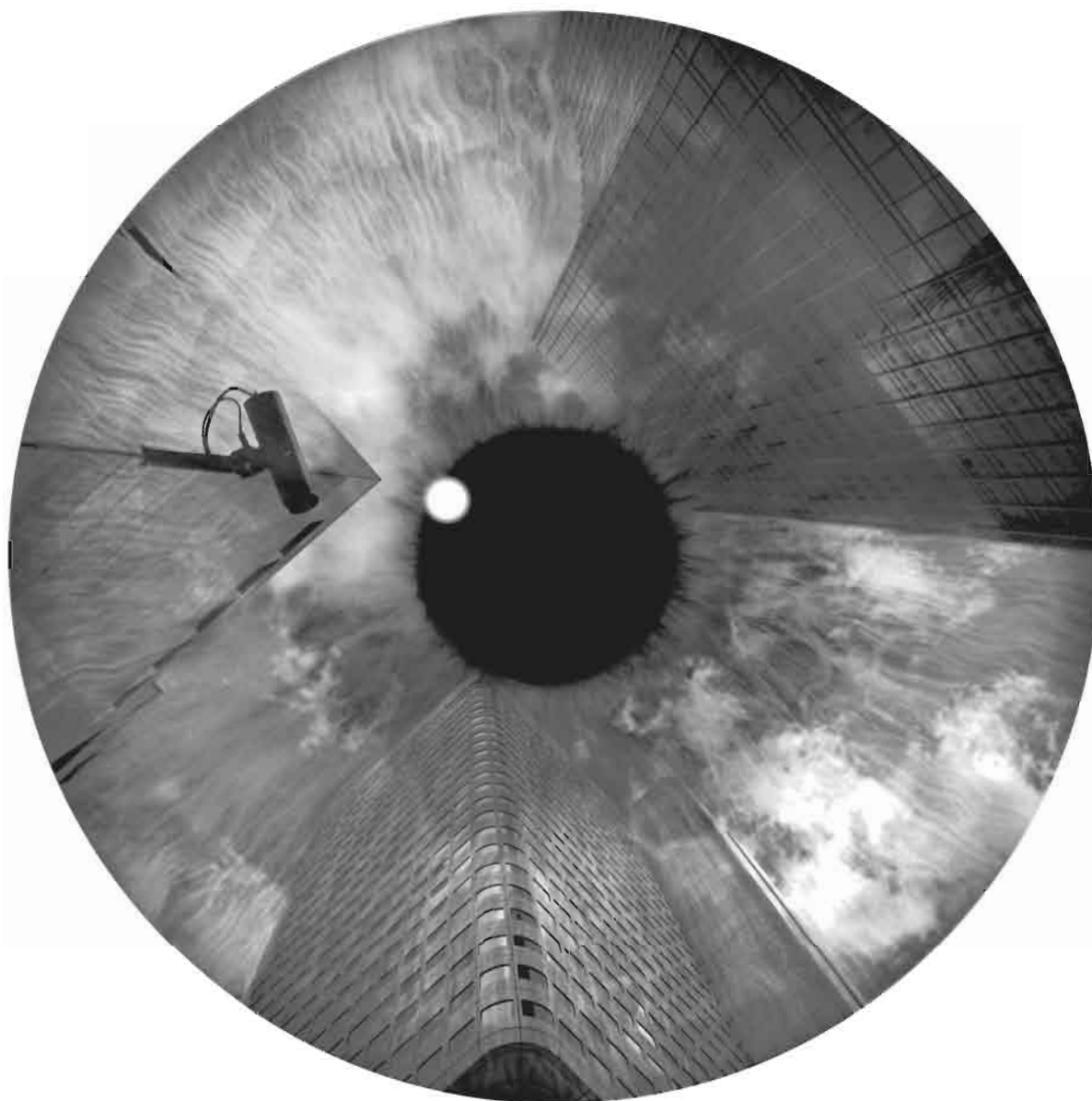


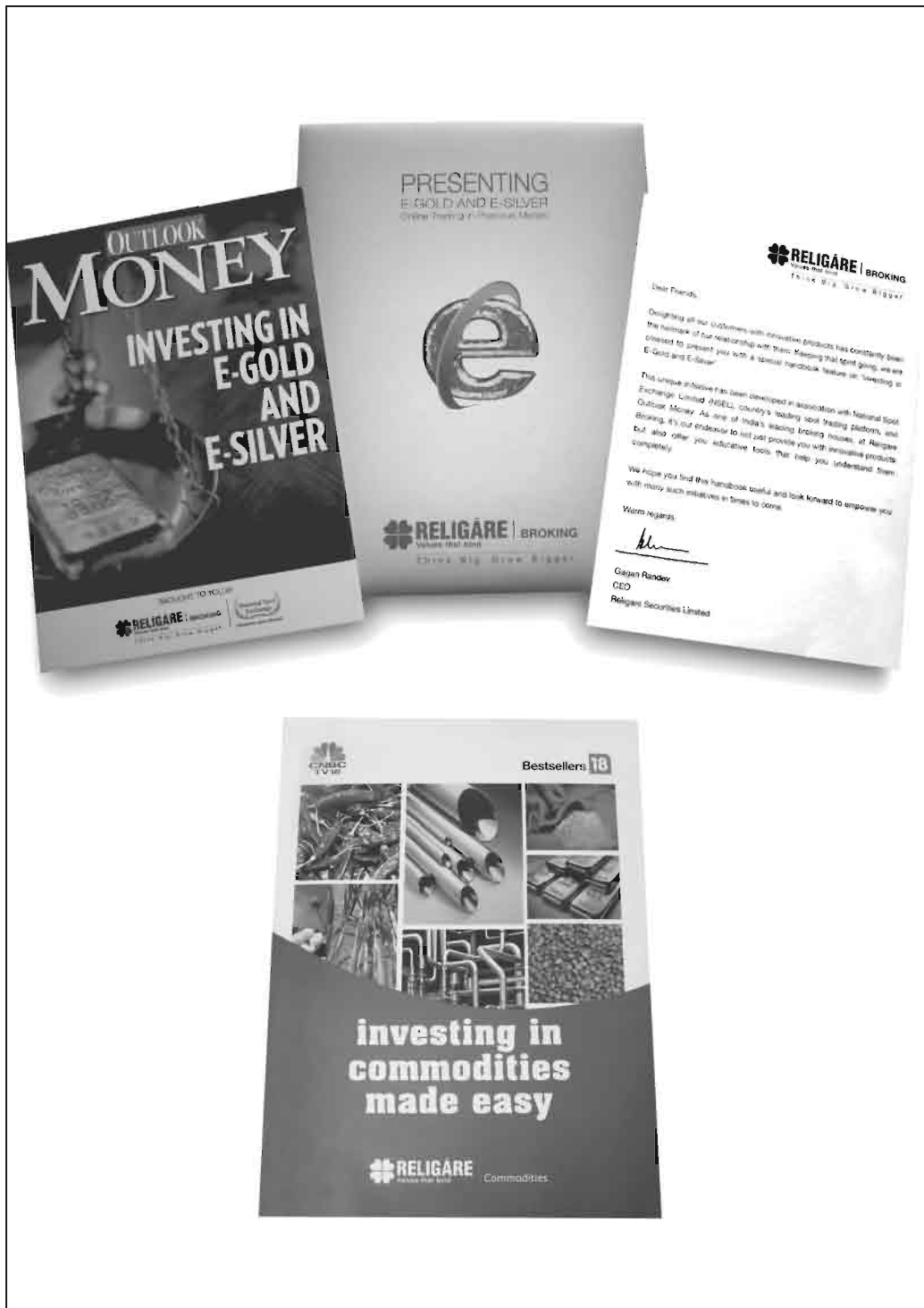
Mr. Sunil Godhwani, conferred the **Indian Business Leader of the Year** award at the Global Indian Business Meeting hosted by Horasis – June 2010, Horasis, Madrid, Spain.

**Being
responsible
is the only
way to
create a
world that
works for all**



Towards a better future





Social Commitment

At Religare, our commitment to society extends beyond providing quality financial services to people. It includes sustained efforts to better their lives. It has been the reason for our existence and the guiding force behind our growth and success.



As a global financial services group, offering a wide array of products and services and serving over a million clients, it has been Religare's long-standing mission to 'Empower the Investor'. As India transitions from investor protection to an era of investor empowerment, we have undertaken a series of 'Investor-education and awareness' led initiatives to help them decode the economic environment and subsequently make informed decisions.

Our Investor Awareness Programmes cover topics like DOs and DON'Ts for investors, Instruments of Investment, Portfolio approach, Mutual funds, Trading, Clearing and Settlement, Rolling Settlement, Investors' Protection Fund, Trade Guarantee Fund, De-materialisation of Shares, Debt Market, Investors' Grievance Redressal system available with SEBI, BSE & Company Law Board, information on Sensex and other Indices, Derivatives etc.

We have also been instrumental in publishing easy-to-understand books and articles that help people understand what otherwise seems to be a highly complex subject. The latest, "Investing in Commodities Made Easy" has been a runaway success. Similarly, we regularly take out investor-oriented articles in association with leading business magazines of the country. Our Mutual Fund Saving Scheme (MFSS) booklets and E- Gold series – for online trading in precious metals – have been extremely well received with the readers writing in for more. Today, more and more people, particularly in tier-II and tier- III cities look forward to attending our investor awareness camps in order to expand their knowledge of the financial markets.

In our quest to enrich society as a whole, we have started the Religare Art Residency. Aimed at identifying and mentoring budding talent, this programme is a unique initiative. Through rigorous one-on-one dialogue and group critiques, the mentor enables the resident artists to digest and refine their conceptual and material choices including extending their research base.

At Religare, we understand that children are the future of the country and all of them have an equal right to opportunities. Towards this, Religare Enterprises Limited has partnered with SOS Children's Village of India to care and nurture for them and ensure that they have access to all basic amenities possible.

Religare has joined hands with the Akshaya Patra movement, that is a pioneering school meal programme to facilitate the education of underprivileged children in India. By providing unlimited, nutritious, hygienically cooked hot noon meals in government schools and government run day-care centres (Anganwadis), in partnership with the Central and State Governments, the Akshaya Patra programme strives to promote universalization of primary education and health too.

Quick Facts

- Investor education and empowerment
- Books and articles to make finance simpler for the common man
- Art Residency programme
- Partnering with SOS Children's Village
- Part of the Mid-day meal scheme



**See to
foresee**



Financial Declaration



Directors' Report

Dear Members,

Religare Enterprises Limited

Your Directors have pleasure in presenting this 27th Annual Report on the business and operations of the Company together with Audited Accounts for the financial year ended March 31, 2011.

FINANCIAL RESULTS

The highlights of standalone and consolidated financial results of the Company for the Financial Years (FY) 2010-11 and 2009-10 are as under:

PARTICULARS	STANDALONE (Rupees in Million)		CONSOLIDATED (Rupees in Million)	
	2010-11	2009-10	2010-11	2009-10
Total Income	1,267.70	1,356.96	29,835.15	16,752.21
Total Expenditure	1,161.62	673.77	31,822.83	14,778.05
Profit / (Loss) before Tax and Prior Period Adjustments	106.08	683.19	(1,987.68)	1,974.16
Net Profit / (Loss) after Tax	50.96	555.16	(2,945.32)	971.46
Adjustment: Minority Interest/ Joint Venture	-	-	(59.88)	(2.22)
Net Profit / (Loss) for the year	50.96	555.16	(3,005.20)	969.24
Brought forward Balance	142.53	(65.09)	970.14	348.44
Profit available for appropriation	193.49	490.07	(2,035.06)	1,317.68
Appropriation:				
General Reserve	-	43.54	-	43.54
Final / Interim Dividend	-	304.00	-	304.00
Statutory Reserve	10.19	-	10.19	-
Surplus / (Deficit) Carried to Balance Sheet	183.30	142.53	(2,045.25)	970.14

OPERATIONS

We recorded 'Loss before Tax' of Rs. 1,987.68 million for Financial Year 2010-2011 as compared to 'Profit before Tax' of Rs. 1,974.16 million for Financial Year 2009-2010. 'Loss after Tax after Minority Interest' was Rs. 3,005.20 million for Financial Year 2010-2011 as compared to 'Profit after Tax after Minority Interest' Rs. 969.24 million for Financial Year 2009-2010. Consequently basic earnings (losses) per share decreased to Rs. (22.98) in Financial Year 2010-2011 from Rs. 11.25 in Financial Year 2009-2010.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section and forms part of the Directors' Report.

DIVIDEND

Keeping in view the future expansion plans and capital requirements of the Company, the Board of Directors believe it is necessary to conserve cash flow and thereby do not recommend any Dividend for the financial year ended March 31, 2011.

SUBSIDIARIES

As per Section 212 of the Companies Act, 1956 ("the Act") it is required to attach the Balance Sheet, Profit and Loss Account, Directors' Report, and Auditors' Report of your Company's subsidiaries to the Annual Report of your Company. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has exempted Companies from complying with the provisions of Section 212 subject to compliance of conditions stated in the circular. In compliance with requirement of aforesaid circular the Board of Directors has passed a resolution in its meeting held on February 14, 2011, for not attaching the documents of the subsidiaries of your Company as prescribed under Section 212(1) of the Companies Act, 1956. Accordingly, the Annual Report of the Company for the financial year 2010-2011 does not contain the Annual Accounts of your Company's subsidiaries. However, the Annual Accounts of the subsidiary companies and the related detailed information are open for inspection by any member/investor



and your Company will make available those document/details upon request by any member or investor of the Company or its subsidiary companies who may be interested in obtaining the same. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by your Company includes financial information of its subsidiaries duly audited by the Statutory Auditors and the same is published in your Company's Annual Report. The financial information of the subsidiary companies, as required by the said circular, is disclosed in the Annual Report.

MAJOR EVENTS

Some of the major events during the period under review include-

Registration as a Systemically Important Non-deposit Taking Non-Banking Financial Company (NBFC)

Pursuant to earlier exemption granted in this regard being withdrawn by the Reserve Bank of India (RBI), your Company had applied and was registered with the Reserve Bank of India as a Non-Banking Financial Institution (non-deposit taking) under section 45 IA of the RBI Act, 1934. In terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, your company has been categorised as a 'Systemically Important Non-Deposit taking Non-Banking Financial Company' having total assets of Rs. 100 crore and above. The Company has not accepted public deposits during the year under review.

Your Company has subsequently applied to the Reserve Bank of India (RBI) for registration as Core Investment Company in terms of the revised Regulatory Framework for Core Investment Companies (CICs) issued by RBI on January 5, 2011 in continuation of erstwhile Regulatory Framework for Core Investment Companies (CICs) issued by RBI on August 12, 2010. The Company's application is in process at the RBI.

Emerging Markets Investment Banking Platform

Setting up subsidiary in Australia

Your Company, through its subsidiary Religare Capital Markets Limited ("RCML") / its subsidiaries, has set up a subsidiary namely Religare Securities Australia Pty Limited (formerly known as Relsec Australia Pty Limited) ("Religare Australia") with effect from October 12, 2010. Religare Australia is proposed to be engaged in the business of stock broking in Australia and is awaiting grant of license by the concerned regulator for launch of its business.

Acquisition of stake in Bartleet Mallory Stockbrokers (Private) Limited

Your Company, through its subsidiary RCML / its subsidiaries, acquired 50% stake in Bartleet Mallory Stockbrokers (Private) Limited, Sri Lanka ("BMSPL") with effect from November 4, 2010. BMSPL, being a joint venture with a reputed Bartleet Group of Sri Lanka, is engaged in the business of stock broking and is regulated by the Securities and Exchange Commission and is a member of the Colombo Stock Exchange.

Acquisition of Aviate Global (Kyte Management Limited)- Hong Kong and Singapore

Your Company, through its subsidiary RCML / its subsidiaries, acquired 100% stake in Kyte Management Limited acting through its operating subsidiaries Central Joint Enterprises Limited (now known as Religare Capital Markets (Hong Kong) Limited) ["RCMHK"] and Central Joint Enterprises Pte Limited (now known as Religare Capital Markets (Singapore) Pte Limited ["RCMSP"]), both earlier trading as "Aviate Global" with effect from December 9, 2010. Both RCMHK and RCMSP are engaged in the business of institutional broking activities and are regulated by the Securities and Futures Commission of Hong Kong and the Monetary Authority of Singapore, respectively.

Acquisition of Barnard Jacobs Mellet (UK) Limited and Barnard Jacobs Mellet (USA) LLC

Your Company, through RCML / its subsidiaries, acquired 100% stake each in Barnard Jacobs Mellet (UK) Limited (now known as Religare Capital Markets (EMEA) Limited) ["RCMEMEA"] and Barnard Jacobs Mellet (USA) LLC (now known as Religare Capital Markets (USA) LLC) ["RCMUS"] with effect from December 14, 2010 and January 25, 2011, respectively. RCMEMEA and RCMUS are engaged in the business of stock broking and are regulated by the Financial Services Authority of United Kingdom and FINRA, respectively.

Global Assets Management Platform

Acquisition of Northgate Capital LLC and Northgate Capital LP

Your Company through its subsidiary in USA viz. Religare Global Asset Management Inc acquired 70% stake each in Northgate Capital LLC and Northgate Capital LP (both referred as "Northgate Capital") with effect from December 01, 2010. Northgate Capital is engaged in the business of Investment Advisory services and is regulated by the Securities and Exchange Commission and the Financial Industry Regulatory Authority of United States of America ("FINRA").

Acquisition of Landmark Partners LLC

The Company through its subsidiary in USA viz. Religare Global Asset Management Inc. acquired 55% stake in Landmark Partners LLC on April 18, 2011. Landmark Partners was incorporated in the United States in 1989, and is a leading

private equity and real estate investment advisory company. Landmark Partners was chosen as the "Best Secondaries Firm in North America" for the years 2009 and 2010 by Private Equity International.

Investment in Investment Professionals Limited

Your Company, through its subsidiary in USA viz. Religare Global Asset Management Inc. acquired a minority stake in Investment Professionals Limited ("IPRO") in May, 2011. Founded in 1992, IPRO is an investment management services company based in Mauritius. IPRO has in excess of US\$ 300 million of assets under management with a diversified client base.

Commencement of Health Insurance Business

Your Company intends to commence health insurance business in India in the near future. A Subsidiary of your Company, Religare Health Insurance Company Limited, has obtained an R1 approval bearing letter reference 150/Religare Health/ NL/10-11 dated January 6, 2011 from the IRDA and has applied for R2 registration by its application dated January 10, 2011.

CHANGES IN CAPITAL STRUCTURE

During the financial year ended March 31, 2011, the Company allotted 56,17,977 equity shares on preferential basis and 56,17,977 equity shares pursuant to the conversion of warrants to a promoter group entity. Subsequently, open offer was made by a promoter group entity in accordance with Regulation 11 (2) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 for the purpose of acquisition of shares and voting rights of the Company. Pursuant to the completion of open offer the shareholding of promoters/promoter group entities in the Company increased to approximately 70%.

Further, consequent to the vesting and exercise of options granted under the Employees Stock Option Scheme - 2006 (ESOS), the Committee has allotted 384,788 Equity Shares during the period April 1, 2010 to March 31, 2011 to the eligible employees.

Consequently, the issued, subscribed and paid up equity share capital increased from Rs. 127.81 Crore (March 31, 2010) to Rs. 139.43 Crore as at March 31, 2011.

RIGHTS ISSUE

On May 6, 2011, the Company has filed with the Securities and Exchange Board of India, a Draft Letter of Offer (DLOF) for issue of further shares to existing shareholders on a rights basis, for a total issue size of up to Rs. 8,000 million, with the option to increase the size of the issue by up to 10%. The proceeds of the issue will be utilized for making investments in some of our subsidiaries and joint ventures and for general corporate purposes. The Company has received advance against share application of Rs. 4,000 million subsequent to the filing of DLOF which has been deployed as per the Objects of the Issue.

CAPITAL ADEQUACY

As against the minimum prescribed Capital Adequacy Ratio (CAR) of 15% as set out by the Reserve Bank of India (RBI), the Company has a healthy CAR of 37.49% as on March 31, 2011.

RELIGARE ENTERPRISES LIMITED EMPLOYEES STOCK OPTION SCHEMES - 2006 & 2010

Details as required under the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, of Religare Enterprises Limited Employees Stock Option Scheme, 2006 and Religare Enterprises Limited Employees Stock Option Scheme, 2010 are disclosed in the Report on Corporate Governance and form part of the Director's Report.

DIRECTORS

Mr. Malvinder Mohan Singh, Chairman & Mr. Shivinder Mohan Singh, Director of the Company resigned from the Board of Directors of the Company with effect from April 6, 2010. The Board of Directors placed on record their appreciation for the valuable services and guidance provided by them during their tenure as Directors of the Company. The Board also places on record its appreciation for the faith reposed by the promoters in the team of professionals leading the management, an event which could turn out to be a path breaking trend in the history of Indian businesses.

Mr. Sunil Godhwani (earlier CEO & Managing Director) was appointed as Chairman of the Board with effect from April 6, 2010. Further, the Board of Directors and shareholders re-appointed Mr. Sunil Godhwani as Managing Director of the Company with effect from April 8, 2010 for a period of three years.

Mr. Shachindra Nath and Mr. Anil Saxena were appointed as Additional Directors of the Company on April 6, 2010 and were also appointed as Directors within the meaning of Section 269 read with Section 2 (26) and Schedule XIII to the Companies Act, 1956 ("the Act"), on April 26, 2010 effective from April 6, 2010.

Mr. Stuart D Pearce & Ms. Kathryn Matthews were appointed as Additional Directors of the Company with effect from July 6, 2010 and were appointed as Directors within the meaning of Section 257 of the Companies Act, 1956 with effect from August 11, 2010

Mr. Ravi Umesh Mehrotra was appointed as an Additional Director of the Company with effect from February 14, 2011.



In accordance with the provisions of the Companies Act, 1956, Mr. Ravi Umesh Mehrotra, in his capacity as Additional Director, will cease to hold office at the ensuing Annual General Meeting.

The Company has received Notice along with requisite fee from a Member under Section 257 of the Act proposing the candidature of Mr. Ravi Umesh Mehrotra for the office of Director(s) of the Company. The Board recommends his appointment which is required to be approved by the Shareholders at the ensuing Annual General Meeting.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Harpal Singh and Mr. Padam Bahl are liable to retire by rotation as Directors at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Brief resume of the Directors proposed to be appointed and re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees and number of shares held in the Company, as stipulated under Clause 49 of Listing Agreement entered into with Stock Exchanges, are provided in the Report on Corporate Governance forming part of the Annual Report.

EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS

The Directors of your Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of shareholders value. The Board reviews and approves management's strategic plan & business objectives and monitors the Company's strategic direction.

The Board provides and critically evaluates strategic direction of your Company, management policies and their effectiveness. Their remit is also to ensure that the long-term interests of the shareholders are being served. The agenda for Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans. Additionally, the Board reviews financial reports from the Group CFO and business reports from the business heads. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the future growth of your Company including its wholly owned subsidiaries.

Independent Directors are appointed not merely to fulfill the statutory requirement but for their diverse skills and experience, international perspective as well as the external objectivity that each of them bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions. The Company has constituted Nomination Committee of the Board of Directors to ensure 'fit and proper' status of proposed/existing Directors. The Board of Directors is at the core of your company's corporate governance practice and oversees how the management serves and protects the long term interests of the stakeholders. Your Directors believe that an active, well informed and independent Board is necessary to ensure highest standards of corporate governance.

AWARDS AND RECOGNITION

Your Company and its subsidiaries have received recognition by way of several awards across the businesses during the year. Some of them are listed below:

- Mr. Sunil Godhwani, Chairman and Managing Director of your Company, was conferred the Indian Business Leader of the Year award at the Global Indian Business Meeting hosted by Horasis, in Madrid, Spain in 2010;
- Religare Commodities Limited, a wholly owned subsidiary of your company has been awarded the Best Commodity Broker of the year at the Bloomberg UTV's financial leadership awards in March 2011;
- Religare Capital Markets Limited, a wholly owned subsidiary of your company, has been awarded the Starmine award for the 'Best Brokerage Research House' by Thomson Reuters in March, 2011;
- Your Company was presented with the 'Best Retail Marketing Campaign of the Year, 2010' at Asia Retail Congress;
- Your Company was awarded the 'Master Brand Award' for 2011 and 'Best Marketing Campaign of the Year' at the World Brand Congress, 2010;
- Religare Securities Limited a wholly owned subsidiary of your company, was awarded the 'Best Broking House with a Global Presence' by Dun and Bradstreet;
- Religare Tax Plan was awarded the first runner up award at the NDTV Mutual Fund Awards in the 'Equity Tax Plan' category by NDTV Profit in September, 2010;
- Religare Capital Markets Limited was awarded the 'Best Deal in the Health Care' category for Fortis Health Care Limited's acquisition of a stake in Parkway Holdings Limited by the M&A Advisor in September, 2010;
- Your Company was awarded the Greentech HR Excellence Awards in the following two categories: (i) Innovation in Recruitment and (ii) Technology Excellence in HR by Greentech Foundation in 2010.

FIXED DEPOSITS

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

Your Company is registered as a non deposit taking Non-Banking Financial Institution (NBFI) vide Certificate No. N-14.03222 dated June 18, 2010 issued by the Reserve Bank of India (RBI). Further, in terms of revised Regulatory framework for Core Investment Companies ("CIC") issued by the RBI on January 5, 2011, the Company has applied to RBI for registration as a Systemically Important Non-deposit taking Core Investment Company (CIC-ND-SI).

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company are listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The annual listing fees for the year 2011-12 has been paid to these Exchanges.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies' (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has incurred expenditure of Rs. 51.18 Million (Previous Year: Rs. 66.90 Million) in Foreign Exchange and earned Nil (Previous Year: Nil) in Foreign Exchange during the year under review on a standalone basis.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011, and of the profit of the Company for the year;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

CORPORATE GOVERNANCE

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

A detailed report on Corporate Governance along with the Certificate of M/s Sanjay Grover & Associates, Company Secretaries, confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

AUDITORS

M/s Price Waterhouse, Chartered Accountants, retires as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Statutory Auditors, if re-appointed.

AUDITORS' REPORT

The observations of the Auditors in their report read together with the Notes on Accounts are self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

STATEMENT OF PARTICULARS OF EMPLOYEES

Statement of particulars of employees as required under Section 217(2A) of the Companies Act, 1956 (the Act) and Rules framed there under forms part of this Report. However, in terms of the provisions of Section 219(1)(b)(iv) of the Act, this Report and Accounts are being sent to all the Shareholders excluding the Statement of particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

HUMAN RESOURCES

Your Company believes in today's evolving competitive business environment its employees are the key differentiators. Our people are central to who we are and thus we have built a strong alignment between our employee's and our organization's vision & value framework. We have directed efforts to build a fine balance between an employees' perspective of being an organization which is 'caring' and 'rewarding' and an employer's perspective of being 'performing' and 'progressive'. Internal & external cost effective models are designed to meet our ever growing demand for talent. Fair and transparent performance management processes have been instituted to differentiate,



reward & recognize employees based on meritocracy. Our employee partnership ethos reflects the Company's long-standing business principles and drives the company's overall performance. While we have continued to equip employees with the necessary skills and attitude to deliver on their current job responsibilities, the prime focus has been to identify, assess, groom and build leadership potential for future.

ACKNOWLEDGEMENTS

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

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for your continued support in the future.

By order of the Board of Directors

For **Religare Enterprises Limited**

Place : New Delhi
Date : June 29, 2011

Sd/-
Sunil Godhwani
Chairman & Managing Director

Management Discussion and Analysis

INDUSTRY OVERVIEW

Global Economic Conditions

As per the World Economic Outlook, April 2011, published by the International Monetary Fund, the world economy grew at 5% in 2010 as compared to a 0.5% decline in 2009. While the fear of an expected double-dip recession has not materialized, commodity prices have increased more than expected with oil prices having grown at 27.9% and non-fuel prices having grown at 26.3% in 2010. This reflects a combination of strong demand growth and supply shocks. In most economies, unemployment is high and low growth implies it will remain so for years to come. In the United States and Europe, unemployment rates are close to 9% and 10%, respectively. In many countries, especially the United States, the housing market is still depressed. The problems of the European Union arising out of the combined effects of low growth, fiscal woes and financial pressures remain acute. The recovery is broadly moving at two speeds, with large output gaps in advanced economies and closing or closed gaps in emerging and developing economies. In the developed economies, economic growth has been modest, especially considering the depth of the recession, reaching just 3% in 2010 (Source: IMF - World Economic Outlook, April 2011).

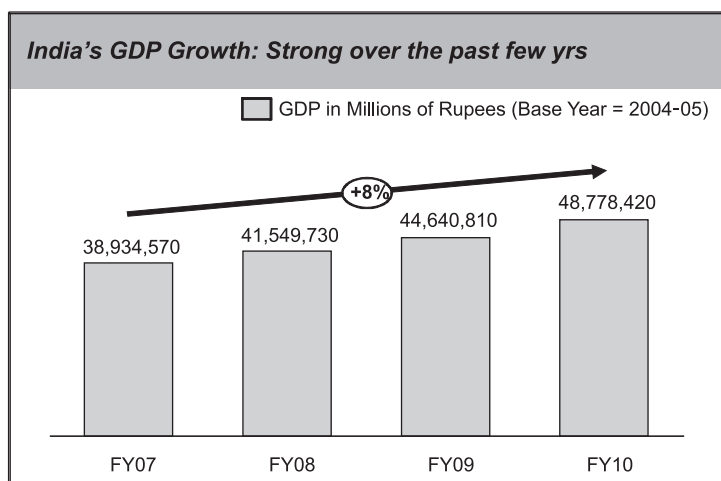
Emerging Markets

Emerging economies and developing economies have seen robust growth of more than 7% in 2010 and are generally associated with low unemployment rates. In a growing number of these economies, there is evidence of an increase in capacity constraints, and many face large food price increases, which present other social challenges (Source: IMF - World Economic Outlook, April 2011). Emerging markets are expected to experience significant growth as compared to developed markets.

Global capital flows rebounded sharply following the collapse during the crisis, but they are still below pre-crisis averages in many economies. Accordingly, stock markets and credit in emerging market economies have rebounded unusually fast and, as a result, capital flows to some larger emerging market economies, for example, Brazil, China, India, Indonesia, Mexico, Peru, Poland, and Turkey, are all within the range of or above pre-crisis levels (Source: IMF - World Economic Outlook, April 2011). Furthermore, robust capital flows to key emerging market economies are expected to continue, although questions about macro-economic policies and geopolitical uncertainty could slow flows over the near term.

India

The Indian economy has rapidly emerged from the slowdown caused by the global financial crisis during the Financial Years 2007 to 2009. With growth in Financial Year 2010 now estimated at 8.0%, as per the Quick Estimates released on January 31, 2011, and 8.5% in Financial Year 2011, as per the Revised Estimates of the Central Statistics Office released on May 31, 2011, turnaround for the Indian economy has been fast and strong (Source: Economic Survey



Source: RBI's Handbook of Statistics on Indian Economy



2010-11). This has been facilitated by a rebound in agriculture and continued momentum in manufacturing, though there was a deceleration in services, caused mainly by a deceleration in community, social and personal services. India continues to be one of the fastest growing economies in the world with a rapidly expanding financial services sector. As per revised estimates, the real GDP growth percentage is expected to be at 8.5% for the Financial Year 2011 (Source: May 31, 2011 Press Note: Ministry of Statistics and Programme Implementation). After adjustments for purchasing power parity, India's economy is the fourth largest in the world in terms of GDP, after the United States, China & Japan (Source: World Bank website, "World databank - World Development Indicators & Global Development Finance"). In terms of market cap rankings, India is ranked 10th in the world with a market cap of \$670,860 million (Source: Mint Money - April 26, 2011).

Note: For 2010, the GDP number is based on revised estimates provided by the Ministry of Statistics and Programme Implementation

Financial Services in India

General Overview

In the wake of steady reforms since 1991, India's financial markets have continued to gain strength in recent years. This can be attributed to several factors including prudent regulations and institutions that have protected the economy from the recent global financial shocks, and the dynamic nature of India's financial markets. Domestic capital markets performed well in 2010, of which, financing by way of primary market transactions reached record levels, including the largest-ever initial public offering by Coal India Limited, while secondary markets reached new highs. Record foreign inflows in the Financial Year 2011 helped and supported the market. Pensions and insurance gained, with life insurance premium growing nearly 26% and penetration more than doubling to 5.4% of GDP in the Financial Year 2009, from 2.3% in the Financial Year 2000, when insurance reforms started (Source: Economic Survey 2010-11).

Capital Markets

Primary equity market - Move towards robust growth

The primary segment of capital markets in India has grown due to strong fundamentals of the Indian economy, improved corporate results, a buoyant secondary market, structural reforms by the Government and an investor-friendly framework. In the Financial Year 2011, public offerings have, in general, received strong responses from FIIs, institutional and retail investors. The cumulative amount mobilised in the Financial Year 2011 through initial public offers, follow-on public offers and rights issues stood at ₹ 652,919 million as against ₹ 577,624 million during the Financial Year 2010. The following table illustrates the primary equity market issuances in India for the Financial Years 2011, 2010 and 2009:

(₹ in million)

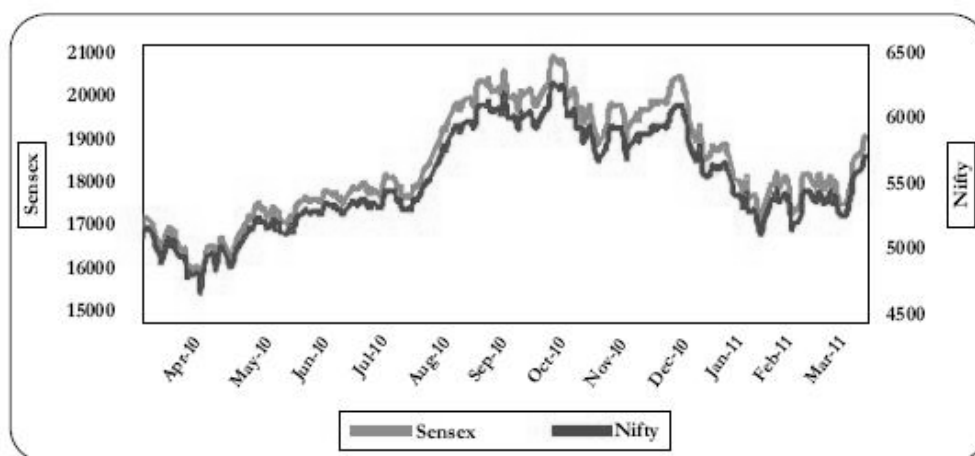
Offerings	FY 2011	FY 2010	FY 2009
<i>Domestic Offerings:</i>			
Public Issues	556,982	494,413	35,340
Rights Offering	95,937	83,211	126,220
Total	652,919	577,624	161,560
<i>(US\$ million)</i>			
<i>International Offerings:</i>			
ADRs/GDRs	1,063	3,918	204

Source: Prime Database as on April 8, 2011

Secondary equity market - Option trading driving growth in equity market volumes, retail sentiment continues to remain subdued, evidenced by negligible growth in demat accounts

The Indian equity market grew 10.74% with the BSE Sensex at 19,445.2 points on March 31, 2011, up from 17,558.7 points as on April 30, 2010. Equity market capitalisation increased by 11% on account of the strong growth in the primary market issuances.

Source: SEBI Bulletin – April 2011



(₹ in million)

Particulars	FY 2011	FY 2010	FY 2009
<i>Indices</i>			
BSE Sensex	19,445.2	17,527.8	9,708.5
S&P CNX Nifty	5,833.8	5,249.1	3,021.0
S&P CNX 500	4,626.5	4,313.3	2,294.9
<i>Market Capitalisation</i>			
BSE	68,390,840	61,656,190	30,860,750
NSE	67,026,160	60,091,730	28,961,940

Source: SEBI Bulletin – April 2011

Growth in market volumes was dominated by options trading which accounted for 65% of the total volumes between January and March 2011, a jump of 22% relative to last fiscal. As is evidenced by a marginal increase in new demat accounts over the Financial Years 2009, 2010 and 2011, we believe that retail sentiments largely remained subdued. In the cash market segment, the total turnover of the BSE and NSE for the Financial Year 2011 stood at ₹ 11,050,270 million and ₹ 35,774,100 million, respectively, as compared to ₹ 13,788,090 million and ₹ 41,292,140 million, respectively, in the Financial Year 2010. In the equity derivative segment, NSE witnessed a total turnover of ₹ 292,482,210 million for the Financial Year 2011, as compared to ₹ 176,636,650 million during the Financial Year 2010. Similarly, the total turnover in the equity derivative segment of the BSE for the Financial Year 2011 stood at ₹ 1,540 million as compared to ₹ 2,340 million during the Financial Year 2010.

(₹ in million)

Market Turnover	FY 2011	FY 2010	FY 2009
<i>Cash</i>			
BSE	11,050,270	13,788,090	11,000,740
NSE	35,774,100	41,292,140	27,520,230
<i>Derivatives</i>			
BSE	1,540	2,340	117,750
NSE	292,482,210	176,636,650	110,104,820

Source: SEBI Bulletin – April 2011

Market Turnover	FY 2011*	FY2010	FY 2009
<i>Trading by Segment</i>			
Cash	11%	19%	20%
Options	59%	39%	29%
Futures	30%	42%	51%
<i>(In million)</i>			
No of Demat Accounts	19.0	17.2	15.2

* Till February 28, 2011

Source: NSE, BSE, NSDL & CDSL



FIIIs continued to remain net buyers with strong inflows in Q2-Q3 in FY11, while domestic institutional investors remained net sellers (in relation to equity). The following table sets out the investments by mutual funds and FIIIs in India for the Financial Years 2011, 2010, 2009 and 2008, respectively:

(₹ in million)

FY	Net Investment by Mutual Funds			Net Investment by FIIIs		
	Equity	Debt	Total	Equity	Debt	Total
2011	(198,020)	2,491,530	2,293,520	1,032,230	363,350	1,395,560
2010	(105,120)	1,805,880	1,700,760	1,102,200	324,380	1,426,580
2009	69,840	818,030	887,870	(477,060)	18,950	(458,110)
2008	163,060	73,790	900,650	534,040	127,750	661,790

Source: SEBI, "Annual Report 2009-10" and SEBI Bulletin - April 2011

The market share of the top five brokers on NSE declined marginally from 15% in Financial Year 2010 to 14% in Financial Year 2011, while the market share of the top 100 brokers declined substantially by 12 percentage points *i.e.*, from 75% to 63% during the same period. The market over the last year has seen the emergence of newer players and intensifying competition as evidenced by a fall in the share of Top 100 brokers. This increasing competition has resulted in falling brokerage commissions, which in turn adversely affects the profitability of brokers in the market (Source: <http://www.livemint.com/2011/04/13215147/Geojit-BNP-results-show-market.html?atype=tp>). The following table illustrates the trading volume on the NSE and the percentage traded by the top brokers for the Financial Years 2011, 2010, 2009, 2008, 2007 and 2006, respectively:

FY	% Volume by Top Brokers on the NSE				
	5	10	25	50	100
2011*	14%	24%	43%	59%	73%
2010	15%	23%	41%	57%	73%
2009	14%	24%	44%	61%	75%
2008	15%	26%	45%	60%	74%
2007	15%	24%	43%	57%	71%
2006	15%	23%	38%	53%	38%

* Monthly average

Source: NSE Website

Internet Trading

As of March 31, 2011, 387 members were permitted to allow investors web-based access to the NSE's trading system. These members have registered 5,640,513 clients as of March 31, 2011. During the Financial Year 2011, 10.70% of the trading value in the Capital Market segment was routed and executed through the internet. The following table illustrates the share of internet trading in the overall cash equities turnover:

FY	Enabled Members	Registered Clients	Trading Volume (₹ in million)	% of Total Trading Volume
2011	387	5,640,513	7,652,710	10.70%
2010	363	5,143,705	9,213,800	11.13%
2009	349	5,627,789	6,927,890	25.17%
2008	305	4,405,134	6,683,990	18.82%
2007	242	2,279,098	3,375,240	17.35%

Source: NSE Factbook 2011

Currency Trading

The exchange driven currency trading showed remarkable growth over the last few years. This is in spite of the regulatory constraints which restrict trading currency futures contracts to only four foreign currencies against the Indian Rupee.

The turnover at the MCX Stock Exchange (MCX-SX) in the currency derivatives segment stood at ₹ 288,944,500 million for the period between April 1, 2010 and November 30, 2010 as against ₹ 194,465,400 million in the Financial Year 2010. The NSE witnessed a turnover of ₹ 230,421,900 million for the period between April 1, 2010 and November 30, 2010 as against ₹ 178,260,800 million in the Financial Year 2010. Further, the USE, which began operations in the currency derivatives segment on September 20, 2010, witnessed a turnover of ₹ 53,783,600 million from the date of commencement until November 30, 2010.

(₹ in million)

Market Turnover	FY 2011*	FY 2010
NSE	230,421,900	178,260,800
MCX-SX	288,944,500	194,465,400
USE	53,783,600	N.A.

* Till November 30, 2010

Source: Economic Survey 2011

Interest Rate Derivatives

Trading in interest rate futures started on NSE on August 31, 2009. For the period between April 1, 2010 and November 30, 2010, the NSE witnessed a total turnover of ₹ 530 million in this segment as compared to ₹ 29,750 million from the date of commencement until March 31, 2010.

Commodities Trading

Commodities play an important role in India's economy. India has over 7,000 regulated agricultural markets, or *mandis*, and the majority of the nation's agricultural production are consumed domestically, according to the Agricultural Marketing Information Network (Source: Agricultural Marketing Information Network official website). India is the world's leading producer of several agricultural commodities. The agriculture sector accounted for approximately 12.3 % of India's GDP for the Financial Year 2010. India's GDP at current market prices for the Financial Year 2011 was estimated to be ₹ 78,779,470 million (Source: Economic Survey 2010-11). There are currently 21 commodity exchanges recognised by the FMC in India and offering trading in over 60 commodity futures with the approval of the FMC. In the Financial Years 2009 and 2010, and for the nine month period ended December 31, 2010, the total value of commodities traded on commodity futures exchanges in India was ₹ 52,489,568 million, ₹ 77,647,545 million and ₹ 82,708,783 million, respectively.

Commodity Turnover

(₹ in million)

Exchange	FY2011*	FY2010	FY 2009
MCX	68,893,178	63,933,025	45,880,946
NCDEX	8,838,083	9,175,847	5,357,070
NMCE	1,251,063	2,279,015	614,566
ICEX	3,193,753	1,364,254	N.A.#
ACE	98,280@	59,794	87,810
Others	434,426	835,610	549,176
Total	82,708,783	77,647,545	52,489,568

* Till December 31, 2010

ICEX commenced its trading operations on November 27, 2009

@ In October 2010, Ace Derivatives and Commodity Exchange (formerly Ahmedabad Commodity Exchange) transformed from a regional exchange to a national multi-commodity futures trading platform

Source: The data pertaining to MCX is sourced from the draft red herring prospectus dated March 31, 2011 filed with SEBI. The data pertaining to the other exchanges has been sourced from market data maintained by the FMC

Mutual Funds

As of March 31, 2011, there were 43 individual registered mutual fund providers, with total average assets under management, for the quarter ending March 31, 2011, of ₹ 7,005,000 million excluding funds of funds (Source: Association of Mutual Funds in India). From 1963 to 1987, Unit Trust of India was the only mutual fund operating in the country. From 1987 onwards, several other public sector mutual funds entered this sector. These mutual funds were established by public sector banks, the Life Insurance Corporation of India and General Insurance Corporation of India. The mutual funds industry was opened up to the private sector in 1993. The industry is regulated by the SEBI (Mutual Fund) Regulations, 1996.

The mutual fund sector can broadly be divided based on the nature of the schemes launched by mutual funds. The fixed income asset class, which comprises income, liquid, gilt and money market schemes, constitutes a major share of total funds under management. The other two asset classes are equity and balanced schemes, which have experienced significant growth recently on account of robust capital markets in India. The following table illustrates the assets under management by mutual funds as at the dates mentioned:



(₹ in million)

Indian Mutual Funds - AUM	As of March 31		
	2011	2010	2009
Income	2,919,750	3,117,150	1,973,430
Equity	1,697,540	1,740,540	958,170
Balanced	184,450	172,460	106,290
Liquid/Money Market	736,660	780,940	905,940
Gilt	34,090	33,950	64,130
ELSS - Equity	255,690	240,660	124,270
Gold ETFs	44,000	15,900	7,360
Other ETFs	25,160	9,570	6,600
Fund of Funds Investing Overseas	25,160	28,620	26,810
Total	5,922,500	6,139,790	4,173,000

Source: AMFI Monthly March 2011, AMFI Monthly March 2010, AMFI Monthly March 2009

The following table illustrates the mobilisation of resources in the Indian mutual fund industry for the Financial Years 2009 to 2011:

(₹ in million)

Period	Gross Mobilisation				Redemption				Net Inflow/Outflow				Assets at the end of the period
	Pvt. Sector	UTI	Public Sector	Total	Pvt. Sector	UTI	Public Sector	Total	Pvt. Sector	UTI	Public Sector	Total	
FY09	42,927,510	4,231,310	7,104,720	54,263,540	43,267,680	4,267,900	7,010,920	54,546,500	(340,180)	(36,580)	93,800	(282,960)	4,173,000
FY10	76,984,830	8,818,510	14,386,880	100,190,220	76,435,550	8,661,980	14,261,890	99,359,420	549,280	156,530	124,990	830,800	6,139,790
FY11	63,138,600	7,232,450	10,843,230	81,214,280	62,314,930	7,231,100	10,887,790	80,433,820	823,670	1,350	(44,560)	780,460	5,922,500

Source: AMFI Monthly March 2011, AMFI Monthly March 2010, AMFI Monthly March 2009

With effect from August 1, 2009, SEBI has abolished the charging of entry load from investors purchasing units in mutual funds with the objective of removing the incentive for distributors to sell unsuitable products to investors. In the past, mutual funds would charge up to 2.25% of the funds invested in new schemes as entry load and this was paid out as commission to distributors of such mutual fund units. Upfront and trail (continuing) commissions to distributors are now required to be paid by the asset management companies out of their fund management fees. It was widely expected that the ban on entry loads and consequent reduction in distribution fees would make it unviable for many distributors to sell mutual fund products, but distributors have accepted the lower commission rates after an initial adjustment period. However, the ban on entry load has put pressure on the profitability of the asset management companies as distribution commissions are now paid out of fund management fees.

Corporate Bond Market

Economic growth, amongst others, has contributed to rapid growth in the equity markets in India. In parallel, the Government securities market has also evolved over the years and expanded due to the increasing borrowing requirements of the Government. In contrast, the corporate bond market has remained dormant, both in terms of market participation and structure. Non-banking finance companies are the main issuers of corporate bonds in India, and insignificant amounts of finance are raised by companies directly.

(₹ in million)

Private Placement of Corporate Bonds	FY 2011*	FY 2010	FY 2009
Amount Issued	1,474,000	2,126,350	1,732,810
No of Issues	929	1,278	1,041

* Till November 30, 2010

Source: Economic Survey 2010-11

The corporate bond market, as a result, is only about 14% of the total bond market in India and market liquidity and infrastructure remain constrained (Source: Economic Survey 2010-11). Pursuant to the announcement of the budget for the Financial Year 2006, the Finance Minister approved the constitution of a high level expert committee on corporate bonds and securitisation, which was chaired by Dr. R. H. Patil (the "Patil Committee"). The terms of reference of the Patil Committee included identifying the factors inhibiting the development of an active corporate debt market in India, recommending policy actions necessary to develop an appropriate market infrastructure for the development of the corporate bond market, identifying the different kind of intermediaries necessary for the bond market, recommend measures necessary for developing the participation of small investors in the debt markets including examination of any regulations that inhibit such participation, amongst others. The Patil Committee submitted its

report on December 23, 2005 and made a number of recommendations relating to rationalising the primary issuance procedure, facilitating exchange trading, increasing the disclosure and transparency standards and strengthening the clearing and settlement mechanism in the secondary market. The recommendations have been accepted in principle by the Government, RBI and SEBI, and are under various stages of implementation. With the recommendations of the Patil Committee, the corporate bond market is slowly evolving. With banks unable to fund long term capital intensive infrastructure projects and little or no near term cash flow visibility on account of capital constraints in recent times, the need for further development of the corporate bond market has increased.

Comparing India with some of the emerging economies clearly demonstrates the under-penetration in the corporate bond market segment. The following table gives details of bond issuances in some of the emerging markets including India:

US\$ in million

Countries	2009	2008	2007
Argentina	500	100	3,400
Brazil	10,100	6,700	9,900
Hungary	3,000	5,300	4,100
Poland	10,200	3,800	4,100
Russia	10,800	22,100	30,200
China	3,300	2,100	2,100
India	2,200	1,400	7,500
Indonesia	5,500	4,200	1,800
Malaysia	100	400	900
Philippines	5,400	400	1,000
Thailand	-	500	800

Source: Economic Survey 2010-11

Corporate Debt Market Trading

(₹ in million)

Traded Value	FY 2011	FY 2010	FY 2009
BSE	395,810	533,230	373,200
NSE	1,559,510	1,519,200	495,050
FIMMDA	4,097,420	1,959,550	615,350
Total	6,052,740	4,011,980	1,483,600

Source: SEBI Bulletin - April 2011

According to SEBI, corporate bonds trading volumes have increased by 51% to ₹ 6,052,740 million, for the Financial Year 2011, as compared to ₹ 4,011,980 million, in the Financial Year 2010, on account of increasing FII and domestic financial institution participation.

Investment Banking

With the Indian economy maturing, Indian companies are also evaluating different means to raise capital in the equity and debt capital markets. We believe that the volume of activity in equity capital markets as well as the transaction advisory market has increased significantly. With the increase in activity levels and entry of foreign investment banks in India, competition is intensifying.

Transaction Advisory

There has been a significant increase in mergers and acquisitions involving Indian companies in recent years. This increase is evident in the inbound, outbound and domestic segments. The following table indicates the total volume of merger and acquisition activities in India for the last five years:

(US\$ in million)

	Year ended December 31				
	2011*	2010	2009	2008	2007
Indian Investment Banking					
Mergers & Acquisitions					
Total Volume	13,280	42,240	17,880	33,500	43,410
Total No. of Deals	143	615	597	745	824

** Till April 11, 2011*

Source: Bloomberg as of April 11, 2011



Equity Capital Markets

With the growth in various sectors of the Indian economy, Indian companies have been increasingly raising funds in both domestic and international equity capital market. The following table indicates the total volume of equity activity in India for the last five years:

(US\$ in million)

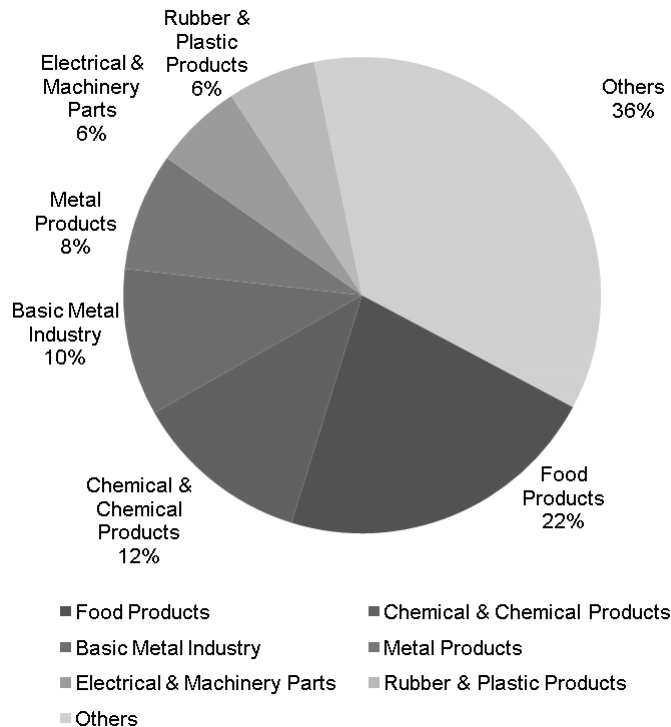
Indian Investment Banking	FY2011	FY2010	FY2009	FY2008	FY2007
Equity & Equity-linked					
Total Volume	16,240	21,890	862	20,160	10,200
Total Issuances	118	115	30	133	129

Source: Bloomberg as of April 11, 2011

Credit Markets - The SME Opportunity

Worldwide, the micro, small and medium enterprises have been accepted as the engine of economic growth. The major advantage of the sector is its employment potential at low capital cost. The labour intensity of the MSME sector is much higher than that of the large enterprises. The MSMEs constitute over 90% of total enterprises in most of the economies and are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports (Source: Ministry of Micro, Small and Medium Enterprises, Annual Report 2010-2011).

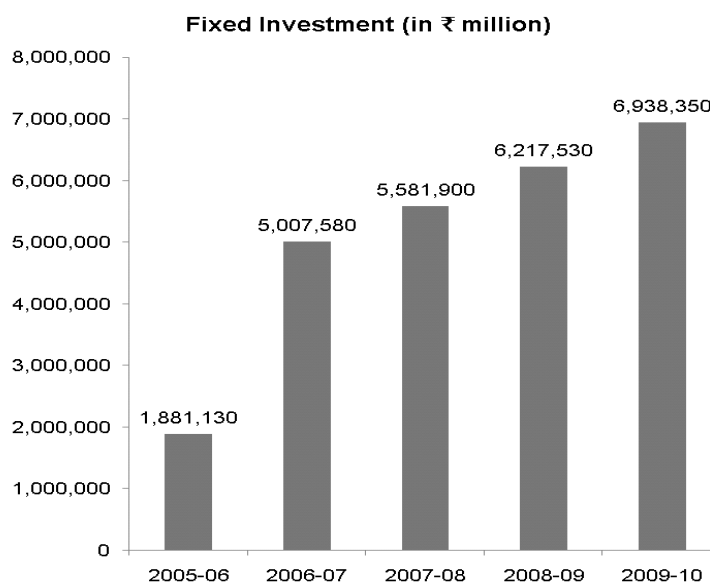
In India too, the MSMEs play a pivotal role in the overall industrial economy of the country. In recent years, the MSME sector has consistently registered higher growth rates as compared to the overall industrial sector. With its agility and dynamism, the sector has shown admirable innovativeness and adaptability to survive the recent economic downturn and recession. As per available statistics (4th Census of the MSME Sector), this sector employs an estimated 59.7 million persons spread over 26.1 million enterprises. It is estimated that in terms of value, MSME sector accounts for about 45% of the manufacturing output and around 40% of the total export of the country. There are over 6,000 products offered by MSMEs in India ranging from traditional to high-tech items (Source: Ministry of Micro, Small and Medium Enterprises, Annual Report 2010-2011).



(Source: Ministry of Micro, Small and Medium Enterprises, Annual Report 2010-2011)

As per a study carried out by ASSOCHAM, SME's contribution to national GDP is projected to go up by a minimum of 5% and touch 22% share of India's GDP by the Financial Year 2012 (Source: www.assochem.org/prels/printnews.php?id=1696). The increase in fixed investments is also significant. The inability by MSMEs to avail credit facilities on favourable terms or at all is a major problem faced by the sector today. As per a press release issued by

CRISIL on January 3, 2011, SMEs present a ₹ 500,000 million funding opportunity in India. The study also points out that Indian banks funded only about 60% of the incremental working capital requirements of MSMEs in India between 2006 - 2007 and 2008 - 2009. This is in contrast to the practice of funding up to 75% of an entity's working capital requirements (*Source: SMEs present a ₹ 500,000 million funding opportunity in India – CRISIL Press Release, January 3, 2011*). For Financial Year 2011, Small Industries Development Bank of India's (SIDBI) outstanding credit to the MSME sector increased by 22% to touch ₹ 463.31 billion and the bank aims to grow this segment by another 35% in the Financial Year 2012 (*Source: http://articles.economictimes.indiatimes.com/2011-06-24/news/29699109_1_sidbi-small-industries-development-bank-msme*)



Source: Ministry of Micro, Small and Medium Enterprises, Annual Report 2010-2011

Insurance

The insurance sector was opened for private participation with the enactment of the Insurance Regulatory and Development Authority Act, 1999. While permitting foreign participation in ventures set up by the private sector, the Government restricted participation of the foreign joint venture partner through the FDI route to 26% of the paid-up equity of the insurance company.

Since the opening up of the sector, the number of participants has gone up from six insurers (including Life Insurance Corporation of India, four public-sector general insurers, and the General Insurance Corporation of India as national reinsurer) in the year 2000 to 48 insurers operating in the life, non-life, and reinsurance segments (including specialised insurers, namely the Export Credit Guarantee Corporation and Agricultural Insurance Company).

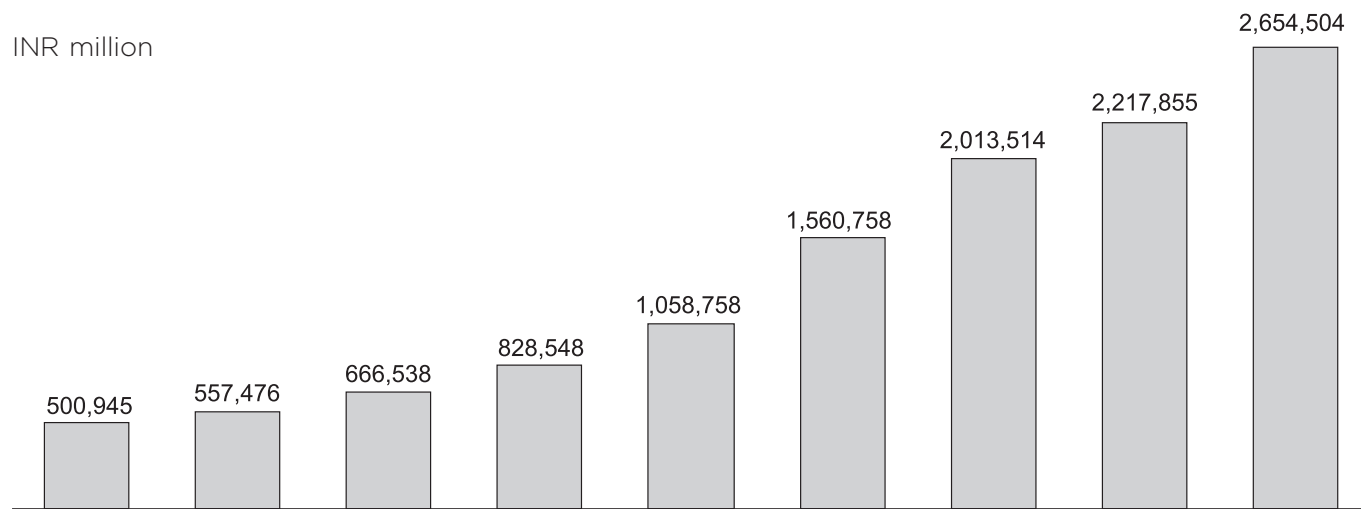
Life Insurance

The post-liberalisation period has been witness to tremendous growth in the life insurance industry. During 2009, the life insurance premium in India grew by 10.1% (inflation adjusted). However, during the same period, the global life insurance premium had contracted by 2%. The share of Indian life insurance sector in global market was 2.45% during 2009, as against 1.98% in 2008 (*Source: IRDA Annual Report 2009-10*).

In the year 2000, when the life insurance sector was opened up to the private sector, life insurance penetration (ratio of premium underwritten in a given year to the GDP) was 1.77%, which increased to 4.73% in 2009. The life insurance space has grown at a CAGR of 23% from the Financial Year 2002 to the Financial Year 2010.



Life Insurance market in terms of premiums has grown at a CAGR of 23% from FY02 to FY10. Life Insurance market in terms of premiums has grown at a CAGR of 23% from FY02 to FY10.



Source: IRDA Handbook on Indian Insurance Statistics 2009-10

Post the financial meltdown, the life insurance segment saw an upward trend. The first-year premium, which is a measure of new business secured, underwritten by the life insurers during the Financial Year 2010 was ₹ 1,098,940.20 million as compared to ₹ 873,310.90 million in the Financial Year 2009, registering a growth of 25.84%. In terms of linked and non-linked business, during the Financial Year 2010, 54.53% of the first year's premium was underwritten in the linked segment while the remaining 45.47% was in the non-linked segment as against 51.13% and 48.87%, respectively, in the Financial Year 2009 (Source: Economic Survey 2010-11).

Recent Regulatory Changes

In June 2011, the IRDA issued draft guidelines for Insurance Companies' Initial Public Offering (IPO). The Final draft will be available shortly. Companies which have completed 10 years of operations will now be eligible to go for IPO. Prior to filing of the draft document for issue of share capital or making public offer with the SEBI, the insurance company should take a "formal approval" from the IRDA. The objective of the public issue could be to augment solvency requirement and general corporate purposes.

With effect from September 1, 2010, the IRDA has brought about a host of regulatory changes aimed at protecting customer interests. These changes have been made as an attempt to avoid mis-selling of insurance as a short term investment product. In the short term, these regulatory changes (lower commission payments, lower penalties on surrenders, and longer lock-ins) have put pressure on volume growth, and margins for the industry. However, long-term prospects for the insurance industry remain attractive on the back of favorable demographics, urbanisation and strong GDP growth.

In January 2010, the IRDA finalised a standard on public disclosure by insurance companies in India, requiring increased disclosure beginning March 31, 2010. The disclosures pertain to financial statements, including the balance sheet and the profit and loss account, key analytical ratios and other statements on a quarterly basis. The SEBI board met on October 25, 2010 in Mumbai and decided that the SEBI (ICDR) Regulations, 2009, which are sector neutral, would also apply to insurance companies. The SEBI board also approved the requirement for additional disclosures, which are specific to insurance companies, including disclosure of risk factors specific to insurance companies, broad headings under which an overview of the insurance industry shall be disclosed, formats for financial information and glossary of terms used in the insurance sector.

The SEBI board also approved two amendments to the ICDR Regulations, which introduces an exemption from appointment of a monitoring agency for issuers in the insurance sector and requires the disclosure of an IRDA disclaimer clause in the offering documents of insurance companies.

The measures listed above will enable the listing of insurance companies and it is expected that in the near future, profit-making insurance companies will be able to access the public markets to meet their incremental capital requirements.

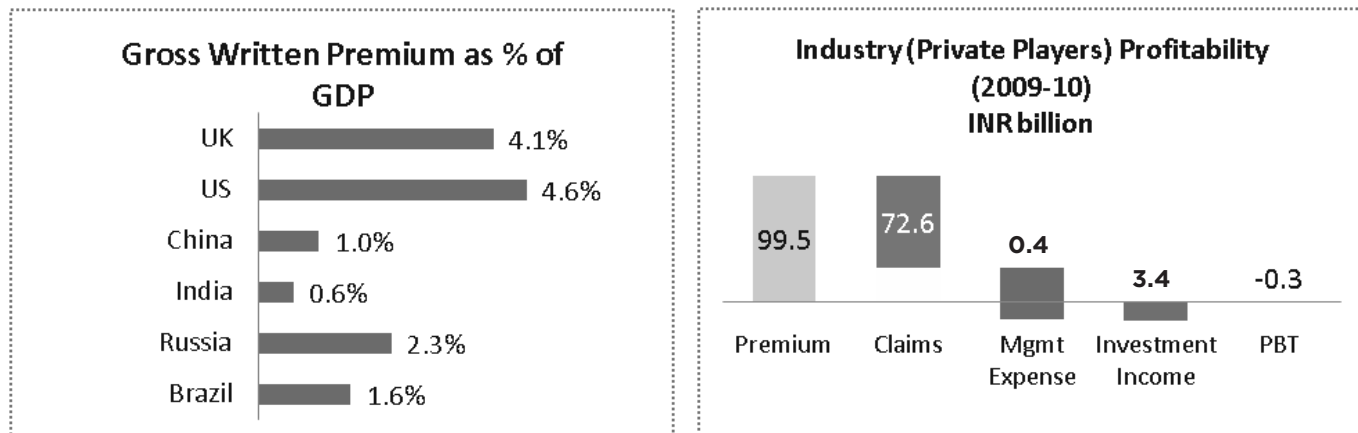
General Insurance (P&C and Health Insurance)

India is the fifth largest general insurance market in Asia with annual premiums of approximately US\$ 8,300 million. India's second largest population in the world and an increasing middle class population present significant

opportunities for general insurance players. We believe that the market is currently underpenetrated with the premium to GDP ratio hovering around 0.6%, far lower than the developed markets, where this ratio is around 4-5% (*Source: IRDA Handbook on Indian Insurance Statistics 2009-10*). The period 2000-2010 has seen market growth of 15% (CAGR) and arrival of key players in the market; the general insurance market has around 24 players currently.

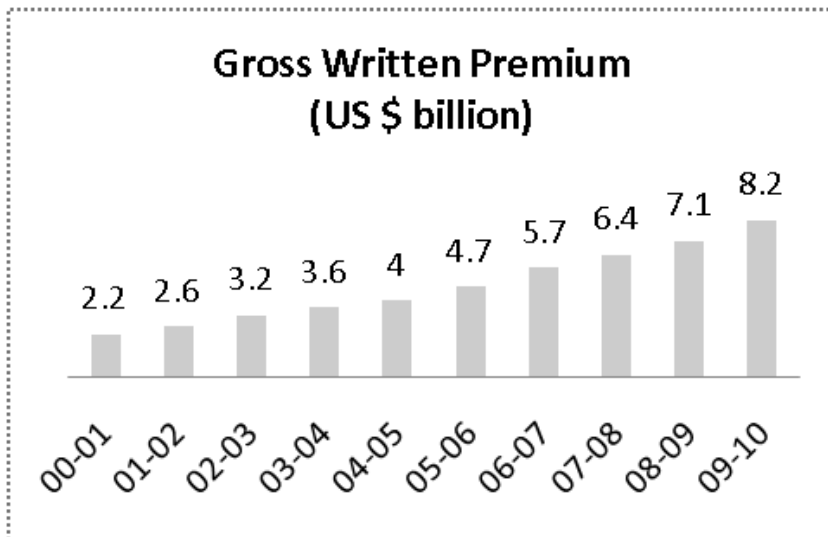
Market is largely underpenetrated

Underwriting profitability is negative, investment income accounts for positive returns



Source: IRDA Handbook on Indian Insurance Statistics 2009-10

Market has grown at a CAGR of 15% in the past decade



In terms of the product mix, motor and health constitute 65% of the aggregate general insurance premiums. Health insurance has been the fastest growing insurance segment for the Financial Years 2007 to 2010. The share of health insurance in total non-life insurance premiums has increased to 21% in the Financial Year 2010 from 11% in the Financial Year 2009 (*Source: IRDA*).

Share of health insurance policy premiums are expected to surpass the current dominant share of motor policy premiums. On the whole, while the short term scenario for the general insurance sector appears to be challenging primarily on account of the de-tariffed regulatory regime, the long term prospects appear to present opportunities for growth.

Wealth Management

The wealth management industry in India is in an evolutionary phase of development. With the liberalisation of the Indian economy and subsequent growth and prosperity across sectors, the wealth management industry is poised to gain greater traction in an expanding market.



Based on prevalent trends, we believe that both domestic and foreign banks, through their private banking and family office offerings, have targeted the HNI and UHNI segments whereas the IFAs, AMCs, stock brokers, retail banks *etc.* are targeting the mass affluent segment through innovative product offerings.

Post discovery of certain frauds in the wealth management space, the government is in the process of reviewing the regulatory issues regarding wealth management and private banking services. A sub-committee of the Financial Stability and Development Council has been constituted and is in the process of drafting these wealth management and private banking regulations.

Emerging Markets Capital Flow

We believe that the emerging markets, driven by high economic growth rates, favourable demographics and deepening capital markets, are expected to deliver returns which are superior to those in developed markets in the medium and long term. As a result of this expectation, the emerging markets will continue to grow at higher rates than the developed world. It is anticipated that over the next fifteen to twenty years, the collective economic output of the emerging markets will overtake that of the developed markets. We believe that of the emerging markets, the four large economies (*viz.* Brazil, Russia, India and China or “BRIC”) will occupy centre-stage.

The strength of emerging market capital flows observed over the last few years can be explained by a number of factors including opportunity for global diversification, trailing returns and the new found ability of investors to access emerging markets through liquid, low cost, indexed vehicles.

Investment Banking

The growth in emerging markets coupled with heightened interest from developed markets has created significant opportunities for financial intermediaries such as investment banks in areas such as cross border deal flows between emerging and developed markets, emerging markets institutional businesses, primary issuances and placements, amongst others, and is expected to continue so long as emerging markets continue to enjoy superior rates of growth.

Asset Management

Emerging markets offer a vastly unexplored opportunity for the global asset management industry, which is generally indicated by the inflows in portfolio investment from FIIs in the emerging markets. We expect this shift of preference to accentuate further over the next two decades, leading to an even larger share of developed market funds being invested in emerging market assets.

Also, rapid growth, deepening of financial markets and high savings rates are likely to result in the institutionalisation of the emerging market savings pools with the emergence of local institutional funds.

A. Religare Overview

We are an integrated financial services group with a network of 2,209 Business Locations across 579 cities in India. We also have a presence in several emerging markets and in key international financial centres including Singapore, Hong Kong, London and New York. We offer customer-centric financial products and services and have a presence across multiple customer segments including mass market, mass affluent, High Networth Individuals (HNI), Small & Medium Enterprises (SME) and mid and large corporate clients and institutional clients. In 2001, the current management took charge of our business and in a span of less than ten years, we have expanded our business which was primarily focused on equity broking into a diversified financial services conglomerate, operating through 10 Subsidiaries and two Joint Ventures in India and one Subsidiary outside India as of March 31, 2011.

Our businesses operate around three pillars, comprising the following:

- Our Integrated Indian Financial Services Platform comprises equity and commodity broking, capital markets lending and asset finance, asset and wealth management and life insurance businesses. This broad based platform enables us to exploit growth opportunities in the financial services sector in India as the Indian economy grows, leading to an increase in the demand for financial products and services. Simultaneously, as the Indian market becomes more financially evolved, the need for sophisticated products and services, such as complex financial products available in the more developed economies, is expected to increase. As is self evident from the diversity of the businesses comprising financial products and services that we offer in India, we intend to cater to all of the financial services needs of our clients and provide a one stop shop for financial products and services to our clients in India and have developed a wide and effective distribution platform through our network. Dun & Bradstreet has in its report, "India's Leading Equity Broking Houses 2010", rated us as one of the top three retail equity brokerage houses in India. Furthermore, our asset management business is the 13th largest in terms of average AUM for the quarter ended March 31, 2011.
- Our Emerging Markets Investment Banking business which provides institutional equity broking and investment banking services with a focus on emerging markets. This business is headquartered in London and has hubs in India, Singapore and Hong Kong as well as regional offices in the United States, Dubai and Australia. We started this business on the back of our acquisition of Hichens, Harrison & Co. Plc (now known as Religare Capital Markets Plc) in 2008 and since then, our network has expanded both organically and inorganically through acquisitions and partnerships. In Financial Year 2011, we acquired Central Joint Enterprises Limited (CJEL) (trading as Aviate Global), an institutional equities firm with a presence in Hong Kong, Singapore and Melbourne; a 50% interest in Bartleet Mallory Stockbrokers (Private) Limited, which offers financial services, including stock broking, investment advisory, equity research and online trading for the Sri Lankan market; Barnard Jacobs Mellet (BJM), an institutional equities firm, which primarily focuses on providing agency, broking and research on South African stocks to institutional clients in the United Kingdom. We also acquired BJM USA, a US-based broker dealer which is regulated by FINRA. This business is focused on developing a distinctive offering by creating strong research and trading capabilities that is focused on emerging markets opportunities, thereby enabling us to exploit the growing influence of emerging markets within the global economy.
- Our Global Asset Management Platform comprises fund management services spread across various asset classes and regions. This business aims to unlock value in western asset managers by acquiring controlling interests in asset management companies in the developed economies, and providing them institutional support by way of distribution and access to new pools of capital as well as investment opportunities in emerging markets, for the next phase of growth. Towards building this platform, we have undertaken several acquisitions, which have strengthened our global presence. These acquisitions include a 70% interest in Northgate Capital LLC and Northgate Capital LP, managers of private equity fund of funds with assets under management of approximately US\$ 3,000 million as of March 31, 2011 (transaction closed in FY11); and a 55% interest in Landmark Partners, a private equity and real estate investment advisory company with approximately US\$ 8,500 million in committed capital across its 27 funds as of March 31, 2011 (transaction closed in FY12).

We believe that our three pillar strategy is unique in the context of Indian financial services, thereby enabling us to capture growth opportunities, both in our home market India, and our chosen areas of operation across the emerging markets.

We operate all of our businesses through our various Subsidiaries and Joint Ventures. The following table provides a summary of our significant Subsidiaries and Joint Ventures as of March 31, 2011:



Company	Subsidiary / Joint Venture	Stake Held by Religare Enterprises Limited (REL)	Area of Operation
Religare Finvest Limited (RFL)	Subsidiary	100%	<ul style="list-style-type: none"> ■ Asset Financing ■ Capital Market Financing ■ IPO Financing and ESOP Financing ■ Promoter Financing
Religare Housing Development Finance Corporation Limited (through Religare Finvest Limited) (RHDFC)	Subsidiary	87.5%	<ul style="list-style-type: none"> ■ Housing finance under licenses issued by National Housing Bank ■ Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interests
Religare Securities Limited (RSL)	Subsidiary	100%	<ul style="list-style-type: none"> ■ Retail Equity Broking ■ Online Investment Portal ■ Depository Services
Religare Commodities Limited (through Religare Securities Limited) (RCL)	Subsidiary	100%	<ul style="list-style-type: none"> ■ Retail Commodity Broking Business
Religare Macquarie Wealth Management Limited (RMWML)	Joint Venture	50%	<ul style="list-style-type: none"> ■ 50: 50 joint venture with Macquarie for wealth management business
Religare Asset Management Company Limited (through Religare Securities Limited) (RAMC)	Subsidiary	100%	<ul style="list-style-type: none"> ■ Asset Management Company which manages Religare Mutual Fund ■ Portfolio Management Services
Religare Insurance Broking Limited (RIBL)	Subsidiary	100%	<ul style="list-style-type: none"> ■ Corporate Non-Life Insurance Broking
AEGON Religare Life Insurance Company Limited (ARLIC)	Joint Venture	44%	<ul style="list-style-type: none"> ■ Life Insurance Company, Joint Venture between REL (44%), AEGON N.V. (26%) and Bennet, Coleman & Company Limited (30%) for life insurance business in India
Religare Health Insurance Company Limited (RHICL)	Subsidiary	90%	<ul style="list-style-type: none"> ■ Health Insurance Company established with the objective of issuing health insurance and related products. R1 registration license has been received from the IRDA and the R2 registration license has been applied for.
Religare Capital Markets Limited (RCML)	Subsidiary	100%	<ul style="list-style-type: none"> ■ Investment Banking - SEBI Registered Category I Merchant Banker ■ Corporate Finance ■ Institutional Equity Broking ■ Acquisition of Hichens, Harrison & Co. Plc (now known as Religare Capital Markets Plc) through an international arm <ul style="list-style-type: none"> <input type="checkbox"/> Corporate Broking <input type="checkbox"/> Institutional Broking & Sales <input type="checkbox"/> Private Client Broking <input type="checkbox"/> Contracts for Differences <input type="checkbox"/> Research ■ Acquisition of CJEL through an international arm <ul style="list-style-type: none"> <input type="checkbox"/> Brokerage services to mutual fund and hedge fund clients across the Asian and Australasian markets, including Japan ■ Acquisition of 50% interest in Sri Lanka based Bartleet through an international arm

Company	Subsidiary / Joint Venture	Stake Held by Religare Enterprises Limited (REL)	Area of Operation
			<input type="checkbox"/> Stock broking <input type="checkbox"/> Investment advisory <input type="checkbox"/> Equity research <input type="checkbox"/> Online trading <input checked="" type="checkbox"/> Acquisition of the United States and United Kingdom operations and licenses of South Africa based BJM through an international arm <input checked="" type="checkbox"/> Agency broking and research on South African stocks to institutional clients in the United States and United Kingdom
Religare Global Asset Management Inc.	Foreign Subsidiary	100%	<input checked="" type="checkbox"/> Northgate Capital (70% through Religare Global Asset Management Inc.) <input type="checkbox"/> Private equity fund of funds <ul style="list-style-type: none"> <input type="checkbox"/> Venture capital fund of funds <input type="checkbox"/> Emerging markets fund of funds <input checked="" type="checkbox"/> Landmark Partners (55% through Religare Global Asset Management Inc.) <ul style="list-style-type: none"> <input type="checkbox"/> Private equity and real estate investment advisory company <input type="checkbox"/> Specialises in secondary market (buying stake of existing investors in established products)

B. Significant Developments/Recognition during financial year 2010-11

Awards & Recognition: We won several awards and accolades during the year.

- REL was presented with the 'Best Retail Marketing Campaign of the Year, 2010' at Asia Retail Congress.
- REL was awarded the 'Master Brand Award' and 'Best Marketing Campaign of the Year' at the World Brand Congress, 2010;
- RSL was awarded the 'Best Broking House with a Global Presence' by Dun and Bradstreet;
- Religare Tax Plan was awarded the first runner up award at the NDTV Mutual Fund Awards in the 'Equity Tax Plan' category by NDTV Profit;
- Religare Capital Markets Limited was awarded the 'Best Deal in the Health Care' category for Fortis Health Care Limited's acquisition of a stake in Parkway Holdings Limited by the M&A Advisor;
- REL was awarded the Greentech HR Excellence Awards in the following two categories: (i) Innovation in Recruitment and (ii) Technology Excellence in HR by Greentech Foundation.
- RCML was awarded the Starmine award for the 'Best Brokerage Research House' by Thomson Reuters;

Recent Developments

Acquisition of Landmark Partners

We have acquired a 55% interest in Landmark Partners for US\$ 171.50 million on April 18, 2011. Landmark Partners was incorporated in the United States in 1989, and is a leading private equity and real estate investment advisory company with approximately US\$ 8.5 billion in committed capital across its 27 funds as of March 31, 2011. Landmark Partners was chosen as the "Best Secondaries Firm in North America" for the years 2009 and 2010 by Private Equity International.

Approval for health insurance business

We intend to commence our health insurance business in India in the near future. Our Subsidiary, RHICL had filed R1 application which has been accepted by the Insurance Regulatory & Development Authority vide letter reference 150/Religare Health/ NL/10-11 dated January 6, 2011. RHICL has applied for R2 registration by its application dated January 10, 2011.

Acquisition of minority stake in Investment Professionals Limited

We have acquired a minority stake in Investment Professionals Limited ("IPRO") in May, 2011. Founded in 1992,



IPRO is an investment management services company based in Mauritius and Botswana. IPRO has in excess of US\$ 300 million of assets under management with a diversified client base. IPRO manages two Mauritius-listed funds: IPRO Growth Fund and P.O.L.I.C.Y Limited and has a team of 15 fund managers and analysts.

C. Our Businesses

Broking

Our broking business encompasses retail equity broking, currency and futures broking, commodity broking and insurance broking.

Retail Equity Broking

Our retail equity broking business is operated by RSL, our wholly owned subsidiary, which offers complete broking services catering to retail customers including equity broking in the cash and derivatives segments, currency futures and options broking and depository participant services as its major activities and offerings. RSL is a member of the NSE, the BSE and the MCX SEL, is a Depository Participant with NSDL and CDSL. CRISIL and ICRA, two of the leading rating agencies in India have assigned the ratings of 'P1+' and 'A1+', respectively, the highest credit quality ratings for short term debt, to RSL for its short term debt aggregating to Rs. 15,000 million.

Our equity client base has grown from 687,064 clients as of March 31, 2010 to 780,430 clients as of March 31, 2011. This increase is attributable largely to the extended geographical reach of our business network, increase in our sales manpower and a sharper focus on acquisition of new clients by our sales team.

For its equity trading services, RSL's model combines a dedicated relationship and dealing team for each client to ensure that clients' existing business is executed efficiently and at the same time newer products and services can be sold to clients. While the dealing teams regularly update the equity trading clients with market information and also execute their trades, the relationship team cross-sells and up-sells newer products and services. As of March 31, 2011, RSL had 2,915 dedicated RMs and dealers.

RSL has a specialized and dedicated "BANCINVEST" channel, which facilitates relationships with Banks for distribution of our products and services to the banks' clients. RSL has through this channel entered into agreements with Tamilnad Mercantile Bank Limited, Andhra Bank, Corporation Bank, Indusind Bank, Bank of Maharashtra, Union Bank and Karur Vysya Bank to offer its trading services. We are also forging relationships with other large private and public sector banks to cater to a broader spectrum of investors nationally.

Priority Client Equity Services

RSL's priority client equity services are targeted at HNIs who actively invest and trade in equity markets and want to be serviced on a priority basis with customised research and advisory support. RSL's priority client equity services engage the services of experienced equity professionals for client acquisition and relationship management.

Online Investment Portal

RSL's online investment portal allows customers to access a complete suite of investment products and services such as equity, commodity, IPO and mutual funds over the Internet. The online investment portal complements the equity trading services offered by RSL's branches. As at March 31, 2011, RSL had more than 157,200 online accounts which grew from approximately 144,400 online accounts as at March 31, 2010.

RSL's internet trading volume accounted for approximately 8.54% of the entire internet trading volume on the NSE for the month of March 2011.

Currency Broking

Currency broking provides an opportunity for clients to expand into other markets, diversify their portfolios and use currency futures and options to hedge their capital and trading exposure. Offerings include futures and options in four currency pairs, viz. US\$-Indian Rupee, Euro-Indian Rupee, Pound Sterling-Indian Rupee and Japanese Yen-Indian Rupee.

Commodities

RCL is registered with the Forward Markets Commission (FMC) and is a member of the Multi-Commodity Exchange of India Limited (MCX), the National Commodities and Derivatives Exchange Limited (NCDEX), the National Spot Exchange Limited (NSEL), the NCDEX Spot Exchange Limited (NCDEX SEL) and the National Multi-Commodity Exchange of India Limited (NMCE). Brokerage from trading commodities on behalf of clients is the primary source of revenue for RCL.

Commodity broking provides investors with a platform for hedging risks as well as an alternative investment avenue. RCL is targeting our equity trading customers for investment in globally-traded commodities, such as agricultural products, bullion, metals and oil & gas. In all the locations where commodity trading services have

been provided, RCL has employed experienced commodities dealers, who support trading for commodity broking clients. In certain locations where required, RCL also has dedicated commodity RMs. As of March 31, 2011, RCL had 728 dedicated commodity dealers and RMs. RCL also has more than 40 operational Mandi (rural market) locations which provide an on the ground pulse of the developments in the Indian agricultural sector.

Institutional Broking

Our global institutional business is empanelled with 445 institutional clients as on March 31, 2011. Institutional broking is supported by a research desk which includes a team of highly qualified and dedicated professionals covering 185 companies in India and 25 internationally across 16 sectors.

Lending

Our lending business is operated by RFL, which is registered with RBI as an NBFC not accepting public deposits. RFL provides various forms of credit, such as loans against securities, home loans, loans against property, loans for commercial assets, working capital and plant and machinery loans for SMEs, personal financial services, promoter financing, ESOP financing and IPO financing. RFL had a distribution network of approximately 46 branches spread across 13 states in India as of March 31, 2011. We believe RFL's pan-India coverage will allow it to continue to grow its loan portfolio and that its in-house ability to appraise credit quality is the key to providing efficient credit decisions. ICRA, one of the leading rating agencies in India, has assigned a rating of 'A1+' for RFL's short term debt for an amount upto Rs. 75,000 million and 'LAA-' for RFL's long term debt for an amount upto Rs. 20,000 million and 'LAA-' for RFL's long term bank loans of Rs. 48,000 million. CARE has assigned a rating of 'CARE AA-' to RFL's long term debt for an amount up to Rs. 2,500 million and FITCH has assigned a rating of 'AA-(Ind)' to RFL's lower tier-II subordinate debt programme for an amount up to Rs. 2,500 million.

We expect our lending business to capitalise on the significant opportunity in the SME segment. As per a study carried out by ASSOCHAM, SME's contribution to national GDP is expected to go up by a minimum of 5% and touch 22% share of India's GDP by the Financial Year 2012 (Source: www.assochem.org/prels/printnews.php?id=1696).

RFL's employee strength stands at approximately 1,450 employees as of March 31, 2011. The secured and unsecured loans given by RFL increased from Rs. 40,855.90 million as of March 31, 2010 to Rs. 89,669.27 million as of March 31, 2011, and its customer base increased at a CAGR of 18% from 10,735 as of March 31, 2010 to 20,640 as of March 31, 2011.

We also offer capital markets financing through RFL, which provides loans against equity securities, mutual funds, structured products, promoter financing, ESOP financing and IPO financing.

Asset Financing

Mortgage - Loan against property: Our 'Loan against Property' product enables our customers to obtain loans against their residential or commercial property. Loans offered under this product may be utilised towards different purposes including business expansion and purchase of plant and machinery. During FY11, RFL disbursed Loans Against Property amounting to Rs. 30.47 bn and the total book size as on March 31, 2011 was Rs.35.59 bn. with a customer base of 2,926 clients.

SME Working Capital Loans: This product caters to working capital and other financial requirements of small and medium enterprises, self employed businessmen and professionals. Loans are granted post an in-depth and detailed financial analysis and credit underwriting of the clients. We offer both unsecured loans and loans against plant and machinery and equipment. The SME working capital loan product was launched in December 2008 and the total book size as on March 31, 2010 was Rs. 3.06 bn. During FY11, RFL disbursed SME Loans amounting to Rs. 6.86 bn and the total book size as on March 31, 2011 is Rs. 6.81 bn with a customer base of 3,473 clients.

Commercial assets - Loans against commercial vehicles/construction equipment: Commercial asset funding is extended by RFL to both priority sector small operators and high-end strategic operators both in commercial vehicles (new or used) and construction equipment (heavy or light) segments. The commercial asset loan product was started in December 2008 and the total book size as on March 31, 2010 was Rs. 4.7 bn. During FY11, RFL disbursed Commercial Assets Loans amounting to Rs. 12.81 bn., taking the total book size (net of repayments) as on March 31, 2011 to Rs. 14.23 bn. and the customer base grew to 12,180 clients.

Auto Lease: This product caters to funding of car leases to Corporate across all the industries in most of the tier-1 cities and few tier-2 cities. The car lease program falls under the category of finance lease. The offering is given to Corporates who have an excellent track record with respect to financials, best in class in their own industry segment, assurance on the support to be extended to implement the process, etc. We started Auto lease business in the last quarter of FY 10 and the total finance lease book as on March 31st, 2010 was Rs. 4.89 cr. During FY11, RFL disbursed Finance Lease business amounting to Rs. 96 cr., taking the total finance lease book (net of repayments) as on March 31st, 2011 to Rs. 1.13 bn and the total no of Corporates are 47 and the no of users in those Corporates are 1557.



Capital Markets Financing

Loans against securities: Our loans against securities business involves offering loans secured by securities held by retail customers, which enables us to leverage our equity market positions to take increased exposure. RFL's loans against securities as of March 31, 2011 aggregated to Rs. 12,688.31 million across 1,445 clients.

IPO financing: IPO financing is focused on the high net worth individual investor finance market in India and is engaged in offering secured loans to such high net worth customers who subscribe to shares of companies in domestic public offerings ("IPO Financing"). IPO Financing helps customers overcome the liquidity concerns by providing leverage to put in large size applications. RFL undertakes IPO Financing with minimal incremental costs due to its existing infrastructure and client base.

Promoter financing: Promoter financing entails lending to promoters of large, reputed corporates against shares held by them in their companies and other collateral, in order to augment the resources at the disposal of the promoters. RFL undertakes credit appraisal to establish the serviceability of the loans and also maintains a high margin of safety on the security. This product was launched in April 2010 and targets the promoters of the top 1,000 companies (by market circulation) in India. The outstanding loans for the promoter financing product, as on March 31, 2011, amounted to Rs. 8,503.32 million across 25 clients.

ESOP financing: ESOP financing allows employees who have been awarded company stock options under an ESOP to take a loan against vested stock options and shares allotted on exercise. Many corporates proactively facilitate the exercise of ESOP options by their employees through this mechanism. RFL's loans for ESOP financing as of March 31, 2011 aggregated to Rs. 163.47 million across 84 clients.

Investment Banking

We operate our investment banking business through RCM, which is registered as a Category I Merchant Banker with SEBI and as a multiple member in the 'Cash Segment' and as a 'Self Clearing and Trading Member' in the derivatives segment with the NSE. RCM is also registered with the BSE as a member in the 'Cash Segment'. RCM serves institutional clients and its efforts are supported by an experienced research team. In the last one year, RCM has invested significantly in strengthening its investment banking platform by hiring key management personnel from bulge-bracket investment banks, and by acquiring several companies in the advisory and equities space.

RCM aims to provide integrated and best-fit solutions to its clients and endeavours to provide value added services through diverse financial solutions in areas such as public equity offerings, convertible bond offerings, mergers and acquisitions advisory services, corporate restructuring advisory services, placement of private fund raisings (including debt and equity), and other investment banking and transaction advisory services. RCM supports its investment banking clients internationally through its headquarters in London; hubs in India, Singapore and Hong Kong; and regional offices in the United States, Dubai and Australia.

RCM's investment banking professionals maintain relationships with businesses, private equity firms, other financial institutions and high net worth individuals, and provide them with corporate finance and investment banking advice. We won an international award at the 8th Annual M&A awards held in New York for a deal in which REL was involved, namely the "Ranbaxy-Daiichi" deal, recognised as the "Best M&A Deal in the Health/Life Sciences Category". Recently, RCM advised Fortis Healthcare (India) Limited and Fortis Global Healthcare Holdings Pte Limited on several M&A deals including the acquisition of Wockhardt Hospitals Limited, India for US\$ 189 million, Quality Healthcare, Hong Kong for US\$ 196 million, Dental Corporation, Australia for US\$ 131 million and also on the sale of stake in Parkway Hospitals, Singapore for US\$ 685 million. We also advised Far Eastern Energy Corp (USA) for placement of shares, Ablon Group Limited (UK) where we were Lead Manager to their Rights Issue and advised Noventa Limited (UK) for Placement Agent for Convertible Preference Share Issue.

Institutional Brokerage

Our institutional brokerage business provides research and sales and trading services to asset management companies, pension funds, insurance companies and hedge funds around the world, and includes the acquired business of RCM Plc as well as the more recently acquired businesses of CJEL, Bartleet and BJM, as further described below. Globally our institutional broking business is empanelled with 445 clients as on March 31, 2011.

Institutional Research

RCM has one the largest institutional research teams in India providing comprehensive coverage of Indian markets. In addition to quality primary research, RCM also publishes several in-depth and thematic reports for its clients. RCM engaged a team of highly qualified and dedicated professionals covering more than 185 companies in India (representing over 75% of the BSE market capitalisation) and 25 internationally across 16 sectors.

International expansion of investment banking business through acquisitions

Religare Capital Markets Plc.: RCM, through its Subsidiary, RCMIUKL, acquired RCM Plc (formerly Religare Hichens, Harrison & Co. Plc ("RHH")), in the Financial Year 2009 for £55.5 million (equivalent to Rs. 4,682.81

million). RHH, incorporated in the year 1803, is believed to be one of the oldest stock broking firms in the City of London. RCM Plc is engaged in investment banking, corporate finance, institutional broking, "nominated advisor" services and main market sponsor activities. Religare Capital Markets Plc (RCM Plc) is engaged in corporate broking, fund raising and placement, institutional sales and research. RCM Plc is authorised and regulated by the Financial Services Authority (FSA) in the UK. RCM Plc is a member of the London Stock Exchange, a PLUS Markets Corporate Adviser and a member of the association of Private Client Investments Management & Stockbrokers. Religare Capital Markets (UK) Limited is a subsidiary of RCM Plc and is authorised and regulated by the FSA and a UK Listing Authority (UKLA) registered Main Market Sponsor and an AIM Nominated Adviser. Religare Capital Markets (EMEA) Limited (formerly Barnard Jacobs Mellet UK Ltd) is also a subsidiary of RCM Plc and is authorised and regulated by the FSA and is a member of London Stock Exchange. RCM Plc (Dubai branch) has category 4 licence with the Dubai Financial Services Authority.

Barnard Jacobs Mellet (UK) Limited: RCM acquired BJM in December 2010 for £ 2.9 million (equivalent to Rs. 213.52 million). BJM primarily focuses on providing agency broking and research on South African stocks to institutional clients in the United Kingdom. BJM is now a subsidiary of RCM Plc, and as of November 17, 2010, was renamed Religare Capital Markets (EMEA) Limited. Further, on receipt of FINRA's approval in December 2010, RCM Plc through its subsidiary, Religare Investment Holdings (UK) Limited, acquired 100% membership interest in BJM USA with effect from January 25, 2011 BJM (USA) has since been renamed Religare Capital Markets (USA) LLC. BJM (USA) LLC is a broker dealer and regulated by FINRA of USA

RCM (EMEA) Limited is authorised and regulated by the Financial Services Authority in the United Kingdom and is a member of the London Stock Exchange.

Central Joint Enterprises Limited: RCM Plc acquired CJEL in December 2010. CJEL was incorporated in the year 2008 by a group of experienced equities professionals in Hong Kong. CJEL's principal activities include brokerage services to mutual fund and hedge fund clients across the Asian and Australasian markets, including Japan. The Hong Kong and Singapore entities which form this business are now subsidiaries of RCM Plc and have been renamed Religare Capital Markets (Hong Kong) Limited and Religare Capital Markets (Singapore) Pte Limited, respectively.

CJEL has Type - 1 (dealing in securities) and Type - 4 (advising on securities) licenses in Hong Kong and a license granted by the Monetary Authority of Singapore to deal in securities. CJEL also has a branch in Australia. CJEL, now integrated within Religare Capital Markets Plc, has an experienced team of 38 professionals across Hong Kong, Singapore, London and Melbourne as of December 31, 2010.

Bartleet Mallory Stockbrokers (Private) Limited: RCM acquired a 50% interest in Bartleet in the Financial Year 2011. Bartleet, incorporated in 1989, is part of the Bartleet Group of companies, which is a renowned business house in Sri Lanka with interests in finance, plantations, and information and communication technology. Bartleet offers a variety of financial services including stock broking, investment advisory, equity research and online trading for the Sri Lankan market.

Insurance

Life Insurance

We operate our life insurance business through ARLICL, which is a joint venture amongst our Company, AEGON N.V. and Bennett, Coleman & Company Limited, with our Company holding a 44% share, AEGON N.V. holding 26% and Bennett, Coleman & Company Limited holding the balance 30%. ARLICL sold its first policy in July 2008.

ARLICL manages individual insurance and pension business through multiple distribution channels across India. The main distribution channels are the traditional agency channels, salaried sales force and third party distributors. As of March 31, 2011, ARLICL had over 110 Business Locations. ARLICL launched the first completely online term insurance product, i-Term, in India. ARLI offers Traditional products portfolio including Non-Participating plans, Participating Individual plans, Participating Pension plan, Health plans & Group plans and Unit Linked product portfolio including Unit Linked Life plans, Unit Linked Pension plan and Unit Linked Group Gratuity plan.

Pursuant to this joint venture agreement amongst our Company, AEGON N.V. and Bennett, Coleman & Company Limited, we are assured an IRR of 12% backed by way of bank guarantees. For the Financial Year 2011, ARLICL sold over 93,000 new policies and realised an Annualised Premium Equivalent (APE) of Rs. 2.5 bn.

Health Insurance

We intend to offer health insurance and related products through our Subsidiary, RHICL. REL holds 90% stake in this venture, with the balance held equally by Corporation Bank and Union Bank of India, two leading public sector banks with a vast branch network across India.

RHICL has already recruited all key management personnel. We believe that the top management of RHICL comprises experienced and successful professionals from the industry. RHICL's R1 application has already been



accepted by IRDA and has already applied for R2 approval on January 10, 2011 upon grant of which, the process in relation to the R3 approval can be initiated. RHICL will be in a position to issue policies once R2 and R3 approvals are received. RHICL has already drawn up detailed plans for the launch of the products including for underwriting, marketing and distribution, and is in the process of working out arrangements with hospitals and other healthcare providers, which will enable it to rapidly launch products once all approvals are received from IRDA. Our Promoters have also promoted Fortis Healthcare (India) Limited, which operates the second largest hospital chain in India; Super Religare Laboratories Limited, which is India's largest diagnostics company with 181 network laboratories and 888 collection centers; and Religare Wellness Limited, a leading pharmacy chain with 130 stores across India. We believe that our access to this healthcare delivery ecosystem confers a significant advantage to RHICL in designing innovative products and improves the ability to underwrite risk.

Wealth Management

“Religare Macquarie Private Wealth (RMPW) has made significant progress since inception four years ago, particularly over last one year, to become a true Wealth Management Business. With a new management team and the successful implementation of a new business strategy, RMPW now has a strong value proposition, one which it continues to build on as it evolves into a more mature, robust and capable private wealth management organization. In terms of breadth of product offering and holistic advisory methodology, RMPW is now in a position to provide a service and product offering to match the best in the industry. During the year, RMPW hired several wealth managers with a deep understanding of the market and solid relationships within the target client segment. The number of wealth advisors stands at approximately 160 as at end of March, 2011, and these Wealth Managers are experienced and disciplined, with the necessary capability to execute our advisory strategy for clients.

RMPW is a SEBI-registered Portfolio Management Advisor – we are expecting to broaden our advisory services significantly, leveraging our PMS advisory capability across a far broader set of clients over the year ahead. Significant progress has been made to improve RMPW's technology capability for an improved client interface and the service function and client engagement capability is fully geared to take care of our clients needs. The entity is poised to grow and is fully geared up to handle the changing regulatory environment and the challenging business environment.”

Asset Management

Our asset management business comprises global asset management, domestic asset management and wealth management services and other investment advisory services.

Global Asset Management

Our global asset management business is operated by RGAM, which is a holding company for overseas asset managers acquired by us, and is registered with the United States Securities and Exchange Commission as an investment advisor. We intend to bring the acquired asset managers on to a common governance and distribution platform, while preserving their investment and operational autonomy and unique culture. We intend to support the asset managers with a capital introduction program and to expand their distribution in emerging markets. Currently, RGAM holds a majority interest in Northgate Capital and Landmark Partners, and a strategic stake in Investment Professionals Limited.

Northgate Capital: We acquired a majority interest in Northgate Capital, in FY11 for an upfront payment of US\$ 84 million (equivalent to Rs. 3,903 million) plus a contingent performance-based payment. Northgate Capital is one of the leading managers of global private equity funds of funds with assets under management of approximately US\$ 3,000 million as of March 31, 2011.

Northgate Capital focuses on investment into private equity funds and companies in the developed markets, including North America, Europe and Japan. It also focuses on investment into venture capital funds and companies in the developed markets, primarily North America and Europe. Additionally, Northgate Capital invests in emerging market, private equity and venture capital funds, primarily in Asia, emerging Europe and Latin America.

Landmark Partners: We have acquired a 55% interest in Landmark Partners for US\$ 171.50 million. Landmark Partners was incorporated in the United States in 1989, and is a leading private equity and real estate investment advisory company with approximately US\$ 8,500 million in committed capital across its 27 funds as of March 31, 2011. Landmark Partners was chosen as the “Best Secondaries Firm in North America” for the years 2009 and 2010 by Private Equity International.

Landmark Partners has funds focused on venture capital, buyout, mezzanine, and real estate partnerships. Landmark Partners has acquired a variety of interests inside and outside the United States, including companies or limited partnership interests in Europe, the Middle East, Latin America and Asia. Landmark Partners is headquartered in Simsbury, Connecticut, United States, and has offices in Boston and London.

Investment Professionals Limited: In May 2011, we acquired a strategic stake in IPRO. IPRO was founded in 1992 and is an investment management services company based in Mauritius and Botswana. It has in excess of US\$ 300 million of assets under management with a diversified client base. It manages two Mauritius-listed funds, IPRO Growth Fund and P.O.L.I.C.Y Limited, and has a team of 15 fund managers and analysts. It provides investors with access to investment opportunities in Mauritius, Africa and India.

Domestic Asset Management

We offer discretionary PMS through RAMCL, a wholly owned subsidiary of RSL, which in turn is a 100% Subsidiary of Religare Enterprises Limited. RAMCL manages the assets of Religare Mutual Fund pursuant to an investment management agreement dated April 27, 2006. Religare Mutual Fund is registered with SEBI as a Mutual Fund under SEBI (Mutual Funds) Regulations, 1996 by way of registration no. MF/052/05/01 dated July 24, 2006. The average AUM for the quarter ending March, 2011 stood at Rs. 115.05 bn. Religare Mutual Fund was ranked no. 13 by AUM out of 41 Mutual Funds operating in India. The total number of investor folios as of March 31, 2011 exceeded 248,400.

Our product portfolio is managed by individually focused investment management teams. Our philosophy for managing fixed income assets revolves around safety, liquidity and consistency with the objective of building high quality portfolios, while our equity investment philosophy is centered on generating capital appreciation for the investor. We aim to undertake thorough research combined with a disciplined portfolio management approach.

RAMCL also provides non-binding, non-discretionary and non-exclusive advisory services to off-shore funds and discretionary portfolio management services for a variety of asset classes. RAMCL currently has seven major domestic PMS products: "Caterpillar", "Panther", "Tortoise", "Elephant", "Infrastructure", "Leo" and "Structured Product". These products are designed for varying preferences, objectives, risk tolerance and investment goals of customers. RAMCL's PMS operates on a multi-fund manager approach, where each scheme is supported by a fund manager and a research analyst. Each scheme has its own operations, risk and customer support teams and is headed by the PMS Chief Investment Officer.

RAMCL is registered under the SEBI (Portfolio Managers) Regulations, 1993 to act as a Portfolio Manager, which is valid until November 30, 2011.

Bullion Trading

Religare Bullion Limited (RBL) was incorporated on June 24, 2010 and is a wholly-owned subsidiary of Religare Commodities Limited (RCL). RBL's principal business is trading in bullion (precious metals), both in physical form as well as by way of exchange-traded contracts. In Fiscal 2011, our focus has been on trading in gold.

According to the World Gold Council, India is the largest importer of gold in the world and we expect that consumption and import of gold will grow rapidly as the Indian economy continues to maintain high rates of GDP.

RBL is targeting both the wholesale and retail segments of the gold trading business. The Wholesale segment comprises jewellers who are bulk buyers of gold for manufacturing of jewellery as well as wholesale traders. RBL has already developed distribution capabilities in Mumbai, Delhi and Ahmedabad, which are among the largest markets for gold in India, and will establish a presence in other markets at the appropriate time.

RBL's business became operational only in December 2010 and in a short span of four months, RBL has have sold approximately 1.75 tonnes of gold.

RBL utilises exchange-traded forward contracts to hedge price risks arising from open positions in the physical delivery market. In the retail segment, after through research, RBL has developed its 'Easy Gold' product, whereby the customer will invest small sums of money on a regular basis and will receive a certain quantity of gold in the form of coins or bars at the end of the investment period.

RBL launched the Easy Gold product on a pilot basis in six cities across India in February 2011 and the pilot was in progress as at the end of Fiscal 2011. The initial findings have been encouraging and our plans for a pan-India launch of the product will be fine-tuned based on the outcome of the pilot.

RBL also intends to pursue arbitrage opportunities in exchange traded bullion contracts which we believe can do so at negligible risk given that these markets are extremely liquid, structurally sound and well regulated.

D. Our Competitive Strengths

Strong promoter commitment

Our Promoters, Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh, have business interests spanning various sectors including healthcare delivery and financial services. Our expansion has been supported by significant capital contributions by our Promoters.

Our promoters, along with the promoter group, have cumulatively invested over Rs. 27,000 million in the company.



Robust India platform, well positioned to exploit significant growth opportunities in the Indian financial services sector

We have an established and integrated Indian financial services business comprising equity and commodity broking, capital market lending and asset finance, asset and wealth management, and life insurance businesses.

We believe that we have one of the largest retail financial services networks in India consisting of 2,209 Business Locations spread across 579 cities as of March 31, 2011, which strengthens our reach and distribution network to retail investors.

We offer financial services and products to clients across segments. For example, we offer asset management, retail and insurance broking services to the mass market, lending, broking and insurance services to the mass affluent, wealth management services to HNIs and, lending and advisory services to SMEs, mid and large-size companies.

We offer complete broking services catering to retail customers including securities broking, depository participant services and portfolio management services as our major activities and offerings. Our equity broking services had more than 780,400 clients as of March 31, 2011.

In addition, secured and unsecured loans given by our Subsidiary, RFL, have grown significantly in the recent past we provide various forms of credit, such as loans against securities, home loans, loans against property, loans for commercial assets, working capital, and plant and machinery loans to SMEs, personal finance services, promoter financing, employee stock option plan ("ESOP") financing and IPO financing, with a focus on secured debt financing.

Our life insurance business, operated through a joint venture with AEGON N.V., provides a wide range of protection and savings (both traditional and ULIP) plans. This business commenced in the Financial Year 2009 and, as of March 31, 2011, we had insured approximately 151,000 individuals. We also intend to commence our health insurance business in India in the near future, and our Subsidiary, RHICL, has received R1 acceptance from the IRDA and has applied for R2 registration.

Our asset management company offers various debt-oriented, equity-oriented and hybrid schemes as well as exchange-traded funds and also provides discretionary portfolio management services. For the quarter ended March 31, 2011, our average assets under management under various mutual fund schemes amounted to Rs. 115.05 bn. We provide customised wealth management services to HNIs through our joint venture with Macquarie.

We believe our strong distribution capabilities, along with our manufacturing capabilities across multiple financial products and services, as described above, and structural capabilities together constitute a comprehensive suite of financial services that address various needs of our clients thereby creating a strong and sustainable platform for growth in the Indian market.

Wide institutional distribution network and client coverage through our investment banking and global asset management businesses

We have invested significantly in strengthening our investment banking platform by building an experienced management team and by widening our distribution network and client coverage through strategic acquisitions in the equities and asset management space. Our investment banking professionals maintain relationships with businesses, private equity firms, other financial institutions and high net worth individuals, and provide them with corporate finance and investment banking advice. Our investment banking services include executing public equity offerings, mergers and acquisitions advisory services, corporate restructuring services, placement of private debt and equity offerings and rendering general investment banking and transaction advisory services.

Our institutional brokerage business is empanelled with 445 clients as of March 31, 2011, including FIIs, mutual funds, banks and insurance companies across Asia, Europe and the United States. Religare Capital Markets Limited acquired CJEL and BJM in the Financial Year 2011 to augment its international presence. CJEL is an institutional equities firm focusing on mutual fund and hedge fund clients across the Asian and Australasian markets, including Japan. BJM, another institutional equities firm, primarily focuses on providing agency, broking and research on South African stocks to institutional clients in the United Kingdom and the United States.

RCM has an emerging markets focused institutional equities research team highly qualified and dedicated professionals covering 185 companies in India and 25 internationally across 16 sectors as of March 31, 2011. In addition to quality primary research, RCM also publishes several in-depth and thematic reports for its clients.

The affiliates acquired by our Global Asset Management business have existing relationships with institutional investors, private equity funds, etc. and will continue to use these relationships to sell new products. In addition, RGAM intends to leverage on these relationships to distribute products from one affiliate to investors who have participated in other affiliates. RGAM also intends to utilise the distribution teams of RCM, particularly those in Japan, Dubai and Hong Kong, for providing a wider reach to its affiliates' products.

Diversified financial services products providing a balanced risk portfolio

Our diverse portfolio of products balances our risk between capital intensive fund-based products, such as capital market finance and asset finance, and the non-capital intensive fee based products, such as equity and commodity broking, investment banking, asset management and wealth management. Additionally, we expect that our long-term value creating businesses, such as insurance and asset management, will provide us with stable, annuity-based revenues, balancing out the transactional returns from our capital markets businesses, which have market driven and volatile cycles of growth.

Synergistic business segments in the financial services domain providing a one stop shop for clients and opportunities for cross-selling our products

We offer a diversified range of financial services and products across different platforms, including equity and commodity broking, lending, online trading, investment banking, institutional equities, private client brokerage, wealth management, asset management, portfolio management services, investment advisory services, insurance broking, life insurance, investment banking and wholesale financing, providing a one-stop solution to financial services needs across all classes of investors.

Our diversified service platform has been designed to allow us to leverage relationships across our various lines of businesses, thereby increasing our ability to cross-sell our products and services. For example, equity capital markets offerings advised upon by our investment banking group may be cross-sold to retail investors through our retail brokerage business and increases our retail product offerings; we are able to cross sell our mergers and acquisitions and equity capital markets advisory services to asset management investees; our equity capital markets group can source private equity transactions for our asset management group; we can provide researched investment ideas for our asset management business; and we can also cross-sell wealth management and wholesale financing alternatives to our investment banking clients.

Our global asset management business aims to acquire affiliates from various asset classes and regions to build scale and network effect. We expect to capitalise on the global platform to sell our India and emerging markets based asset management products globally.

Experienced and committed senior management team

We have a senior management team that is experienced in identifying and exploiting markets for new and innovative financial instruments. Our leadership team comprises experienced professionals who have previously worked at renowned financial institutions in India and abroad. For example, our Chairman and Managing Director, Sunil Godhwani has over two decades of experience in managing large businesses and is currently on the board of directors of several of our Group Companies including RMWML, ARLICL, amongst others; our Group CEO, Shachindra Nath has over 16 years of experience and has been associated with us since 2000; our Group CFO, Anil Saxena has over 20 years of experience in the financial services industry and has been associated with us since 2002; our Group COO & Head of Strategy, Basab Mitra, has over 18 years experience and has worked with organizations such as GE Capital, McKinsey & Co. and Arcapita; the CEO of RCM, Martin Newson, has over 25 years of industry experience, including senior positions at Dresdner Kleinwort in London, Credit Suisse and Goldman Sachs in London; our head of Global Asset Management, Paresh Thakker, has over 18 years of industry experience, including positions at DSP Merrill Lynch, Infinity Ventures and Evolence India; the CEO of RSL, Gagan Randev, has over 19 years of industry experience, including senior positions at ABN AMRO, Citigroup and TATA AIG; and the CEO of RFL, Kavi Arora, has over 17 years of industry experience, including senior positions at ABN AMRO, Citi Financial and GE Capital.

Governance complemented by alignment of management interest

Our Promoters, Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh, having nurtured our Company and built a strong professional management team, resigned from our Board, with effect from April, 2010, and our group CEO and group CFO were inducted on our Board. With a view to bring greater diversity and international experience on the Board, Ms. Kathryn Matthews and Mr. Stuart Pearce were appointed as Independent Directors on the Board of our Company in July, 2010. Ms. Kathryn Matthews and Mr. Stuart Pearce, collectively, have over 65 years of experience in the international financial services business. We have implemented a co-ownership structure at the management level, whereby we have aligned our management's interests to those of our



shareholders. On the recommendation of our shareholders, we have resolved to issue shares/ options to senior employees of our Company and its subsidiaries up to a maximum limit as set out in the table below:

Entity	Maximum shares/ options to be issued to employees (% of diluted capital)
REL	10%
RSL	7.50%
RFL	7.50%
RHICL	10%
RCM	25%

Furthermore, to encourage collaboration across various businesses, the senior management of our Subsidiaries have been granted stock options at the subsidiary level as well as at our Company level, and senior management personnel of our Company have been granted co-ownership at our Company level as well as at the subsidiary-level. We are confident that a management team with such experience, bandwidth and aligned interests, complemented by strong governance practices, can execute our growth strategy.

E. Discussion on Consolidated Financial and Operational Performance of Religare Enterprises Limited

i. Our Results of Operation

	Fiscal 2011		Fiscal 2010		Growth
	Amount (Rs. in million)	% of total income	Amount (Rs. in million)	% of total income	%
Income from Operations	23,504.98	78.78	15,509.82	92.58	51.55
Interest Income	117.90	0.40	131.13	0.78	(10.09)
Other Income	2,298.30	7.70	940.89	5.62	144.27
Sale of Shares, Bullions etc.	3,913.97	13.12	170.37	1.02	nm
Total Income	29,835.15	100.00	16,752.21	100.00	78.10
Expenditure					
Cost of Shares/Bullions etc.	3,905.52	13.09	76.98	0.46	nm
Commission & Brokerage	1,740.34	5.83	1,361.71	8.13	27.81
Employee Cost	9,853.50	33.03	5,195.43	31.01	89.66
Financial Expenses	7,898.85	26.47	2,797.47	16.70	182.36
Other Expenses	8,424.62	28.24	5,346.46	31.91	57.57
Total	31,822.83	106.66	14,778.05	88.22	115.34
Profit Before Tax	(1,987.68)	(6.66)	1,974.16	11.78	nm
Tax - Current Tax, Deferred Tax and Dividend Distribution Tax	957.64	3.21	1,002.70	5.99	(4.49)
PAT Before Minority Interest	(2,945.32)	(9.87)	971.46	5.80	nm
PAT After Minority Interest	(3,005.20)	(10.07)	969.24	5.79	nm
Earnings per share (Rs.)					
Basic	(22.98)	-	11.25	-	nm
Diluted	(22.98)	-	11.17	-	nm

We recorded 'Loss before Tax' of Rs. 1,987.68 million for Fiscal 2011 as compared to 'Profit before Tax' of Rs. 1,974.16 million for Fiscal 2010. 'Loss after Tax after Minority Interest' was Rs. 3,005.20 million for Fiscal 2011 as compared to 'Profit after Tax after Minority Interest' Rs. 969.24 million for Fiscal 2010. Consequently we reported basic loss per share Rs. 22.98 in Fiscal 2011 as against basic earning per share Rs. 11.25 in Fiscal 2010.

ii. Segment-wise Performance

Our income from operations primarily comprises of commissions from securities and commodities trading, distribution of financial products such as insurance, mutual funds, bonds and retail subscriptions for IPOs, income from our capital market financing facilities and asset financing activities, income from Arbitrage and Trading of securities and Derivatives, recovery of transaction fees from clients, interest on Fixed Deposits with Banks, management fees received under our asset management services and fees received for our investment banking and financial advisory services.

Our income from operations was Rs. Rs. 23,504.98 million for the Fiscal 2011, as compared to Rs. 15,509.82 million for the Fiscal 2010, representing an increase of 51.55%. Mentioned below are details of the comparison of income from our operations between Fiscals 2011 and 2010, along with the reasons for increase in this income.

	Fiscal 2011		Fiscal 2010	
	Amount (Rs. in million)	% of total	Amount (Rs. in million)	% of total
Broking Related Operations	5,765.89	19.32	5,301.55	31.65
Income from Financing Operations				
- Lending Activities	9,717.86	32.57	4,238.00	25.30
- Delayed Payments	866.72	2.90	547.01	3.26
Interest on Fixed Deposit with Bank	1,427.93	4.79	1,318.01	7.87
Income from Financial Advisory Services	1,496.34	5.01	1,694.01	10.11
Support Service Fees	5.70	0.02	3.61	0.02
Investment Management Fees	732.75	2.46	622.06	3.71
Portfolio Management Services Fees	80.07	0.27	39.92	0.24
Depository Operation	142.97	0.48	93.50	0.56
Income from Arbitrage and Trading of Securities and Derivatives (Net)	1,002.24	3.36	408.55	2.44
Recovery of Transaction Fees from clients	516.41	1.73	487.63	2.91
Profit on Assignment of Loans	55.25	0.19	1.29	0.00
Income from Referral Fee	0.93	0.00	29.61	0.18
Life Insurance Premium (Net of Premium reinsurance ceded)	1,693.92	5.68	725.07	4.33
Total	23,504.98	78.78	15,509.82	92.58

Broking Related Operations

Our brokerage business is one of our principal sources of income and comprises revenues earned from equities, derivatives and commodities traded on the exchanges on behalf of clients, and distribution of third party products such as mutual funds and insurance.

The income arising out of our broking activities was Rs. 5,765.89 million for Fiscal 2011 constituting 19.33% of our total income for that period, as compared to income from such activities of Rs. 5,301.55 million for Fiscal 2010, constituting 31.65% of our total income for that period, exhibiting an increase of 8.76%. Mentioned below are the details of constituents of our broking income.

	Fiscal 2011		Fiscal 2010	
	Amount (Rs. in million)	% of total income	Amount (Rs. in million)	% of total income
Equities	3,830.45	12.84	4,026.51	24.04
Commodities	718.65	2.41	581.28	3.47
Third Party Products Distribution				
- Mutual Funds	60.17	0.20	89.39	0.53
- Insurance	145.56	0.49	191.12	1.14
Others	1,011.06	3.39	413.25	2.47
Total	5,765.89	19.33	5,301.55	31.65

Equities

Our income from such operations remained flat for the periods under review as there was a significant market-wide shift in the product mix away from the delivery segment and in favour of the low yielding futures & options segment in fiscal 2011 as compared to fiscal 2010.

Commodities

The revenue from our commodities brokerage activities has increased from Rs. 581.28 million for Fiscal 2010 to Rs. 718.65 million for the Fiscal 2011. The increase was primarily due to increase in volumes and increase in number of clients. The commodities client base has grown from 107,583 clients as on March 31, 2010 to 140,191 as of March 31, 2011.



Third Party Distribution

Mutual Fund Distribution channel currently operating in RFL earns marketing commissions through distribution of various financial products. The commissions from distribution of mutual fund products contributed Rs. 60.17 million constituting 0.20% of our total income for Fiscal 2011 and Rs. 89.39 million constituting 0.53% of our total income for Fiscal 2010.

Insurance Broking

The commissions from distribution of insurance products contributed Rs. 145.56 million constituting 0.49% of our total income for Fiscal 2011 and Rs. 191.12 million constituting 1.14% of our total income for Fiscal 2010.

Income from Financing Operations

The interest income from our financing operations increased from Rs. 4,785.01 million for Fiscal 2010, constituting 28.56% of our total income during that period to Rs. 10,584.58 million for Fiscal 2011, constituting 35.47% of our total income during that period primarily as a result of an increase in capital deployment in the capital market lending and asset financing businesses. Mentioned below are details of comparison of income from such activity in Fiscal 2011 with Fiscal 2010.

	Fiscal 2011		Fiscal 2010	
	Amount (Rs. in million)	% of total income	Amount (Rs. in million)	% of total income
Capital Market Financing				
- LAS	2,591.09	8.68	1,196.74	7.15
- IPO Funding	59.43	0.20	16.95	0.10
Asset Financing				
- Unsecured Loan	909.06	3.05	488.19	2.91
- Loan against Property	3,378.86	11.32	647.94	3.87
- Commercial Assets	986.81	3.31	320.64	1.91
- Housing Loan	175.18	0.59	58.31	0.35
Other Loans	1,617.43	5.41	1,509.23	9.01
Delayed Payments	866.72	2.91	547.01	3.26
Total	10,584.58	35.47	4,785.01	28.56

Lending Activities

Our subsidiary RFL, being an NBFC, offers all our lending products. The income from our lending business can be further classified as under:

Capital Market Financing

Interest income from our capital markets financing activities increased by 118.39% to Rs. 2,650.52 million for Fiscal 2011 from Rs. 1,213.69 million for Fiscal 2010 primarily due to an increase in the loans granted against securities, which increased to Rs. 21.35 bn as at March 31, 2011 from approximately Rs. 10.14 bn as at March 31, 2010 and an increase in our IPO financing activities.

Asset Financing

Small and Medium Enterprise (SME) Loans: Our Asset Financing business is focussed in the SME segment which we believe is a lucrative yet underserved segment as very few lenders have expertise in this segment. The revenue generated through this activity increased from Rs. 488.19 million constituting 2.91% of our total income for Fiscal 2010 to Rs. 909.06 million constituting 3.05% of our total income for Fiscal 2011.

Loan Against Property/Mortgages: Interest income from loans against property increased by 421.48% to Rs.3,378.86 million for Fiscal 2011 as compared to Rs. 647.94 million for Fiscal 2010 due to an increase in the aggregate amount of loans against property to Rs. 35.58 bn as on March 31, 2011 from Rs. 9 bn as on March 31, 2010.

Commercial Assets: Interest income from commercial assets (including auto lease) increased by 207.76% to Rs.986.81 million for Fiscal 2011 as compared to Rs. 320.64 million for Fiscal 2010 due to an increase in the aggregate amount of commercial loans (including auto lease) to Rs. 15.36 bn as on March 31, 2011 from Rs. 4.79 bn as on March 31, 2010.

Delayed Payments

We charge a penal interest to our brokerage clients for delay in honoring their payment obligations. Interest income from delayed payments was Rs. 547.01 million constituting 3.26% of our total income for Fiscal 2010

which increased to Rs. 866.72 million during Fiscal 2011, constituting 2.91% of our total income during that period. The increase in income under this head is primarily due to increase in fund deployment in penal rates.

Income from Financial Advisory Services

The income from 'financial advisory services' decreased during Fiscal 2011 to Rs. 1,496.34 million constituting 5.01% of our total income for such period as compared to Rs. 1,694.01 million for Fiscal 2010 constituting 10.11% of our total income for such period.

Income from Portfolio Management Services

The income from Portfolio Management Services ("PMS") comprises management fees and performance fees. The income from PMS increased during Fiscal 2011 to Rs. 80.07 million constituting 0.27% of our total income for such period as compared to Rs. 39.92 million for Fiscal 2010 constituting 0.24% of our total income for such period.

Income from Depository Operations

Depository services are value added-services provided primarily to broking clients. RSL is a Depository Participant with CDSL and NSDL. Depository income comprises annual maintenance charges and transaction charges. Income from Depository operations increased from Rs. 93.50 million to Rs. 142.97 million for the fiscal 2010 and 2011 respectively. Our client base has increased from 605,709 clients as on March 31, 2010 to 702,586 clients as on March 31, 2011.

Income from Life Insurance

Income from our life insurance business increased by 133.62% to Rs. 1,693.92 million for Fiscal 2011 as compared to Rs. 725.07 million for Fiscal 2010 as a result of an increase in the collection of premium in relation to new life insurance policies sold by the Company.

Interest income

Our Interest income was Rs. 117.90 million in Fiscal 2011 as compared to Rs. 131.13 million in Fiscal 2010, exhibiting a decrease of 10%. Our interest income constituted 0.40% of our total income in Fiscal 2011.

Other income

Other income primarily includes profit on sale or redemption of investments and dividend income. We make short-term investments as part of our working capital management by deploying surplus funds in mutual funds. We also maintain investments in shares and also derive income from dividends and from corporate debt markets.

Our other income increased to Rs. 2,298.30 million during Fiscal 2011 constituting 7.70% of our total income for such period as compared to Rs. 940.89 million for Fiscal 2010 constituting 5.62% of our total income for such period. Below is a comparison of our other income during Fiscal 2011 with that in Fiscal 2010.

	Fiscal 2011		Fiscal 2010	
	Amount (Rs. in million)	% of total income	Amount (Rs. in million)	% of total income
Income from Short Term Investments				
-Dividend Income	0.28	0.00	0.08	0.00
-Profit on Sale/Redemption of Investments (Net)	337.39	1.13	380.72	2.27
Income from Long Term Investments				
-Dividend Income	13.40	0.05	20.54	0.12
-Profit on Sale/Redemption of Investments (Net)	92.59	0.31	256.32	1.53
Balances Written Back (Net)/ Bad Debt Recovered	93.62	0.31	7.87	0.05
Reversal of Earlier Years provision for Doubtful Debts	27.29	0.09	1.59	0.01
Transfer/Gain on revaluation/change in fair value	57.31	0.19	44.61	0.27
Rental Income	288.89	0.97	152.75	0.91
Recovery of Loans written off	77.52	0.26	-	-
Profit on sale of Fixed Assets	1,247.66	4.18	-	-
Miscellaneous Income	62.35	0.21	76.41	0.46
Total	2,298.30	7.70	940.89	5.62

Profit on sale of Fixed Assets includes profit on sale of property by one of our subsidiary.



iii. Key Ratios

in Rs. Millions	Fiscal 2011	Fiscal 2010
Total Revenues	29,835.15	16,752.21
EBIDTA	6,886.52	5,451.34
Margins (%)	23.08	32.54
PBT	(1,987.68)	1,974.16
Margins (%)	(6.66)	11.78
PAT	(3,005.20)	969.24
Margins (%)	(10.07)	5.79

Our company saw a growth of 78.10% in total revenues. EBIDTA margins stood at 23.08% in Fiscal 2011 as compared to 32.54% in Fiscal 2010. EBIDTA margins have declined largely because we are currently building out several businesses particularly the emerging markets investment banking business and we have incurred a significant level of costs associated with this.

F. Human Resources – Contribution to Business Success

In the dynamic and competitive business environment that exists today, Religare believes its employees are the key differentiators. By building a strong alignment of our employees with our value framework which consists of Passion, Ambition, Diligence, Innovation and Team Work, we are committed to achieving the organization's vision of becoming a leading global financial services player from the emerging markets, driven by innovation, focused on delivering exceptional value to our stakeholders'.

Our Human Resource Function is positioned to act as a strategic partner and act as a key change catalyst. HR is not only enabling to build a competent workforce ready to face challenges but also create a culture that aims to build a fine balance between an employees' perspective of being an organization which is 'caring' and 'rewarding', and the employer's perspective of being 'performing' and 'progressive'

During Fiscal 2011, we have further enhanced our people processes and implemented certain initiatives as below:-

1. HR facilitated job sizing and realignment of organization structure for certain business verticals. Further efforts were rolled out to achieve greater synergies across multiple businesses/divisions, aiding increase in manpower productivity. Talent acquisition strategy was created & executed for most leadership /critical positions envisioned in the organization.
2. 'Religare Academy' our learning & development initiative covered about 7500 employees through its classroom and e-learning initiatives. The key focus has been to equip employees with the necessary skills and attitude to deliver on their job responsibilities. More than 2400 c-learning & 15000 e-learning man days of training were delivered in the last fiscal through 5 behavioral training programs and 12 different e-learning programs. These capabilities have been built in a scalable manner so as to keep pace with the growing size and complexity of the organization.
3. Religare Academy also focused on the need for creating a leadership pipeline for the future. The emphasis has been on creating an organizational environment that grooms the best talent and develops them to deliver on the highest standards of performance. During the year, we launched our Leadership Development Program which covered about 140 middle management and senior leadership employees over 350 man days. The Leadership Development & Talent Management is an integrated intervention based on the Leadership Competency Framework comprising 5 competencies – Strategic Agility, Inspiring and Developing Others, Managing Change, Ownership and Growth Mindset. The approach is bifurcated for for different levels. Leadership Development at senior level is facilitated through blended / integrated approach spread across 12 to 14 months using platforms like the Hay Intervention. For Middle Management and Young Managers, an integrated intervention spread across 6-8 months comprising Talent Mapping, Talent Profiling and Development Journeys. The development journeys are a blended approach including classroom training, peer level discussions/forums, leaders teach sessions.
4. In our endeavour to attract the best talent at all levels, we initiated campus hiring from premier B-schools under the 'Group Resource Induction & Development' (GRID) program. We have also invested in talent creation models for businesses with acute shortage of skilled talent. With the quantum of hiring that we engage in, we have also been successful in building internal & external innovative models that meet our ever-growing demand for talent keeping the cost effectiveness in mind. For mid-management & above roles we have instituted diligent selection processes to identify the best talent by deploying tools such as psychometric tests and competency-based interviews.
5. To recognize and reward meritocracy a formal & consistent Performance Management process was deployed. All employees had their deliverables defined and captured in online goal sheets. Assessments and feedbacks

were conducted and employees were differentiated based on their performance. Rewards have been linked to performance thus building a fair and transparent process and further promoting our “Pay for Performance” compensation philosophy. The compensation structure has been revisited, making it more employee-friendly and focused on higher business profitability along with long term incentive plans for retaining the best talent.

6. Religare ACE was another critical people initiative launched towards employee recognition. This initiative aims to promote a culture of appreciation based on meritocracy, inculcate pride in one work and reinforce living the Religare Values. The 7 categories of awards have been designed keeping in mind various aspects of capability & excellence. This year saw achievements of a total of 374 employees recognized through nominations out of which 191 employees were rewarded based on meritocracy.
7. Employee engagement is a critical lever for driving business goals, and therefore we conducted an employee engagement survey across the company to understand the pulse of the organization. During the year, we took initiatives like establishing strong communication channels involving the leadership team through the ‘One Team One Vision’ theme, launching our performance management system, launching Parichay, our on-boarding & induction module that facilitates seamless integration of new employees in the organization, and conducting town hall meetings at periodic intervals. Although our employee population is spread out across more than 500 locations, the attempt has been to get the leadership team to physically engage with them and communicate the organization’s vision and plans at least once in 6 months.
7. As we grow, we have significantly invested in created scalable processes & HR systems to provide a consistent experience to employees across locations. We have automated many of our HR processes and have introduced the online recruitment system, online self service portal catering to attendance, leave, maintenance of personal records, confirmation performance management system and Separation our Intranet which acts as an effective employee communication channel & repository of knowledge helps everyone to connect and. These technology based enablement’s have made the people processes more efficient and reduced transactional workload of the line and HR managers.

As a strategic business partner, the Human Resources team is committed to protecting the interest of all the stakeholders and supporting the leadership team in building a world class organization.

Cautionary Statement

Statements in the management discussion and analysis, describing the company’s objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. REL is not under any obligation to publicly amend, modify or revise any forward looking statement on the basis of any subsequent developments, information or events.



Report on Corporate Governance for Financial Year 2010-2011

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is directed at the enhancement of shareholder value, keeping in mind the interests of the other stakeholders, viz., clients, employees, investors, regulatory bodies etc. since we believe that adhering to the standards of best Corporate Governance practice is essential to enhance shareholders' value and achieve long term corporate goals. Corporate Governance revolves around commitment to values and ethical business conduct. By combining ethical values with business acumen, globalisation with national interests and core business with emerging business, the Company aims to be amongst the largest and most respected global corporations. Religare aims for transparency in all its operations and strives to ensure the quick and responsive management of Religare group as a whole. While working to enhance the corporate value of the group in the medium to long term, we place the highest importance on strengthening and further developing our corporate governance initiatives.

The Company is committed to good corporate governance and as a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. Our Corporate Governance is based on the following principles:

- Board exercises its fiduciary responsibilities in the widest sense of the term
- Compliance with all applicable laws
- Management is the trustee of the Shareholders' capital and not the owner
- Be transparent and maintain a high degree of disclosure levels
- Enhance long term shareholder value and respect minority rights in all business decisions
- Committed to meeting the aspirations of all stakeholders

Having put in the right building blocks for future growth, it is ensured that we achieve our ambitions in a prudent and sustainable manner. The management team is fully empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. Further, the Board has institutionalized best management practices to bring about an atmosphere of accountability. Systems are in place for strategic planning, risk management, financial plans and budgets, integrity of internal controls and reporting, communications policy with emphasis on transparency and full disclosure on the various facets of the Company's operations, its functioning and its financials and total compliance with all statutory / regulatory requirements.

It is our endeavour to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfilment of stated goals and objectives while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamental to the Religare group as a whole.

2. BOARD OF DIRECTORS

A. BOARD'S COMPOSITION AND CATEGORY

The Composition of Board of Directors of the Company is in conformity with the requirements of Clause 49 of the Listing Agreement. The Board has an optimum combination of Executive and Non-Executive Directors with majority of them being Independent Directors. Currently, the Board of the Company consists of Eleven (11) Directors comprising of one (1) Chairman & Managing Director, one (1) Group CEO, one (1) Group CFO, and the remaining Eight (8) are Non-Executive Directors. The Non-Executive Directors comprises of Six (6) Independent Directors and two (2) Non-Independent Directors.

The details relating to Composition & Category of Directors, Directorships held by them in other companies and their membership and chairmanship on various committees of Board of other companies, as on March 31, 2011 is as follows:

S. No.	Name of the Director	Category	No. of other Directorships held in other companies*	No. of Memberships/ Chairmanships in various other Board Committees** (other than in Religare Enterprises Limited)	
				Member	Chairman
1	Mr. Malvinder Mohan Singh [@]	Promoter Director/ Non-Executive Director	-	-	-
2	Mr. Shivinder Mohan Singh [@]	Promoter Director/ Non-Executive Director	-	-	-
3	Mr. Sunil Godhwani- Chairman & MD	Executive Director	13	4	1
4	Mr. Shachindra Nath - Group CEO	Executive Director	12	2	2
5	Mr. Anil Saxena - Group CFO	Executive Director	11	5	2
6	Mr. Ravi Umesh Mehrotra [^]	Non-Executive Director	1	1	Nil
7	Mr. Harpal Singh [@]	Non-Executive Director	5	2	Nil
8	Mr. Padam Bahl	Independent Director	9	5	3
9	Mr. Deepak Ramchand Sabnani	Independent Director	3	1	Nil
10	Mr. J.W. Balani	Independent Director	3	1	Nil
11	Dr. Sunita Naidoo	Independent Director	3	Nil	Nil
12	Capt. G. P. S. Bhalla (Alternate to Mr. Deepak Ramchand Sabnani)	Independent Director	5	3	2
13	Mr. R. K. Shetty (Alternate to Mr. J.W. Balani)	Independent Director	5	1	1
14	Mr. Stuart D Pearce [#]	Independent Director	Nil	Nil	Nil
15	Ms. Kathryn Matthews [#]	Independent Director	Nil	Nil	Nil

* Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose

** The committee considered for the purpose are those prescribed in the Listing Agreement, i.e. Audit Committee and Shareholders and Investors Grievance Committee.

[@] None of the Directors are related to each other except (i) Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh, and (ii) Mr. Harpal Singh and Mr. Malvinder Mohan Singh.

Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh have ceased to be Directors of the Company with effect from April 6, 2010.

[^] Appointed as Additional Director with effect from February 14, 2011

[#] Appointed as Directors with effect from July 6, 2010.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all the public companies in which the person is a Director. Necessary disclosures regarding Committee positions in other public limited companies as on March 31, 2011 have been made by the Directors.

The Independence of a Director is determined by the criteria stipulated under the Clause 49 of the Listing Agreement.

B. BOARD MEETINGS & ATTENDANCE

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. All material informations are incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. In case of exigencies or urgencies, resolutions are considered by Circulation as well.

During the financial year 2010-2011 **Six (6)** Board Meetings were held: April 06, 2010, April 26, 2010, July 30, 2010, October 19, 2010, December 02, 2010 and February 14, 2011. The intervening period between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of Listing Agreement.

The last Annual General Meeting was held on August 11, 2010.



Details of attendance of Directors at various Board Meetings and at the Annual General Meeting held during the financial year 2010-11 is as under:

Name of Director	No. of Board meetings attended	Whether attended last AGM
Mr. Malvinder Mohan Singh [§]	1	No
Mr. Shivinder Mohan Singh [§]	1	No
Mr. Sunil Godhwani – Chairman & MD	5	Yes
Mr. Shachindra Nath – Director & Group CEO	6	Yes
Mr. Anil Saxena – Director & Group CFO	5	Yes
Mr. Ravi Umesh Mehrotra [#]	1	N.A.
Mr. Harpal Singh	5	Yes
Mr. Padam Bahl	4	Yes
Mr. Deepak Ramchand Sabnani	Nil	No
Mr. J.W. Balani	Nil	No
Dr. Sunita Naidoo	Nil	No
Capt. G. P. S. Bhalla [*]	6	No
Mr. R. K. Shetty ^{**}	4	Yes
Mr. Stuart D Pearce [@]	3	No
Ms. Kathryn Matthews [@]	2	No

[§] Resigned from the Directorship of the Company with effect from April 06, 2010

^{*} Alternate to Mr. Deepak Ramchand Sabnani

^{**} Alternate to Mr. J.W. Balani

[#] Appointed as Additional Director with effect from February 14, 2011

[@] Appointed as Directors with effect from July 6, 2010.

During the year, all the relevant information required to be placed before the Board of Directors as per Clause 49 of the Listing Agreement are considered and taken on record / approved by the Board. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

C. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

The shareholding of Non-Executive Directors of the Company as on March 31, 2011 is as follows:

S. No.	Name	Number of Equity Shares Held
1	Dr. Sunita Naidoo	13595
2	Mr. R.K. Shetty [*]	100
3	Mr. Padam Bahl	500
4	Mr. Ravi Umesh Mehrotra	NIL
5	Mr. Harpal Singh	NIL
6	Mr. Deepak Ramchand Sabnani	NIL
7	Mr. J.W. Balani	NIL
8	Capt. G.P.S. Bhalla ^{**}	NIL
9	Mr. Stuart D. Pearce	NIL
10	Ms. Kathryn Matthews	NIL
	Total	14,195

^{*} Alternate to Mr. J.W. Balani

^{**} Alternate to Mr. Deepak Ramchand Sabnani

D. SHAREHOLDING OF EXECUTIVE DIRECTORS

The shareholding of Executive Directors of the Company as on March 31, 2011 is as follows:

S. No.	Name	Number of Equity Shares Held
1	Mr. Sunil Godhwani	16,66,666
2	Mr. Anil Saxena	0
3	Mr. Shachindra Nath	0
	Total	16,66,666

3. COMMITTEES OF THE BOARD

During the year under review, our Board had six (6) Board level Committees – Audit Committee, Compensation / Remuneration / Nomination Committee, Shareholders’ and Investors’ Grievance Committee, Share Allotment Committee, Investment & Borrowing Committee and Committee under Clause 41 of the Listing Agreement.

Post March 31, 2011, the Offer Committee was constituted for the purpose of taking decisions relating to the proposed Rights Issue of the Company.

All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of service for members of Committees are taken by the Board of Directors.

Details of the role and composition of Board Committees constituted as per requirements of Clause 49 of the Listing Agreement, including number of meetings held during the financial year and attendance thereat are provided below:

a) Audit Committee

(i) Composition

The Composition of the Audit Committee of the Board as at March 31, 2011 is as under:

Sl. No.	Name	Position
1	Mr. Padam Bahl, Non-Executive & Independent Director	Chairman
2	Mr. R K Shetty*, Non-Executive & Independent Director	Member
3	Capt. G P S Bhalla**, Non-Executive & Independent Director#	Member
4	Mr. Sunil Godhwani, Chairman & Managing Director#	Member

* Alternate to Mr. J W Balani

** Alternate to Mr. Deepak Ramchand Sabnani and appointed as Member with effect from April 26, 2010

Appointed as Members of the Committee with effect from April 6, 2010.

The composition of the Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The Company Secretary of the Company acts as the Secretary of the Committee.

All the Members of the Committee possess financial and accounting knowledge.

(ii) Terms of Reference

Primarily, the Audit Committee is responsible for:

1. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s Report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.



8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.

Further, the Committee also discharges such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company.

(iii) Meetings and attendance during the year

During the financial year 2010-11, Four (4) meetings of the Audit Committee were held: April 26, 2010, July 30, 2010, October 19, 2010 and February 14, 2011.

The attendance of Members at the meetings of the Committee held during the year was as follows:

Name of the Member	No. of Meetings attended
Mr. Padam Bahl, Chairman	4
Mr. R. K. Shetty*	3
Mr. Sunil Godhwani@	4
Capt. G P S Bhalla**	3

* Alternate Director to Mr. J. W. Balani

@ Appointed as Member of the Committee with effect from April 6, 2010.

** Alternate to Mr. Deepak Ramchand Sabnani and appointed as Member of the Committee with effect from April 26, 2010.

Group Chief Finance Officer, Group Chief Operating Officer, Financial Controller and representatives of the Statutory and Internal Auditors normally attend the Audit Committee meetings by invitation.

b) Compensation / Remuneration / Nomination Committee

(i) Composition

The Compensation / Remuneration Committee, was constituted to recommend / review the remuneration package of the Whole-time members of the Board. The Committee was reconstituted w.e.f April 26, 2010 to include interalia in its terms of reference overseeing the Company's nomination process for the top level management and specifically to identify, screen and review individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria approved by the Board and to recommend for approval by the Board nominees for election at the Annual General Meeting of Shareholders and renamed as Compensation / Remuneration / Nomination Committee.

The composition of the Compensation / Remuneration / Nomination Committee as at March 31, 2011 is as under:-

Sl. No.	Name	Position
1	Mr. Padam Bahl, Non-Executive & Independent Director	Chairman
2	Mr. R K Shetty, Non-Executive & Independent Director@	Member
3	Capt. G P S Bhalla, Non-Executive & Independent Director#	Member
4	Mr. Sunil Godhwani, Chairman & Managing Director*	Member

@ Alternate to Mr. J. W. Balani

Alternate to Mr. Deepak Ramchand Sabnani

* Appointed as Member of the Committee with effect from April 26, 2010.

The Company Secretary of the Company acts as the Secretary of the Committee.

(ii) Terms of Reference

The role of the Compensation / Remuneration / Nomination Committee includes:

1. Recommend for fixation and periodic revision of the compensation of the Managing Directors and Executive Directors to the Board for approval and Review and approve compensation policy (including the performance bonus, incentives, perquisites and benefits) for the senior management personnel.
2. Administration and superintendence of Employee Stock Option Scheme (ESOS) / Employee Stock Purchase Scheme (ESPS).
3. Formulation of the detailed terms and conditions of the ESOS/ESPS.
4. Overseeing the Company's nomination process for the top level management and specifically to identify, screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with the criteria approved by the Board and to recommend for approval by the Board nominees for election at the Annual General Meeting of Shareholders.

(iii) Meetings and attendance during the year

During the financial year 2010-11, **Five (5)** meetings of the Committee were held on April 6, 2010, April 26, 2010, December 29, 2010, February 14, 2011 and March 18, 2011.

The attendance of Members at the meetings of the Committee held during the year were as follows:-

Name of the Member	No. of Meetings attended
Mr. Padam Bahl, Chairman	5
Capt. G. P. S. Bhalla*	5
Mr. R. K. Shetty**	5
Mr. Sunil Godhwani#	3

* Alternate to Mr. Deepak Ramchand Sabnani

** Alternate to Mr. J.W. Balani

Appointed as Member of the Committee with effect from April 26, 2010

(iv) Remuneration Policy

The remuneration of Executive / Non-Executive Directors is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards.

(v) Remuneration of Executive Directors

Remuneration of Executive Directors is decided by the Board based on recommendation of Compensation / Remuneration/ Nomination Committee within the ceiling fixed by the Shareholders and permissible under the Companies Act, 1956. Remuneration paid to the Executive Directors for the year ended March 31, 2011 and the disclosure as per the requirement of Schedule XIII of the Companies Act, 1956, are as follows:

(Amount in Rs.)

Name of the Director	Salary & Allowances	Commission payable	Perquisites	Retiral Benefits	Total	Stock Options Granted	Service Contract	
							Tenure	Notice Period
Mr. Sunil Godhwani	Nil	Nil	Nil	13,090,129	13,090,129 ⁽⁷⁾	⁽¹⁾ 120750 REL ESOS 2006	From April 8, 2010 to April 7, 2013 ⁽²⁾	N.A.
						⁽¹⁾ 1350000 REL ESOS 2010		
Mr. Shachindra Nath	4,201,650	Nil	Nil	2,408,552	6,610,202 ⁽⁸⁾	⁽³⁾ 80,000 REL ESOS 2006	From April 6, 2010 to April 5, 2013 ⁽⁴⁾	N.A.
						⁽³⁾ 700000 REL ESOS 2010		
Mr. Anil Saxena	4,506,134	Nil	Nil	2,037,274	6,543,408 ⁽⁹⁾	⁽⁵⁾ 76000 REL ESOS 2006	From April 6, 2010 to April 5, 2013 ⁽⁶⁾	N.A.
						⁽⁵⁾ 700000 REL ESOS 2010		



- ⁽¹⁾ As per the Religare Enterprises Limited (Employees Stock Options Scheme), 2006, 120,750 Options at the price of Rs. 140/- per share and as pre Religare Employee Stock Option Scheme 2010, 1350000 Options (675000 at the price of Rs. 481 and 675000 at the price of Rs. 480) have been granted. Presently, no Stock Option is exercised and according to the aforesaid ESOS Schemes, the same can be exercised over a period of nine years from the date of vesting.
- ⁽²⁾ Re-appointed as Managing Director for a period of 3 years w.e.f April 8, 2010 to April 7, 2013.
- ⁽³⁾ As per the Religare Enterprises Limited (Employees Stock Options Scheme), 2006, 80,000 Options at the price of Rs. 140/- per share and as pre Religare Employee Stock Option Scheme 2010, 700000 Options (350000 at the price of Rs. 481 and 350000 at the price of Rs. 480) have been granted. Presently, no Stock Option is exercised and according to the aforesaid ESOS Schemes, the same can be exercised over a period of nine years from the date of vesting.
- ⁽⁴⁾ Appointed as Director of the Company under Section 269 read with Section 2(26) and Schedule-XII of the Companies Act, 1956 w.e.f. April, 6, 2010.
- ⁽⁵⁾ As per the Religare Enterprises Limited (Employees Stock Options Scheme), 2006, 76,000 options at the price of Rs. 140/- per share and as pre Religare Employee Stock Option Scheme 2010, 700000 Options (350000 at the price of Rs. 481 and 350000 at the price of Rs. 480) have been granted. Presently, 25080 Stock Options have been exercised by him and remaining Stock Options, according to the aforesaid ESOS Schemes, can be exercised over a period of nine years from the date of vesting.
- ⁽⁶⁾ Appointed as Director of the Company under Section 269 read with Section 2(26) and Schedule-XII of the Companies Act, 1956 w.e.f. April, 6, 2010.
- ⁽⁷⁾ Total remuneration of Mr. Sunil Godhwani inclusive of Salary, Benefits, Bonuses and Performance linked incentives as detailed in the Notice has been revised to Rs. Sixteen Crores subject to necessary approvals.
- ⁽⁸⁾ Total remuneration of Mr. Shachindra Nath inclusive of Salary, Benefits, Bonuses and Performance linked incentives as detailed in the Notice has been revised to Rs. 3.22 Crores subject to necessary approvals.
- ⁽⁹⁾ Total remuneration of Mr. Anil Saxena inclusive of Salary, Benefits, Bonuses and Performance linked incentives as detailed in the Notice has been revised to Rs. 2.25 Crores subject to necessary approvals.

(vi) Remuneration of Non-Executive Directors

Non-Executive Directors including Independent Directors do not have any pecuniary relationship or transactions with the Company. However, they were paid only the sitting fees for attending the meetings of the Board of Directors within the limits as prescribed under the Companies Act, 1956.

Further, there were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

c) Shareholders' and Investors' Grievance Committee

(i) Composition

The Shareholders'/Investors' Grievance Committee has been constituted to specifically look into the redressal of Shareholder and Investor complaints and other Shareholders related issues. The composition of Shareholders' and Investors' Grievance Committee of the Board as at March 31, 2011 is as under:-

Sl. No.	Name	Position
1	Mr. Padam Bahl, Non-Executive and Independent Director [^]	Chairman
2	Mr. Sunil Godhwani, Chairman & Managing Director	Member
3	Mr. Shachindra Nath, Group CEO**	Member
4	Mr. Anil Saxena, Group CFO**	Member

[^] Appointed as Chairman of the Committee w.e.f. April 26, 2010

** Appointed as Member of the Committee on April 26, 2010

The Company Secretary of the Company acts as the Secretary to the Committee.

(ii) Terms of Reference

The Committee oversees and reviews all matters connected with securities of the Company. The Committee also looks into redressal of Shareholders' / Investors' complaints/queries related to transfer / transmission / consolidation / splitting of shares, non-receipt of Balance Sheet etc. The Committee oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of Investor services.

(iii) Meetings and attendance during the year

During the year ended March 31, 2011, **Twelve(12)** meetings of the Committee were held - April 26, 2010, June 03, 2010, June 30, 2010, July 15, 2010, July 30, 2010, October 1, 2010, November 9, 2010, December 4, 2010, December 16, 2010, January 31, 2011, February 17, 2011 and March 27, 2011

The attendance of Members at the meetings of the Committee held during the year was as follows:-

Name of the Member	No. of Meetings attended
Mr. Sunil Godhwani	11
Mr. Padam Bahl	12
Mr. Shachindra Nath*	12
Mr. Anil Saxena*	12

* Appointed as Members of the Committee with effect from April 26, 2010

The details of investor complaints received and resolved during the period April 1, 2010 to March 31, 2011 is as under:

No. of Investor Complaints received from April 1, 2010 to March 31, 2011	No. of Investor Complaints resolved from April 1, 2010 to March 31, 2011	No. of Investor Complaints pending at the end of March 31, 2011
37	37	NIL

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

Mr. Ravi Batra, Sr. Vice President (Corporate Affairs) & Company Secretary is the Compliance Officer of the Company.

4. GENERAL BODY MEETINGS

(A) Annual General Meetings

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

Year	Date	Day	Time	Venue	Special Resolutions Passed
2007 - 2008	20.09.2008	Saturday	10.30 A.M.	Air Force Auditorium, Subroto Park, New Delhi - 110010	*3 Special Resolutions were passed
2008 - 2009	25.09.2009	Friday	3.00 P.M.	Air Force Auditorium, Subroto Park, New Delhi - 110010	No Special Resolution was passed
2009-2010	11.08.2010	Wednesday	11.30 A.M.	Air Force Auditorium, Subroto Park, New Delhi - 110010	**8 Special Resolutions were passed

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

- Raising of Funds through Issue of Capital
- Investment by Foreign Institutional Investors / Non - Resident Indians
- Issue of Redeemable Preference Shares

The above Resolutions were passed with requisite majority.

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

- Re-appointment of Mr. Sunil Godhwani as Managing Director of the Company
- Appointment of Mr. Shachindra Nath as a Director of the Company under section 269 of the Companies Act, 1956, designated as "Group CEO"
- Appointment of Mr. Anil Saxena as a Director of the Company under section 269 of the Companies Act, 1956, designated as "Group CFO"
- Religare Employee Stock Option Scheme 2010
- Religare Employee Stock Option Scheme 2010 for subsidiary(ies) company(ies)
- Religare Employee Stock Purchase Scheme 2010
- Religare Employee Stock Purchase Scheme 2010 for subsidiary(ies) Company(ies)
- Remuneration to Non-Executive Directors including Independent Directors

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



(B) Extra-ordinary General Meeting

During the period under review, two (2) Extra-ordinary General Meetings were held as per the details below:

Date	Venue	Special Resolutions Passed
20 September, 2010	Kamani Auditorium, No. 1, Copernicus Marg, New Delhi-110001	*1 Special Resolution was passed
12 March, 2011	Air Force Auditorium, Subroto Park, New Delhi-110010	**3 Special Resolutions were passed

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

1. Issue of Equity Shares and warrants on preferential basis.

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

1. Increase in the size of the employee stock option pool from 5% to 10% of the fully diluted equity share capital of the Company under Religare Employee Stock Option Scheme 2010 for the employees of the Company.
2. Increase in the size of the employee stock option pool from 5% to 10% of the fully diluted equity share capital of the Company under Religare Employee Stock Option Scheme 2010 for the employees of the subsidiary company(ies).
3. Raising of funds through issue of capital upto Rs. 2500 Crores.

(C) Postal Ballot

During the financial year 2010-11, the Company has not passed any Resolution through Postal Ballot process.

(D) Unclaimed Shares

SEBI vide Circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 introduced Clause 5A in the Listing Agreement to provide a uniform procedure for dealing with unclaimed shares i.e. shares issued pursuant to the Public Issues but remaining unclaimed despite of the best efforts of the Registrar to Issue or the Company. The Clause inter-alia required transfer of such shares and any other corporate benefit related to these shares to a separate Demat Suspense Account.

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

The details of such equity shares are as follows:

Sr. No.	Description	Number of Shares / Shareholders
1	Total number of Shareholders in the Suspense Account at the time of opening the Account	20 Shareholders
2	Total number of outstanding equity shares in the Suspense Account lying at the time of opening the Account	700 Equity Shares
3	Number of Shareholders who approached the Company for transfer of shares and to whom shares were transferred from Suspense Account during the year	5
4	Number of shares transferred from Suspense Account to Beneficiary Account during the year	175
5	Total number of Shareholders in the Suspense Account at the end of the year	15
6	Total number of outstanding equity shares in the Suspense Account lying at the end of the year	525 Equity Shares

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

5 DISCLOSURES

A. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

The Company has not entered into any transaction of material nature with Promoters, the Directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interest of the Company.

B. Details of non-compliance by the Company

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchanges as well as regulations and guidelines issued by SEBI. Hence, neither any penalty nor any stricture has been

imposed by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital markets, during the last three years.

C. Details of Compliance with mandatory requirements

The Company has fully complied with the mandatory requirements of Clause 49 of the Listing Agreement of the Stock Exchanges relating to Corporate Governance.

D. Details of Adoption of Non-Mandatory requirements

The Company has complied with and adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement:

(1) The Board

There is no fixed tenure for Independent Directors.

(2) Compensation / Remuneration / Nomination Committee

The Board has constituted Compensation / Remuneration / Nomination Committee as detailed in 3 (b) herein above. The Chairman of the Compensation / Remuneration / Nomination Committee is an Independent Director.

(3) Shareholders' Rights

The quarterly financial results are published in the newspapers as mentioned under the heading "Means of Communication" at Sl. No. 7 herein below and also displayed on the website of the Company. The results are not separately circulated to the Shareholders.

(4) Audit qualifications

The Company believes in maintaining its accounts in a transparent manner and aims at receiving unqualified report of auditors on the financial statements of the Company.

E. Disclosure of Accounting Treatment in preparation of Financial Statements

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

F. Utilization of proceeds from Rights Issue

The proceeds from Rights Issue of the Company have been utilised for the purposes as per the Objects of the Issue.

6. SUBSIDIARY COMPANIES

The Company has the following 'material non-listed Indian subsidiary' as defined under Clause 49 of the Listing Agreement:

1. Religare Securities Limited
2. Religare Finvest Limited

The Company has nominated Mr. Padam Bahl, Independent Director of the Company, on the Board of the above-mentioned subsidiaries.

As a 100% holding company, the performance of such companies is monitored by the following means:

- a. The Audit committee of the Company quarterly reviews the financial statements of the unlisted subsidiary companies, in particular the investments made by these companies.
- b. All minutes of the Board meetings of the unlisted subsidiary companies are placed before the Company's Board Meeting regularly.
- c. A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

7. MEANS OF COMMUNICATION

The Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges immediately after these are taken on record by the Board. These financial results are published in one of the leading newspaper of country viz. Business Standard (English & Hindi) and are displayed on the website of the Company i.e. www.religare.com.

Press Releases are sent to NSE and BSE before sending the same to media and are also displayed on the website of the Company i.e. www.religare.com

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

The presentations made to the Investors or to the analysts are sent to the NSE and BSE in advance and are also displayed on the website of the Company i.e. www.religare.com

8. SHAREHOLDERS INFORMATION

(i) Annual General Meeting

Date : September 10, 2011
Time : 4.30 PM
Venue : Air Force Auditorium, Subroto Park,
New Delhi - 110010



(ii) Directors

Appointment / Re-appointment of Directors

In terms of the provisions of the Companies Act, 1956 (the “Act”) and the Articles of Association of the Company, Mr. Harpal Singh and Mr. Padam Bahl will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Further, Mr. Ravi Umesh Mehrotra is proposed to be appointed as Director at the ensuing Annual General Meeting. The Brief Profile of the above named Directors seeking appointment/ re-appointment is given below:

Mr. Harpal Singh

Profile

Mr. Harpal Singh aged 61 years, is an Independent Director in our Company. He holds a Bachelor’s (honours) degree in Economics from St. Stephen’s College, Delhi and holds a Bachelor of Science degree in Economics and a Master’s degree in Public Affairs from the California State University at Hayward, California, U.S.A. Mr. Singh has had diverse experience of over 36 years in the corporate sector and has held senior positions in various companies including TATA group companies, Hindustan Motors Limited, Mahindra and Mahindra Limited and Shaw Wallace. Mr. Singh was in the past the Non-Executive Chairman of Ranbaxy Laboratories Limited and is the Mentor and Chairman Emeritus of Fortis Healthcare Limited. Further, he is also associated at the board level with some of India’s most renowned schools which include the Doon School, the Scindia School, the Yadavindra Public School and Salwan School where, he is Vice Chairman of the Trust. Mr. Singh is also a member of the National Round Table on School Education and is a member of the Board of Governors of IIT, Indore and NIIT University. He is also a member of India-UK Round Table, India-US Strategic Dialogue and of the Public Health Foundation of India. Further, he is Founder and Chairman Trustee of Nanhi Chhaan and Chronic Care Foundations. Mr. Singh is also the Chairman of INDIA800 Foundation, India Office. Mr. Singh is currently the Chairman of the Save the Children, India and is also a Director of the Global Board of Save the Children International. Mr Harpal Singh joined Board of the Company on April 9, 2007.

Mr. Harpal Singh does not hold any shares in the Company as on date.

Directorships in other Companies

- **Indian Public Companies**
 - Religare Technologies Limited
 - Super Religare Laboratories Limited
 - Fortis Healthcare Limited
 - Fortis Clinical Research Limited
 - Escorts Heart Institute & Research Centre Limited
- **Indian Private Companies**
 - Impact Agencies Private Limited
 - Impact Project Private Limited
 - Impact Realty Developers Private Limited

Committee Memberships

I. Fortis Healthcare Limited

- Member - Shareholders’/Investors’ Grievance Committee
- Member - Audit Committee
- Member - Management Committee
- Member - Finance Committee
- Member - Committee under Clause 41 of the Listing Agreement
- Member - Issue Committee

Mr. Padam Bahl

Profile

Mr. Padam Bahl aged 59 years, is an Independent Director in our Company. Mr. Bahl holds a Bachelor’s degree in Commerce from the Kurukshetra University and a Bachelor’s degree in Law from Guru Nanak Dev University, Amritsar. He is a fellow member of the Institute of Chartered Accountants of India. He has also received a Diploma in Information System Audit from SSI, Amritsar.

Mr. Bahl has been practicing as a Chartered Accountant and an income tax advisor since 1979 and has more than 30 years of work experience. He was the Chairman of the Northern India Regional Council, Institute of Chartered Accountants of India Amritsar Chapter for the year 1998-99 and was a member of the Income Tax Advisory Committee, Amritsar Chapter during the years 2002-03 and 2003-04. Mr. Bahl joined our Board on April 9, 2007.

As on date Mr. Padam Bahl holds 500 Equity Shares of the Company.

Directorships in other Companies

- **Indian Public Companies**

- Dion Global Solutions Limited
- Religare Finvest Limited
- Religare Insurance Broking Limited
- Religare Commodities Limited
- Religare Securities Limited
- Religare Venture Capital Limited
- Religare Arts Initiative Limited
- Religare Technologies Limited
- Religare Capital Markets Limited

➤ **Indian Private Companies**

- Verne Developers Private Limited

Committee Memberships

I. Religare Enterprises Limited

Chairman - Audit Committee

Chairman - Compensation/Remuneration/Nomination Committee

Member- Share Allotment Committee

Member - Committee under Clause 41 of the Listing Agreement

Chairman- Shareholders and Investor Grievance Committee

II. Religare Finvest Limited

Chairman - Audit Committee

III. Religare Securities Limited

Chairman - Audit Committee

Chairman - Remuneration/Compensation Committee

IV. Religare Insurance Broking Limited

Chairman - Remuneration Committee

V. Religare Arts Initiative Limited

Chairman - Remuneration Committee

Member - Audit Committee

VI. Religare Technologies Limited

Member - Remuneration Committee

Member - Audit Committee

VII. Dion Global Solutions Limited

Member - Audit Committee

Chairman - Remuneration Committee

Member - Shareholders'/Investors' Grievance Committee

Member - Compensation Committee

VIII. Religare Capital Markets Limited

Member - Remuneration/Compensation Committee

Member - Audit Committee

IX. Religare Venture Capital Limited

Chairman - Audit Committee

Chairman - Remuneration Committee

Mr. Ravi Mehrotra

Profile

Mr. Ravi Umesh Mehrotra aged 50 years, is a Director in our Company. Mr. Mehrotra holds a Bachelor's degree in Commerce from University of Mumbai and a PGDBM from XLRI, Jamshedpur. Mr. Mehrotra has more than 25 year experience in asset management and related financial services, in India and overseas.

Mr. Mehrotra was a VP in the Investment Banking & Treasury Group at Bank of America, Chief Investment Officer at Kothari Pioneer and President of Franklin Templeton Asset Management India. Most recently Mr. Mehrotra was Global Head of Retail and Intermediary channels with PineBridge Investments (erstwhile AIG Investments) based in Hongkong. He is also on board at our subsidiary namely Religare Asset Management Company Limited. He joined the Board of our Company on February 14, 2011.

Mr. Ravi Mehrotra does not hold any shares in the Company as on date.

Directorship in Other Companies

➤ **Indian Public Companies**

- Religare Asset Management Company Limited



➤ **Foreign Companies**

- Religare Global Asset Management Japan Co. Limited

Committee Memberships

I. Religare Asset Management Company Limited

Member - Audit Committee

(iii) Financial Calendar (tentative)

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

Adoption of Quarterly Results

For the Quarter Ended

- June 30, 2011
- September 30, 2011
- December 31, 2011
- March 31, 2012

On or Before

- August 15, 2011 (Subject to Limited Review)
- November 14, 2011 (Subject to Limited Review)
- February 14, 2012 (Subject to Limited Review)
- May 30, 2012 (Audited)

(iv) Dividend Payment Date

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

(v) Listing

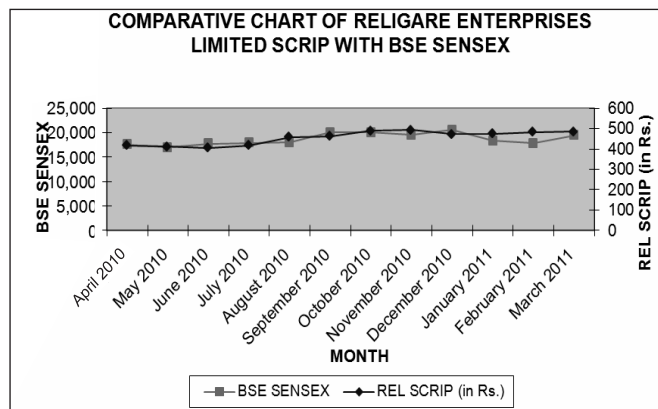
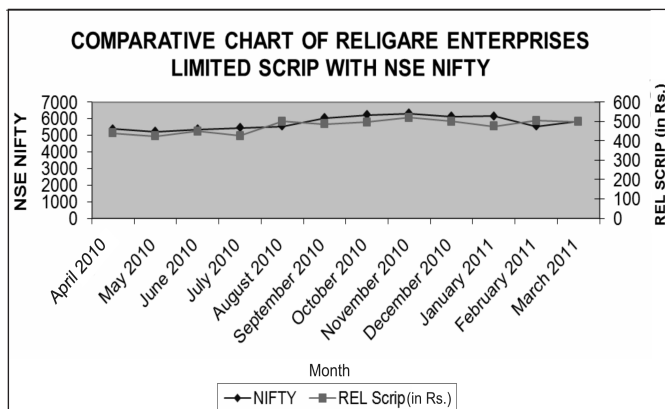
Equity Shares of the Company are currently listed at the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The listing fee has been paid to both NSE and BSE where the Company's equity shares are listed.

(vi) Scrip Symbol / Code

National Stock Exchange	RELIGARE EQ
Bombay Stock Exchange	532915

(vii) Market Price Data

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High	Low	High	Low
April 2010	454.90	369.10	458.95	370.00
May 2010	435.00	403.00	438.00	404.00
June 2010	456.00	385.30	454.90	385.20
July 2010	434.70	403.20	435.35	401.65
August 2010	520.00	401.10	520.00	398.10
September 2010	503.90	454.00	505.00	455.00
October 2010	505.00	458.65	505.00	460.00
November 2010	528.80	460.25	528.95	460.25
December 2010	524.45	465.00	522.00	460.05
January 2011	496.00	452.00	489.00	456.00
February 2011	511.00	456.00	512.00	458.00
March 2011	503.00	475.00	505.00	419.00



(viii) Registrar & Transfer Agent**Karvy Computershare Private Limited**

Plot No. 17 to 24, Vittal Rao Nagar, Madhapur,

Hyderabad - 500 081, India

Telephone: +91 40 4465 5135, Fax: +91 40 2342 0814

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

(ix) Share Transfer System

The Company's share being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Shareholders' and Investors' Grievance Committee. The share transfer process is reviewed by the said Committee.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in practice as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges on or before the due date.

(x) Shareholding Pattern as on March 31, 2011

Category	No. of Shares held	Percentage of Shareholding (%)
Promoters and Promoter Group	97600018	70.00
Mutual Funds / UTI	249759	0.18
Banks / Financial Institutions	1613486	1.16
FII's	2343879	1.68
Bodies Corporate	1082953	0.78
NRIs	4986271	3.58
HUF / Trust	577950	0.41
Directors & Relatives	1741681	1.25
Foreign Corporate Bodies / Clearing Members	5027846	3.60
General Public	24210651	17.36
Total	139434494	100.00

(xi) Distribution of Shareholding as on March 31, 2011

From - To	No. of Shareholders		No. of Shares	
	Number	% Total	Number	% Total
1-5000	35787	98.70	1487174	1.07
5001-10000	196	0.54	156012	0.12
10001-20000	93	0.26	144240	0.10
20001-30000	29	0.08	74776	0.05
30001-40000	22	0.06	75731	0.05
40001-50000	20	0.06	95925	0.07
50001-100000	36	0.10	272979	0.20
100001 & Above	74	0.20	137127657	98.34
Total	36257	100.00	139434494	100.00

(xii) Dematerialization of Shares and Liquidity

The Company's Equity Shares are in compulsory demat segment and are available for trading under dematerialized form with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2011, 13,44,09,914 Equity Shares of the Company, forming 96.40% of the Share Capital of the Company, were in dematerialized form.

The ISIN No. of the Company is INE621H01010 (with NSDL and CDSL)



(xiii) Outstanding GDRs / ADRs / Warrants / ESOPs and Convertible instruments, conversion date and likely impact on equity

(i) ESOS 2006:

With a view to reward and retain employees to enable them to participate in your Company's future growth and financial success, Religare Enterprises Limited Employees Stock Option Scheme (ESOS) 2006 was approved by the Members in the Extra-Ordinary General Meeting of the Company held in November 2006.

The brief details of the scheme are as follows:

ESOS Scheme	Outstanding Options as on 31/03/2011	Remarks
ESOS 2006	5,25,380	The special resolution passed by the Shareholders of the Company on November 6, 2006 approved the grant of options under the ESOS 2006. 20,00,000 Options were granted on November 15, 2006. During March 31, 2007 and November 17, 2007, 1,25,710 Options were cancelled due to disassociation of employees. On November 17, 2007, 1,25,000 Options were re-issued out of the above cancelled options. Further, on March 31, 2008, 69,940 options were cancelled due to disassociation of employees. During Fiscal 2009, 2010 and 2011, 17,500 options, 43,875 options and 12,472 options were cancelled, respectively, due to disassociation of employees.

Particulars	Details			
	Fiscal 2010	Fiscal 2011		
No. of Options as at beginning of Fiscal	13,83,106	9,22,640		
Options granted	NIL	Nil		
Exercise price of Options	Rs. 140	Rs. 140		
Total Options vested (includes Options exercised)	5,90,879	22,168		
Options exercised	4,16,591	3,84,788*		
Total number of Equity Shares arising as a result of full exercise of options already granted	9,22,640	5,25,380		
Options forfeited/ lapsed/ cancelled	43,875	12,472		
Variations in terms of options	N.A.	N.A.		
Money realised by exercise of Options	5,83,22,740	5,38,70,320		
Options outstanding (in force)	9,22,640	5,25,380		
Person wise details of Options granted to				
i) Directors and key managerial employees**	Name of Employee	No. of Options		
		Granted	Exercised	Outstanding
	Mr. Sunil Godhwani	1,20,750	Nil	120,750
	Mr. Shachindra Nath	80,000	Nil	80,000
	Mr. Anil Saxena	76,000	25,080	50,920
	Mr. Sunil Kumar Garg	67,000	20,000	47,000
	Mr. Amit Sarup	31,000	10,230	20,770
	Mr. Chandan Kumar Sinha	25,000	25,000	Nil
	Mr. Ravi Batra	4,000	4,000	Nil
ii) Any other employee** who received a grant in any one year of Options amounting to 5% or more of the Options granted during the year	Fiscal 2011 (Total Option Granted -NIL)			
iii) Identified employees** who are granted Options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil			
Fully diluted EPS# pursuant to issue of shares on exercise of Options in accordance with the relevant accounting standard	Nil			
Vesting schedule	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date			

Particulars	Details	
Difference, if any, between employee compensation cost calculated using the intrinsic value of Stock Options and employee compensation cost calculated on the basis of fair value of Stock Options	For the year ended March 31, 2011 such difference was Rs.18.15 million (Previous Year Rs0.77 million)	
Impact on the profits of the Company and on the earnings per share ("EPS") arising due to difference in the accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of Stock Options over the intrinsic value of the Stock Options)	For the year ended March 31, 2011, the profit of the Company will be reduced by Rs.18.15 million. (For the previous year ended March 31, 2010 the profit of the Company will be reduced by Rs.0.77 Million) and Basic and Diluted EPS will be lower by Rs.0.76 and Rs.0.00 respectively.	
Weighted average exercise price and weighted average fair value of Options whose exercise price either equals or exceeds or is less than market price of the stock	Weighted average exercise price Rs.140 Weighted average fair price of Options Rs.68.08	
Method and significant assumptions used to estimate the fair value of Options granted during the year:		
Method used	ESOP-2006 (For options granted in Fiscal 2007) "Black Scholes Option Pricing Method"	ESOP-2006 (For options granted in Fiscal 2008) "Black Scholes Option Pricing Method"
Risk free interest rate	7.85%	7.97%
Expected Life	6 years	6 years
Expected Volatility	59%	51%
Expected Dividends	0%	1%
Price of underlying shares in market at the time of Option grant	N.A.	N.A.

* During the period April 1, 2011 to May 31, 2011, 48065 Options were exercised and 477315 Options were outstanding as on May 31, 2011.

** Employees represent permanent employees as on November 15, 2006

#The Company has followed the intrinsic value method for calculating employee compensation as per the ESOS Guidelines. The Intrinsic value per equity share of REL was Rs. 111.47 whereas the exercise price is Rs. 140 per share. Since at the date of the grant of the stock options, the intrinsic value of the shares is less than the exercise price of the shares there is no impact on the profitability and EPS of the Company.

There was an impact of Rs.(869,418) on the profit and EPS of our Company calculated on the basis of the Guidance Note on Employees Stock Options issued by the ICAI due to difference in intrinsic value of Rs. 185 and the exercise price of Rs. 140 per Equity Share spread over the vesting period of three years on 107,088 Options (after cancellation of 47,656 Options)

(ii) ESOS 2010 / ESOS 2010

In order to reward and help retain our employees and to enable them to participate in our future growth and financial success, Religare Employee Stock Option Scheme - 2010 ("**ESOS 2010**") and Religare Employee Stock Purchase Scheme - 2010 ("**ESOS 2010**") for the eligible employees/ Directors (other than Promoters) of the Company including the employees/ Directors (other than Promoters) of its subsidiaries was adopted in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 ("**ESOS & ESOS Guidelines**") by a Shareholders resolution dated August 11, 2010 as amended by a Shareholders resolution dated March 12, 2011. In terms of the Resolution passed by our Shareholders on March 12, 2011, Options/shares can be granted in the ESOS 2010 and/or ESOS 2010 in respect of 15,551,319 Equity Shares, which represent upto 10% of the fully diluted equity share capital of our Company, after taking into account any other equity shares (including through convertible instruments) as may



be issued by our Company during the currency of the ESOS 2010 and/or ESOS 2010. As of March 31, 2011, ESOS 2010 has only been implemented. The details of ESOS 2010 are as provided below:

ESOS Scheme	Outstanding Options as on	Remarks		
ESOS 2010	1,25,90,000	The Special Resolution passed by the Shareholders of our Company on August 11, 2010 approved the grant of Options under the ESOS 2010, which was later modified by a Shareholders resolution dated March 12, 2011. 65,73,000 Options were granted on December 29, 2010 and 60,37,000 Options were granted on March 18, 2011. During Fiscal 2011, 20,000 Options were cancelled due to disassociation of employees.		
Particulars		Details		
No. of Options as at beginning of the relevant financial year		Nil		
Options granted		The Options were granted in two tranches (i) December 29, 2010 for 65,73,000 options (“Tranche I”) (ii) March 18, 2011 for 60,37,000 options (“Tranche II”)		
Exercise price of Options (Rs.)		Tranche I at Rs. 481 and Tranche II at Rs 480		
Total Options vested (includes Options exercised)		Nil		
Options exercised		Nil		
Total number of Equity Shares arising as a result of full exercise of options already granted		1,25,90,000		
Options forfeited/ lapsed/ cancelled**		20,000		
Variations in terms of options		N.A.		
Money realised by exercise of options (Rs.)		Nil		
Options outstanding (in force)		1,25,90,000		
Person wise details of options granted to				
i) Directors and Key Managerial Personnel*	Name of employee	No. of options Granted	Exercised	Outstanding
	Mr. Sunil Godhwani	13,50,000	Nil	13,50,000
	Mr. Shachindra Nath	7,00,000	Nil	7,00,000
	Mr. Anil Saxena	7,00,000	Nil	7,00,000
	Mr. Ravi Umesh Mehrotra	3,50,000	Nil	3,50,000
	Mr. Kamlesh Dangi	3,50,000	Nil	3,50,000
	Mr. Basab Mitra	3,50,000	Nil	3,50,000
	Mr. Paresh Thakker	3,50,000	Nil	3,50,000
	Mr. Sunil Kumar Garg	2,30,000	Nil	2,30,000
	Mr. Rajesh Doshi	80,000	Nil	80,000
	Mr. Ravi Batra	30,000	Nil	30,000

Particular	Details		
ii) Any other employee* who received a grant in any one year of Options amounting to 5% or more of the options granted during the year	Name of employee	Total options granted - 12,610,000	
		No. of options Granted	Percentage (%)
	Mr. Sunil Godhwani Mr. Shachindra Nath Mr. Anil Saxena	13,50,000 7,00,000 7,00,000	10.71 5.55 5.55
iii) Identified employees* who are granted Options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil		
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	Nil#		
Vesting schedule	33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date		
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of Stock Options	For the year ended March 31, 2011 such difference was Rs. 100.66 millions.		
Impact on the profits of our Company and on the EPS arising due to difference in the accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the Stock Options)	For the year ended March 31, 2011, the profit of the Company will be reduced by Rs. 100.66 million and Basic and Diluted EPS will be lower by Rs. 0.76 and Rs. 0.04 respectively.		
Weighted average exercise price and weighted average fair value of Options whose exercise price either equals or exceeds or is less than market price of the stock	Weighted average exercise price : Rs. 481 (Exercise price - Tranche - I - Rs. 481; Exercise price - Tranche - II - Rs. 480) Weighted average fair price of Stocks Options : Rs. 58.69 (Option value Tranche - I - Rs.158.88, Tranche - II - Rs.158.48)		
Method and significant assumptions used to estimate the fair value of Options granted during the year:			



Method used	ESOS-2010 (For Options granted in Tranche I) “Black Scholes Option Pricing Method”	ESOS-2010 (For options granted in Tranche II) “Black Scholes Option Pricing Method”
Risk free interest rate	8.01%	8.01%
Expected Life	6 yrs	6 yrs
Expected Volatility	36.51	35.32
Expected Dividends	0%	0%
Price of underlying shares in market at the time of Option grant	481.00	480.00

* Represent's our permanent employees as on date of grant of Options.

** Cancelled on account of disassociation of employees.

Our Company has followed the intrinsic value method for calculating employee compensation as per ESOS and ESOP Guidelines. The intrinsic value per Equity Share was Rs. 481 and the exercise price was also Rs. 481 per Equity Shares. Since at the date grant of the Stock Options the intrinsic value per Equity Share was equivalent to exercise price per Equity Share there is no impact on the profits and EPS of our Company.

Other than the Stock Options granted under our ESOS as mentioned above, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares.

(xiv) Plant Locations Not Applicable

(xv) CODE OF CONDUCT

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and the same has been posted on the web-site of the Company i.e. www.religare.com. All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2011.

A declaration to this effect, duly signed by Group CEO, is annexed and forms part of this report

(xvi) Address for Correspondence with the Company

For Securities held in Physical form

Karvy Computershare Private Limited
Plot No. 17 to 24, Vittalrao Nagar, Madhapur,
Hyderabad - 500081, India
E-mail: einward.ris@karvy.com

For Securities held in Demat form

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

Any query on Annual Report

Mr. Rajesh Doshi
Director - Compliance & Secretarial
D3, P3B, District Centre, Saket, New Delhi- 110017
E-mail: investorservices@religare.com

For institutional investors / analysts queries

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

- Be transparent and maintain a high degree of disclosure levels

CMD / CEO / CFO Certification

We, Sunil Godhwani, Chairman & Managing Director, Shachindra Nath, Group Chief Executive Officer and Anil Saxena, Group Chief Finance Office of Religare Enterprises Limited, hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2011 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's, Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that -
- (i) there has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year under review except as mentioned below
1. Goodwill Amortisation
- With effect from April 1, 2010, Goodwill arising on consolidation is being amortized over a period of 20 (twenty) years. The amortization starts after a cooling period of two years from the date of acquisition. Self-generated goodwill is expensed out as incurred.*
- and
- (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi	Sd/- Sunil Godhwani	Sd/- Shachindra Nath	Sd/- Anil Saxena
Date : June 29, 2011	Chairman & Managing Director	Group Chief Executive Officer	Group Chief Finance Officer

Certificate on Corporate Governance

To,
The Members,
Religare Enterprises Limited,

We have examined all relevant records of **RELIGARE ENTERPRISES LIMITED**, for the purpose financial year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations furnished to us, we certify that the Company has complied with the conditions of the said clause 49 of the Listing Agreement.

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

For **SANJAY GROVER & ASSOCIATES**
COMPANY SECRETARIES

Date : June 17, 2011
Place : New Delhi

Sd/-
SANJAY GROVER
CP No. 3850

Declaration by CEO

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

It is further certified that the Directors and Senior Management have affirmed their compliance with the Code for the year ended 31st March, 2011.

Place : New Delhi
Date : June 29, 2011

Sd/-
Shachindra Nath
Group Chief Executive Officer



The Board of Directors
Religare Enterprises Limited
D3, P3B, District Centre, Saket,
New Delhi 110 017.

Dear Sirs,

Subject : Non – Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2008.

In addition to our report made under section 227 (IA) of the Companies Act, 1956 of India on the financial statements of Religare Enterprises Limited (“the Company”) as of and for the year ended March 31, 2011 and as required by the Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2008 vide Notification No. DNBS. 201/DG(VL)- 2008 dated September 18, 2008 issued by the Reserve Bank of India (RBI), on the basis of such checks, as we considered appropriate and as per the information and explanations given to us, we report on the matters specified in paragraph 3 and 4 of the said directions as follows :

- Pursuant to withdrawal of exemption from registration as NBFC vide RBI letter no. DNBS.ND.NO.6957/Regn.New/04.18.999/2008-2009 dated April 09, 2009, the Company has made an application for registration as NBFC and obtained a Certificate of Registration (CoR) from RBI as NBFC w.e.f. June 18, 2010. Accordingly the company is entitled to continue to hold CoR as an investment company in terms of its asset/income pattern as on March 31, 2011
- Pursuant to the Regulatory Framework for Core Investment Companies (CICs) issued by RBI dated August 12, 2010 and revised regulatory framework January 5, 2011, the Company has filed specified application to RBI for registration as CIC-ND-SI and the same is pending for approval.
- The Board of Directors has passed a resolution on April 26, 2010 for non-acceptance of public deposits during the financial year 2010-11 without prior permission from RBI.
- The company has not accepted public deposits during the year ended March 31, 2011.
- In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 relating to accounting standards, income recognition, asset classification and provisioning for bad and doubtful debts as applicable to the Company. For the purpose of computation of total capital funds to total risk weighted assets / exposures, the Company has considered outstanding value as against contractual / face value of the guarantees issued by banks / financial institution.
- As the Company is a Systematically Important Non-deposit taking NBFC,
 - the Capital Adequacy Ratio as disclosed in the Form NBS 7 has been correctly arrived at and such ratio is in compliance with the minimum CRAR of 15% prescribed by the RBI, and
 - as of date the Company has not furnished the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) to RBI.

This report is issued to comply with the Non – Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2008 vide notification no. DNBS. 201/DG (VL) – 2008 and not to be used for any other purpose.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

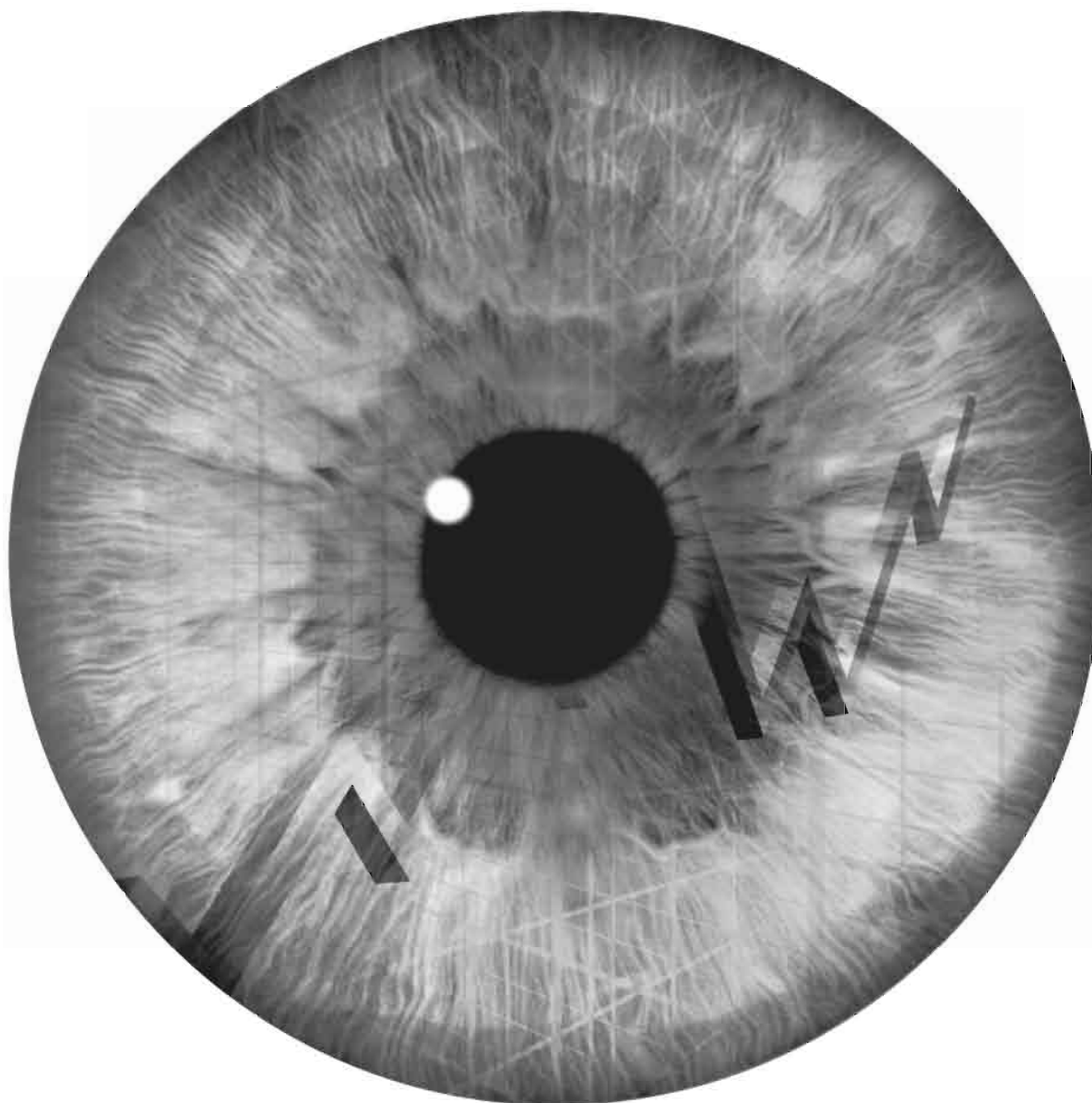
Sd/-
Partha Ghosh
Partner
Membership No. F 55913

Place : Mumbai
Date : June 29, 2011

**The future
belongs to
those who see
possibilities
before they
become obvious**



Standalone Financials



Auditors' Report

Auditors' Report to the Members of Religare Enterprises Limited

1. We have audited the attached Balance Sheet of Religare Enterprises Limited (the "Company") as at March 31, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;



(f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;

(ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse

Firm Registration No. 301112E

Chartered Accountants

Sd/-

Partha Ghosh

Partner

Membership No. F-55913

Place : Mumbai
Date : June 29, 2011

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Religare Enterprises Limited on the financial statements for the year ended March 31, 2011.

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) The Company does not hold any inventories and therefore Clause 4(ii) of the Order is not applicable to the Company.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, clauses (iii) (b) to (iii) (d) of paragraph 4 of the Order are not applicable to the Company for the current year.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. According, Clauses (iii) (b) to (iii) d of paragraph 4 of the Order are not applicable to the Company for the current year.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is *generally* regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. .
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess which have not been deposited on account of any dispute. The Particulars of Income Tax dues are as follows:-

Name of the statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	TDS proceedings u/s 201(1)/201(1A)	133960/-	A.Y. 2009-10	Commissioner of Income Tax (Appeal)
Income Tax Act,1961	TDS proceedings u/s 201(1)/201 (1A)	136010/-	A.Y. 2008-09	Commissioner of Income Tax (Appeal)
Income Tax Act,1961	Penalty proceedings u/s 271(1)(c)	504080/-	A.Y. 2008-09	Commissioner of Income Tax (Appeal)

10. The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.



12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
16. The Company has not obtained any term loans.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued debentures during the year. Accordingly, the question of creation of security or charge does not arise.
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Sd/-

Partha Ghosh

Partner

Membership No. F-55913

Place : Mumbai

Date : June 29, 2011

Balance Sheet

As at March 31, 2011

	Schedule	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	A	1,764,344,940	1,528,137,520
Share Application Money		-	1,779,400
Reserves and Surplus	B	30,148,476,416	24,080,718,662
		31,912,821,356	25,610,635,582
Loan Funds:			
Unsecured Loans	C	98,431,842	222,155,758
		98,431,842	222,155,758
Deferred Tax Liability (Net) (Refer Note No. 2 (s) of Schedule 'Q')			
		33,723,302	22,948,201
TOTAL		32,044,976,500	25,855,739,541
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block	D	325,349,577	256,651,333
Less: Depreciation		86,260,630	45,423,379
Net Block		239,088,947	211,227,954
Capital Work in Progress (including advances)		18,260,794	-
		257,349,741	211,227,954
Investments			
	E	30,935,098,565	26,538,460,415
Current Assets, Loans and Advances:			
Interest Accrued		25,872,510	316,256
Sundry Debtors	F	207,915,480	81,988,732
Cash and Bank Balances	G	532,941,271	283,511,135
Loans and Advances	H	595,456,583	509,711,168
		1,362,185,844	875,527,291
Less: Current Liabilities and Provisions:			
Current Liabilities	I	262,082,812	1,749,292,656
Provisions	J	247,574,838	20,183,463
		509,657,650	1,769,476,119
Net Current Assets		852,528,194	(893,948,828)
TOTAL		32,044,976,500	25,855,739,541
Notes to Financial Statements	Q		

Schedules referred to above forms an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse

Firm Registration No -301112E
Chartered Accountants

Sd/-

PARTHA GHOSH

Partner
Membership No: F55913

Sd/-

ANIL SAXENA

Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-

SHACHINDRA NATH

Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-

SUNIL GODHWANI

Chairman &
Managing Director
(DIN-00174831)

Sd/-

RAVI BATRA

Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011

Profit and Loss Account

For the Year Ended March 31, 2011



	Schedule	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
INCOME			
Income From Operations	K	804,811,402	365,291,425
Income From Investments	L	398,644,422	650,628,634
Other Income	M	64,244,963	341,035,057
TOTAL		1,267,700,787	1,356,955,116
EXPENDITURE			
Personnel Expenses	N	544,029,314	327,779,086
Administrative and Other Expenses	O	425,094,059	83,696,943
Interest and Finance Charges	P	151,299,513	219,629,666
Depreciation	D	41,201,651	42,657,716
TOTAL		1,161,624,537	673,763,411
PROFIT BEFORE TAX		106,076,250	683,191,705
Provision for Taxation			
- Current Tax			
For the Year		39,565,409	104,930,998
For Earlier Years Short / (Excess)		4,212,636	-
- Wealth Tax		558,362	382,665
- Deferred Tax (Net) (Refer Note No. 2 (s) of Schedule 'Q')		10,775,101	22,713,883
PROFIT AFTER TAX		50,964,742	555,164,159
Balance brought forward from previous Year		142,534,020	(65,085,792)
AMOUNT AVAILABLE FOR APPROPRIATION		193,498,762	490,078,367
APPROPRIATIONS			
Dividend on Preference Shares		-	48,371,370
Interim Dividend on Equity Shares		-	255,627,504
Transfer to Statutory Reserve Fund U/s 45 IC of RBI Act, 1934		10,192,948	-
Transfer to General Reserve		-	43,545,473
Balance of Profit carried to Balance Sheet		183,305,814	142,534,020
		193,498,762	490,078,367
Earnings Per Share (In Rupees)			
Basic		0.04	6.27
Diluted		0.04	6.23

Notes to Financial Statements

Q

Schedules referred to above forms an integral part of the Profit and Loss Account

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

For Price Waterhouse

Firm Registration No -301112E

Chartered Accountants

Sd/-
PARTHA GHOSH
Partner
Membership No: F55913

Sd/-
ANIL SAXENA
Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-
SHACHINDRA NATH
Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-
SUNIL GODHWANI
Chairman &
Managing Director
(DIN-00174831)

Sd/-
RAVI BATRA
Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011

Cash Flow Statement

For the Year Ended March 31, 2011

Particulars	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
A. Cash Flow From Operating Activities:		
Net Profit Before Tax	106,076,250	683,191,705
Adjustments for:		
Loss on Sale of Fixed Assets	676,886	1,949,457
Depreciation	41,201,651	42,657,716
Interest and Finance Expense	151,299,513	219,629,666
Interest Income	(63,681,537)	(334,787,878)
Dividend Income	(298,542,129)	(650,628,634)
Profit on sale of Investments	(92,120,563)	-
Provision for Bad and Doubtful Debts	-	305,635
Profit on sale of Mutual Funds	(7,981,730)	-
Provision for Gratuity and Leave Encashment	2,332,000	8,926,938
Provision for diminution in value of Investments	225,000,000	-
Employee Stock Options Outstanding	(869,418)	898,735
Unrealised foreign exchange (gain) /loss	2,674,337	(6,247,179)
Tax Deducted at Sources	(145,564,824)	(121,184,527)
Operating Loss before Working Capital changes	(79,499,564)	(155,288,366)
Adjustments for changes in Working Capital :		
- (Increase) in Sundry Debtors	(125,926,749)	(74,169,551)
- Increase/(Decrease) in Trade and Other Payables	(1,206,353,856)	1,326,345,325
- (Increase) in Other Receivables	24,507,746	(334,071,302)
Cash Used In Operations	(1,387,272,423)	762,816,106
- Taxes (Paid) / Received (Net of TDS)	(409,389)	(41,362,624)
Net Cash Generated in/ (Used From) Operating Activities	(1,387,681,812)	721,453,482
B. Cash Flow From Investing Activities:		
Adjustments for changes in :		
Purchase of Fixed Assets	(71,368,855)	(126,747,267)
Capital Work in Progress	(18,260,794)	59,574
Proceeds from Sale of fixed assets	1,629,325	4,736,917
Proceeds from Sale of Shares / Redemption of Shares in Subsidiary Companies		
- subsidiary companies (Equity)	1,003,840,160	-
- other than subsidiary companies (including units of mutual funds)	9,387,539,864	-
Purchase of Shares of Investments		
- subsidiary Companies (Including Share Application Money)	(3,670,900,073)	(4,989,995,184)
- joint Ventures	(1,972,000,000)	(1,313,000,000)
- others (including units of mutual funds)	(9,047,324,607)	-
Dividend Received	298,542,129	650,628,634
Interest Received (Revenue)	38,125,283	443,862,768
Net Cash Used in Investing Activities	(4,050,177,568)	(5,330,454,558)
C. Cash Flow From Financing Activities:		
Proceeds from fresh issue of Equity Share Capital (including Securities Premium)	5,053,869,850	199,834,915
Proceeds from fresh issue of Preference Share Capital (including Securities Premium)	1,200,000,000	-
Share Application Money	(1,779,400)	1,779,400
Inter Corporate Loan Given	(18,773,700,000)	-
Inter Corporate Loan Given (received back)	18,773,700,000	-
Expense related to Rights Issue	-	(29,413,647)
Proceeds from Short Term Borrowings (net)	(92,661,834)	189,934,892
Interest Paid	(182,361,595)	(187,408,801)
Dividend Paid	(289,777,505)	(14,221,370)
Net Cash Generated From Financing Activities	5,687,289,516	160,505,389
Net Increase/(Decrease) in Cash & Cash Equivalents	249,430,136	(4,448,495,687)
Cash and Cash Equivalents at the Beginning of the Year	283,511,135	4,732,006,822
Cash and Cash Equivalents at the end of the Year	532,941,271	283,511,135
Cash and Cash Equivalents at the end of the Year comprises of		
Cash in hand	823,439	525,282
Balances with Scheduled Banks in Current Accounts	532,117,832	257,585,853
Balances with Scheduled Banks in Fixed Deposit	-	25,400,000
	532,941,271	283,511,135

Notes:

- (1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standards - 3 on Cash Flow Statement.
- (2) Fixed Deposits includes Rs Nil (Year Ended March 31, 2010 Rs. 99 Lacs) which is under lien with Stock Exchange (Refer note 2 d of Schedule Q).
- (3) Figures in the bracket indicate cash outgo / income.
- (4) Previous year's figures have been regrouped and rearranged wherever necessary to conform to the current year's classification.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse

Firm Registration No -301112E
Chartered Accountants

Sd/-
PARTHA GHOSH
Partner
Membership No: F55913

Sd/-
ANIL SAXENA
Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-
SHACHINDRA NATH
Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-
SUNIL GODHWANI
Chairman &
Managing Director
(DIN-00174831)

Sd/-
RAVI BATRA

Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011



Schedules forming part of Balance Sheet as at March 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'A' : SHARE CAPITAL		
Authorised		
200,000,000 Equity Shares of Rs. 10 each (Previous Year 200,000,000 Equity Shares of Rs. 10 each)	2,000,000,000	2,000,000,000
50,000,000 Redeemable Preference Share of Rs. 10 each (Previous Year 50,000,000 Redeemable Preference Share of Rs. 10 each)	500,000,000	500,000,000
TOTAL	2,500,000,000	2,500,000,000
Issued, Subscribed and Paid Up		
139,434,494 Equity Shares of Rs. 10 each Fully Paid up (Previous Year 127,813,752 Equity Shares of Rs. 10 each Fully Paid Up) (Refer note 2 f (a) (i) and 2 f (a) (ii) of Schedule 'Q')	1,394,344,940	1,278,137,520
37,000,000 13.66% Cumulative Redeemable Preference Shares of Rs. 10 each Fully Paid up (Previous Year 2,50,00,000 13.66% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid up) (Refer note 2 f (a) (iii) of Schedule 'Q')	370,000,000	250,000,000
TOTAL	1,764,344,940	1,528,137,520
SCHEDULE 'B' : RESERVES AND SURPLUS		
a: Capital Redemption Reserve (As per last Balance Sheet)	750,000	750,000
b: Securities Premium Account		
As per last Balance Sheet:	23,862,768,217	6,203,230,379
Add : Received during the year on Equity Shares Refer note 2 f (a) (i) and 2 f (a) (ii) of Schedule 'Q')	4,937,662,430	17,688,951,485
Add : Received during the year on Preference Shares (Refer note 2 f (a) (iii) c of Schedule 'Q')	1,080,000,000	-
Less : Expenses relating to Rights Issue (Refer Note 2f(b) of Schedule 'Q')	-	29,413,647
	29,880,430,647	23,862,768,217
c: General Reserve		
As per last Balance Sheet	72,894,307	29,348,834
Add : Transfer from Profit and Loss Account	-	43,545,473
	72,894,307	72,894,307
d: Employee Stock Option Outstanding		
As per last Balance Sheet (Gross Amount)	5,568,750	5,568,750
Less : Employee Stock Option exercised as on Balance Sheet date	3,445,020	2,741,310
Additions / (Cancellation) during the year	(1,221,030)	(749,790)
Less : Deferred Employee Stock Compensation	-	305,532
Net : Employee Stock Options Outstanding	902,700	1,772,118
e: Statutory Reserve Fund *		
Opening Balance	-	-
Transfer from Profit and Loss account	10,192,948	-
*Created u/s 45-IC of Reserve Bank of India Act, 1934	10,192,948	-
f: Surplus as per Profit and Loss Account	183,305,814	142,534,020
TOTAL	30,148,476,416	24,080,718,662
SCHEDULE 'C' : UNSECURED LOANS (Short Term)		
Intercorporate Loans	92,115,000	181,115,000
Unsecured Loans (Others)	5,158,059	8,819,893
Interest accrued and due on Unsecured Loans	1,158,783	32,220,865
TOTAL	98,431,842	222,155,758

Schedules forming part of Balance Sheet as at March 31, 2011

SCHEDULE 'D' : FIXED ASSETS

Amount in (Rs.)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2010	Additions for the Year	Deletions/ Adjustments for the Year	As at March 31, 2011	As at April 1, 2010	Additions for the Year	Deletions/ Adjustments for the Year	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
IINTANGIBLE ASSETS										
SOFTWARE-OTHERS	196,630,358	32,967,085	-	229,597,443	39,900,087	32,442,885	-	72,342,972	157,254,471	156,730,271
SUB-TOTAL	196,630,358	32,967,085	-	229,597,443	39,900,087	32,442,885	-	72,342,972	157,254,471	156,730,271
TANGIBLE ASSETS										
LEASEHOLD IMPROVEMENTS	711,000	-	-	711,000	123,466	140,725	-	264,191	446,809	587,534
COMPUTER SYSTEMS AND PERIPHERALS	8,561,050	7,190,270	126,360	15,624,960	1,340,070	2,117,357	16,009	3,441,418	12,183,542	7,220,980
OFFICE EQUIPMENTS	3,290,934	4,401,089	3,200	7,688,823	870,674	1,120,848	3,200	1,988,322	5,700,501	2,420,260
FURNITURE AND FIXTURES	16,875	1,226,198	-	1,243,073	16,875	79,721	-	96,596	1,146,477	-
VEHICLES	47,441,116	25,584,213	2,541,051	70,484,278	3,172,207	5,300,115	345,191	8,127,131	62,357,147	44,268,909
SUB-TOTAL	60,020,975	38,401,770	2,670,611	95,752,134	5,523,292	8,758,766	364,400	13,917,658	81,834,476	54,497,683
TOTAL	256,651,333	71,368,855	2,670,611	325,349,577	45,423,379	41,201,651	364,400	86,260,630	239,088,947	211,227,954
PREVIOUS YEAR	37,302,927	226,835,589	7,487,183	256,651,333	3,566,472	42,657,716	800,809	45,423,379	211,227,954	
Capital Works In Progress (including advances)									18,260,794	-

	Face Value (Rs./USD)	As at March 31, 2011		As at March 31, 2010	
		No.	Rs.	No.	Rs.
SCHEDULE 'E' : INVESTMENTS (At Cost)					
Long Term -Other than Trade					
Investment in Subsidiaries (Unquoted)					
Equity Shares (Fully Paid Up)					
Religare Securities Limited	10	39,492,800	3,283,996,000	39,492,800	3,283,996,000
Religare Finvest Limited	10	173,322,137	13,803,356,850	170,322,137	13,203,356,850
Religare Commodities Limited	10	-	-	2,000,000	37,500,000
Religare Insurance Broking Limited	10	55,500,000	990,000,000	48,000,000	915,000,000
Religare Venture Capital Limited	10	30,050,000	300,500,000	30,050,000	300,500,000
REL Infracilities Limited (formerly Religare Reality Limited)	10	30,850,000	417,000,000	30,850,000	417,000,000
Religare Finance Limited	10	2,050,000	20,500,000	2,050,000	20,500,000
Religare Capital Markets Limited	10	81,550,000	3,855,500,000	81,550,000	3,855,500,000
Religare Global Asset Management Inc., USA \$0.01		24,000	1,220,091,273	-	-
Religare Health Insurance Company Limited (formerly known as Religare Insurance Holding Company Limited)	10	157,500,000	1,575,000,000	25,150,000	251,500,000
Religare Arts Initiative Limited	10	13,000,000	130,000,000	13,000,000	130,000,000
Religare United Soccer Limited	10	-	-	50,000	500,000
Religare Housing Development Finance Corporation Limited (formerly known as Maharishi Housing Development Finance Corporation Limited)	10	-	-	34,998,250	965,840,160
Vistaar Religare Capital Advisors Limited	10	164,505	34,154,442	153,105	31,845,642
Preference Shares (Fully Paid Up)					
Religare Capital Markets Limited	10	9,000,000	450,000,000	-	-
Share Application Money					
Vistaar Religare Capital Advisors Limited				-	2,308,800
		592,503,442	26,080,098,565	477,666,292	23,415,347,452



Schedules forming part of Balance Sheet as at March 31, 2011

SCHEDULE 'E' : INVESTMENTS (At Cost) Cont.

	Face Value (Rs./USD)	As at March 31, 2011		As at March 31, 2010	
		No.	Rs.	No.	Rs.
Investments in Joint Ventures (Unquoted)					
Equity Shares (Fully Paid Up)					
Religare Macquarie Wealth Management Limited	10	50,000,000	575,000,000	35,000,000	350,000,000
Aegon Religare Life Insurance Company Limited	10	418,000,000	4,180,000,000	250,800,000	2,508,000,000
Preference Shares (Fully Paid Up)					
Religare Macquarie Wealth Management Limited	10	7,500,000	100,000,000	2,500,000	25,000,000
		475,500,000	4,855,000,000	288,300,000	2,883,000,000
Investments Other than in Subsidiaries and Joint Ventures (Fully Paid up)					
Karnataka Bank Limited (Quoted)	10	-	-	1,741,171	240,112,963
		-	-	1,741,171	240,112,963
	TOTAL		30,935,098,565		26,538,460,415
Aggregate Value of Quoted Investment in shares					
At Book Value			-		240,112,963
At Market Value			-		209,840,520
Aggregate Value of Unquoted Investment					
At Book Value			30,935,098,565		26,298,347,452
At Market Value			-		-

Notes:

Details of Mutual Funds purchased and sold during the year

MUTUAL FUNDS	Units	(Amount in Rs.)			
		Purchases		Cost of Sales	
		Qty	Amount	Qty	Amount
RELIANCE LIQUIDITY FUND (GROWTH OPTION)	10	149,288,988.48	2,150,000,000	149,288,988.48	2,150,000,000
RELIANCE LIQUID FUND CASH PLAN (GROWTH OPTION)	10	19,162,349.82	300,000,000	19,162,349.82	300,000,000
DWS TREASURY FUND CASH IP (GROWTH OPTION)	10	93,219,232.99	1,000,000,000	93,219,232.99	1,000,000,000
RELIGARE LIQUID FUND SUPER INSTITUTIONAL PLAN (GROWTH OPTION)	10	277,275,129.44	3,680,000,000	277,275,129.44	3,680,000,000
PEERLESS LIQUID FUND SIP (GROWTH OPTION)	10	115,867,446.87	1,220,000,000	115,867,446.87	1,220,000,000
JM HIGH LIQUIDITY FUND SUPER INSTITUTIONAL PLAN (GROWTH OPTION)	10	39,679,391.03	600,000,000	39,679,391.03	600,000,000
TAURUS LIQUID FUND SUPER INSTITUTIONAL (GROWTH OPTION)	10	191,850.46	200,000,000	191,850.46	200,000,000
CANARA ROBECO LIQUID SUPER INSTITUTIONAL (GROWTH OPTION)	10	42,573,844.33	500,000,000	42,573,844.33	500,000,000
PRAMERICA LIQUID FUND (GROWTH OPTION)	10	387,794.85	400,000,000	387,794.85	400,000,000
		737,646,028.27	10,050,000,000	737,646,028.27	10,050,000,000

Schedules forming part of Balance Sheet as at March 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'F' : SUNDRY DEBTORS		
(Unsecured-Considered Good Unless otherwise stated)		
Debts outstanding for a period exceeding Six Months		
Good	-	-
Doubtful	305,635	305,635
	305,635	305,635
Other Debts*		
Good	207,915,480	81,988,732
	207,915,480	81,988,732
Total	208,221,115	82,294,367
Less :-Provision for Doubtful debts	(305,635)	(305,635)
	207,915,480	81,988,732
TOTAL	207,915,480	81,988,732
*Refer Note 2 u of Schedule 'R'		
SCHEDULE 'G' : CASH AND BANK BALANCES		
Cash in Hand	823,439	525,282
Balances with Scheduled Banks in:		
-Current Accounts	532,117,832	257,585,853
-Fixed Deposits (Refer Note 2 d of Schedule 'Q')	-	25,400,000
	532,941,271	283,511,135
TOTAL	532,941,271	283,511,135
SCHEDULE 'H' : LOANS AND ADVANCES		
(Unsecured-Considered Good)		
Advance to Religare Employees' SAR Trust (Refer Note 2 m of Schedule 'Q')	-	2,300,836
Advances to Subsidiaries/ Joint Ventures (Refer Note 2 u of Schedule 'Q')	39,081,236	143,736,775
Advances recoverable in cash or in kind or for value to be received:		
-Prepaid Expenses	84,352,527	64,298,065
-Security Deposits	29,774,388	59,916,232
-Others	231,296,917	160,024,541
Advance Tax and Tax Deducted at Source (Net of Provisions for Taxes of Rs. 213,640,732; Previous Year Rs. 172,484,625)	175,961,883	65,708,722
Balance with Service Tax Authorities	11,239,632	13,725,997
	571,706,583	509,711,168
Unsecured Loans - Standard Assets*	23,750,000	-
	595,456,583	509,711,168
TOTAL	595,456,583	509,711,168

* Inclusive of loan outstanding from directors for Rs. 215 lacs
(Previous Year Rs. 215 lacs)



Schedules forming part of Balance Sheet as at March 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'I' : CURRENT LIABILITIES		
Sundry Creditors (Other than Micro, Small and Medium Enterprises)	208,484,406	256,962,978
Book Overdraft	-	1,185,983,714
Interim Dividend on Preference Shares	-	34,150,000
Interim Dividend on Equity Shares	-	255,627,504
Other Liabilities	53,598,406	16,568,460
TOTAL	262,082,812	1,749,292,656
SCHEDULE 'J' : PROVISIONS		
Gratuity	2,888	10,429,372
Leave Encashment	22,512,575	9,754,091
Contingent Provision against Standard Assets	59,375	-
Provision for diminution in the value of Long Term Investments	225,000,000	-
TOTAL	247,574,838	20,183,463

Schedules forming part of Profit and Loss Account for the year ended March 31, 2011

	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
SCHEDULE 'K' : INCOME FROM OPERATIONS		
Income from Financial Advisory Services	-	191,278
Support Service Fees	804,811,402	365,100,147
TOTAL	804,811,402	365,291,425
SCHEDULE 'L' : INCOME FROM INVESTMENTS		
On Long Term Investments		
-Dividend From Subsidiaries	291,577,445	640,181,608
-Dividend From Others	6,964,684	10,447,026
-Profit on sale of Long Term Investments	92,120,563	-
On Short Term Investments		
-Profit on sale / Redemption of Short Term Investments	7,981,730	-
TOTAL	398,644,422	650,628,634
SCHEDULE 'M' : OTHER INCOME		
Interest on Fixed Deposits with Bank (TDS Rs.51,931; Previous Year Rs.39,542,365)	519,313	329,461,056
Interest Income On Debentures (net) (TDS Rs.3,445,000; Previous Year Rs.2,269,658)	7,684,000	5,122,666
Interest Income on Inter Corporate Deposits given (TDS Rs.5,545,101; Previous Year Rs. Nil)	55,451,014	-
Interest on Staff Loans	27,210	204,156
Other Income	563,426	-
Foreign Exchange Gains (Net)	-	6,247,179
TOTAL	64,244,963	341,035,057

Schedules forming part of Profit and Loss Account for the year ended March 31, 2011

	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
SCHEDULE 'N' : PERSONNEL EXPENSES		
Salaries, Allowances and Bonus	428,670,239	232,674,425
Contribution to Employees Provident and Other Funds	16,677,075	9,143,872
Gratuity	17,772,399	5,601,730
Leave Encashment	16,431,697	5,465,404
Training and Recruitment Expenses	60,806,235	71,572,777
Staff Welfare Expenses	21,583,544	4,144,079
	<u>561,941,189</u>	<u>328,602,287</u>
Less: Expenses shared by Subsidiaries/Joint Venture (Refer note 2(t) of Schedule 'Q')	17,911,875	823,201
TOTAL	<u><u>544,029,314</u></u>	<u><u>327,779,086</u></u>
SCHEDULE 'O' : ADMINSTRATIVE AND OTHER EXPENSES		
Rent	276,635,420	215,842,172
Advertisement and Business Promotion	61,542,064	73,083,886
Insurance Charges	3,341,264	1,458,404
Travelling and Conveyance	150,854,938	55,034,250
Communication Expenses	12,306,113	5,892,181
Postage and Courier	3,981,126	3,103,144
License Fees	7,768,283	3,117,490
Printing and Stationery	8,690,016	4,304,065
Repairs and Maintenance		
Leasehold Improvement	-	2,459,254
Others	3,220,954	360,452
Legal and Professional Expenses	165,942,401	93,397,581
Membership and Subscription	10,470,121	6,553,424
Director Sitting Fees	300,001	-
Auditors' Remuneration	4,457,490	4,000,275
Filing Fees	2,673,925	221,991
Fines & Penalties	2,760,115	-
Loss on sale of fixed assets (Net)	676,886	1,949,457
Provision for Doubtful Debts		305,635
Unrealised Foreign Exchange Loss (Net)	2,674,337	-
Office Expenses	2,565,855	2,139,604
Contingent Provision against Standard Assets	59,375	-
Provision for Diminution in the Value of Long Term Investment	225,000,000	-
Miscellaneous Expenses	21,429,824	7,428,044
	<u>967,350,508</u>	<u>480,651,309</u>
Less: Expenses shared by Subsidiaries for use of common facilities (Refer note 2(t) of Schedule 'Q')	542,256,449	396,954,366
TOTAL	<u><u>425,094,059</u></u>	<u><u>83,696,943</u></u>
SCHEDULE 'P' : INTEREST AND FINANCE CHARGES		
Interest on Intercompany Deposits/Loans	112,202,332	203,002,938
Bank Charges	39,097,181	16,626,728
TOTAL	<u><u>151,299,513</u></u>	<u><u>219,629,666</u></u>



Notes to the Financial Statements

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE 'Q': NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and on accrual basis of accounting and in accordance with generally accepted accounting principles in India and comply in material aspect with the measurement and recognition principals of Accounting Standards referred in Section 211 (3C) of the Companies Act, 1956 of India ("the Act") read with Companies (Accounting Standard) Rules 2006 to the extent applicable, the Reserve Bank of India Act 1934 (RBI) and Non-Banking Financial Companies (Reserve Bank) Directions 2008.

b) USE OF ESTIMATES

The presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

c) REVENUE RECOGNITION

- (i) Interest income from financing activities is recognized on an accrual basis except in the case of non-performing assets, where it is recognised on realisation, as per the prudential norms of the RBI.
- (ii) Income from Financial Advisory Services is recognized on the basis of stage of completion of assignments in accordance with terms of the relevant agreement.
- (iii) Dividend from investments is accounted for as income when the right to receive dividend is established.
- (iv) Income from Interest on Fixed Deposits with banks is recognized on accrual basis.
- (v) Income from Support Services Fees for rendering of services to group companies is recognized on accrual basis.
- (vi) Revenue excludes service tax.

d) FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost for this purpose includes purchase price, non refundable taxes or levies and other directly attributable costs of bringing the asset to its working condition for its intended use.

e) LEASED ASSETS

- i. Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.
- ii. Assets given on operating leases are included in fixed assets. Lease income is recognized in the Profit and Loss Account on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an expense in the Profit and Loss Account. Initial direct cost such as legal costs, brokerages etc. are charged to Profit and Loss as incurred.

f) INTANGIBLE ASSETS

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

g) DEPRECIATION

Immovable assets at the leased premises including civil works, electrical items are capitalized as leasehold improvements and are amortized over the primary period of lease subject to maximum of 6 years.

Depreciation is provided on Straight Line Method, at the rates specified in Schedule XIV of the Companies Act, 1956 or the rates based on useful lives of the assets as estimated by the management, whichever are higher. Depreciation is provided for on a pro-rata basis on the assets acquired, sold or disposed off during the year. The annual depreciation rates are as under:

Notes to the Financial Statements

Assets Description	Depreciation Rate (%)
Computers	16.21%
Office Equipment	Between 10% to 20%
Furniture and Fixtures	6.33%
Vehicle	9.50%

Individual assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

h) INVESTMENTS

Investments are classified into long term investments and current investments. Investments which are by its nature readily realisable and intended to be held for not more than one year from the date of investments are current investments and Investments other than current investments are long term investments. Long term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current investments are valued at lower of cost and fair/ market value.

i) FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.
- (ii) Exchange differences arising on settlement of revenue transactions are recognized in the Profit and Loss account.
- (iii) Monetary items denominated in a foreign currency are restated using the exchange rates prevailing at the date of the balance sheet and the resulting net exchange difference is recognized in the Profit and Loss Account.

j) EMPLOYEE BENEFITS

- (i) Provident Fund is a defined contribution scheme and the contributions as required by the Statute are charged to the Profit and Loss Account as incurred.
- (ii) Gratuity Liability is a defined obligation. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company makes contributions to gratuity fund ("Religare Enterprises Limited Group Gratuity Scheme") being administered by the Trust. Under this scheme, the settlement obligations remain with the Company. The plan provides a lump sum payment to vested employees at the retirement or termination of employment based on the respective employee's salary in relevant years and years of employment with the company. Liability with regards to gratuity fund is accrued based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date.
- (iii) The employees of the Company are entitled to compensate absences and leave encashment as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation as at the Balance Sheet date.
- (iv) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Profit and Loss Account as income or expense.
- (v) The undiscounted amount of short - term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period when the employee renders the service.
- (vi) Stock Appreciation Rights (SARs) are given as a part of employee retention strategy of the Company. The eligible employees are entitled to receive an incentive based on the price of the shares of the Company. The amount of such incentive proportionate to the vesting period as at the Balance Sheet date is recognized as an expense based on the fair value of shares as at the Balance Sheet date or the cost of acquisition of such shares where the same have been acquired by an Employee Trust formed for the purpose.
- (vii) Stock Options granted to eligible employees under the relevant Stock Option Schemes are accounted for at intrinsic value as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 "SEBI Guideline" issued by the (Securities and Exchange Board of India). Accordingly, the excess of average market price, determined as per SEBI Guidelines of the underlying equity shares (market value) over the exercise price of the options is recognized as deferred stock option expense and is charged to Profit and Loss Account on a straight line basis over the vesting period of the options. The amortised portion of the cost is shown under reserves and surplus.

k) Taxes on Income

- (i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.



Notes to the Financial Statements

(iii) Provision for taxation for the period(s) is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

I) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- (ii) Provision for non-performing assets/investments and contingent provision against standard assets has been made as per prudential norms and RBI Circular No.DNBS.PD.CC.No.207/03.02.2002/2010-11 prescribed by Reserve Bank of India.

m) IMPAIRMENT OF ASSETS

Assets are reviewed for impairment at each Balance Sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

2. NOTES ON ACCOUNTS

a. Capital Commitments

(Rs. in lacs)

S. No.	Particulars	As at March 31, 2011	As at March 31, 2010
(a)	Capital Commitment/ consideration on account of acquisitions	2,200.00	3,000.00
(b)	Estimated amount of contracts (net of advances) exclusive of taxes remaining to be executed	14.29	-
	Total	2,214.29	3,000.00

b. Contingent Liabilities

(Rs. in lacs)

S. No.	Particulars	As at March 31, 2011	As at March 31, 2010
(a)	Financial and other guarantees issued by the Company to banks and stock exchanges and others*	68,996.32	88,587.44
(b)	Underwriting commitments/obligations for Shares/ debentures	13,400.00	26,000.00
(c)	Disputed Income Tax demands not provided for	7.74	-
(d)	Claim against the Group not acknowledged as debts	-	0.77
	Total	82,404.06	114,588.21

*In respect of financial guarantees outstanding as on March 31, 2011, the outstanding balances are as per the borrower's books instead of the face value of such guarantees.

c. Pledge of Shares by the Company (in respect of margin requirement by the Subsidiary Companies)

	Name of Script	As at March 31, 2011		As at March 31, 2010	
		No in lacs	Rs in lacs	No in lacs	Rs in lacs
1	Karnataka Bank Limited	-	-	17.41	2,401.13
	Total	-	-	17.41	2,401.13

d. Fixed Deposits under lien with Banks/ Stock Exchanges (on behalf of Subsidiary Companies)

(Rs. in lacs)

		As at March 31, 2011	As at March 31, 2010
(a)	Margin/deposits for guarantees & credit facility by bank	-	99.00
(b)	For base capital requirement with stock exchanges	-	155.00
	Total	-	254.00

Notes to the Financial Statements

- e. During the year ended March 31, 2011, the Company has been registered and obtained the Certificate of Registration (CoR) as Non-Banking Financial Institution without accepting public deposits w.e.f. June 18, 2010 under Section 45 IA of Reserve Bank of India Act, 1934. Based on the asset and income pattern, the Company has been classified as an Investment Company.

Pursuant to the Regulatory Framework for Core Investment Companies (CICs) issued by RBI dated August 12, 2010 and revised regulatory framework January 5, 2011, the Company has filed specified application to RBI for registration as CIC-ND-SI and same is pending for approval.

- f. (a) During the year ended March 31, 2011 the Company, on preferential basis:
- (i) Issued and allotted 5,617,977 (Fifty Six lacs Seventeen thousand nine hundred and seventy seven equity shares) of Rs. 10 each at a price of Rs. 445 per equity share including premium of Rs. 435 per equity share for cash to a promoter group entity.
 - (ii) Issued 5,617,977 optionally convertible warrants converted into equal number of equity shares of Rs. 10 each at a price of Rs. 445 per equity share including premium of Rs. 435 per equity share to a promoter group entity. The said warrants had been converted into equivalent number of fully paid up equity shares and the company has received full amount against the same.
 - (iii) Issued 12,000,000 13.66% Cumulative Redeemable Preference Shares of Rs. 10 each at a premium of Rs. 90 per share aggregating to Rs. 12,000 lacs to a promoter group entity. These Preference Shares are redeemable at a premium not exceeding Rs.150 per share at the end of 5 years or at an earlier date as may be decided by the Board of Directors of the Company. The premium payable on redemption of the aforesaid shares will be utilized from the Securities Premium Account as per the provisions of section 78 of the Companies Act, 1956.
- g. During the year the Company had transferred/ disposed :
- (i) 2,000,000 equity shares of Religare Commodities Limited (RCL) at a book value of Rs.375 lacs to Religare Securities Limited (RSL), a wholly owned subsidiary of the Company. As a result, RCL became wholly owned subsidiary of RSL and step down subsidiary of the Company.
 - (ii) Transferred 34,998,250 equity shares at book value of Rs.9,733.40 lacs in Religare Housing Development Finance Corporation Limited (RHDFCL) to Religare Finvest Limited (RFL), a wholly owned subsidiary of the Company. As a result RHDFCL became subsidiary of RFL and step down subsidiary of the Company.
 - (iii) Sold 50,000 equity shares of the book value of Rs.5 lacs of Religare United Soccer Limited (RUSL) in equal proportion to RHC Finance (P) Limited and Today Holdings Private Limited. As a result RUSL ceases to be subsidiary of the Company.
 - (iv) Sold the long term investment of 1,741,171 equity shares in Karnataka Bank Limited of the book value Rs.2,401.13 lacs at Rs.3,323.38 lacs (net of charges).
- h. Subsequent events after Balance Sheet date :
- (i) The Share Allotment Committee of Directors of the Company, at its meeting held on April 27, 2011 has issued 13,000,000 13.66% Cumulative Redeemable Preference Shares of Rs.10 each (including a premium of Rs. 90 per Preference Share) aggregating to Rs.13,000 lacs to a promoter group entity. The aforesaid Preference shares are redeemable at a premium not exceeding Rs.150 per share within a period not exceeding 5 years, one or more tranches, from the date of allotment as may be decided by the Board and the same will be adjusted against securities premium.
 - (ii) The Company has acquired through Religare Global Asset Management Inc., USA (RGAM), a wholly owned subsidiary: (i) 55% stake in Landmark Partners LLC, USA. (ii) 40% stake in Investment Professionals Limited, Mauritius.
 - (iii) The Company has filed Draft Letter of Offer (DLOF) for Rights Issue of equity shares on May 6, 2011 with the Securities and Exchange Board of India for issue size upto Rs.80,000 lacs under Chapter IV of the Securities and Exchange Board of India (Issue of Capital and Investment Disclosure Requirements (ICDR) Regulations 2009 as amended. The proposed issue has been guaranteed to the extent of 95% and the company has received Rs.40,000 lacs subsequent to the filing of DLOF.
- i. Details of Investments in Equity/ Preference Shares of Subsidiaries/ Joint Ventures during the year:

Notes to the Financial Statements



(Rs. in lacs)

	Name of the Company	2010-11	2009-10
A	Investments in Subsidiaries		
	Religare Securities Limited	-	2,600.00
	Religare Finvest Limited	6,000.00	6,500.00
	Religare Capital Markets Limited	4,500.00	23,000.00
	Religare Insurance Broking Limited	750.00	5,000.00
	Religare Venture Capital Limited	-	3,000.00
	Religare Global Asset Management Inc., USA*	12,200.91	-
	Religare Housing Development Finance Corporation Limited	-	9,658.40
	Vistaar Religare Capital Advisors Limited	-	141.55
	Religare Advisory Services Limited	-	121.66
	Religare Health Insurance Company Limited	13,235.00	-
b	Investment in Joint Ventures		
	Aegon Religare Life Insurance Company Limited	16,720.00	11,880.00
	Religare Macquarie Wealth Management Limited	3,000.00	1,250.00

* The liability of the Company in respect of RGAM is limited to the Company's equity or fund based commitment.

j. Disclosure of details as required by Para 5 of Reserve Bank of India Circular No. DNBS (PD), CC. No. 125/03.05.002/2008-09, dated 01-08-2008

I. Capital to Risk Asset Ratio (CRAR)

	Items	Year Ended March 31, 2011	Year Ended March 31, 2010 #
(i)	CRAR (%)	37.49	N.A.
(ii)	CRAR - (Tier I Capital (%))	33.68	N.A.
(iii)	CRAR - (Tier II Capital (%))	3.81	N.A.

The company was not registered as NBFC during this period.

In respect of financial guarantees given by the Company and outstanding as on March 31, 2011, the risk weights have been computed on the outstanding exposure as per the principal borrower's books instead of the face value of such guarantees.

II Exposure to Real Estate Sector

	Category	Year Ended March 31, 2011	Year Ended March 31, 2010
(a)	Direct Exposures		
	(i) Residential Mortgages:-		
	(a) Individuals housing loans upto Rs.15 lacs	-	-
	(b) Individuals housing loans more than Rs.15 lacs	-	-
	(ii) Commercial Real Estate	-	-
	(iii) Investments in Mortgage Backed Securities (MBS) and other Securitised exposures:-	-	-
	(a) Residential,	-	-
	(b) Commercial Real Estate.	-	-
(b)	Indirect Exposures		
	Fund based and non fund based exposures on National Housing Bank(NHB) and Housing Finance Companies(HFCs)	Refer Note 1 below	Refer Note 1 below

Notes:

1. Religare Housing Development Finance Corporation Limited (RHDFCL) (formerly Maharishi Housing Development Finance Corporation Limited), a company registered with NHB became the subsidiary of the company w.e.f. June 15, 2009 and value of investment Rs.9,658.40 lacs. In November 2010, the company has transferred its holding in RHDFCL to RFL.

Notes to the Financial Statements

III Maturity pattern of certain items of assets and liabilities (At Book Value)

(Rs in lacs)

Particulars	1 to 30 days	Over 1 month to 2 month	Over 2 month to 3 months	Over 3 months upto 6 months	Over 6 1 year	1 Year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowing from Banks	-	-	-	-	-	-	-	-	-
Market Borrowings	932.74	-	9.78	10.04	20.89	10.87	-	-	984.32
Assets									
Advances	1,970.53	557.12	128.40	334.59	150.84	372.11	669.03	1,771.95	5,954.57
Investments	-	-	-	-	-	-	-	309,350.99	309,350.99

- k. Disclosures of details as required in terms of Paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007

(Rs. in lacs)

Liabilities Side:		Amount Outstanding	Amount Overdue
1)	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
a)	Debentures: Secured	-	
	Unsecured	-	
	(other than falling within the meaning of Public deposits)		
b)	Deferred Credits	-	
c)	Term Loans	-	
d)	Inter-Corporate loans and borrowings	921.15	
e)	Commercial Paper	-	
f)	Other Loans	51.58	
a)	Working Capital Loan from Banks	-	
b)	Interest accrued and due on Unsecured Loans	11.59	
Assets Side:		Amount Outstanding	
2)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
a)	Secured	-	
b)	Unsecured	237.50	
3)	Break-up of Leased Assets and stock on hire and other assets counting towards EL/AFC activities		
i)	Lease assets including lease rentals under sundry debtors:		
a)	Financial Lease	-	
b)	Operating Lease	-	
ii)	Stock on hire including hire charges under sundry debtors:		
a)	Assets on hire	-	
b)	Repossessed Assets	-	
iii)	Hypothecation loans counting towards EL/AFC activities		
a)	Loans where assets have been repossessed	-	
b)	Loans other than (a) above	-	



		Amount Outstanding
4)	Break-up of Investments:	
	Current Investments:	
1	Quoted:	
	i) Shares: a) Equity	-
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of mutual funds	-
	iv) Government Securities	-
	v) Others	-
2	Unquoted:	
	i) Shares: a) Equity	-
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of mutual funds	-
	iv) Government Securities	-
	v) Others	-
	Long Term Investments:	
1	Quoted:	
	i) Shares:	
	a) Equity	-
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of mutual funds	-
	iv) Government Securities	-
	v) Others	-
2	Unquoted:	
	i) Shares:	
	a) Equity	303,850.99
	b) Preference	5,500.00
	ii) Debentures and Bonds	-
	iii) Units of mutual funds	-
	iv) Government Securities	-
	v) Others (share application money)	-

5) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

	Category	Amount net of Provisions		
		Secured	Unsecured	Total
1	Related Parties			
	a) Subsidiaries	-	-	-
	b) Companies in the same group	-	-	-
	c) Other related parties	-	-	-
2	Other than related parties	-	-	-
	Total			

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

	Category	Break-up Value or Fair Value or NAV	Book Value (Net of Provisions)
1	Related Parties		
	(a) Subsidiaries	301,214.57	260,800.99
	(b) Companies in the same group	25,126.64	48,550.00
	(c) Other related parties	-	-
2	Other than related parties	-	-
	Total	326,341.21	309,350.99

Notes to the Financial Statements

7) Other information

	Particulars	Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	-
(iii)	Assets acquired in satisfaction of debt	-

I. Details of Employee Stock Option Plans issued by the Company

Type of Scheme	ESOP Scheme 2006		ESOP Scheme 2010	
	Tranche -I	Tranche -II	Tranche -I	Tranche -II
Date of grant	November 15, 2006	November 17, 2007	December 29, 2010	March 18, 2011
Number Granted	2,000,000	125,000	6,573,000	6,037,000
Vesting Schedule	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date
Method of Option Valuation	Black Scholes Option Pricing Method	Black Scholes Option Pricing Method	Black Scholes Option Pricing Method	Black Scholes Option Pricing Method
Exercise Price	140.00	140.00	481.00	480.00
Estimated fair value of share granted	111.47	185.00	481.00	480.00

Scheme	No. of Options Outstanding as on April 1, 2010	Issued during the year	Cancellation of Options due to resignations	Options Exercised	Number of Options outstanding as on March 31, 2011	Exercisable as at March 31, 2011
Scheme 2006	922,640	-	12,472	384,788	525,380	525,380
Scheme 2010	-	12,610,000	20,000	-	12,590,000	-
TOTAL	922,640	12,610,000	32,472	384,788	13,115,380	525,380
Range of Exercise Price						
ESOP Scheme 2006		140				
ESOP Scheme 2010 (Tranche -I)		481				
ESOP Scheme 2010 (Tranche -II)		480				

Weighted Average exercise Price for ESOP Scheme 2006 (I& II), ESOP Scheme 2010 (Tranche-I) and ESOP Scheme 2010 (Tranche-II) is Rs. 140 and Rs. 481 and 480 per share respectively.

Employee Compensation Cost is accounted for as per intrinsic value method by amortizing the excess of fair market value over the exercise price over the vesting period. As at March 31, 2011 total amount amortized Rs.55.68 lacs (Previous Year Ended March 31, 2010 Rs. 45.13 lacs) (net of cancellation). Accordingly, the Company has charged to Profit & Loss Account towards Employee Compensation cost Rs. (8.69) lacs (Previous Year Ended March 31, 2010 Rs.0.75 lacs) (net of recovery) for the year ended March 31, 2011.

- m. Religare Enterprises Limited Employee Stock Appreciated Rights (SAR) Scheme 2007 was made effective from November 17, 2007. The Vesting of Stock Appreciation Rights (SARs) were due on April 1, 2008; April 1, 2009 and April 1, 2010, As at March 31, 2011, no rights were pending for exercise under the Scheme. The Company accounted for employee compensation cost for SARs allocated to the employees of the Company by amortising the excess of purchase price per share over the excess price per share over the period.

Accordingly, the Company has charged off Rs.1.03 lacs (Year Ended March 31, 2010 Rs.6.68 lacs) in the statement of Profit and Loss Account for the current period.

Number of SAR allocated and outstanding (net of transfers/ cancellations) to the employees of the company as on March 31, 2011 are Nil (Year Ended March 31, 2010 are 4,567. During the year ended March 31, 2011 the

Notes to the Financial Statements



Company has settled the advance given to the Religare Employee SAR Trust and advances outstanding with SAR trust as on March 31, 2011 is NIL (As on March 31, 2010 is Rs. 23.00 lacs).

n. Employees Benefit – Gratuity and Leave Encashment

The following tables summarize the components of the net employee benefit expenses recognized in the Profit and Loss Account, the fund status and amount recognized in the Balance Sheet for the gratuity and leave encashment for the year ended March 31, 2011.

Method: Project Unit Credit Method

S. No.	Particulars	Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Year Ended March 31, 2011		Year Ended March 31, 2010	
I	Assumptions				
	Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
	Discount Rate	8.00%	8.00%	8% p.a.	8% p.a.
	Rate of Increase in Compensation	6% p.a.	6% p.a.	6% p.a.	6% p.a.
	Rate of return(expected) on plan assets	N.A.	N.A.	N.A.	N.A.
	Withdrawal Rates	18-35: 20% p.a., 36-45: 15% p.a., 46 and above 1% p.a.	18-35: 20% p.a., 45: 15% p.a., 46 and above 1% p.a.	20% p.a. to 2 p.a.	20% p.a. to 2 p.a.
	Expected Average Remaining Service	6.08 yrs	6.08 yrs	24 yrs	24 yrs
II	Changes in present value of obligations	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
	PBO at beginning of period	97.54	104.29	49.89	48.28
	Interest Cost	10.61	11.15	3.99	3.86
	Short Term Service Cost	-	-	-	-
	Current Service Cost	51.85	37.09	24.51	33.09
	Benefits Paid	(33.01)	(0.97)	(7.00)	NIL
	Actuarial Loss/(Gain) on Obligation	98.13	129.46	26.15	19.06
	Changes in Fair Value of Plan Assets	N.A.	N.A.	N.A.	N.A.
III	PBO at end of period	225.12	281.02	97.54	104.29
	Fair Value of Plan Assets at beginning of year	-	-	-	-
	Expected Return of Plan Assets	-	6%	-	-
	Contributions	-	281.02	-	-
	Benefits paid	-	-	-	-
	Actuarial Gain / (Loss) on Plan Assets	-	-	-	-
	Fair Value of Plan Assets at end of year	-	281.02	-	-
IV	Fair Value of Plan Assets	N.A.	N.A.	N.A.	N.A.
	Fair Value of Plan Assets at beginning of year	-	-	-	-
	Actual Return of plan assets	-	-	-	-
	Contributions	-	281.02	-	-
	Benefit paid	-	-	-	-
	Fair Value of Plan Assets at end of period/year	-	281.02	-	-
	Funded Status -deficit/ (surplus)	-	0.03	-	-
	Excess of actual over estimated return on Plan Assets	-	-	-	-

Notes to the Financial Statements

V	Actuarial Gain/(Loss) Recognized	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
	Actuarial Loss / (Gain) for the year (Obligation)	98.13	129.46	26.15	19.06
	Actuarial Loss / (Gain) for the year (Plan Assets)	N.A.	N.A.	N.A.	N.A.
	Total Loss / (Gain) for the year	98.13	129.46	26.15	19.06
	Actuarial Loss / (Gain) Recognized for the year	98.13	129.46	26.15	19.06
	Unrecognized Actuarial Loss/ (Gain) at the end of year	NIL	NIL	NIL	NIL
VI	Amounts to be Recognized in the Balance Sheet				
	PBO at the end of year	225.12	281.05	97.54	104.29
	Fair Value of Plan Assets at end of period/year	N.A.	281.02	N.A.	N.A.
	Funded Status	N.A.	0.03	N.A.	N.A.
	Unrecognized Actuarial Loss/ (Gain)	NIL	NIL	NIL	NIL
	Net (Asset)/Liability recognized in the Balance Sheet	225.12	0.03	97.54	104.29
VII	Expense Recognized				
	Current Service Cost	51.85	37.09	24.51	33.09
	Interest Cost	10.61	11.15	3.99	3.86
	Expected Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
	Net Actuarial (Loss)/ Gain recognized for the period/year	98.13	129.49	26.15	19.06
	Expense recognized in the statement of Profit & Loss A/c	160.59	177.7	54.65	56.01
VIII	Movements in the liability Recognized in Balance Sheet				
	Opening Net Liability	97.54	104.29	49.89	48.28
	Expenses as above	160.59	177.73	54.65	56.01
	Short Term Service Cost	-	-	-	-
	Contribution paid	(33.01)	(281.99)	(7.00)	NIL
	Closing Net Liability	225.12	0.03	97.54	104.29

- o. Managerial Remuneration under section 198 of the Companies Act 1956 of India (included under Personnel Expenditure in Schedule N)

(Rs. in lacs)

Particulars	Year Ended March 31, 2011	Year Ended March 31, 2010
Salary and Allowance	91.62	36.37
Perquisites	-	3.63
Provision for Gratuity	119.28	8.17
Provision for Leave Encashment	51.54	6.20
Total	262.44	54.47

As no commission is payable to Directors, the computation of the net profits in accordance with section 309 (5) read with section 349 of the Companies Act, 1956 has not been given.

- p. **Auditors Remuneration (excluding service tax)**

(Rs. in lacs)

Particulars	Year Ended March 31, 2011	Year Ended March 31, 2010
Audit	36.60	36.00
Tax Audit	1.15	1.00
Certification	5.90	1.40
Out of Pocket Expenses	0.92	1.60
Total	44.57	40.00



Notes to the Financial Statements

q. Expenditure in Foreign Currency during the year:

(Rs. in lacs)

Particulars		Year Ended March 31, 2011	Year Ended March 31, 2010
(i)	Travelling	1.77	246.51
(ii)	Legal & Professional Charges	76.92	132.22
(iii)	Advertising and Business Promotion	41.31	86.38
(iv)	LC Charges	383.94	203.92
(v)	Director Sitting Fees/ Expenses Re-Imbursed	1.00	-
(vi)	Miscellaneous	6.89	-
Total		511.83	669.03

r. Earnings Per Share (EPS) calculation (basic and diluted):

Particulars		Year Ended March 31, 2011	Year Ended March 31, 2010
(i)	Net Profit/(Loss) after tax (Rs.)	50,964,742	555,164,159
	Less:- Dividend on Cumulative Preferences Share	(39,822,315)	(34,150,000)
	Less:- Provision for Dividend distribution tax on Cumulative Preferences Shares Dividend	(6,231,920)	-
	Net Profit/(Loss) after tax available for equity shareholders (Rs.)	4,910,507	521,014,159
(ii)	Weighted average number of Equity Share		
	For Basic EPS (No.)	132,788,558	83,105,224
	For Diluted EPS (No.)	133,258,730	83,682,537
(iii)	Nominal Value of shares (Rs.)	10	10
(iv)	Earnings per Share (EPS)		
	Basic (Rs.)	0.04	6.27
	Diluted (Rs.)	0.04	6.23

s. Deferred Taxes:

Components of deferred tax balances as on year end are as under:

(Rs. in lacs)

Particulars	Year Ended March 31, 2011	Year Ended March 31, 2010
A- Deferred Tax Asset:		
Provision for Gratuity	0.01	35.45
Provision for Leave Encashment	74.79	33.15
SAR Expenses	-	-
Total (A)	74.80	68.60
B-Deferred Tax Liability:		
Difference Between book and Tax Depreciation	(412.03)	(298.08)
Total (B)	(412.03)	(298.08)
Net Deferred Tax Liability (A-B)	(337.23)	(229.48)

- t. Recovery of Expenses in Schedule 'O' "Personnel Expenses" represents the amount of Rs.179.12 lacs (Previous Year Ended March 31, 2010 Rs.8.23 lacs) reimbursed by the Group Entities towards the ESOP compensation cost on the basis of share option exercised by the employees of respective companies and in schedule 'P' "Administrative and other Expenses" represents the amounts of Rs. 5,422.56 lacs (Previous Year Rs. 3,969.54 lacs) reimbursed by the Group Entities towards the cost of shared common facilities.
- u. Details of dues from subsidiaries and Companies under the same management within the meaning of Section 370 (1B) of Companies Act, 1956.

Notes to the Financial Statements

(Rs. in lacs)

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2010
1	Debtors		
	Religare Securities Limited	805.73	239.23
	Religare Finvest Limited	728.99	168.62
	Religare Global Asset Management Inc.	308.03	-
	Religare Commodities Limited	95.92	16.98
	Religare Insurance Broking Limited	38.37	24.71
	Religare Capital Markets Limited	76.74	34.89
	REL Infracilities Limited	-	0.63
	Religare Health Insurance Company Limited	-	0.38
	Religare Advisory Services Limited	-	0.23
	Religare Arts Initiative Limited	-	0.18
	Religare Arts Investment Management Limited	-	0.01
	Religare Venture Capital Limited	-	0.86
2	Loans and Advances		
	Religare Securities Limited	196.17	684.39
	Religare Finvest Limited	131.18	490.46
	Religare Commodities Limited	25.37	44.18
	Religare Insurance Broking Limited	11.12	102.93
	Religare Capital Markets Limited	24.38	100.89
	Religare Arts Initiative Limited	0.73	-
	Religare Finance Limited	0.40	-
	Religare Health Insurance Company Limited	1.04	-
	Religare Housing Development Finance Corporation Limited	0.44	-
3	Other Current Assets		
	Religare Finvest Limited	168.99	-
	Religare Capital Markets Limited	89.73	-
	TOTAL	2,703.33	1,909.57
Maximum outstanding balance during the year		2010-11	2009-10
		Rs. in lacs	Rs. in lacs
	Religare Arts Initiative Limited	1.71	0.18
	Religare Bullion Limited	0.07	-
	Religare Capital Market Limited	16,100.00	135.79
	Religare Commodities Limited	168.88	61.16
	Religare Finance Limited	0.40	-
	Religare Finvest Limited	29,841.00	659.08
	Religare Health Insurance Company Limited	5.00	0.38
	Religare Housing Development Finance Corporation Limited	3.08	-
	Religare Insurance Broking Limited	135.04	127.64
	Religare Macquarie Wealth Management Limited	2.28	7.24
	REL Infracilities Limited	1.97	0.63
	Religare Securities Limited	11,900.00	923.63

- v. Disclosures of Transactions as required by Accounting Standard 19 on 'Leases'.

The Company has taken office premises at various locations and vehicles on operating lease and the lease rent in respect of the same have been charged under "Rent and Vehicle Maintenance and running expenses grouped under Miscellaneous expenses respectively" in Schedule 'P' to the Profit and Loss Account. The Agreements are executed for a period ranging between 1 to 5 years. There are no transactions in the nature of sub-lease but the office premises are occupied by the subsidiaries of the Company as permitted under the lease agreements entered by the Company with various landlords.

Notes to the Financial Statements



The minimum lease rentals for non-cancellable leases outstanding as at March 31, 2011, are as under:

(Rs. in lacs)

Minimum Lease Rental	As at March 31, 2011	As at March 31, 2010
Within 1 year	2,273.45	1,999.38
Later than 1 year but not more than 5 years	8,025.72	7,752.94
Later than 5 years	-	-

w. **Segment Reporting:**

1. Business Segment:

- (i) The business segment has been considered as the primary segment.
- (ii) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (iii) The Company's primary business comprises of three business segments viz., Investment Operations, Financial Advisory Services and Support Services.
- (iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on a reasonable basis.
- (v) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as stated in (1) above.

2. Geographical Segment:

The Company operates in one Geographic segment namely "Within India" and hence, no separate information for Geographic segment wise disclosure is required.

Notes to the Financial Statements

(Rs. in Lacs)

Notes to the Financial Statement

Information about the primary segment (Rs. in Lacs)										
Particulars	Investment & Financing		Financial Advisory Services		Support Services		Unallocated		Total	
	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010		
(i) Segment Revenue	4,622.99	9,852.12	-	1.91	8,048.11	3,651.01	5.91	64.51	12,677.01	13,569.55
External Segment	-	-	-	-	-	-	-	-	-	-
Internal Segment	-	-	-	-	-	-	-	-	-	-
Total Revenue	4,622.99	9,852.12	-	1.91	8,048.11	3,651.01	5.91	64.51	12,677.01	13,569.55
(ii) Segment Results Profit/(Loss)	94.08	6,806.59	-	(14.85)	1,270.09	548.84	-	-	1,364.17	7340.58
Less: Unallocated Expenses (net)	-	-	-	-	-	-	-	-	(303.40)	(508.67)
Less: Income Taxes (Current, Deferred, Wealth and Fringe Benefit Tax)	-	-	-	-	-	-	-	-	551.12	1,280.28
Profit/(Loss) After Tax	-	-	-	-	-	-	-	-	509.65	5,551.64
(iii) Segment Assets	318,111.77	269,569.64	1.27	55.45	5,552.08	5,454.75	-	-	323,665.12	275,079.84
Unallocated Corporate Assets	-	-	-	-	-	-	1,881.22	1,133.53	1,881.22	1,133.53
Total Assets	318,111.77	269,569.64	1.27	55.45	5,552.08	5,454.75	1,881.22	1,133.53	325,546.34	276,213.37
(iv) Segment Liabilities	4,366.46	14,965.89	-	2.22	1,026.76	4,369.84	-	-	5,393.22	19,337.95
Unallocated Corporate Liabilities	-	-	-	-	-	-	1,024.91	769.06	1,024.91	769.06
Total Liabilities	4,366.46	14,965.89	-	2.22	1,026.76	4,369.84	1,024.91	769.06	6,418.13	20,107.01
(v) Capital Expenditures	663.50	-	-	-	-	-	50.19	-	713.69	-
(vi) Depreciation	384.85	394.96	-	4.91	27.17	26.70	-	-	412.02	426.57
(vii) Non Cash Expenditures other than Depreciation	2,303.59	25.26	-	-	45.71	82.87	0.03	2.54	2,349.33	110.67

Notes to the Financial Statements



x. Related Party Disclosures:

Nature of Relationship

1) Subsidiaries

Name of Party

Religare Securities Limited
Religare Finvest Limited
Religare Insurance Broking Limited
Religare Venture Capital Limited
Religare Finance Limited
Religare Capital Markets Limited
REL Infrafacilities Limited
(Formerly Religare Realty Limited)
Religare Arts Initiative Limited
Religare Health Insurance Company Limited
Vistaar Religare Capital Advisors Limited
Religare Global Asset Management Inc. (w.e.f. 01/12/2010)
Religare United Soccer Limited (ceased to be subsidiary w.e.f. 27/12/2010)

2) Joint Ventures

3) Subsidiaries of Subsidiary

Religare Macquarie Wealth Management Limited
Aegon Religare Life Insurance Company Limited
Religare Arts Investment Management Limited
Religare Asset Management Company Limited
Religare Trustee Company Limited
Religare Advisory Services Limited
Religare Commodities Limited
Religare Bullion Limited (w.e.f. 02/06/2010)
Religare Housing Development Finance Corporation Limited (formerly Maharishi Housing Development Finance Corporation)
Religare Share Brokers Limited (w.e.f. 18/11/2010)
Religare Capital Markets International (Mauritius) Limited
Religare Capital Markets International (UK) Limited
Religare Capital Markets Plc
Religare Capital Markets (HK) Limited (now known as Religare Global Asset Management (Hong Kong) Limited) (w.e.f.02/12/2010)
Hichens, Harrison (Middle East) Limited
Hichens, Harrison (Ventures) Limited
Religare Capital Markets (UK) Limited
Religare Capital Markets (Pty) Ltd (formerly Religare Hichens Harisons (Pty) Ltd) (w.e.f. 04/10/2010)
Hichens Harrison Global Consultoria Internacional Ltda
Religare Capital Markets Advisers Pte. Ltd. (Now known as Religare Capital Corporate Finance Pte Limited)
Religare Capital Markets Inc. (RCM Inc.)
London Wall Nominees Limited
Charterpace Limited
Blamire Limited
HH1803.com Limited
African Communication Services (Proprietary Limited) (dissolved w.e.f. June 25, 2010)
Hichens, Harrisons (Far East) Pte. Ltd.
ARM Corporate Finance Limited (dissolved w.e.f December 7, 2010)
Claridge House Services Limited (dissolved w.e.f June 29, 2010)
Tobler (Mauritius) Limited (dissolved w.e.f. June 29, 2010)

Notes to the Financial Statements

	<p>Tobler UK Limited (dissolved w.e.f. June 29, 2010) Religare Global Asset Management Japan Co. Limited (dissolved w.e.f. June 29, 2010) Religare Investment Advisory (Mauritius) (dissolved w.e.f. June 29, 2010) Religare Investment Holdings (UK) Ltd (dissolved w.e.f. June 29, 2010) Blomfield Street Securities Limited (dissolved w.e.f. May 11, 2010) Religare Securities Australia Pty Limited (w.e.f.12/10/2010) (Formerly known as Relsec Australia Pty. Ltd) Bartleet Mallory Stock Brokers (Pvt) Ltd (w.e.f.04/11/2010) Bartleet Asset Management (P) Limited (w.e.f.04/11/2010) Relsec Nominees No.1 Pty Limited (w.e.f.30/11/2010) Relsec Nominees No.2 Pty Limited (w.e.f.30/11/2010) Northgate Capital LLC (w.e.f.01/12/2010) Northgate Capital LP (w.e.f.01/12/2010) Kyte Management Limited (KML) (w.e.f.09/12/2010) Central Joint Enterprises Limited, Hong Kong (now known as Religare Capital Markets (Hong Kong) Limited) (w.e.f.09/12/2010) Central Joint Enterprises Pte Limited, Singapore (now known as Religare Capital Markets (Singapore) Pte Limited) (w.e.f.09/12/2010) Barnard Jacobs Mellet (UK) Limited (now known as Religare Capital Markets (EMEA) Limited) (w.e.f.14/12/2010) Barnard Jacobs Markets (USA) LLC (now known as Religare Capital Markets (USA) LLC) (w.e.f. 25/01/2011) Strategic Research Limited (w.e.f. 05/01/2011)</p>
4) Joint Ventures of Subsidiaries	<p>Milestone Religare Investment Private Limited (w.e.f. 08/04/2009 as Joint Venture of Religare Venture Capital Limited) Milestone Religare Capital Management Limited (w.e.f. February 10, 2010)</p>
5) Individuals owning directly or indirectly Interest in voting power that gives them Control	<p>Mr. Malvinder Mohan Singh Mr. Shivinder Mohan Singh</p>
6) Key Management personnel	<p>Mr. Sunil Godhwani Mr. Shachindra Nath Mr. Anil Saxena</p>
7) Enterprises over which key (5) and (6) are able to exercise significant influence	<p>RHC Holding (P) Limited RC Nursery (P) Limited Shivi Holdings Private Limited Malav Holdings Private Limited Oscar Investments Limited Todays Holdings (P) Limited Luxury Farms Private Limited Dion Global Solutions Limited (formerly Religare Technova Limited) Religare Technologies Limited (Merged company of Religare Technova Global Solutions Limited, Religare Technova Business Intellect Limited) Religare Wellness Limited (formerly Fortis Health World Limited) Fortis Health Care Limited. Fortis Health Care Holdings Limited. International Hospital Limited. Religare Travel (India) Limited Super Religare Laboratories Limited Religare Aviation Limited (Formerly known as Ran Air Services Limited) RHC Financial Services (Mauritius) Limited</p>

Notes to the Financial Statements



Related Party Transactions for Year Ended March 31, 2011 Following transactions were carried out with related parties in the ordinary course of business

(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel/ Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2010	
FINANCE													
Inter Corporate Deposit taken	RHC Holding Private Limited									45,530.00	60,450.00	45,530.00	60,450.00
	Whyteleaf Investments Private Limited									-	3,000.00	-	3,000.00
	R C Nursery Private Limited								70.00		635.00	70.00	635.00
	Luxury Farms Private Limited									-	1,676.15	-	1,676.15
	Oscar Investments Limited								16,687.26	56,100.00	16,687.26	56,100.00	56,100.00
Inter Corporate Deposit taken Total		-	-	-	-	-	-	-	62,287.26	121,861.15	62,287.26	121,861.15	121,861.15
Inter Corporate Deposit repaid	RHC Holding Private Limited									45,530.00	60,450.00	45,530.00	60,450.00
	Whyteleaf Investments Private Limited									-	3,000.00	-	3,000.00
	R C Nursery Private Limited									-	125.00	-	125.00
	Luxury Farms Private Limited								960.00	375.00	960.00	375.00	375.00
	Oscar Investments Limited								16,687.26	56,100.00	16,687.26	56,100.00	56,100.00
Inter Corporate Deposit repaid Total		-	-	-	-	-	-	-	63,177.26	120,050.00	63,177.26	120,050.00	120,050.00
Interest on Inter Corporate Deposit paid / payable	RHC Holding Private Limited									505.15	1,216.81	505.15	1,216.81
	Whyteleaf Investments Private Limited									-	26.96	-	26.96
	R C Nursery Private Limited								57.94	34.63	57.94	34.63	34.63
	Luxury Farms Private Limited								98.14	131.41	98.14	131.41	131.41
	Oscar Investments Limited								460.79	525.30	460.79	525.30	525.30
Interest on Inter Corporate Deposit paid / payable Total		-	-	-	-	-	-	-	1,122.02	1,935.11	1,122.02	1,935.11	1,935.11
Inter Corporate Deposit Given	Religare Finvest Limited	116,541.00	-	-	-	-	-	-	-	-	116,541.00	116,541.00	-
	Religare Securities Limited	19,000.00	-	-	-	-	-	-	-	-	19,000.00	19,000.00	-
	Religare Capital Markets Limited	38,355.00	-	-	-	-	-	-	-	-	38,355.00	38,355.00	-
Inter Corporate Deposit Given Total		173,896.00	-	-	-	-	-	-	-	-	173,896.00	173,896.00	-
Inter Corporate Deposit Received	Religare Finvest Limited	116,541.00	-	-	-	-	-	-	-	-	116,541.00	116,541.00	-
	Religare Securities Limited	19,000.00	-	-	-	-	-	-	-	-	19,000.00	19,000.00	-
	Religare Capital Markets Limited	38,355.00	-	-	-	-	-	-	-	-	38,355.00	38,355.00	-
Inter Corporate Deposit Received Total		173,896.00	-	-	-	-	-	-	-	-	173,896.00	173,896.00	-
Interest on Inter Corporate Deposit received / receivable	Religare Finvest Limited	429.68	-	-	-	-	-	-	-	-	429.68	429.68	-

Notes to the Financial Statements

(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel// Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2010	
	Religare Securities Limited	25.12	-								25.12	-	
	Religare Capital Markets Limited	99.70	-								99.70	-	
Interest on Inter Corporate Deposit received / receivable Total		554.50	-	-	-	-	-	-	-	-	554.50	-	-
Interest on Debenture Received	Religare Finvest Limited	344.50	-								344.50	-	
Interest on Debenture Received Total		344.50	-	-	-	-	-	-	-	-	344.50	-	-
Subscription of Right Issue	Mr. Sunil Godhwani							2,366.66					2,366.66
	Mrs. Japna Malvinder Singh						0.23						0.23
	Mrs. Aditi Shivinder Singh						0.23						0.23
	Mr. Tej Bahadur Saxena							0.11					0.11
	RHC Holding Private Limited									23,052.80			23,052.80
	Malav Holdings Private Limited									45,000.00			45,000.00
	Shivi Holdings Private Limited									45,000.00			45,000.00
Subscription of Right Issue Total				-	-	-	0.46	2,366.77		113,052.80			115,420.03
Share Application Money Refund													
	RHC Holding Private Limited									66,947.20			66,947.20
Share Application Money Refund Total										66,947.20			66,947.20
Dividend Received		315.94	2,369.57								315.94	2,369.57	
	Religare Securities Limited												
	Religare Finvest Limited	2,599.83	3,832.25								2,599.83	3,832.25	
	Religare Commodities Limited	-	200.00								-	200.00	
Dividend Received Total		2,915.77	6,401.82								2,915.77	6,401.82	
Dividend Paid /Payable													
	Mr. Anil Saxena							0.50				0.50	
	Malav Holdings Private Limited								281.65			281.65	
	Mr. Malvinder Mohan Singh						383.75					383.75	
	RHC Holding Private Limited								129.89			129.89	
	Shivi Holdings Private Limited								281.65			281.65	
	Mr. Shivinder Mohan Singh											383.75	
	Mr. Sunil Godhwani							66.67				66.67	
Dividend Paid /Payable Total							767.50	67.17		693.19		1,527.86	
Corporate Guarantee Given (as on date)													
	Religare Finvest Limited	28,400	40,000.00									28,400.00	40,000.00
	Religare Securities Limited	-	15,000.00									-	15,000.00
	Religare Commodities Limited	-	3,000.00									-	3,000.00
	Religare Capital Markets International (UK) Limited	27,597.32	35,175.13									27,597.32	35,175.13

Notes to the Financial Statements



(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel/ Relatives thereof are able to exercise Significant Influence		Total		
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011
Corporate Guarantee given Total		55,997.32	93,175.13	-	-	-	-	-	-	-	-	-	55,997.32	93,175.13
Pledge of Securities on behalf of Group Companies (In the form of FDRs)	Religare Capital Markets Limited	-	99.00	-	-	-	-	-	-	-	-	-	-	99.00
Pledge of Securities on behalf of Group Companies Total		-	99.00	-	-	-	-	-	-	-	-	-	-	99.00
Subscription/Investment to Equity Shares/ Debenture by the Company	Religare Securities Limited	-	2,600.00	-	-	-	-	-	-	-	-	-	-	2,600.00
	Religare Finvest Limited	6,000.00	100,830.00	-	-	-	-	-	-	-	-	-	6,000.00	100,830.00
	Religare Insurance Broking Limited	750.00	7,250.00	-	-	-	-	-	-	-	-	-	750.00	7,250.00
	Religare Capital Markets Limited	-	23,000.00	-	-	-	-	-	-	-	-	-	-	23,000.00
	Religare Arts Initiative Limited	-	800.00	-	-	-	-	-	-	-	-	-	-	800.00
	Religare Venture Capital Limited	-	3,000.00	-	-	-	-	-	-	-	-	-	-	3,000.00
	Vistaar Religare Capital Advisors Limited	23.09	23.07	-	-	-	-	-	-	-	-	-	23.09	23.07
	Aegon Religare Life Insurance Company Limited	-	16,720.00	16,720.00	11,880.00	-	-	-	-	-	-	-	16,720.00	11,880.00
	Religare Health Insurance Company Limited (formerly Religare General Insurance Company Limited)	13,235.00	-	-	-	-	-	-	-	-	-	-	13,235.00	-
	Religare Housing Development Finance Corporation Limited	-	9,308.40	-	-	-	-	-	-	-	-	-	-	9,308.40
	Religare Global Asset Management Inc., USA	12,200.91	-	-	-	-	-	-	-	-	-	-	12,200.91	-
	Religare Macquarie Wealth Management Limited	-	2,250.00	2,250.00	1,000.00	-	-	-	-	-	-	-	2,250.00	1,000.00
Subscription/Investment to Preference Shares	Religare Macquarie Wealth Management Limited	-	750.00	750.00	250.00	-	-	-	-	-	-	-	750.00	250.00
	Religare Capital Markets Limited	4,500.00	-	-	-	-	-	-	-	-	-	-	4,500.00	-
Subscription/Investment to Equity Shares/ Debenture/ Preference Share Total		36,709.00	146,811.47	19,720.00	13,130.00	-	-	-	-	-	-	-	56,429.00	159,941.47
Secondary Market Transactions	Religare Securities Limited (inclusive of brokerage of Rs.122 lacs)	3337.97	-	-	-	-	-	-	-	-	-	-	3,337.97	-

Notes to the Financial Statements

(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel// Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2010	
Secondary Market Transactions Total		3,337.97	-	-	-	-	-	-	-	-	-	3,337.97	-
Subscription/Investment to Securities/ Shares in the Company	RHC Finance (P) Limited - Equity Share @445 per share (including premium of Rs 435 per share)									50,000.00			
	RHC Finance (P) Limited - Preference Share @100 per share (including premium of Rs 90 per share)									12,000.00			
Subscription/Investment to Securities/ Shares in the Company Total		-	-	-	-	-	-	-	-	62,000.00	-	62,000.00	-
Sale of Investment in Equity Shares	Religare Finvest Limited	9,733.40	-	-	-	-	-	-	-	-	-	9,733.40	-
	RHC Holding Private Limited									2.50		2.50	-
	Religare Securities Limited	375.00	-	-	-	-	-	-	-	-	-	375.00	-
	Today's Holdings Private Limited									2.50		2.50	-
Sale of Investment in Equity Shares Total		10,108.40	-	-	-	-	-	-	-	5.00	-	10,113.40	-
Share Application Money Paid	Vistaar, Religare Capital Advisors Limited	-	23.09	-	-	-	-	-	-	-	-	-	23.09
Share Application Money Paid Total		-	23.09	-	-	-	-	-	-	-	-	-	23.09
Lease Rental Paid	Religare Finvest Limited	28.96	14.41	-	-	-	-	-	-	-	-	28.96	14.41
Lease Rental Paid Total		28.96	14.41	-	-	-	-	-	-	-	-	28.96	14.41
Travelling Expense Paid	Religare Travels India Limited									517.54	379.31	517.54	379.31
	Religare Aviations Limited									283.32	-	283.32	-
Travelling Expense Paid Total		-	-	-	-	-	-	-	-	800.86	379.31	800.86	379.31
Purchase of Art Work	Religare Arts Initiative Limited	17.38	7.11	-	-	-	-	-	-	-	-	17.38	7.11
Purchase of Art Work Total		17.38	7.11	-	-	-	-	-	-	-	-	17.38	7.11
Allocation of Expenses to Other Companies for rendering of services	Religare Securities Limited	3,643.01	1,872.31									3,643.01	1,872.31
	Religare Finvest Limited	3,432.78	1,185.71									3,432.78	1,185.71
	Religare Commodities Limited	441.93	134.28									441.93	134.28
	Religare Insurance Broking Limited	176.10	168.55									176.10	168.55
	Religare Asset Management Company Limited	-	0.76									-	0.76

Notes to the Financial Statements



(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personne/ Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Religare Capital Markets Limited	315.76	254.09									315.76	254.09
	Religare Macquarie Wealth Management Limited			38.53	31.78							38.53	31.78
Allocation of Expenses to other Companies for rendering of services Total		8,009.58	3,615.70	38.53	31.78	-	-	-	-	-	-	8,048.11	3,647.48
Allocation of Expenses by other Companies for rendering of services	REL Infracilities Limited (formerly known as Religare Realty Limited)	357.26	266.88									357.26	266.88
	Religare Insurance Broking Limited	-	12.00									-	12.00
Allocation of Expenses by other Companies for rendering of services Total		357.26	278.88	-	-	0.20	1.40	-	-	-	-	357.26	278.88
Director's Sitting Fees	Malvinder Mohan Singh					0.20	1.40					0.20	1.40
	Shivinder Mohan Singh					0.20	1.60					0.20	1.60
Director's Sitting Fees Total		-	-	-	-	0.40	3.00	-	-	-	-	0.40	3.00
Expenses Reimbursement by Other Companies	Religare Securities Limited	2,777.83	2,110.12									2,777.83	2,110.12
	Religare Finvest Limited	2,037.95	1,078.41									2,037.95	1,078.41
	Religare Commodities Limited	409.80	260.15									409.80	260.15
	Religare Insurance Broking Limited	149.14	178.41									149.14	178.41
	Religare Capital Markets Limited	202.74	183.64									202.74	183.64
	REL Infracilities Limited (formerly known as Religare Realty Limited)	4.35	623.60									4.35	623.60
	Religare Arts Initiative Limited	3.37	1.32									3.37	1.32
	Religare Finance Limited	0.53	-									0.53	-
	Religare Housing Development Finance Corporation limited	3.41	1.06									3.41	1.06
	Religare Health Insurance Company Limited (formerly Religare General Insurance Company Limited)	5.39	2.35									5.39	2.35
	Religare Advisory Services Limited	-	1.05									-	1.05
	Religare Arts Investment Management Limited	0.14	0.28									0.14	0.28

Notes to the Financial Statements

(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel// Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Religare Asset Management Company Limited	14.74	90.54									14.74	90.54
	Religare Venture Capital Limited	-	1.01									-	1.01
	Religare Bullion Limited	0.08	-									0.08	-
	Religare Macquarie Wealth Management Limited			11.93	7.92							11.93	7.92
	Aegon Religare Life Insurance Company Limited			2.43	-							2.43	-
	Religare Aviations Limited							0.11				0.11	-
	Dion Global Solutions Limited (Formerly known as Religare Technova Limited)								543.70			543.70	125.49
	Religare Technologies Limited								0.28			0.28	-
	RHC Holding Private Limited								-			-	1.00
Expenses Reimbursement by Other Companies Total		5,609.47	4,531.94	14.36	7.92	-	-	-	544.09	126.49	-	6,167.92	4,666.35
Expenses Reimbursement to Other Companies	Religare Securities Limited	33.21	50.40									33.21	50.40
	Religare Finvest Limited	17.48	19.27									17.48	19.27
	Religare Commodities Limited	4.36	5.55									4.36	5.55
	Religare Insurance Broking Limited	6.94	38.33									6.94	38.33
	Religare Macquarie Wealth Management Limited			0.30	-							0.30	-
	Religare Arts Initiative Limited	0.01	-									0.01	-
	Religare Capital Markets Limited	3.84	0.43									3.84	0.43
	REL Infrateilities Limited (formerly known as Religare Realty Limited)	2.44	1.68									2.44	1.68
	Religare Technologies Limited							71.61				71.61	-
	Dion Global Solutions Limited (Formerly known as Religare Technova Limited)							287.05				287.05	4.22
Expenses Reimbursement to Other Companies Total		68.28	115.66	0.30	-	-	-	-	358.66	4.22	-	427.24	119.88
Advance (against Investment) Recovery from Other Companies	Religare Global Asset Management Inc	308.03	-									308.03	-
	Religare Capital Markets Limited	32.98	-									32.98	-
Advance Recovery for other Expenses Total		341.01	-	-	-	-	-	-	-	-	-	341.01	-

Notes to the Financial Statements



(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel/Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2010	Year Ended March 31, 2010
Loan to Group Employees	Religare Finance Limited	5.62	-	-	-	-	-	-	-	-	-	5.62	-
	Religare Finvest Limited	71.76	-	-	-	-	-	-	-	-	-	71.76	-
	Religare Securities Limited	7.11	-	-	-	-	-	-	-	-	-	7.11	-
	Religare Capital Markets Limited	50.88	-	-	-	-	-	-	-	-	-	50.88	-
Loan to Group Employees Total		135.37	-	-	-	-	-	-	-	-	-	135.37	-
Purchase of Assets	Dion Global Solutions Limited (Formerly known as Religare Technova Limited)												1,699.23
	Religare Technologies Limited								25.90				25.90
	Religare Asset Management Company Limited	3.31	-	-	-	-	-	-				3.31	-
	Religare Securities Limited	12.38	-	-	-	-	-	-				12.38	-
Purchase of Fixed Assets Total		15.69	-	-	-	-	-	-	25.90			41.59	1,699.23
Remuneration to Key Managerial Personnel	Mr. Sunil Godhwani Mr. Shachindra Nath Mr. Anil Saxena								270.97			270.97	290.54
Remuneration to Key Managerial Personnel Total		-	-	-	-	-	-	-	270.97			270.97	290.54
Loan Given	Mr. Shachindra Nath								215.00				215.00
Loan Given Total		-	-	-	-	-	-	-	215.00			-	215.00
Outstanding Balances As On March 31, 2011													
Payable													
Unsecured Loans	RHC Holding Private Limited												196.56
	R C Nursery Private Limited								585.32			585.32	514.29
	Luxury Farms Private Limited								347.42			347.42	1,315.16
	Oscar Investments Limited												94.42
Unsecured Loans Total		-	-	-	-	-	-	-	932.74			932.74	2,120.43
Other Payables	REL Infrafacilities Limited (formerly known as Religare Realty Limited)	46.94	49.63										46.94
	Religare Travels India Limited								0.69				0.69
	Religare Macquarie Wealth Management Limited			13.53									13.53
	Religare Housing Development Finance Corporation Limited	5.95	-										5.95

Notes to the Financial Statements

(Rupees in Lacs)

Nature of Transactions	Name of Related Party	Subsidiary Companies/ Sub-Subsidiary Companies		Joint Ventures		Individuals owning directly or indirectly interest in voting power that gives them control		Key Management Personnel and Relatives		Enterprises over which Key Management Personnel/ Relatives thereof are able to exercise Significant Influence		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010		
	Religare Technologies Limited												
	Dion Global Solutions Limited (Formerly known as Religare Technova Limited)												
Other Payables Total		52.89	49.63	13.53	-	-	-	-	48.72	1,000.88	115.14	1,050.51	
Receivable													
Loan Receivable	Mr. Shachindra Nath												
Other Receivables	Religare Securities Limited	1,001.90	944.34					215.00	215.00			215.00	215.00
	Religare Finvest Limited	1,029.16	671.95									1,001.90	944.34
	Religare Commodities Limited	121.29	57.59									1,029.16	671.95
	Religare Arts Initiative Limited	0.73	0.01									121.29	57.59
	Religare Insurance Broking Limited	49.48	84.44									0.73	0.01
	Religare Global Asset Management Inc., USA	308.03	-									49.48	84.44
	Religare Capital Markets Limited	190.84	132.83									308.03	-
	Religare Health Insurance Company Limited (formerly Religare General Insurance Company Limited)	1.04	-									190.84	132.83
	Religare Finance Limited	0.40	-									1.04	-
	Religare Asset Management Company Limited	0.07	-									0.40	-
	Religare Macquarie Wealth Management Limited				41.83							0.07	-
Receivables Total		2,702.94	1,891.16	-	41.83	-	-	215.00	-	-	-	2,917.94	2,147.99



Notes to the Financial Statements

- y. Classification of Loans and Advances, Investments and provision for Non-Performing Assets/ Investments has been made in accordance with the Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India after considering subsequent recoveries and realizable value of investments respectively.
- z. The classification of loans into standard, sub-standard and loss assets and investments have been disclosed at gross value and the corresponding provision against non-performing assets/ investments has been included under provisions in accordance with RBI guidelines.
- aa. General Provision on Standard Assets includes contingency provision of 0.25% of the outstanding standard assets, which is in compliance with RBI notification number RBI/2010-11/370 DNB.PD.CC No.207/03.02.2002/2010-11 dated January 17, 2011.
- bb. The company had transferred Rs.101.93 lacs to Statutory Reserve as required u/s 45 IC of RBI Act, 1934.
- cc. There are no transactions during the year with Micro, Small and Medium enterprises and as such there is no balance outstanding as at March 31, 2011.
- dd. The provision for Income Tax for year ended March 31, 2011 has been made on as estimated basis in accordance with the provision of Income Tax Act, 1961 of India. No provision has been made for Corporate Dividend Tax in view of Exemption u/s 115-O of Income Tax Act, 1961.
- ee. Figure for the previous year have been regrouped, rearranged and reclassified wherever necessary to conform to the current period's classification.

Signatures to Schedules 'A' to 'S' Forming part of the Financial Statements

For and on behalf of the Board of Directors

For Price Waterhouse

Firm Registration No -301112E
Chartered Accountants

Sd/-

PARTHA GHOSH

Partner

Membership No: F55913

Sd/-

ANIL SAXENA

Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-

SHACHINDRA NATH

Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-

SUNIL GODHWANI

Chairman &
Managing Director
(DIN-00174831)

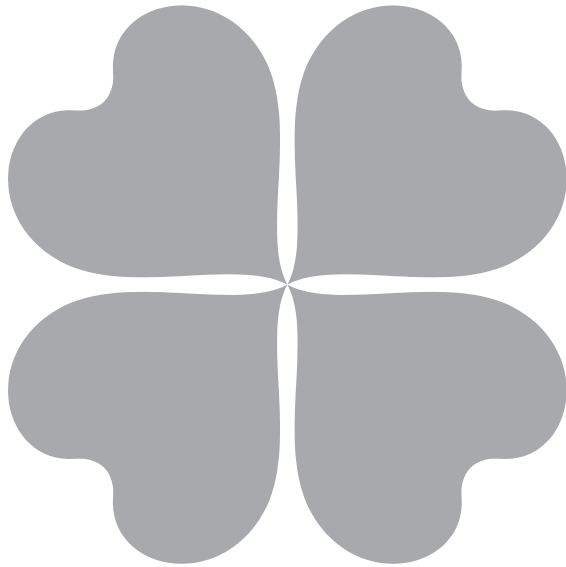
Sd/-

RAVI BATRA

Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011





Balance Sheet Abstract and Company's General Business Profile

As per Part IV Of Schedule VI of the Companies Act, 1956

1 Registration Details

Registration No. State Code
 Balance Sheet Date

2 Capital Raised During the year (Amount in Rs. Thousands)

Public Issue Right Issue/ESOP Issue
 Bonus Issue Private Placement
 (Including Preference Share)

3 Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities Total Assets

Source of Funds

Paid-up Capital
 (Including Preference Share) Share Application Money
 Reserves and Surplus Unsecured Loans

Application of Funds

Net Fixed Assets Investments
 Net Current Assets Miscellaneous Expenditure
 Accumulated Loss

4 Performance of the Company (Amount in Rs. Thousands)

Turnover Total Expenditure
 Profit Before Tax Profit After Tax
 Earning Per Share in Rs. Dividend Rate %

5 Generic Names of Principal Products and Services of the Company (As per Monetary Terms)

Item Code No.
 Product Description

For and on behalf of the Board of Directors

Sd/-
ANIL SAXENA
 Director & Group Chief
 Financial Officer
 (DIN-01555425)

Sd/-
SHACHINDRA NATH
 Director & Group Chief
 Executive Officer
 (DIN-00510618)

Sd/-
SUNIL GODHWANI
 Chairman &
 Managing Director
 (DIN-00174831)

Sd/-
RAVI BATRA
 Sr.Vice President - Corp. Affairs & Company Secretary

Place : New Delhi
 Date : June 29, 2011

**Knowledge
is vision,
understanding
is wealth**



Consolidated Financials



Auditors' Report on the Consolidated Financial Statements of Religare Enterprises Limited

The Board of Directors of Religare Enterprises Limited

1. We have audited the attached consolidated Balance Sheet of Religare Enterprises Limited (the "Company"), its subsidiaries and its jointly controlled entities, hereinafter referred to as the "Group" [refer Note 1C on Schedule (S) to the attached consolidated financial statements] as at March 31, 2011, the related consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries and jointly controlled entities included in the consolidated financial statements, which constitute total assets of Rs. 189,858.61 lacs and net assets of Rs. 18,592.04 lacs as at March 31, 2011, total revenue of Rs. 48,107.72 lacs, net loss of Rs. 5,939.34 lacs and net cash inflows Rs. 5,194.81 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors / certified by the management whose reports / returns have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors / management returns.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures notified under sub-section 3C of Section 211 of the Companies Act, 1956.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:



- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;
- (b) in the case of the consolidated Profit and Loss Account, of the loss of the Group for the year ended on that date: and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Price Waterhouse

Firm Registration No: 301112E
Chartered Accountants

Sd/-

Partha Ghosh

Partner
Membership No: F-55913

Place : Mumbai
Date : June 29, 2011

Consolidated Balance Sheet

as at March 31, 2011

	Schedule	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	A	1,764,344,940	1,528,137,520
Share Application Money		-	1,779,400
Reserves and Surplus	B	29,858,378,194	24,595,591,259
		31,622,723,134	26,125,508,179
Loan Funds			
Secured Loans	C	65,022,458,147	15,781,227,494
Unsecured Loans	D	48,360,751,324	39,964,433,325
		113,383,209,471	55,745,660,819
Policy Holders Fund		1,989,344,999	639,122,473
Funds for Discontinued Policies		72,715	-
Minority Interest		2,316,317,074	129,266,613
(Refer Note No. 3 iv d of Schedule "S")			
TOTAL		149,311,667,393	82,639,558,084
APPLICATION OF FUNDS:			
Fixed Assets			
Gross Block	E	17,411,544,884	10,474,928,332
Less : Depreciation		2,527,586,001	1,641,795,677
Net Block		14,883,958,883	8,833,132,655
Capital Work-in-Progress (including capital advances)		1,058,953,593	51,474,789
		15,942,912,476	8,884,607,444
Investments	F	4,919,010,845	8,730,439,893
Deferred Tax Assets (Net)		153,364,160	14,190,948
(Refer Note No. 3 xxiii of Schedule "S")			
Current Assets, Loans and Advances:			
Interest Accrued		889,266,690	474,027,889
Stock In Trade		4,869,350,810	6,865,038,758
Sundry Debtors	G	14,216,760,529	7,387,411,323
Cash and Bank Balances	H	33,937,006,476	18,924,738,829
Loans and Advances	I	97,304,849,663	45,818,507,384
		151,217,234,168	79,469,724,183
Less : Current Liabilities and Provisions:			
Current Liabilities	J	24,138,683,660	14,066,293,341
Provisions	K	754,530,738	393,111,043
		24,893,214,398	14,459,404,384
Net Current Assets		126,324,019,770	65,010,319,799
Debit Balance in Profit & Loss Account*		2,045,254,450	
Less: Balance in General Reserve (per-contra)		72,894,308	
		1,972,360,142	-
TOTAL		149,311,667,393	82,639,558,084
Notes to Consolidated Financial Statements			
Schedules referred to above form an integral part of the Consolidated Balance Sheet			

This is the Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse
Firm Registration No. :- 301112E
Chartered Accountants

Sd/-
PARTHA GHOSH
Partner
Membership No: F55913

Sd/-
ANIL SAXENA
Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-
SHACHINDRA NATH
Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-
SUNIL GODHWANI
Chairman &
Managing Director
(DIN-00174831)

Sd/-
RAVI BATRA
Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011

Consolidated Profit and Loss Account for the Year ended March 31, 2011



	Schedule	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
INCOME			
Income from Operations	L	23,504,976,341	15,509,814,811
Interest Income	M	117,905,034	131,130,056
Other Income	N	2,298,299,373	940,893,442
Sale of Shares, Bullions etc.		3,913,969,146	170,372,326
TOTAL		29,835,149,894	16,752,210,635
EXPENDITURE			
Cost of Shares / Bullions etc.		3,905,522,400	76,979,225
Operating Expenses	O	4,822,607,621	3,077,263,105
Personnel Expenses	P	9,853,503,632	5,195,429,598
Administrative and Other Expenses	Q	5,775,971,909	3,981,024,831
Interest and Finance Charges	R	7,898,847,656	2,797,465,069
Depreciation and Amortization	E	975,348,616	679,708,246
Less: Net Expenditure of Joint Venture Recoverable (Refer Note No. 3 x of Schedule "S")		(1,408,972,136)	(1,029,817,759)
TOTAL		31,822,829,698	14,778,052,315
PROFIT / (LOSS) BEFORE TAX			
Provision for Taxation		(1,987,679,804)	1,974,158,320
- Current Tax			
- For the year		950,832,750	883,227,475
- MAT Credit		(246,157)	-
- For Earlier year		92,155,215	2,473,360
- Wealth Tax		1,649,426	455,000
- Deferred Tax (Net)		(140,992,327)	7,746,926
- Fringe Benefit Tax		831,114	-
- Dividend Distribution Tax		53,409,994	108,798,864
PROFIT / (LOSS) AFTER TAX BEFORE MINORITY INTEREST		(2,945,319,819)	971,456,695
Less : Share of Minority Interest for the year		(58,582,898)	(2,219,783)
Less: Adjustment on account of changes in Minority Interest (Refer Note No. 1 G of Schedule "S")		(1,298,115)	-
PROFIT / (LOSS) AFTER TAX AFTER MINORITY INTEREST		(3,005,200,832)	969,236,912
Add : Balance brought forward		970,139,331	348,446,767
Amount available for appropriation		(2,035,061,501)	1,317,683,679
APPROPRIATIONS:			
Dividend on Preference Shares		-	48,371,370
Interim Dividend on Equity Shares		-	255,627,504
Transfer to Statutory Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934		10,192,949	-
Transfer to General Reserve		-	43,545,474
Balance Carried to Balance Sheet		(2,045,254,450)	970,139,331
TOTAL		(2,035,061,501)	1,317,683,679
EARNINGS PER SHARE (In Rupees)			
(Refer Note No. 3 xxii of Schedule "S")			
Basic		(22.98)	11.25
Diluted		(22.98)	11.17

Notes to Consolidated Financial Statements

S

Schedules referred to above form an integral part of the Consolidated Profit and Loss Account

This is the Consolidated Profit and Loss Account referred to in our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse

Firm Registration No. -301112E
Chartered Accountants

Sd/-
PARTHA GHOSH
Partner
Membership No: F55913

Sd/-
ANIL SAXENA
Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-
SHACHINDRA NATH
Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-
SUNIL GODHWANI
Chairman &
Managing Director
(DIN-00174831)

Sd/-
RAVI BATRA
Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011

Consolidated Cash Flow Statement

for the Year ended March 31, 2011

Particulars	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
A. Cash flow from Operating Activities:		
Net (Loss)/Profit Before Tax	(1,987,679,804)	1,974,158,320
Adjustments for:		
Depreciation and Goodwill Amortization	975,348,616	679,708,246
Interest Expense	3,866,474,792	1,575,250,937
Interest Income*	(1,545,830,316)	(1,449,817,468)
Income from Investment - Dividends	(13,686,225)	(20,626,773)
(Profit)/Loss on sale of Fixed Assets (Net)	(1,247,664,851)	11,097,744
(Profit)/Loss on sale of Investments (Net)	(429,977,539)	(637,036,974)
Bad Debts, Balances & Loans written back and Provision for Doubtful Debts	294,442,090	525,045,696
Provision for Non Performing Assets and Standard Assets	392,314,269	-
Provision for Gratuity and Leave Encashment (written back) / provided	(61,874,055)	58,181,307
TDS on operating income and STT	(820,527,770)	(425,194,763)
Employees Stock Option Expenses	(869,418)	898,735
Provision for diminuation in the value of long term Investments	54,419,550	32,612,147
Gain on revaluation/change in fair value	(54,996,732)	-
Change in valuation in respect of Life Policies	1,350,312,571	545,321,504
Unrealised Foreign Exchange Loss (Net)	3,534,160	48,346,797
Translation Reserve	236,076,123	(296,047,994)
Discount on issue of Commercial Paper	3,806,700,141	1,090,321,958
Operating Profit Before Working Capital Changes	4,816,515,602	3,712,219,419
Adjustments for Changes in Working Capital :		
- Increase in Sundry Debtors	(7,027,457,257)	(4,485,908,331)
- Increase in Other Receivables	(46,076,151,091)	(25,699,758,269)
- Decrease / (Increase) in Stock in Trade	1,995,687,948	(6,794,604,581)
- Increase in Trade and Other Payables	4,974,215,826	5,385,140,515
Cash Used in Operations	(41,317,188,972)	(27,882,911,247)
- Taxes paid (Net of TDS)	(456,722,317)	(338,439,495)
Net Cash Used in Operating Activities	(41,773,911,289)	(28,221,350,742)
B. Cash Flow From Investing Activities:		
Purchase of Fixed Assets (Net)	(1,375,973,461)	(1,663,874,999)
Proceeds from sale of Fixed Assets	2,965,658,371	35,279,252
Capital Work in Progress	(873,144,901)	(56,035,237)
Proceeds from Sale of Investments	296,552,424,735	558,277,666,718
Purchase of Investments	(292,227,212,444)	(564,211,949,991)
Interest Received (Revenue)	967,641,735	1,083,494,146
Dividend Received	13,607,978	20,626,773
Minority Interest Purchased	-	(27,953,355)
Amount Paid on Acquisition of subsidiaries / joint venture	(5,289,986,064)	(110,958,818)
Net Cash (Used In) / Generated From Investing Activities	733,015,949	(6,653,705,511)
C. Cash Flow From Financing Activities:		
Proceeds from fresh issue of Equity Share Capital (including securities premium)	5,052,090,450	170,421,268
Proceeds from fresh issue of Preference Share Capital (including securities premium)	1,200,000,000	-
Proceeds from Share Application Money	-	1,779,400

Consolidated Cash Flow Statement for the Year ended March 31, 2011



Particulars	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
Proceeds/ (Repayment) for Short Term Borrowings:-		
- Inter Corporate Loans (Net)	7,126,484,902	3,800,681,615
- Commercial Paper (Net)	(419,746,260)	30,008,179,590
- Cash Credits / Working Capital Loans (Net)	11,462,010,400	520,941,764
- Redeemable Non-Convertible Debentures (Net)	(5,570,000,000)	4,500,000,000
- Compulsory-Convertible Debentures (Net)	(600,000,000)	(400,000,000)
- Public Deposits	22,386,815	92,363,185
- Vehicle Loan	(137,396)	(567,697)
- Term Loans from Banks	2,433,719,299	-
- Others	5,158,059	-
Proceeds/ (Repayment) for Long Term Borrowings:-		
- Redeemable Non Convertible Debentures	6,113,000,000	-
- Cash Credit/Working Capital Loans (Net)	-	(2,366,882,535)
- Term Loans	29,938,444,867	5,775,784,682
Proceeds from issue of Shares to Minority Shareholders	2,035,811,200	-
Interest Paid	(3,755,249,015)	(1,410,773,879)
Dividend Paid (Including dividend paid to Minority Shareholders)	(324,912,150)	(14,221,370)
Net Cash Flow Generated From Financing Activities	54,719,061,171	40,677,706,023
Net Increase in Cash & Cash Equivalents (A+B+C)	13,678,165,831	5,802,649,770
Add: Cash and Cash Equivalents at the beginning of the Year	18,924,738,829	12,572,492,210
Effect of Exchange difference on Translation of Foreign Currency Cash & Cash Equivalents	(9,531,142)	-
Add: Cash and Cash Equivalents on Acquisition of Subsidiaries	1,343,632,958	549,596,849
Cash and Cash Equivalents at the end of the Year	33,937,006,476	18,924,738,829
Cash and Cash Equivalents at the end of the Year Comprises of		
Cash in Hand	89,457,191	10,303,412
Cheques on Hand	2,768,905	59,482,163
Balances with Banks in Fixed Deposits Accounts (Refer Note No. 3 iii b of Schedule "S")	22,606,902,692	16,407,409,889
Balances with Banks in Current Accounts	11,237,877,688	2,447,543,365
	33,937,006,476	18,924,738,829

***Interest income does not include interest income from lending operations of Rs.9,717,860,239 (Previous Year Rs.4,238,002,198).**

Notes:

- The Consolidated Cash flow statement has been prepared under the indirect method as set out in Accounting Standard -3 on Cash Flow Statement.
- Figures in bracket indicate cash outgo/income.
- Previous year's figures have been regrouped and rearranged wherever necessary to confirm to the current year classification.

This is the Consolidated Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse

Firm Registration No : 301112E
Chartered Accountants

Sd/-
PARTHA GHOSH
Partner
Membership No : F55913

Sd/-
ANIL SAXENA
Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-
SHACHINDRA NATH
Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-
SUNIL GODHWANI
Chairman &
Managing Director
(DIN-00174831)

Sd/-
RAVI BATRA

Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai
Date : June 29, 2011

Place : New Delhi
Date : June 29, 2011

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'A' : SHARE CAPITAL		
Authorised		
200,000,000 Equity Shares of Rs. 10 each (Previous Year 200,000,000 Equity Shares of Rs. 10 each)	2,000,000,000	2,000,000,000
50,000,000 Redeemable Preference Shares of Rs. 10 each (Previous Year 50,000,000 Redeemable Preference Shares of Rs. 10 each)	500,000,000	500,000,000
TOTAL	2,500,000,000	2,500,000,000
Issued, Subscribed and Paid Up		
139,434,494 Equity Shares of Rs. 10 each Fully Paid up (Previous Year 127,813,752 Equity Shares of Rs. 10 each Fully Paid Up) (Refer Note No. 3 iv a and b of Schedule "S")	1,394,344,940	1,278,137,520
13.66% 37,000,000 Cumulative Redeemable Preference Shares of Rs. 10 each Fully Paid up (Previous Year 25,000,000 13.66% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid up) (Refer Note No. 3 iv c of Schedule "S")	370,000,000	250,000,000
TOTAL	1,764,344,940	1,528,137,520
SCHEDULE 'B' : RESERVES AND SURPLUS		
Capital Reserve		
Opening Balance	122,519,888	122,519,888
Add: Addition during the year	208,417	-
	122,728,305	122,519,888
General Reserve		
Opening Balance	72,894,308	29,348,834
Transfer from Profit and Loss Account	-	43,545,474
Less: Debit Balance in Profit and Loss Account (per-contra)	72,894,308	-
	-	72,894,308
Statutory Reserve Fund*		
Opening Balance	-	-
Transfer from Profit and Loss Account	10,192,949	-
	10,192,949	-
*Created u/s 45-IC of the Reserve Bank of India Act, 1934		
Capital Redemption Reserve	750,000	750,000
Securities Premium Account		
Opening Balance	23,862,768,217	6,203,230,379
Add: Received during the year on Equity Shares (Refer Note No. 3 iv a and b of Schedule "S")	4,937,662,430	17,688,951,485
Add: Received during the year on Preference Shares (Refer Note No. 3 iv c of Schedule "S")	1,080,000,000	-
Less: Expenses relating to Rights Issue	-	29,413,647
	29,880,430,647	23,862,768,217
Employee Stock Option Outstanding		
Opening Balance (Gross Amount)	5,568,750	5,568,750
Less: Employee Stock Option exercised as on balance sheet date	3,445,020	2,741,310
Additions / (Cancellation)	(1,221,030)	(749,790)
Less: Deferred Employee Stock Compensation	-	305,532
Net Employee Stock Option Outstanding	902,700	1,772,118
Surplus as per Profit and Loss Account*	-	543,160,525
Foreign Currency Translation Reserve	(156,626,407)	(435,252,603)
TOTAL	29,858,378,194	24,168,612,453

* Reserve and Surplus / debt balance of Profit and Loss Account includes / netted off statutory reserves held by certain NBFCs / Housing Finance subsidiaries as per respective statutory requirement of Rs. 718,631,090 (Previous year Rs. 468,563,133)

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011



	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'C' : SECURED LOANS		
Short Term		
- Working Capital Loan and Overdraft from Banks (Secured against pledge of Fixed Deposits, hypothecation of receivables and securities of third parties)	12,597,893,962	1,045,083,562
- Term Loans from Banks (Secured by stand by Letter of Credit)	2,433,719,299	-
- Vehicle loan (Secured by hypothecation of vehicles)	-	137,396
Interest Accrued and due on above	7,182,252	3,788,768
	15,038,795,513	1,049,009,726
Long Term		
- Redeemable Non Convertible Debentures (Due within one year Rs. 5,170,000,000 (Previous Year Rs. 660,000,000) (Secured against immovable property) (Refer Note No. 3 viii b of Schedule "S")	9,813,000,000	4,500,000,000
- Term Loans from Banks (Secured against the book debts, etc.)	40,170,662,634	10,232,217,768
	49,983,662,634	14,732,217,768
TOTAL	65,022,458,147	15,781,227,494
SCHEDULE 'D' : UNSECURED LOANS		
Short Term Loans		
Inter Corporate Deposits	10,533,788,990	215,008,765
Others	5,158,059	-
Redeemable Non-Convertible Debentures (Refer Note No. 3 viii a of Schedule "S")	-	5,570,000,000
Compulsory Convertible Debentures (Refer Note No. 3 vi of Schedule "S")	-	600,000,000
Commercial Paper (Refer Note No. 3 viii c of Schedule "S")	36,829,413,289	33,442,459,409
Public Deposits	114,750,000	92,363,185
Interest accrued and due on Unsecured Loans	77,640,986	44,601,966
Long Term Loans		
Redeemable Non-Convertible Debentures (Refer Note No. 3 viii a of Schedule "S") (Due within one year Rs. Nil)	800,000,000	-
TOTAL	48,360,751,324	39,964,433,325

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011

Schedule 'E': Fixed Assets

Amount (Rs.)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION/ AMORTISATION			NET BLOCK			
	As at April 01, 2010	Addition for the Year	Deletions/ Adjustments for the Year	As at March 31, 2011	As at April 01, 2010	Additions for the Year	Pre-Acquisition Depreciation	Deletions/ Adjustments for the Year	As at March 31, 2011	As at March 31, 2010
INTANGIBLE ASSETS										
GOODWILL (On consolidation)	4,948,596,936	7,515,633,944	(44,494,679)	12,508,725,559	184,702	217,810,285	-	2,267,983	12,292,998,555	4,948,412,234
LICENCES	-	11,715,431	-	11,715,431	-	-	-	-	11,715,431	-
COMPUTER SOFTWARE	658,607,964	218,218,476	(2,166,532)	878,992,972	236,553,299	168,222,750	-	(485,714)	473,731,209	422,054,665
Sub Total (a)	5,607,204,900	7,745,567,851	(46,661,211)	13,399,433,962	236,738,001	386,033,035	-	1,782,269	12,778,445,195	5,370,466,899
TANGIBLE ASSETS										
LAND	54,649,819	-	-	54,649,819	-	-	-	-	54,649,819	54,649,819
BUILDINGS	1,524,510,798	7,441,295	1,347,905,617	184,046,476	19,602,053	21,968,466	-	31,964,706	174,440,663	1,504,908,745
LEASE HOLD IMPROVEMENTS	1,060,488,885	206,513,504	59,134,007	1,207,868,382	567,658,369	199,186,517	29,851,822	44,773,209	455,944,883	492,830,516
OFFICE EQUIPMENTS	659,036,198	129,161,692	70,976,214	717,221,676	253,882,229	99,026,336	32,686,667	62,663,393	394,289,837	405,153,969
DATA PROCESSING MACHINES	1,122,726,733	145,033,718	20,490,132	1,247,270,319	462,056,134	204,383,164	16,411,231	10,767,670	575,187,460	660,670,599
FURNITURE AND FIXTURES & ELECTRICAL FITTINGS	181,230,577	58,887,741	18,035,868	222,082,450	75,259,050	17,340,976	15,282,421	14,658,594	128,858,597	105,971,527
VEHICLES & BIKES	201,807,479	138,453,837	35,705,223	304,556,093	24,024,544	25,797,002	3,664,328	7,639,140	258,709,359	177,782,935
Sub Total (b)	4,804,450,489	685,491,787	1,552,247,061	3,937,695,215	1,402,482,379	567,702,461	97,896,469	172,466,712	2,042,080,618	3,401,968,110
LEASED ASSETS										
VEHICLES	63,272,943	302,814,397	291,671,633	74,415,707	2,575,297	21,613,120	1,757,566	14,963,346	63,433,070	60,697,646
Sub Total (c)	63,272,943	302,814,397	291,671,633	74,415,707	2,575,297	21,613,120	1,757,566	14,963,346	63,433,070	60,697,646
TOTAL (a + b + c)	10,474,928,332	8,733,874,035	1,797,257,483	17,411,544,884	1,641,795,677	975,348,616	99,654,035	189,212,327	2,527,586,001	8,833,132,655
Previous Year	8,814,399,042	2,566,614,085	906,084,795	10,474,928,332	1,032,385,840	679,708,246	23,542,753	371,169,400	1,641,795,677	-
Capital Work-in-Progress (including advances)									1,058,953,593	51,474,789

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011



	Currency	Face Value	As at March 31, 2011		As at March 31, 2010	
			No.	Rs.	No.	Rs.
SCHEDULE 'F' : INVESTMENTS (AT COST)						
Other Than Life Insurance Business						
(A) Long Term - Other than Trade						
Equity Shares (Fully Paid Up) (Quoted)						
Karnataka Bank Limited	INR	10	2,400,000	300,716,571	3,141,171	455,829,534
Ranbaxy Laboratories Limited	INR	5	3,449	1,588,092	3,449	1,588,092
Saraswat Co-op Bank Limited	INR	10	2,500	25,000	2,500	25,000
National Hydroelectric Power Corporation Ltd.	INR	10	1,522,071	54,794,556	1,522,071	54,794,556
Equity Shares (Fully Paid Up) (Unquoted)						
Equifax Credit Information Services Pvt. Ltd.	INR	10	7,500,000	75,000,000	-	-
Government Securities (Unquoted)						
7.50% Govt. Stock 2010	INR	100	-	-	60	6432
13.50% Maharashtra State Electricity Board Bonds	INR		-	-	1	200,000
9% Govt. Stock, 2013	INR	100	305	36,295	305	36,295
National Saving Certificate VIII ISSUE (Unquoted)						
NSC VIII Issue	INR	1000	6	6,000	6	6,000
NSC VIII Issue	INR	10000	3	30,000	3	30,000
(Refer Note 1 below)						
Share Application Money						
Equifax Credit Information Services Pvt. Ltd.	INR		-	-	5,000,000	50,000,000
Estee Advisors Pvt Ltd A/C Ind (PMS)	INR		-	-	-	100,000,000
Gold Coins						
	INR		4	37,641	4	37,641
Contribution to Funds (Unquoted)						
Religare Art Fund	INR		-	22,500,000	-	22,500,000
India Build Out-Fund-I	INR	1000	300,000	240,000,000	300,000	120,000,000
Vistaar Media Fund	INR	100	2,000,000	200,000,000	2,000,000	200,000,000
Total (A)				894,734,155		1,005,053,550
(B) Current Investments Other than Trade						
Equity Shares (fully paid up) (Quoted)						
High Road Capital	GBP	0.001	21,400,000	7,788,619	21,400,000	5,809,618
PAQ International Holdings Limited	GBP	0.06	1,000,000	200,175	1,000,000	237,543
Strategic Natural Resources Plc	GBP	0.01	-	-	1,000,000	9,671,385
ARH Leisure Investments Plc	GBP	0.10	205,000	6,938,786	20,500,000	7,737,108
Atlantic Coal Plc	GBP	0.0007	-	-	13,000,000	4,167,599
Devilfish Gaming PLC	GBP	0.01	525,000	1,098,687	904,237	2,531,512
PHSC PLC	GBP	0.10	-	-	87,000	1,180,927
Running River Plc	GBP	0.001	8900,000	-	8,900,000	2,647,245
Rurelec Plc	GBP	0.02	-	-	250,000	1,357,387
Sky Postal, Inc.	USD	0.0001	855,395	2,291,960	855,395	2,668,762
Sweet China PLC	GBP	0.001	-	-	1,440,000	3,303,338
West End Ventures Plc	GBP	0.001	5,000,000	727,908	5,000,000	678,694

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011

	Currency	Face Value	As at March 31, 2011		As at March 31, 2010	
			No.	Rs.	No.	Rs.
Kyrso Resources	GBP	0.005	300,000	2,183,424	300,000	2,036,081
Brown & Co. Ltd.	LKR		35,000	4,036,119	-	-
Colombo Fort Land & Bld. Co.	LKR		18,000	3,578,966	-	-
Commercial Bank of Ceylon Ltd.	LKR		15,000	1,754,476	-	-
DFCC	LKR		5,000	465,183	-	-
Distilleries Co. of Sri Lanka	LKR		50,000	2,841,757	-	-
Jihn Keells Holding Limited	LKR		10,000	1,222,450	-	-
Kelani Cables Limited	LKR		15,000	712,498	-	-
Kotagala	LKR		2,900	218,568	-	-
Laugfs Gas Limited (N)	LKR		90,000	1,532,568	-	-
Lion Brewery Ceylon Limited	LKR		200	15,733	-	-
Merchant Bank of Sri Lanka	LKR		9,800	230,059	-	-
National Development Bank	LKR		55,000	8,171,569	-	-
Regnis (Lanka) Limited	LKR		4,900	377,377	-	-
Richard Pieris & Company Limited	LKR		120,000	691,082	-	-
Sampath Bank Limited	LKR		20,000	2,329,874	-	-
Seylan Merchant Bank Limited	LKR		766,500	726,069	-	-
Seylan Bank Limited	LKR		200,000	4,450,990	-	-
Seylan Merchant Leasing Limited	LKR		20,200	792,199	-	-
Lanka Tiles Limited	LKR		25,000	1,441,471	-	-
Kelani Tyres Limited	LKR		75,900	1,722,389	-	-
Waterwala Plantation Limited	LKR		40,000	329,479	-	-
Total				58,870,435		44,027,199
Equity Shares (Unquoted)						
Unicorn Asset Management Ltd	GBP	0.01	-	-	64,190	18,488,391
Hot Rocks Limited	GBP	0.001	17,980,000	6,543,896	18,000,000	6,719,067
CD Private Equity Natural resource Fund	USD	1000	250	8,066,054	250	8,000,723
Elite Real Estate (Mayfair) Plc	GBP	0.1	48,000	17,469,800	48,000	16,288,648
Latin Biofuels Limited	GBP	1	9,999	65	9,999	639,994
MENA Loan Note			-	-	4,648	315,485
MN Speciality Steel Limited	GBP	0.001	283,040	65	283,040	8,732,007
Seven Hills Capital Partners	GBP	1	10,000	65	10,000	640,058
Scotty Group	GBP	0.05	-	-	33,057	471,149
Regency Mines	GBP	0.001	-	-	250,000	169,673
Cagney	GBP	0.01	312,500	97,813	312,500	91,199
The Core Business	GBP	0.001	180	7,861	1,080,000	175,917
Louisiana Oil & Gas	GBP	0.05	1	1,834,329	1	1,710,308
Kleenair Systems International plc	GBP	0.001	21,859	2,148,058	21,859	2,002,826
Softlogic Holdings Limited	LKR	10	140,000	4,151,436	-	-
Debentures-Seylan Bank PLC	LKR	100	11,000	453,034	-	-
Valible one Limited	LKR	10	314,000	3,233,013	-	-

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011



	Currency	Face Value	As at March 31, 2011		As at March 31, 2010	
			No.	Rs.	No.	Rs.
FreeLanka Capital Holding Ltd.	LKR		2,127,660	4,118,499	-	-
OTHERS - (Unquoted)						
INDIAN FUND S.A. India						
Convertible Bonds Fund	USD	99.004	20,201	87,243,379	20,201	89,643,860
Investments In Repo			-	191,855,290	-	-
Share Application Money			-	824,410	-	-
9.75% IFCI -2030	INR	1,000,000	90	91,539,740	-	-
Others (Commodities in Lots)			1	817,905	1	61,506,872
Investment in Mutual Funds						
LIC Liquid Growth	INR	10	-	-	59,301,078	1,000,000,000
Kotak Gold ETF	INR	1,000	-	-	45,000	75,169,245
Deutsche Mutual Fund	INR	10	-	-	-	235,000,000
DWS INSTA CASH PLUS FUND SIP GRTH	INR	100	1,963,836	250,000,000	-	-
PEERLESS LIQUID FUND SIP GRTH OPTION	INR	10	16,806,634	178,076,368	-	-
HDFC Cash Management Fund (Treasury Advantage Plan)	INR	10	1,792,161	38,446,809	-	-
Religare Ultra Short Term Fund (Institutional Growth)	INR	1,000	157,887	212,027,248	11,822	14,785,254
Religare Mutual Fund	INR	10	-	-	377,471,967	4,770,000,000
Religare Liquid Fund	INR	10	24,228	32,383,235	499,272	5,000,555
Religare Short Term Plan	INR	10	6,992,450	90,130,275	-	-
Religare Credit Opportunities Fund	INR	10	1,244,366	13,344,582	32,497,589	331,768,401
Total (B)				1,293,683,664		6,691,346,831
(C) Life Insurance Business						
(Refer Note - 3 Below)						
Investments - Policy Holders						
Government Securities and Government guaranteed bonds including Treasury Bills	INR			39,605,929		-
Other Securities	INR			41,471,042		22,028,160
Debentures/ Bonds	INR			2,503,543		2,453,440
Investments in Infrastructure and Social Sector	INR			102,749,232		35,517,680
Investments - Share Holders						
Investments in Infrastructure and Social Sector	INR			75,161,032		68,626,360
Debentures / Bonds	INR			214,751,588		14,218,600
Other Securities	INR			60,990,211		22,074,360
Mutual Funds	INR			21,398,855		58,131,920
Government Securities and Government guaranteed bonds including Treasury Bills	INR			460,657,349		292,678,320

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011

	Currency	Face Value	As at March 31, 2011		As at March 31, 2010	
			No.	Rs.	No.	Rs.
Assets to cover Linked Liabilities						
Government Securities and Government guaranteed bonds including Treasury Bills	INR			84,957,950		21,023,200
Investments in Infrastructure and Social Sector	INR			43,013,684		6,688,440
Debentures/ Bonds	INR			164,621,657		10,565,720
Mutual Funds	INR			73,104,401		18,167,600
Equity Shares	INR			1,212,896,857		396,110,000
Other Securities	INR			132,709,696		65,755,712
Total (C)				2,730,593,026		1,034,039,512
Total (A + B + C)				4,919,010,845		8,730,439,893
Aggregate Value of Quoted Investments						
At Book Value				416,812,562		617,771,252
At Market Value				378,115,068		478,786,239
Aggregate Value of Unquoted Investments				4,498,994,923		8,112,668,641

Notes:

- (1) Held In the name of a Director of subsidiary company as nominee, Rs 33,000 (Previous Year Rs.33,000) and pledged with Gujarat and Rajasthan VAT Authorities
- (2) Investments purchased and sold during the year:
 - Quoted Equity Shares 40.78 Lacs Nos, Cost Rs. 10,680.76 Lacs (Previous Year 53.00 Lacs Nos, Cost Rs.5,035.00 Lacs)
 - Units of Mutual Funds 264,521.52 Lacs Units, Cost Rs. 3,713,355.84 Lacs (Previous Year 403,928.22 Units, Cost Rs.5,486,286.49 Lacs)
- (3) The investment represents 44% share of the total Investment of Joint Venture. For the purpose of including in consolidated investments schedule, the information is limited to the value of share of the Company without considering the unit/ script wise details.

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011



	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'G' : SUNDRY DEBTORS		
Debtors outstanding for a period exceeding six months		
- considered good	329,447,348	304,769,881
- considered doubtful	121,148,270	35,453,219
Other Debts		
- considered good	13,887,313,181	7,082,641,442
- considered doubtful	41,378,395	11,958,550
Less: Provision for Doubtful debts	(162,526,665)	(47,411,769)
TOTAL	14,216,760,529	7,387,411,323
Sundry Debtors includes secured debts Rs. 2,767,474,437.; (Previous Year Rs.5,194,339,876)		
SCHEDULE 'H' : CASH AND BANK BALANCES		
Cash in Hand	89,457,191	10,303,412
Cheques and Stamp Papers in Hand	2,768,905	59,482,163
Balances with Banks:		
In Current Account:		
With Scheduled Banks	9,198,635,560	942,086,185
With Other Banks	2,039,242,128	1,505,457,180
In Fixed Deposit Accounts (Refer Note No. 3 iii b of Schedule "S")		
With Scheduled Banks	20,167,534,590	16,352,280,789
With Other Banks	2,439,368,102	55,129,100
TOTAL	33,937,006,476	18,924,738,829
SCHEDULE 'I' : LOANS AND ADVANCES		
(Unsecured, Considered Good Unless Otherwise Stated)		
Secured Loans		
Standard Assets	75,062,347,479	24,256,602,896
Sub - Standard Assets	67,110,621	52,624,333
Doubtful Assets	10,110,688	9,994,528
Loss Assets	58,830,876	90,348,879
Unsecured Loans		
Standard Assets	15,583,383,361	16,766,979,446
Sub - Standard Assets	-	4,700,000
Doubtful Assets	6,695,040	-
Advances recoverable in cash or in kind or for value to be received (Unsecured)		
- Prepaid Expenses	710,924,616	301,956,146
- Security Deposits with Stock Exchanges	60,380,150	90,375,000
- Security Deposits - Others	1,172,660,099	1,043,821,377
- Others	2,585,435,862	1,007,687,977
Advance to Religare Employee SAR Trust (Refer Note No. 3 xv of Schedule "S")	-	109,752,966
Margin with Exchanges	167,709,713	6,868,610
Margin - Equity derivative instruments	-	126,109,810
Deposits - Equity derivative instruments	73,171,211	806,065,101
Assets acquired in satisfaction of debt	198,940,891	199,440,891
Advance Payment of Taxes and Tax Deducted at Source (Net of provision for Taxation Rs.3,557,660,878; Previous Year Rs.2,488,755,497)	996,183,859	601,206,339
Balance with Service Tax Authorities	550,965,197	343,975,085
TOTAL	97,304,849,663	45,818,507,384

Schedules forming part of Consolidated Balance Sheet as at March 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE 'J' : CURRENT LIABILITIES		
Sundry Creditors	11,948,490,933	7,104,752,027
Interest accrued but not due on Loans	380,365,777	305,572,505
Book Overdraft	5,503,266,397	3,175,763,974
Interim Dividend on Preference Shares	-	34,150,000
Interim Dividend on Equity Shares	-	255,627,504
Margin from Clients	1,179,183,859	538,713,863
Margin payable to Exchanges	1,483,588,688	1,142,714,353
Security Deposits	311,224,177	197,774,047
Advances from Clients/ Customers	161,690,712	123,540,634
Tax on Distributed Profits	53,409,994	-
Other Liabilities	3,117,463,123	1,187,684,434
TOTAL	24,138,683,660	14,066,293,341
SCHEDULE 'K' : PROVISIONS		
Gratuity	10,970,386	94,778,820
Leave Encashment	118,007,857	96,073,477
Non-Performing Assets	79,541,658	194,798,746
General Provision on Standard Assets	280,563,170	-
Contingent Provision on Standard Assets	224,505,442	-
Provision for contingent liability	2,502,745	-
Diminution in value of Non -Banking Financial Assets	5,460,000	5,460,000
Diminution in value of long term Investments	32,979,480	2,000,000
TOTAL	754,530,738	393,111,043

Schedules forming part of the Consolidated Profit and Loss Account for the Year Ended March 31, 2011

	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
SCHEDULE 'L' : INCOME FROM OPERATIONS		
Broking Related Operations	5,765,894,331	5,301,548,464
Income from Lending Activities	9,717,860,239	4,238,002,198
Interest Income on Fixed Deposits with Banks	1,427,925,282	1,318,008,246
Interest Income from Delayed Payments	866,715,434	547,008,870
Income from Advisory Services	1,496,335,582	1,694,006,343
Support Service Fees	5,702,191	3,611,912
Investment Management Fees	732,751,766	622,056,481
Portfolio Management Services Fees	80,068,923	39,920,982
Depository Operations	142,972,615	93,497,134
Income from Arbitrage and Trading of Securities and Derivatives (Net)	1,002,241,444	408,552,368
Recovery of Transaction Fees from clients	516,404,721	487,627,851
Profit on Assignment of Loans	55,247,589	1,288,320
Income from Referral Fee	933,399	29,611,064
Life Insurance Premium (Net of Premium on re-insurance ceded)	1,693,922,825	725,074,578
TOTAL	23,504,976,341	15,509,814,811
SCHEDULE 'M' : INTEREST INCOME ON		
Staff Loans	676,372	756,773
Interest Income on Debentures / Bonds	195,890	5,122,666
Government Securities	8,139	5,316
Inter-Corporate Loans	61,668,429	70,011,659
Others	55,356,204	55,233,642
TOTAL	117,905,034	131,130,056

Schedules forming part of Consolidated Profit and Loss Account for the Year Ended March 31, 2011



	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
SCHEDULE 'N' : OTHER INCOME		
Income from Short Term Investments		
- Dividend Income	284,403	81,520
- Profit on Sale/Redemption of Investments (Net)	337,387,456	380,720,355
Income from Long Term Investments		
- Dividend Income	13,401,822	20,545,253
- Profit on Sale/Redemption of Investments (Net)	92,590,083	256,316,619
Balances Written Back (Net)/ Bad Debt Recovered	93,618,490	7,873,604
Reversal of Earlier Years provision for Doubtful Debts / NPA	27,284,502	1,588,608
Transfer/Gain on revaluation/change in fair value	57,313,445	44,614,611
Rental Income	288,891,048	152,745,314
Recovery of Loans written off	77,514,638	-
Profit on sale of Fixed Assets (Net)	1,247,664,851	-
Miscellaneous Income	62,348,635	76,407,558
TOTAL	2,298,299,373	940,893,442
SCHEDULE 'O' : OPERATING EXPENSES		
Commission and Brokerage	1,740,342,066	1,361,709,231
Transaction Charges	375,307,022	335,818,996
Custodial and Stamp Charges	158,147,115	114,546,916
Bad Debts and Loans written off	276,525,709	532,613,665
Contingent Provision on Standard Assets	224,067,168	-
Provision for Non Performing Assets	3,237,021	103,534,080
General Provision on Standard assets	189,858,184	-
Provision for doubtful debts	107,782,705	305,635
Gallery and Exhibition Expenses	5,061,803	2,182,421
Software License Expenses	68,320,528	53,383,337
Membership and Subscription fees	43,406,462	27,847,320
Delivery and Storage Expenses	97,392	-
Loss from Arbitrage and Trading of Securities and Derivatives Operation (Net)	280,141,875	-
Change in valuation of liability in respect of life policies	1,350,312,571	545,321,504
TOTAL	4,822,607,621	3,077,263,105
SCHEDULE 'P': PERSONNEL EXPENSES		
Salaries, Allowances and Bonus	8,775,073,728	4,444,364,997
Contribution to Employees' Provident and other funds	403,633,676	244,276,805
Gratuity	37,393,849	39,821,206
Leave Encashment	98,734,583	73,177,941
Training and Recruitment Expenses	381,393,330	268,614,431
Staff Welfare Expenses	157,274,466	125,174,218
TOTAL	9,853,503,632	5,195,429,598

Schedules forming part of Consolidated Profit and Loss Account for the Year Ended March 31, 2011

	For the year ended March 31, 2011 Amount (Rs.)	For the year ended March 31, 2010 Amount (Rs.)
SCHEDULE 'Q': ADMINISTRATIVE AND OTHER EXPENSES		
Rent, Rates & Taxes	1,612,024,024	1,096,969,645
Advertisement, Business Promotion and Entertainment	701,945,270	555,301,153
Insurance	28,660,532	26,299,386
Travelling and Conveyance	547,473,230	300,286,155
Communication Expenses	623,462,940	452,529,338
Postage and Courier	89,699,424	85,071,428
Office Expenses	144,435,051	85,325,949
Printing and Stationary	118,428,435	85,154,165
Electricity	194,010,838	188,207,676
Legal and Professional	1,052,324,532	669,102,621
Support Service Expenses	35,141,774	27,638,919
Repairs and Maintenance		
- Building / Lease hold Improvements	11,713,304	8,325,378
- Others	214,609,524	150,837,446
Loss on account of Error Trades (Net)	27,869,064	13,898,588
Auditors' Remuneration	16,821,348	8,129,275
Filing Fees	15,310,031	8,718,655
Balances written off	5,347,866	-
Provision for diminution in value of current investment / bullion (Net)	54,419,550	32,612,147
Loss on Sale of Fixed Assets (Net)	-	11,097,744
Foreign Exchange Loss (Net)	64,297,864	48,346,796
Information technology and related expenses	104,955,920	58,481,266
Miscellaneous expenses	113,021,388	68,691,101
TOTAL	5,775,971,909	3,981,024,831
SCHEDULE 'R': INTEREST AND FINANCE CHARGES		
Interest on:		
- Fixed Term Loans		
Debentures	853,575,952	773,834,027
Public Deposits	11,970,674	5,673,269
Long term bank loans	160,650,706	190,411,762
Inter Corporate Loans	467,107,890	237,648,181
- Others		
Bank Overdrafts	2,207,112,250	174,049,324
Client Margins	28,474,364	11,316,388
Others	18,611,434	104,498,461
Discount on Commercial Papers and Commercial Papers Issue expenses	3,829,998,741	1,090,321,958
Premium on acquisition of portfolio	38,870,483	-
Loan Processing Charges	80,101,038	77,819,525
Bank Guarantee Commission and Other Charges	202,374,124	131,892,174
TOTAL	7,898,847,656	2,797,465,069



Consolidated Notes to the Financial Statements

SCHEDULE 'S' SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011

1. PRINCIPLES OF CONSOLIDATION

- A. The consolidated financial statements relate to Religare Enterprises Limited ('the Company'), its subsidiaries and Joint Ventures ('the Group'). The consolidated financial statements have been prepared on the following basis:
- In respect of Subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after as far as possible eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard 21 - Consolidated Financial Statements notified under the Companies (Accounting Standards) Rules, 2006.
 - In respect of Joint Ventures, the financial statements have been consolidated as per Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures notified under the Companies (Accounting Standards) Rules, 2006.
 - The excess of cost over the Company's investment in Subsidiary Companies and Joint Ventures is recognized in the consolidated financial statements as Goodwill. The excess of Company's share in equity and reserves of the subsidiary companies and Joint Ventures over the cost of acquisition is treated as Capital Reserve.
 - The share of Minority Interest in the net profit/ (loss) of subsidiaries for the period/year is identified and adjusted against the income of the group to arrive at the net income attributable to the Company.
 - The share of Minority Interest in the net assets of subsidiaries and preference capital issued to third parties are identified and presented as a liability in the Consolidated Financial Statements separately from the equity of the Company.
 - The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- B. Investments other than investments in subsidiaries and joint ventures have been accounted as per Accounting Standard 13 on "Accounting for Investments" notified under the Companies (Accounting Standards) Rules, 2006.
- C. The subsidiaries enterprises and joint ventures considered in the consolidated financial statements are as under:

Name of the Entity	Proportion of ownership Interest March 31, 2011	Proportion of ownership Interest March 31, 2010	Country of Incorporation	Status
Subsidiaries/Sub-Subsidiaries				
Religare Finvest Limited	100.00%	100.00%	India	Trading
Religare Insurance Broking Limited	100.00%	100.00%	India	Trading
Religare Securities Limited	100.00%	100.00%	India	Trading
Religare Commodities Limited (Became wholly owned subsidiary of Religare Securities Limited w.e.f. May 31, 2010)	100.00%	100.00%	India	Trading
Religare Venture Capital Limited	100.00%	100.00%	India	Trading
REL Infracilities Limited (Name changed from Religare Realty Limited w.e.f. November 18, 2010)	100.00%	100.00%	India	Trading
Religare Capital Markets Limited	100.00%	100.00%	India	Trading
Religare Arts Initiative Limited	100.00%	100.00%	India	Trading
Religare Finance Limited	100.00%	100.00%	India	Trading
Religare Health Insurance Company Limited (Formerly known as Religare General Insurance Company Limited)	90.00%	100.00%	India	Trading

Name of the Entity	Proportion of ownership Interest March 31, 2011	Proportion of ownership Interest March 31, 2010	Country of Incorporation	Status
Religare Global Asset Management Inc (Became the wholly owned subsidiary of the Religare Enterprises Limited w.e.f. December 1, 2010)	100.00%	-	USA	Trading
Religare Bullion Limited (incorporated as wholly owned subsidiary of Religare Commodities Limited w.e.f June 24, 2010)	100.00%	-	India	Trading
Religare United Soccer Limited (ceased to be subsidiary w.e.f. December 27, 2010)	-	100.00%	India	Ceased to be subsidiary
Religare Arts Investment Management Limited (incorporated as wholly owned subsidiary of Religare Arts Initiative Limited)	100.00%	100.00%	India	Trading
Religare Asset Management Company Limited (Formerly known as Lotus India Asset Management Company (P) Ltd)	100.00%	100.00%	India	Trading
Religare Trustee Company Limited (Formerly known as Lotus India Trustee Company (P) Limited)	100.00%	100.00%	India	Trading
Vistaar Religare Capital Advisors Limited	74.00%	74.00%	India	Trading
Religare Advisory Services Limited	100.00%	100.00%	India	Trading
Religare Housing Development Finance Corporation Limited (Name changed from Maharishi Housing Development Finance Corporation Limited w.e.f. September 7, 2010 and became direct subsidiary of Religare Finvest Limited w.e.f. December 03,2010)	87.50%	87.50%	India	Trading
Religare Share Brokers Limited (Incorporated as wholly owned subsidiary of Religare Securities Limited w.e.f. November 18, 2010)	100.00%	-	India	Trading
Religare Capital Markets International (Mauritius) Limited	100.00%	100.00%	Mauritius	Trading
Religare Capital Markets International (UK) Limited	100.00%	100.00%	United Kingdom	Trading
Religare Capital Markets Plc (Formerly Religare Hichens, Harrisons Plc)	100.00%	100.00%	United Kingdom	Trading
Religare Capital Markets (UK) Limited (Formerly Blomfield Corporate Finance Limited)*	100.00%	100.00%	United Kingdom	Trading
Hichens, Harrison (Derivatives) LLP*	-	99.00%	United Kingdom	Discontinued
Religare Capital Markets (Pty) Limited (Name changed from Religare Hichens Harrison (Pty) Limited w.e.f. October 4, 2010)	100.00%	100.00%	South Africa	Ceased Trading



Name of the Entity	Proportion of ownership Interest March 31, 2011	Proportion of ownership Interest March 31, 2010	Country of Incorporation	Status
Religare Hichens Harrison Consultoria Internacional Ltda*.	99.00%	99.00%	Brazil	Trading
Blamire Limited*	100.00%	100.00%	United Kingdom	Trading
Claridge House Services Limited*	-	100.00%	United Kingdom	Discontinued
ARM Corporate Finance Limited*	-	100.00%	United Kingdom	Discontinued
Blomfield Street Securities Limited*	-	100.00%	United Kingdom	Discontinued
Hichens, Harrison (Middle East) Limited*	55.00%	55.00%	United Kingdom	Dormant
Hichens, Harrison (Ventures) Limited*	100.00%	100.00%	United Kingdom	Nominee
London Wall Nominees Limited*	100.00%	100.00%	United Kingdom	Nominee
African Communication Services (Proprietary) Limited*	-	100.00%	South Africa	Discontinued
Charterpace Limited*®	39.00%	39.00%	United Kingdom	Dormant
HH1803.com Limited*	100.00%	100.00%	United Kingdom	Dormant
Hichens Harrison (Far East) Pte Ltd*	100.00%	100.00%	Singapore	Dormant
Religare Capital Markets Corporate Finance Pte. Ltd. (Formerly Religare Capital Markets Advisers Pte Ltd. and before that Religare Capital Markets Pte Limited)*	100.00%	100.00%	Singapore	Trading
Religare Capital Markets Inc (RCM Inc) (Formerly Religare Hichens Harrison Inc)*	100.00%	100.00%	USA	Trading
Tobler (Mauritius) Limited*	100.00%	100.00%	Mauritius	Trading
Tobler UK Limited*	100.00%	100.00%	United Kingdom	Trading
Religare Investment Advisory (Mauritius)*	100.00%	100.00%	Mauritius	Dormant
Religare Global Asset Management Japan Co. Ltd.*	100.00%	100.00%	Japan	Trading
Religare Investment Holdings (UK) Limited*	100.00%	100.00%	United Kingdom	Trading
Religare Capital Markets (EMEA) Limited* (formerly Barnard Jacobs Mellet (UK) Limited) w.e.f. December 14, 2010	100.00%	-	United Kingdom	Trading
Kyte Management Limited(KML) (Religare Capital Markets Plc acquired 100% stake in KML w.e.f. December 9, 2010)	100.00%	-	BVI	Trading
Religare Capital Markets (HK) Limited* (formerly Central Joint Enterprises Limited, Hong Kong) w.e.f. December 9, 2010	100.00%	-	Hong Kong	Trading
Religare Capital Markets (Singapore) Pte Limited* (formerly Central Joint Enterprises Pte Limited , Singapore) w.e.f. December 9, 2010	100.00%	-	Singapore	Trading

Name of the Entity	Proportion of ownership Interest March 31, 2011	Proportion of ownership Interest March 31, 2010	Country of Incorporation	Status
Religare Global Asset Management (HK) Limited w.e.f. May 26, 2010 * [name changed from Religare Capital Markets (HK) Limited to Religare (Hong Kong) Limited w.e.f. December 02,2010 and subsequently from Religare (Hong Kong) Limited to Religare Global Asset Management (Hong Kong) Limited w.e.f. December 13, 2010]	100.00%	-	Hong Kong	Trading
Bartleet Mallory Stock Brokers (Pvt) Limited (50% stake acquired by Religare Capital Markets International (Mauritius) Limited w.e.f. November 4, 2010)	50.00%	-	Sri Lanka	Trading
Bartleet Asset Management (Private) Limited (subsidiary of Bartleet Mallory Stock Brokers (Pvt) Limited) w.e.f. November 4, 2010)	50.00%	-	Sri Lanka	Trading
Strategic Research Limited (subsidiary of Bartleet Mallory Stock Brokers (Pvt) Limited w.e.f. January 25, 2011)	50.00%	-	Sri Lanka	Trading
Religare Securities Australia Pty Limited (Incorporated under the laws of Australia, has been made a wholly owned subsidiary of Religare Capital Markets International (Mauritius) Limited w.e.f. October 12, 2010)(also name changed from Relsec Australia Pty Limited w.e.f. November 17, 2010)	100.00%	-	Australia	Trading
Relsec Nominees No.1 Pty Limited (Incorporated as wholly owned subsidiary of Religare Securities Australia Pty Limited w.e.f. November 30, 2010)	100.00%	-	Australia	Trading
Relsec Nominees No.2 Pty Limited (Incorporated as wholly owned subsidiary of Religare Securities Australia Pty Limited w.e.f. November 30, 2010)	100.00%	-	Australia	Trading
Northgate Capital L.L.C. (The Company through a wholly owned subsidiary i.e. Religare Global Asset Management Inc acquired 70% stake in Northgate Capital LLC w.e.f. December 1, 2010)	70.00%	-	USA	Trading
Northgate Capital LP (The reporting enterprise through a wholly owned subsidiary i.e. Religare Global Asset Management Inc acquired 70% stake in Northgate Capital LP w.e.f. December 1, 2010)	70.00%	-	USA	Trading
Northgate Capital LTD. (100% subsidiary of Northgate Capital, L.L.C.)	70.00%	-	UK	Trading
Northgate Capital Asia, LTD. (100% subsidiary of Northgate Capital, L.L.C.)	70.00%	-	HK	Trading



Name of the Entity	Proportion of ownership Interest March 31, 2011	Proportion of ownership Interest March 31, 2010	Country of Incorporation	Status
Religare Capital Markets (USA) L.L.C [Formerly Barnard Jacobs Mellet (USA) LLC] w.e.f. January 25, 2011	100%	-	USA	Trading
Joint Ventures				
Religare Macquarie Wealth Management Limited	50.00%	50.00%	India	Trading
AEGON Religare Life Insurance Company Limited	44.00%	44.00%	India	Trading
Milestone Religare Investment Advisors Private Limited	50.00%	50.00%	India	Trading
Milestone Religare Capital Management Limited	50.00%	50.00%	United Kingdom	Trading

* Subsidiary of Religare Capital Markets Plc.

@ Board controlled subsidiary.

All the companies annotated as "Trading" in the above list are included in the consolidated financial statements. The other companies annotated as "Dormant" above have carried on no activities during the year and have made neither profit nor loss. All other companies annotated as "Discontinued" have been dissolved during the year.

- D. The line by line consolidation of Religare Hichens Harrison Consultoria Internacional Ltda, Brazil has been made as of December 31, 2010 being the reporting date. In respect of Religare Health Insurance Company Limited the standalone financial statements considered for consolidation are based on management account prepared for the year ended March 31, 2011.
- E. During the year ended March 31, 2011 the Company transferred / disposed:
- (i) 2,000,000 equity shares of Religare Commodities Limited (RCL) at a book value of Rs. 375 Lacs to Religare Securities Limited (RSL), a wholly owned subsidiary of the Company on May 31, 2010.
 - (ii) 34,998,250 equity shares of Religare Housing Development Finance Corporation Limited (formerly Maharishi Housing Development Finance Corporation Limited ("RHDFCL") at a book value of Rs. 9,733.40 Lacs to Religare Finvest Limited (RFL), a wholly owned subsidiary of the Company on December 2, 2010.
 - (iii) 50,000 equity shares of Religare United Soccer Limited (RUSL) at acquisition cost of Rs.5 Lacs, in equal proportion to RHC Finance (P) Limited and Today's Holdings (P) Limited, the promoter group companies on December 27, 2010.
 - (iv) 1,741,171 equity shares of Karnataka Bank Limited of book value Rs.2,401.13 lacs at Rs.3,323.38 lacs (net of charges).
- F. The amount of goodwill arising out of acquisitions / increase of shareholding of subsidiaries including effect of foreign exchange fluctuations during the year is Rs. 75,156.33 lacs (previous year is Rs 1,141.32 lacs).
- G. During the year ended March 31, 2011, the Company has diluted its 10% holding in Religare Health Insurance Company Limited (RHICL) by allotting, on preferential basis, 17,500,000 Equity shares of RHICL of Rs. 10 each fully paid up on February 18, 2011 equally to Union Bank of India and Corporation Bank. As a result the shareholding of the Company reduced to 90% of the expanded share capital of RHICL.

2. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED MARCH 31, 2011 FOR CONSOLIDATED FINANCIAL STATEMENTS

A. BASIS OF ACCOUNTING

The Financial statements are prepared under the historical cost convention and on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (GAAP) in India and comply with the measurement and recognition principles of Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 of India ("the Act") read with Companies (Accounting Standard) Rules 2006, the Reserve Bank of India Act, 1934, Non Banking Financial (Non-Deposit Accepting or Holdings) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("Prudential Norms") and Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008, to the extent applicable.

B. USE OF ESTIMATES

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period / year. Difference between the actual results and estimates are recognized in the period / year in which results are known / materialized.

C. REVENUE RECOGNITION

- (i) Revenue from broking activities is accounted for on the trade date of transaction.
- (ii) Interest income from financing activities, deposits, commission & brokerage are recognized on an accrual basis except for interest on Non Performing Assets (NPAs) that are recognized on realization basis.
- (iii) Issue management and placement fees, underwriting commission, portfolio management fees and financial/ investment advisory fees are accrued based on terms of the relevant agreements.
- (iv) Dividend from investments is accounted for as income when the right to receive dividend is established.
- (v) Depository Income is accounted for on an accrual basis.
- (vi) Revenue from fund/investment management fees is recognized on an accrual basis based on the average net assets of the scheme outstanding in each financial year/period.
- (vii) Rental cost and sublease income in respect of assets under lease management are recognized on an accrual basis as per terms of agreements.
- (viii) Income from Arbitrage and trading in securities and derivatives comprises of Profit / loss on sale of securities/ commodities held as stock -in -trade and Profit / loss on equity / commodity derivative instruments. Profit / loss on sale of securities / commodities are determined based on weighted average cost of securities / commodities sold. Profit/ loss on equity / commodity derivative transactions is accounted for on the following basis ::-

Equity Index / Stock and Commodity - derivatives

- (a) Initial margin representing initial margin paid, and Margin Deposits, for entering into contracts for equity index/ stock and Commodity futures, which are released on final settlement / squaring-up of underlying contracts, are disclosed under loans and advances.
- (b) Equity index / stock and Commodity futures are marked - to - market on a daily basis. Debit or credit balance disclosed under loans and advances or current liabilities, respectively, in the "Mark - to - Market Margin - Equity Index / Stock and Commodity Futures Account" , represents the net amount paid or received on the basis of movement in the prices of index / stock and Commodity futures till the balance sheet date.
- (c) As on the balance sheet date, profit / loss on open positions in index / stock and Commodity futures are accounted for as follows:
 - i. Credit balance in the "Mark - to - Market Margin - Equity Index / Stock and Commodity Futures Account", being anticipated profit, is ignored and no credit for the same is taken in the profit and loss account.
 - ii. Debit balance in the "Mark - to - Market Margin - Equity Index / Stock and Commodity Futures Account", being anticipated loss is adjusted in the profit and loss account.
- (d) On final settlement or squaring-up of contracts for equity index / stock and commodity futures, the profit or loss is calculated as the difference between settlement / squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled / squared-up contract in "Mark - to - Market Margin - Equity Index / Stock and Commodity Futures Account" is recognized in the profit and loss account. When more than one contract in respect of the relevant series of equity index futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using weighted average method for calculating profit / loss on squaring-up.



(ix) In respect of Life Insurance JV

- (a) Premium receipts in case of Life Insurance business (net of service tax) is recognized as income when due from policyholders. Premium on lapsed contracts are recognized on receipt basis. For linked business, premium income is recognized when the associated units are allotted and Fund management charges, administration charges and mortality charge are recognized in accordance with terms and conditions of the policy. Premium ceded on reinsurance is accounted in accordance with the terms of the treaty.
- (b) Net income from matched risk less principal dealing is recognized on the trade date.
- (c) Fee income from corporate broking and related activities are brought into account when the transactions have been completed and authorized by the client. Some of this revenue is taken in the form of shares, options or warrants in the client enterprise rather than cash. In the case of shares the amount taken to revenue will be the value of fee agreed with the client or, if no specific fee was agreed, then the fair value of the shares at the date of completion of the transaction. The shares are subsequently recognized as financial instruments held for trading. In the case of warrants and options the instruments are valued using the Black -Scholes valuation model.

(x) Revenue excludes service tax

D. COMMERCIAL PAPER

In respect of commercial papers issued by Subsidiaries, the difference between the redemption value and acquisition cost of Commercial Paper is amortized over the tenure of the instrument. The liability as at the Balance Sheet date in respect of such instruments is recognized at face value net of discount to be amortized.

E. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost for this purpose includes purchase price, non refundable taxes or levies and other directly attributable costs of bringing the asset to its working condition for its intended use.

F. LEASED ASSETS

- (i) Assets acquired under leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. The rentals and all other expenses of assets under operating lease are treated as revenue expenditure.
- (ii) Assets given on operating leases are included in fixed assets. Lease income is recognized in the Profit and Loss Account on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage etc. are charged to Profit and Loss Account as incurred.

G. INTANGIBLE ASSETS

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

H. DEPRECIATION / AMORTIZATION

Immovable assets at the leased premises including civil works, electrical items are capitalized as leasehold improvements and are amortized over the primary period of lease subject to maximum of 6 years.

Depreciation is provided on Straight Line Method, at the rates specified in Schedule XIV to the Companies Act, 1956 or the rates based on useful economic lives of the assets as estimated by the management, whichever are higher. Depreciation is provided for on a pro-rata basis on the assets acquired, sold or disposed off during the year/period. The annual depreciation rates are as under:

Assets Description	Depreciation Rate
Data Processing Machines	16.21% to 66.67%
Office Equipments	4.75% to 33.33%
Furniture and Fixtures	6.33% to 33.33%
Vehicles	9.50% to 33.30%
Buildings	1.63% to 2.00%
Intangible Assets-Software	16.21%

Individual assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

With effect from April 1, 2010, Goodwill arising on consolidation is being amortized over a period of 20 (twenty) years. The amortization starts after a cooling period of two years from the date of acquisition. Self-generated goodwill is expensed out as incurred.

Further, goodwill is tested for impairment at the end of every financial year and shortfall, if any, after considering amortization is provided for.

I. INVESTMENTS

Investments are classified into long term investments and current investments. Investments which are readily realizable and intended to be held for not more than one year from the date of investments are current investments. Investments other than current investments are long term investments. Long term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current investments are valued at lower of cost and fair/ market value.

In respect of Life Insurance JV

Investments are made in accordance with the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, ('IRDA Investment Regulations') as amended and circulars/notifications issued by IRDA from time to time.

Investments are recorded on the trade date at cost, which includes brokerage and taxes, if any and excludes interest paid, if any, on purchase.

(i) Classification

Investments maturing within twelve months or intended to be held for a period of less than twelve months from the Balance Sheet date are classified as Current Investments. Investments other than Current Investments are classified as Long Term Investments.

(ii) Valuation - Shareholders' investments and Non-Linked Policyholders' investments

All debt securities are considered as "held to maturity" and are stated at historical cost subject to amortization of premium or accretion of discount over the period of maturity / holding on a constant yield to maturity basis. Investments in mutual funds are stated at the net asset value (NAV) declared by the respective funds as at the Balance Sheet date. Listed equity securities are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, the last quoted closing prices on the National Stock Exchange of India Ltd. (NSE), and in case the same is not available, then on Bombay Stock Exchange (BSE) Limited is considered. Unlisted equity securities, if any, are measured at historical cost.

In respect of investments in equity shares and mutual funds, the corresponding unrealized investment gains or losses are reported in the Balance Sheet under "Fair Value Change Account". In case of diminution, other than temporary, in the market value of investments as on the Balance Sheet date, the amount of diminution is recognized as an expense in the Revenue/Profit and Loss Account as the case may be.

(iii) Valuation - Linked Business (Assets held to cover linked liabilities)

Government securities are valued at prices obtained from Credit Rating Information Services of India Ltd. (CRISIL). Debt securities, other than Government securities, are valued on the basis of CRISIL Bond Valuer. Money market instruments are valued at Net amortized Cost. Fixed deposit, money at call and short notice are valued at cost. Listed equity securities are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, the last quoted closing prices on the National Stock Exchange of India Ltd. (NSE), and in case the same is not available, then on Bombay Stock Exchange (BSE) Limited is considered.

Unrealized gains and losses arising due to changes in fair value are attributed to unit holders and are recognized in the Revenue Account of the fund. Investments in mutual funds are stated at previous day's net asset value (NAV) declared by the respective funds.

(iv) Transfer of Investments

Any transfer of investments from Shareholder's Account to Policyholder's Account / Linked Funds is carried out at lower of book value (amortized cost) and market value. In case of debt securities, all transfers are carried out at the net amortized cost. Inter fund transfer of investments between Linked funds is done at market value on the date of transfer.

J. FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.
- (ii) Exchange differences arising on settlement of revenue transactions are recognized in the Profit and Loss Account.



- (iii) Monetary items denominated in a foreign currency are restated using the exchange rates prevailing at the date of the balance sheet and the resulting net exchange difference is recognized in the Profit and Loss Account.

K. EMPLOYEE BENEFITS

- (i) Provident Fund is a defined contribution scheme and the contributions as required by the statute are charged to the Profit and Loss Account as incurred.
- (ii) Gratuity Liability is a defined obligation. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The certain group companies make annual contributions to gratuity funds being administered by the Trusts. Under this scheme, the settlement obligations remain with the companies. The plan provides for settlement for gratuity to eligible employee as per the terms of the scheme. Liability in respect of gratuity fund is accrued based on actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date.
- (iii) The employees of the Company are entitled to be compensated absences and leave encashment as per the policy of the Company, the liability in respect of which is provided, based on actuarial valuation as at the Balance Sheet date.
- (iv) Certain Group companies sponsor defined contribution plan covering all employees of which they may elect to contribute a portion of their compensation to. In addition to maintain "safe harbor" status, the company may make a special safe harbor contribution. If the safe harbor contribution is made, it will be at least 3% of employee compensation. Contributions made by the company are determined annually by the managing members.
- (v) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Profit and Loss Account as income or expense.
- (vi) The undiscounted amount of short - term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period when the employee renders the service.
- (vii) Stock Appreciation Rights (SAR's) given as a part of employee retention strategy of the company. The eligible employees are entitled to receive an incentive based on the price of the shares of the Religare Enterprises Limited, the holding company. The amount of such incentive proportionate to the vesting period as at the balance sheet date is recognized as an expenses based on the fair value of shares as at the balance sheet date or the cost of acquisition of such shares where the same have been acquired by an employee Trust formed for the purpose.
- (viii) Stock Options granted to eligible employees under the relevant Stock Option Schemes are accounted for at intrinsic value as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 "SEBI Guideline" issued by the (Securities and Exchange Board of India). Accordingly, the excess of average market price, determined as per SEBI Guidelines of the underlying equity shares (market value) over the exercise price of the options is recognized as deferred stock option expense and is charged to Profit and Loss Account on a straight line basis over the vesting period of the options. The amortized portion of the cost is shown under reserves and surplus.

L. TAXES ON INCOME

- (i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (iii) Provision for taxation for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.

M. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- (ii) In respect of Non Banking Finance Companies and Housing Finance Companies in the group provision for non-performing assets / investments and contingent provision against standard assets has been made as per Prudential Norms and Circular No. DNBS.PD.CC.No.207/03.02.2002/2010-11 as prescribed by Reserve Bank of India (RBI)/ National Housing Bank (NHB). In addition General Provision on standard asset is maintained through a system of time buckets to meet foreseeable potential losses which are inherent in any portfolio but not yet identified.

N. IMPAIRMENT OF ASSETS

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

O. STOCK-IN-TRADE

- (i) Securities / commodities acquired with the intention of short-term holding and trading positions are disclosed as stock - in - trade.
- (ii) Securities / commodities held as stock - in - trade are valued at lower of cost and market value.

P. BORROWING COSTS

Ancillary costs incurred for arrangement of borrowings such as upfront fees / brokerages are period costs and amortized over the tenure of the borrowing as per terms of sanction / agreement.

Q. SCHEME EXPENSES

Recurring expenses relating to schemes of Religare Mutual Fund in excess of expense limits are borne by the Company. The expenses limits are within the overall limits prescribed by SEBI (Mutual Fund) Regulations, 1996 or offer document of the respective schemes.

R. CLAIMS/ BENEFITS

Claims by death are accounted when intimated. Claims by maturity / survival benefit are accounted on the policy maturity date. Annuity benefits are accounted when due. Surrenders are accounted on receipt of notification. Claims cost consist of the policy benefit amounts and claims settlements costs, where applicable. Withdrawals under linked policies are accounted in respective schemes along with cancellation of associated units.

Amount recoverable from Re-insurer are accounted for in the same period as the related claim.

S. POLICY LIABILITIES

Liabilities on life policies are determined by the Appointed Actuary using generally accepted actuarial practice in accordance with the standards and guidance notes established by the Institute of Actuaries, in India, the requirement of the Insurance Act, 1938 and regulations issued by the IRDA.

The liabilities are calculated in a manner that together with estimated future premium income and Investment income, the Company can meet estimated future claims (including bonus entitlements to policy holders) and expenses.

3. NOTES ON ACCOUNTS

- (i) Capital Commitments (net of advances): Rs. 5,397.20 lacs (Previous year Rs. 983.71 lacs).
- (ii) **Contingent Liabilities**

(Rs. in Lacs)

Sr. No	Particulars	March 31, 2011	March 31, 2010
(a)	Financial and other guarantees/letter of credit issued by the Group / Banks to stock exchanges and others*	166,382.75	116,969.22
(b)	Underwriting / contract commitments / obligations for Shares / debentures	38,824.00	29,000.00
(c)	Disputed Income Tax demands not provided for	2,132.32	1,053.44
(d)	Disputed Service Tax demands not provided for	2,871.34	2,129.12
(e)	Loans sanctioned but not disbursed	3,623.30	16,629.16
(f)	Claim against the Group not acknowledged as debts	4,585.82	2,815.83
(g)	Inland bills purchased / discounted by Bank	19,000.00	-
(h)	Collateral of Assignment of Receivables	2,135.82	-
(i)	Others	3,927.94	119.11

* Certain guarantees have been disclosed at net outstanding value instead of face value.

(iii) **Pledge of Equity Shares by the Group for**

- (a) Base Capital Requirement with Stock Exchanges / Funded and Non-Funded Credit Facilities from banks by the Group

Name of Scripts	Company	Subsidiary Companies	Clients
	Nos. In Lacs	Nos. In Lacs	Nos. In Lacs
Asahi India	- (-)	- (-)	59.50 (-)
Karnataka Bank Limited	- (17.41)	- (14.00)	- (-)
Religare Capital Markets International (UK) Limited	- (-)	786.34 (248.78)	- (-)
Religare Capital Markets Plc (Formerly Religare Hichens, Harrison Plc)	- (-)	194.69 (194.69)	- (-)

Figures in brackets represents previous year.

- b) Fixed deposits under lien with banks / stock exchanges

(Rs. in Lacs)

Description	March 31, 2011	March 31, 2010
Margin/deposit for guarantee & credit facility by bank	72,954.30	48,171.35
For base capital requirement with stock exchanges	70,513.50	111,244.00
Government Authorities and Arbitrators	141.46	169.13

- (iv) During the year ended March 31, 2011, the Company has on preferential basis:

- Issued and allotted 5,617,977 equity shares at a price of Rs 445 per equity share (including premium of Rs 435 per equity share) for cash to a promoter group entity aggregating to Rs.25,000 lacs.
- Issued 5,617,977 warrants convertible into equal number of equity shares of Rs 10 each at a price of Rs 445 per equity share (including premium of Rs 435 per equity share) to a promoter group entity aggregating to Rs.25,000 lacs. The said warrants had been converted into equivalent number of fully paid up equity shares and the company has received full amount against the same.
- Issued 12,000,000 13.66% Cumulative Redeemable Preference Shares at a price of Rs. 100per share (including premium of Rs. 90 per share) aggregating to Rs. 12,000 lacs to a promoter group entity. These Preference Shares are redeemable at a premium not exceeding Rs.150 per share at the end of 5 years or at an earlier date as may be decided by the Board of Directors of the Company. The premium payable on redemption of the aforesaid shares will be utilized from the Securities Premium Account as per the provisions of section 78 of the Companies Act, 1956.
- Further, the Religare Capital Market Limited, a wholly owned subsidiary of the company has issued and allotted on preferential basis 37,200,000 1% Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 at a premium of Rs. 40 to Cresswell Investments Limited on September 2, 2010. The conversion rate one equity share of Rs. 10 issued at Rs. 50 including premium of Rs. 40 for one CCPS within tenure of maximum 5 years at any time after one year from the date of issue. The aforesaid issue proceed is included under Minority Interest in these consolidated financial statements.

- (v) Subsequent events after Balance Sheet date

- The Share Allotment Committee of Directors of the Company, at its meeting held on April 27, 2011 has issued 13,000,000 13.66% Cumulative Redeemable Preference Shares of Rs.10 each (including a premium of Rs. 90 per Preference Share) aggregating to Rs.13,000 lacs to a promoter group entity. The aforesaid Preference shares are redeemable at a premium not exceeding Rs.150 per share within a period not exceeding 5 years in one or more tranches, from the date of allotment as may be decided by the Board and the redemption premium will be adjusted against Securities Premium Account as per the provisions of section 78 of the Companies Act, 1956.
- The Company has filed Draft Letter of Offer (DLOF) for Rights Issue of equity shares on May 6, 2011 with the Securities and Exchange Board of India for issue size upto Rs.80,000 lacs under Chapter IV of the Securities and Exchange Board of India Issue of Capital and Investment Disclosure Requirements(ICDR) Regulations 2009 as amended. The proposed issue has been guaranteed to the extent of 95% and the Company has received Rs.40,000 lacs subsequent to the filing of DLOF.

- (c) Religare Global Asset Management Inc., USA (RGAM), a wholly owned subsidiary of the Company has acquired: (i) 55% stake in Landmark Partners LLC, USA w.e.f. April 18, 2011. (ii) 40% stake in Investment Professionals Limited, Mauritius w.e.f. May 02, 2011.
- (d) Religare Securities Limited (RSL), a wholly owned subsidiary of the Company has formed a wholly owned subsidiary company i.e. Northgate Capital (Asia) India Limited w.e.f. June 15, 2011.
- (e) Religare Global Asset Management Inc., a subsidiary of the Company has been registered as an Investment Adviser with the Securities and Exchange Commission of United States of America.
- (f) Religare Insurance Broking Limited, a subsidiary of the Company has moved an Application Dated May 09, 2011 to Insurance Regulatory Development Authority to surrender its Direct (Life Insurance Only) Insurance broking License and to continue to carry on activities of general insurance as a Direct Broker as well as a Reinsurance Broker.
- (vi) During the year ended March 31, 2011, the second tranche of 9.75% Compulsory Convertible Debentures of Rs. 6,000 lacs subscribed in last year has been converted, by allotment of 30 lacs fully paid equity shares of Rs. 10 each at a premium of Rs. 190 per share by Religare Finvest Limited to the Company.
- (vii) During the year ended March 31, 2011, Religare Finvest Limited a wholly owned subsidiary of the Company registered with RBI as a Non Banking Financial Institution without accepting public deposits had assigned certain loans portfolio at premium of Rs. 329.82 lacs(previous year ended March 31, 2010 Rs. Nil) aggregating Rs6,262.03lacs (previous year ended March 31, 2010 Rs. 27,687.10lacs) and de-recognizing the assets in the books. The details of the loans assigned are as under:

(Rs. in Lacs)

	For the year ended March 31, 2011	For the year ended March 31, 2010
Total number of contracts assigned	6	2
Book Value of contract assigned	5,932.21	27,687.10
Sale consideration	6,262.03	27,687.10
Gain on assignment (Amortized over the tenure of corresponding loan)	329.82	1,012.84
Bank Deposit provided as collateral	540.20	1,595.62

The Supreme Court's judgment dated September 30, 2010 has set aside the impugned judgment(s) of the Gujarat High Court on the question of assignment of debt as an activity permissible under the Banking Regulations Act, 1949. Pursuant to the said judgement the assignment of the aforesaid loans are considered valid by the entity.

- (viii)(a) Religare Finvest Limited has privately placed unsecured redeemable Subordinated Non-Convertible debentures of Rs 8,000 Lacs (Previous year Rs 55,700 Lacs) at varying coupon rates.
- (b) The said NBFC has issued privately placed secured redeemable Non-Convertible debentures aggregating to Rs 98,130 Lacs (Previous year Rs 45,000 Lacs) at varying coupon rate secured by pari pasu mortgage over the company's immovable and first and exclusive charge over companies account receivables and the same has been subsequently listed on wholesale debt market segment of Bombay Stock Exchange (BSE). In respect of the aforesaid debentures, no Debenture Redemption Reserve (DRR) has been created as per legal opinion obtained and clarification issued by Ministry of Law Justice and Company Affairs by Circular No. 6/3/2001 - CL.V dated April 18, 2002.
- (c) Certain subsidiaries of the company had issued the commercial papers to banks / mutual funds / financial institutions at varying coupon rates and due dates. The aggregate amount outstanding is as below:-

(Rs. in Lacs)

	AS ON 31.03.2011	AS ON 31.03.2010
Total Outstanding Balance	380,600.00	345,200.00
Less: Future Interest Obligation	(12,305.87)	(10,775.41)
Net Outstanding Balance	368,294.13	334,424.59

- (d) (i) In respect of loans given by Religare Finvest Limited, the classification of Loans and Advances and Provision for Non-Performing Assets has been made in accordance with the Non- Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India



after considering subsequent recoveries. The classification of loans into standard, sub-standard, doubtful and loss assets have been disclosed at gross value. "Current Liabilities and Provisions" also include provision against Non Performing Assets made in accordance with RBI guidelines, general provision through time buckets to meet any foreseeable potential losses and contingent provision on Standard Assets, as per RBI norms.

- (ii) In case of loans given by RHDFCL, the classification of housing and other loans into standard, sub-standard and doubtful assets have been disclosed at gross value and the corresponding provision against non-performing assets has been included under "Current Liabilities and Provisions" in accordance with the Housing Finance Companies (NHB) Directions 2010 issued by National Housing Bank. The Company voluntarily maintains the general provision of standard assets to meet any foreseeable potential losses.
- (ix) The Company has obtained a Certificate of Registration (CoR) as Non-Banking Financial Institution without accepting public deposits w.e.f. June 18, 2010 under Reserve Bank of India Act, 1934. Based on the asset and income pattern, the Company has been classified as an Investment Company as on March 31, 2011.
- Pursuant to the Regulatory Framework for Core Investment Companies (CICs) issued by RBI dated August 12, 2010 and revised regulatory framework January 5, 2011, the Company has filed an application in the specific format with the RBI for registration as CIC-ND-SI and same is pending for approval.
- (x) Pursuant to the capital protection clause in AEGON Religare Life Insurance Joint Venture agreement (JV) with one of the JV partner and as per the legal opinion obtained by the Company, the Company's share of net loss has no impact on consolidated results for the year ended March 31, 2011.
- (xi) Funds received by subsidiaries of the Company, Religare Securities Limited and Religare Assets Management Company Limited, from portfolio customers for its portfolio management operations and corresponding investments made on their behalf do not form part of these accounts.
- (xii) Pursuant to the accounting policy on 'Depreciation / Amortization' (refer note 2(H) of Schedule S), adopted during the year ended March 31, 2011, an amount of Rs. 2,155.42lacs (Previous Year Rs. Nil) has been amortized and charged to Profit and Loss Account for the year.
- (xiii) Religare Health Insurance Company Limited, one of the subsidiaries of the Company, vide its application dated May 17, 2010 had applied for R1 License with Insurance Regulatory and Development Authority (IRDA). The same has been received vide letter dated January 6, 2011. Further, on January 10, 2011, RHICL submitted R2 application with IRDA.
- (xiv) During the year the Group made total contribution of Rs. 1,048.28 lacs to the Group gratuity trusts out of which Rs. 777.56 lacs was against the opening gratuity provision. The Trust has invested these funds in Group Insurance Policies with AEGON Religare Life Insurance Company Limited.
- (xv) Employee Stock Appreciation Right Scheme
- In accordance with the Religare Employee Stock Appreciation Right (SAR) Scheme 2007, employees of the group are granted non-assignable share equivalent which entitles to receive appreciation in the market price of the equity share of the company from the base price of Rs 140 per share as on the exercise date. The SARs granted has been vested equally over a period of 3 years commencing on April 1, 2008.
- To administer the above SAR scheme a private Trust has been formed for purchase and selling of equity shares of the company for the purpose of payment of appreciation in the price of equity shares to employees of the group. The total amount due from the trust to the group entities is Rs Nil (Previous Year Rs 1102.98 lacs)
- (xvi) Employee Stock Option Schemes.

(a) Employee Stock Option Schemes

Type of Scheme	ESOP Scheme 2006		ESOP Scheme 2010	
	Tranche-I	Tranche-II	Tranche-I	Tranche-II
Date of grant	November 15, 2006	November 17, 2007	December 29, 2010	March 18, 2011
Number Granted	2,000,000	125,000	6,573,000	6,037,000
Vesting Schedule	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date	33% on expiry of 12 months from Grant Date 33% on expiry of 24 months from Grant Date 34% on expiry of 36 months from Grant Date
Method of Option Valuation	Black Scholes Option Pricing Method	Black Scholes Option Pricing Method	Black Scholes Option Pricing Method	Black Scholes Option Pricing Method
Exercise Price	140.00	140.00	481.00	480.00
Estimated fair value of share granted	111.47	185.00	481.00	480.00

Scheme	No. of Options Outstanding as on April 1, 2010	Issued during the year	Cancellation of Option due to resignations	Option Exercised	Number of Option outstanding as on March 31, 2011	Exercisable as at March 31, 2011
Scheme 2006	922,640	-	12,472	384,788	525,380	525,380
Scheme 2010	-	12,610,000	20,000	-	12,590,000	-
TOTAL	922,640	12,610,000	32,472	384,788	13,115,380	525,380
Range of Exercise Price						
ESOP Scheme 2006		140				
ESOP Scheme 2010 (Tranche-I)		481				
ESOP Scheme 2010 (Tranche-II)		480				

Weighted Average exercise Price for ESOP Scheme 2006 (I & II) and ESOP Scheme 2010 is Rs.140 and Rs. 481 per share respectively.

Employee Compensation Cost is accounted for as per intrinsic value method by amortizing the excess of fair market value over the exercise price over the vesting period. As at March 31, 2011 total amount amortized Rs.55.68 lacs (Previous Year Ended March 31, 2010 Rs 45.13 lacs) (net of cancellation). Accordingly, the Company has charged to Profit & Loss Account towards Employee Compensation cost (net of recovery) Rs -8.69 lacs (Previous Year Rs. 0.75 lacs) for the year ended March 31, 2011.

Employee Compensation Cost

An amount of Rs (118.82) lacs (Previous Year Rs 275.57 lacs) has been charged to profit and loss account as Employee Compensation Cost being excess of market price over the exercise price of the equity shares of the company, over the vesting period.

(xvii) **Margin on Equity Derivative Instruments**

The unexpired position of Equity index / Stock futures and options contracts entered into by the Company and outstanding as on March 31, 2011 Rs 103.57 lacs (Year ended March 31, 2010 Rs 112,518.13 lacs).

(xviii) **Details of Stock in Trade:-**

Particulars	As on March 31, 2011		As on March 31, 2010	
	Quantity (Nos.)	Amount (Rs. In Lacs)	Quantity (Nos.)	Amount (Rs. In Lacs)
A. Equity Shares (Quoted)				
ACC LTD	-	-	376	3.58
ADANI ENTERPRISED LTD.	-	-	400	1.88
ALLAHABAD BANK	-	-	127,400	181.99
AMBUJA CEMENTS LTD	-	-	41,240	49.43
ANDHRA BANK	-	-	50,600	54.75
APOLLO TYRES LTD.	-	-	499,800	354.36
AREVA T&D INDIA LTD.	-	-	272,250	830.36
ASHOK LEYLAND LTD.	-	-	506,150	282.43
AXIS BANK LIMITED	-	-	47,250	552.00
BAJAJ HINDUSTAN LTD.	-	-	436,050	591.72
BALRAMPUR CHINI MILLS LTD.	-	-	57,600	53.14
BANK OF INDIA	-	-	243,200	827.49



Particulars	As on March 31, 2011		As on March 31, 2010	
	Quantity (Nos.)	Amount (Rs. In Lacs)	Quantity (Nos.)	Amount (Rs. In Lacs)
BHARAT FORGE LTD.	-	-	50,000	127.18
BHARTI AIRTEL LTD.	-	-	22,500	70.32
BHARAT HEAVY ELECTRICALS LTD.	-	-	2,700	64.55
BHARAT PETROLIUM CORPORATION LTD.	-	-	17,600	91.18
CAIRN INDIA LTD	-	-	28,750	87.87
CENTURY TEXTILES AND INDUSTRIES LTD.	-	-	848	4.32
CHAMBAL FERTILISERS AND CHEMICALS LTD.	-	-	486,450	298.92
CIPLA LTD.	-	-	53,750	181.86
DABUR INDIA LTD	-	-	5400	8.58
DENA BANK	-	-	336,000	263.09
DISH TV INDIA LTD	-	-	36,050	13.21
DLF LIMITED	-	-	198,400	612.86
ESSAR OIL LTD.	-	-	302,168	417.60
FINANCIAL TECH LTD.	-	-	4,650	72.94
FIRSTSOURCE SOLUTIONS LTD	-	-	161,500	46.35
GLAXO INDIA LTD.	-	-	600	10.67
GMR INFRASTRUCTURE LTD.	-	-	282,500	177.13
GRASIM INDUSTRIES LTD	-	-	528	14.86
GTL INFRASTRUCTURE LTD.	-	-	33,950	14.21
H D F C BANK	-	-	63,600	1,229.71
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	-	-	110,550	3,003.86
HINDALCO INDUSTRIES LTD	-	-	158,310	286.94
HINDUSTAN CONSTRUCTION CO. LTD	-	-	4,200	5.63
HOUSING DEVELOPMENT & INFRASTRUCTURE LTD	-	-	362,232	1,037.25
HOTEL LEELA VENTURES LTD.	-	-	112,500	55.13
HPCL	-	-	13,000	41.41
ICICI BANK LTD	-	-	142,450	1,356.84
IDBI BANK LTD	-	-	321,600	369.84
IDFC LTD.	-	-	274,350	441.57
IFCI LTD	-	-	2,939,240	1,465.21
ITC LTD	-	-	371,250	976.57
IDEA CELLULAR LTD	-	-	153,900	100.80
INDIA INFOLINE LTD	-	-	5,000	5.71
INDIABULLS REAL ESTATE LTD	-	-	730,600	1,114.53
INDIA CEMENTS LTD.	-	-	113,100	149.01
INDIAN HOTELS CO. LTD.	-	-	15,192	15.53
INFOSYS TECHNOLOGIES LTD.	-	-	110,200	2,882.78
ISPAT INDUSTRIES LTD	-	-	87,179	16.91
IVRCL INFRACTURES & PROJECTS LTD.	-	-	2,000	3.32
JAIPRAKASH ASSOCIATES LTD	-	-	312,280	467.01
JAIPRAKASH POWER VENTURES LTD.	-	-	190,625	128.86
JINDAL STEEL & POWER LTD	-	-	187,200	1,316.20
JINDAL SAW LTD.	-	-	415,000	881.46

Particulars	As on March 31, 2011		As on March 31, 2010	
	Quantity (Nos.)	Amount (Rs. In Lacs)	Quantity (Nos.)	Amount (Rs. In Lacs)
JSW STEEL LTD	-	-	55,208	681.71
KINGFISHER AIR LINES LTD	-	-	136,000	63.65
KOTAK MAHINDRA BANK LTD.	-	-	3,850	28.80
LIC HOUSING FINANCE LTD.	-	-	136,425	1,189.01
LANCO INFRATECH LTD	-	-	236,060	123.11
LARSEN AND TOUBRO LTD	-	-	232,200	3,786.83
M T N L	-	-	67,200	49.19
MARUTI UDYOG LTD.	-	-	48,000	680.62
MAHINDRA & MAHINDRA LTD	-	-	2,496	13.51
MOSER BAER INDIA LTD	-	-	227,700	166.22
MPHASIS LTD	-	-	108,000	670.09
MUNDRA PORT AND SPECIAL ECONOMIC ZONE LTD.	-	-	27,300	215.56
NAGARJUNA FERTILIZERS AND CHEMICALS LTD.	-	-	220,500	67.80
NATIONAL THERMAL POWER CORPORATION LTD	-	-	133,250	276.16
NEYVELI LIGNITE CORPORATION LTD.	-	-	172,575	250.15
OIL & NATURAL GAS CORPORATION	-	-	258,075	2,835.47
ONMOBILE GLOBAL LTD	-	-	3,850	15.12
PATNI COMPUTERS LTD	-	-	1,300	6.95
PETRONET LNG LTD	-	-	39,600	30.12
POWER GRID CORPORATION OF INDIA LTD.	-	-	17,325	18.56
PRAJ INDUSTRIES LTD	-	-	50,600	43.62
PUNJ LLOYD LTD	-	-	1,090,500	1,933.46
PUNJAB NATIONAL BANK	-	-	81,900	829.44
RANBAXY LABORATORIES LTD	-	-	54,400	258.62
RELIANCE CAPITAL LTD	-	-	392,196	2,965.20
RELIANCE COMMUNICATIONS LTD	-	-	564,200	958.86
RELIANCE INDUSTRIES LTD	-	-	648,000	6,961.14
RELIANCE INFRASTRUCTURE LTD	-	-	139,656	1,395.23
RELIANCE POWER LTD	-	-	128,000	191.30
RELIANCE NATURAL RESOURCES LTD.	-	-	1,097,832	683.40
ROLTA INDIA LTD	-	-	160,200	286.68
RURAL ELECTRIFICATION CORPORATION LTD.	-	-	758,550	1,901.31
S A I L	-	-	37,800	95.46
SHREE RENUKA SUGARS LTD.	-	-	705,000	502.67
STATE BANK OF INDIA	-	-	104,676	2,175.38
STERLITE INDUSTRIES (INDIA) LTD.	-	-	116,508	990.26
SUN PHARMACEUTICAL INDUSTRIES LTD.	-	-	225	4.03
SUZLON ENERGY LTD	-	-	5,442,000	3,910.08
TATA CONSULTANCY SERVICES LTD	-	-	166,285	1,298.10
TATA IRON & STEEL COMPANY LTD	-	-	32,852	207.64
TATA MOTORS LIMITED (RIGHT ISSUE)	-	-	213,350	972.56



Particulars	As on March 31, 2011		As on March 31, 2010	
	Quantity (Nos.)	Amount (Rs. In Lacs)	Quantity (Nos.)	Amount (Rs. In Lacs)
TATA POWER COMPANY LTD.	-	-	27,000	370.89
TRIVENI ENGINEERING AND INDUSTRIES LTD.	-	-	26,950	36.80
TECH MAHINDRA LTD	-	-	33,000	281.52
TULIP IT SERVICES LTD.	-	-	1,000	8.41
TV EIGHTEEN LTD.	-	-	5,475	4.10
UNITECH LTD	-	-	2,880,000	2,119.63
UNITED PHOSPORUS LTD	-	-	61,600	91.91
UNITED SPIRITS LTD.	-	-	92,000	1,215.69
VIDEOCON INDUSTRIES LTD.	-	-	285,236	649.20
VIJAYA BANK	-	-	20,700	9.82
WELSPUN CORPORATION LTD.	-	-	128,000	349.70
Total (A)	-	-	29,174,823	68,585.20
(B) Bonds				
ADVANTA INDIA	2000	19,875.75	-	-
BAJAJ AUTO FINANCE LIMITED	388	4,067.59	-	-
G.O.I (govt. of India) DEMAT	118,000	118.57	-	-
INDUSTRIAL DEVELOPMENT BANK OF INDIA	27	270.79	-	-
INFRASTRUCTURE DEVELOPMENT FINANCE CORPORATION	145	1,451.50	-	-
IFCI LIMITED	838	8,631.07	-	-
IRDEA	2	20.03	-	-
IREDA	7	71.89	-	-
INDIAN RAILWAY FINANCE CORPORATION LIMITED	17	89.09	-	-
LIC HOUSING	150	1,542.91	-	-
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	58	578.09	-	-
OIL INDIA LIMITED	4,000	3.96	-	-
PARSVNATH	250	1,261.58	-	-
POWER FINANCE CORPORTION LIMITED	147	1,512.04	-	-
RURAL ELECTRIFICATION CORPORATION LIMITED	27,781	4,696.15	-	-
STATE BANK OF INDIA	13,060	1,878.96	-	-
TATA MOTORS	41	271.14	-	-
YES BANK	200	2,076.16	-	-
Total B	167,111	48,417.26	-	-
(C) Others				
Paintings	-	160.13	-	65.19
Gold				
GOLD MEDALLION 2 Gms	748	25.71	-	-
GOLD MEDALLION 5 Gms	69	5.66	-	-
GOLD MEDALLION 8 Gms	586	76.02	-	-
GOLD MEDALLION 10 Gms	54	8.72	-	-
Total C	1,457	276.24	-	65.19
Grand Total (A+B+C)	168,568	48,693.50	29,174,823	68,650.39

(xix) **Information about business and geographical segments:**

Primary Segment

- (a) The business segment has been considered as the primary segment for disclosure. The Company's primary business comprises of 'Broking in securities and commodities', 'Interest on Loans', Financial Advisory Services', 'Custodial and Depository Operations', 'Portfolio Management Services', AMC JV and Life Insurance JV. The business segments have been identified considering the nature of services, the differing risks and returns, the organization structure and the internal financial reporting system.
- (b) Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.
- (c) Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.
- (d) Assets (including fixed assets) and liabilities that are directly attributable to segments are disclosed under each reportable segment. Common assets have been allocated to each segment on the basis of associated revenues of each segment. Common liabilities have been allocated to each segment on the basis of total segment expense. All other assets and liabilities are disclosed as unallocable.

If the segment result of a segment includes interest or dividend income, its segment assets include the related receivables, loans, investments, or other interest or dividend generating assets.

If the segment result of a segment includes interest expense, its segment liabilities include the related interest-bearing liabilities.

(Rs. in lacs)

INFORMATION ABOUT PRIMARY BUSINESS SEGMENT								
PARTICULARS	Investment and Finance Activities	Financial Advisory Services	Broking Related Activities	Custodial/ Depository Operations	Insurance	AMC	Unallocated	TOTAL
(i) Segment Revenue								
External Revenue	169,037.27 <i>(52,361.89)</i>	16,396.96 <i>(25,650.96)</i>	81,608.55 <i>(64,761.97)</i>	1,429.89 <i>(934.97)</i>	18,597.49 <i>(7,514.87)</i>	7,632.75 <i>(-)</i>	2,305.07 <i>(1,720.52)</i>	297,007.98 <i>(152,945.18)</i>
Inter -Segmental Revenue	- <i>(-)</i>	- <i>(-)</i>	(121.19) <i>(-54.89)</i>	121.19 <i>(54.89)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>
Balances Written Back	- <i>(4.86)</i>	- <i>(-)</i>	882.59 <i>(73.85)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(0.03)</i>	882.59 <i>(78.74)</i>
Total Revenue	169,037.27 <i>(52,366.75)</i>	16,396.96 <i>(25,650.96)</i>	82,369.95 <i>(64,780.93)</i>	1,551.08 <i>(989.86)</i>	18,597.49 <i>(7,514.87)</i>	7,632.75 <i>(-)</i>	2,305.07 <i>(1,720.55)</i>	297,890.57 <i>(153,023.92)</i>
(ii) Segment Results	26,691.89 <i>(28,221.66)</i>	(21,945.26) <i>(-3,215.17)</i>	(14,149.98) <i>(8,507.27)</i>	670.18 <i>(458.60)</i>	(782.14) <i>(-)</i>	(4,039.23) <i>(-)</i>	(5,038.89) <i>(-753.76)</i>	(18,593.43) <i>(33,218.07)</i>
Less: Interest expense	-	-	-	-	-	-	-	(1,744.30) <i>(-27,974.66)</i>
Add: Interest/Dividend Income	-	-	-	-	-	-	-	460.93 <i>(14,498.18)</i>
Income Taxes (Current, Deferred and Fringe Benefit Tax)	-	-	-	-	-	-	-	(9,576.40) <i>(-10,027.01)</i>
Profit / -Loss after tax	-	-	-	-	-	-	-	-29,453.20 <i>(9,714.57)</i>
(iii) Segment Assets	1,262,524.85 <i>(643,424.34)</i>	2,481.42 <i>(58,397.13)</i>	328,038.67 <i>(225,737.49)</i>	1,120.76 <i>(480.80)</i>	72,449.07 <i>(32,378.67)</i>	48,915.66 <i>(-)</i>	- <i>(-)</i>	1,715,530.43 <i>(960,418.43)</i>
Unallocated Corporate Assets	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	6,794.78 <i>(10,571.20)</i>	6,794.78 <i>(10,571.20)</i>

Figures in brackets and in italics represents Previous Year.



(Rs. in Lacs)

INFORMATION ABOUT PRIMARY BUSINESS SEGMENT								
PARTICULARS	Investment and Finance Activities	Financial Advisory Services	Broking Related Activities	Custodial / Depository Operations	Insurance	AMC	Unallocated	TOTAL
Total Assets	1,262,524.85 <i>(643,424.34)</i>	2,481.42 <i>(58,397.13)</i>	328,038.67 <i>(225,737.49)</i>	1,120.76 <i>(480.80)</i>	72,449.07 <i>(32,378.67)</i>	48,915.66 <i>(-)</i>	6,794.78 <i>(10,571.20)</i>	1,722,325.21 <i>(970,989.63)</i>
(iv) Segment liabilities	1,088,948.49 <i>(475,000.58)</i>	2,228.79 <i>(50,897.45)</i>	271,769.63 <i>(166,250.08)</i>	145.40 <i>(101.14)</i>	26,683.47 <i>(9,504.66)</i>	35,121.41 <i>(-)</i>	- <i>(-)</i>	1,424,897.19 <i>(701,753.91)</i>
Unallocated Corporate Liabilities	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	- <i>(-)</i>	924.40 <i>(7,980.64)</i>	924.40 <i>(7,980.64)</i>
Total liabilities	1,088,948.49 <i>(475,000.58)</i>	2,228.79 <i>(50,897.45)</i>	271,769.63 <i>(166,250.08)</i>	145.40 <i>(101.14)</i>	26,683.47 <i>(9,504.66)</i>	35,121.41 <i>(-)</i>	924.40 <i>(7,980.64)</i>	1,425,821.59 <i>(709,734.55)</i>
(v) Capital Expenditure	4,239.58 <i>(5,773.02)</i>	32,191.36 <i>(7,753.98)</i>	6,502.44 <i>(869.91)</i>	31.01 <i>(-)</i>	607.52 <i>(617.99)</i>	338.11 <i>(-)</i>	1,494.70 <i>(1,162.12)</i>	45,404.72 <i>(16,177.03)</i>
(vi) Depreciation/Amortization	1,359.73 <i>(857.94)</i>	2,419.43 <i>(753.94)</i>	3,159.17 <i>(3,992.71)</i>	39.68 <i>(-)</i>	1,239.16 <i>(1,098.12)</i>	324.42 <i>(-)</i>	1,211.88 <i>(94.37)</i>	9,753.47 <i>(6,797.08)</i>
(vii) Non Cash Expenditure other than Depreciation	8,473.58 <i>(6,280.28)</i>	26.60 <i>(1,726.56)</i>	1,787.19 <i>(559.68)</i>	2.68 <i>(-)</i>	28.21 <i>(16.78)</i>	- <i>(-)</i>	76.48 <i>(374.04)</i>	10,394.74 <i>(8,957.34)</i>

Figures in brackets and in italics represents Previous Year.

Geographical Segment

The company reports its operations under the following geographical segments:

Domestic Operations comprise of activities have operations in India.

Foreign Operations comprise of activities outside India.

Geographical Segment results are given below:

(Rs. in lacs)

Description	March 31, 2011	March 31, 2010
Revenue		
Domestic Operations	251,069.57	147,514.63
Foreign Operations	34,809.48	20,007.48
Total	285,879.05	167,522.11
Carrying Amount of Segment Assets		
Domestic Operations	1,475,676.05	881,468.17
Foreign Operations	246,617.12	89,521.46
Total	1,722,293.17	970,989.63

(xx) Disclosure as per Accounting Standard -Lease Accounting :

Operating Leases

Assets Taken on Lease

(a) The Company and its subsidiaries/joint ventures have taken office premises on operating lease at various locations. The agreements are executed for a period ranging from 1 year to 9 years except in one case which is for 21 years. There are no transactions in nature of sub-lease.

(b) The future minimum lease payments under non-cancelable operating lease:

(Rs in lacs)

Particulars	2010-11	2009-10
Not Later than 1 year	9,234.36	4,566.75
Later than 1 year but not later than 5 years	28,802.54	15,762.51
Later than 5 years	3,457.35	2,254.71

- (c) Rent payments are recognized in the Profit and Loss Account under the head 'Rent' in Schedule "R" Administrative and Other Expenses.

Assets Given on Lease

Religare Finvest Limited, one of the subsidiaries of the Company has given certain assets on lease, the details as required by the Accounting Standard 19 on 'Leases'.

- (a) Details of Assets given on operating lease are:

(Rs. In lacs)

Particulars	2010-11	2009-10
Gross Carrying Amount	702.56	632.73
Accumulated Depreciation	88.90	25.75
Depreciation recognized in Profit & Loss Account	212.78	24.61

- (a) Maturity Pattern of Future Minimum Lease Payments is as below:

(Rs. in Lacs)

Particulars	2010-11	2009-10
Less than 1 year	372.89	203.21
Later than 1 year but not later than 5 years	-	326.48
Later than 5 years	-	-

(xxi) Joint Venture Information

Joint Venture as required by AS -27- "Financial Reporting of Interest in Joint Venture" are given below:

(a) Details of Joint Ventures

Name	Description of Interest	% of Interest
Religare Macquarie Wealth Management Limited	Equity Shareholding	50.00%
Aegon Religare Life Insurance Company Limited	Equity Shareholding	44.00%
Milestone Religare Investment Advisors Private Limited	Equity Shareholding	50.00%
Milestone Religare Capital Management Limited	Equity Shareholding	50.00%

(b) Company's interest in Joint Ventures

(Rs. in Lacs)

Particulars	As on March 31, 2011	As on March 31, 2010
Assets	37,580.69	23,850.30
Liabilities	6,101.29	3,949.98
Revenue	20,703.03	9,991.65
Depreciation	1,284.50	1,193.62
Other Expenses	35,636.26	19,986.29
Capital Commitments	7.44	26.17
Contingent Liabilities	25.30	Nil

**(xxii) Earnings per share (EPS) calculation (basic and diluted):**

In accordance with Accounting Standard on Earnings Per Share the following table reconciles the numerator and denominator used to calculate basic and diluted earnings per share:

S. No.	Particulars	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010
1	Profit / (Loss) After Tax (Rs.)	(3,005,200,832)	969,236,912
	Less: Dividend on Cumulative Preferences Share and Corporate Dividend Tax thereon (Rs.)	46,054,235	34,150,000
	Net Profit after tax available for Equity Shareholders (Rs.)	(3,051,255,067)	935,086,912
2.	Number of Equity Shares		
	Weighted Number of equity shares outstanding during the year	132,788,558	83,105,224
	Number of dilutive potential equity shares	133,258,730	83,682,537
3.	Nominal Value of an equity share (Rs.)	10	10
4.	Earnings Per Share (EPS)		
	Basic (Rs.)	(22.98)	11.25
	Diluted* (Rs.)	(22.98)	11.17

*For the financial year ended March 31, 2011 as there are no dilutive impact of the adjustment Items diluted EPS is equal to basic EPS.

(xxiii) The breakup of Net Deferred Tax Liability/Assets as on March 31, 2011 is as under:**(Rs in lacs)**

Particulars	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010
Deferred Tax Liability:		
Difference between book and tax depreciation	716.68	807.84
Prepaid Expenses	0.24	330.89
MTM Losses	364.86	-
Other Expenses (u/s 43 B)	125.89	118.46
Differences for amortization of Goodwill between books of accounts and as per income tax	921.21	-
	2,128.88	1,257.19
Deferred Tax Asset:		
Provision for Gratuity	22.41	269.96
Provision for Leave Encashment	297.70	252.05
Provision for Bonus	3.61	6.51
Preliminary Expenses	0.08	0.09
Provision for Doubtful Debts and NPA	2,402.02	771.63
Unabsorbed Losses	849.10	2.98
Provision for diminution in value of Investments	6.64	6.80
Provision for diminution in value of Non -banking financial Assets	18.14	18.56
Deferred Income	62.81	70.52
	3,662.52	1,399.10
Net deferred tax Asset (Net)	1,533.64	141.91

(xxiv) **Related Party Disclosures:**

Nature of Relationship	Name of Party
1) Individuals owning directly or indirectly Interest in voting power that gives them Control	Mr. Malvinder Mohan Singh Mr. Shivinder Mohan Singh Ms. Japna Malvinder singh Ms. Aditi Shivinder Singh Mr. Anhad Parvinder Singh Mr. Kabir Parvinder Singh Mr. Udayveer Parvinder Singh Mr. Vivan Parvinder Singh Ms. Nimmi Singh
2) Joint Ventures of the Company / Subsidiaries	Aegon Religare Life Insurance Company Limited Religare Macquarie Wealth Management Limited Milestone Religare Investment Advisors Private Limited Milestone Religare Capital Management Limited
3) Key Management personnel and Relatives	Mr. Sunil Godhwani Mr. Shachindra Nath Mr. Anil Saxena Mr. Amit Gupta Dr. Amit Varma Mr. Anuj Gulati Mr. Ashu Madan Mr. Atul Gupta Mr. Deepak Joshi Mr. Gagan Randev Mr. Gulrukh Parmar Mr. J. S. Grewal Mr. Suhas Harinarayanan Mr. Jayant Manglik Mr. Kamlesh Dangi Mr. Kavi Arora Mr. Manoj Singla Mr. Mukesh Panika Mr. Nalin Nayyar Mr. Nitin Jain Mr. Prasan Chandwaskar Mr. R. N. Bhardwaj Mr. R.V. Shastri Mr. Tarun Kataria Mr. Vikash Khandelwal Mr. Vipul Sanghvi Ms. Yamini Chawla Mr. Sameer Godhwani Mr. Naraindas P. Godhwani Ms. Radhika N. Godhwani Mr. Rochiram P. Godhwani Mr. Hari R. Godhwani Lt. Gen. (Retd.) S.S. Mehta Ms. Monica Madan Ms. Shashi Madan



4) Enterprises over which key management and Relatives are able to exercise significant influence with whom transactions have taken place	ANR Securities Limited Dion Global Solution Limited (Name changed from Religare Technova Limited w.e.f 28/12/2010) Fortis Clinical Research Limited Fortis Global Healthcare Limited Fortis Global Healthcare (Mauritius) Ltd. Fortis Healthcare Holding Limited Fortis Healthcare (India) Limited Fortis Health staff Limited Fortis Hospitals Limited International Hospitals Limited Luxury Farms Private Limited Malav Holdings Private Limited OliveRays Innovations Limited Oscar Investments Limited R.C. Nursery Private Limited Religare Aviation Limited Religare Aviation Training Academy Limited Religare Infotech Pty Ltd Religare Technologies Limited Dion Global Solutions (Australia) Pty Ltd. Dion Global Solutions Pty. Limited Religare Travels (India) Limited Religare Voyages Limited Religare Wellness Limited RHC Finance Private Limited RHC Financial Services (Mauritius) Ltd. RHC Holding Private Limited Shivi Holdings Private Limited Super Religare Laboratories Limited Todays Holdings Private Limited Trendy Exim (P) Limited Vistaar Entertainment Ventures Private Limited Vistaar Investment Advisors Pvt. Ltd.
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Following transactions were carried out with related parties in the ordinary course of business

(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
FINANCE											
Inter Corporate Deposits Taken											
For Holding Company											
	RHC Holding Private Limited	-	-	-	-	45,530.00	60,450.00	-	-	45,530.00	60,450.00
	RHC Finance Private Limited	-	-	-	-	-	3,000.00	-	-	-	3,000.00
	R.C. Nursery Private Limited	-	-	-	-	70.00	635.00	-	-	70.00	635.00
	Luxury Farms Private Limited	-	-	-	-	-	1,676.15	-	-	-	1,676.15
	Oscar Investment Limited	-	-	-	-	16,687.26	56,100.00	-	-	16,687.26	56,100.00
For Subsidiary Companies											
	RHC Holding Private Limited	-	-	-	-	29,000.00	44,740.00	-	-	29,000.00	44,740.00
	RHC Financial Services (Mauritius) Ltd.	-	-	-	-	97,833.80	-	-	-	97,833.80	-
	Oscar Investment Limited	-	-	-	-	20,925.29	2,900.00	-	-	20,925.29	2,900.00
	R.C. Nursery Private Limited	-	-	-	-	-	420.20	-	-	-	420.20
	Luxury Farms Private Limited	-	-	-	-	-	2,401.59	-	-	-	2,401.59
	Religare Technologies Limited	-	-	-	-	1,700.00	-	-	-	1,700.00	-
	International Hospital Limited	-	-	-	-	75,500.00	-	-	-	75,500.00	-
	Fortis Hospital Limited	-	-	-	-	38,500.00	-	-	-	38,500.00	-
	Religare Aviation Limited	-	-	-	-	1,470.00	-	-	-	1,470.00	-
	International Hospital Limited	-	-	-	-	75,500.00	-	-	-	75,500.00	-
	Super Religare Laboratories Limited	-	-	-	-	6,920.00	-	-	-	6,920.00	-
	Trendy Exim (P) Limited	-	-	-	-	-	3.00	-	-	-	3.00
Inter Corporate Deposits Taken Total		-	-	-	-	409,636.35	172,325.94	-	-	409,636.35	172,325.94
Inter Corporate Deposits Repaid											
For Holding Company											
	RHC Holding Private Limited	-	-	-	-	45,530.00	60,450.00	-	-	45,530.00	60,450.00
	RHC Finance Private Limited	-	-	-	-	-	3,000.00	-	-	-	3,000.00
	R.C. Nursery Private Limited	-	-	-	-	-	125.00	-	-	-	125.00
	Luxury Farms Private Limited	-	-	-	-	960.00	375.00	-	-	960.00	375.00
	Oscar Investment Limited	-	-	-	-	16,687.26	56,100.00	-	-	16,687.26	56,100.00
For Subsidiary Companies											
	RHC Holding Private Limited	-	-	-	-	29,000.00	58,240.00	-	-	29,000.00	58,240.00
	RHC Financial Services (Mauritius) Ltd.	-	-	-	-	67,190.17	-	-	-	67,190.17	-
	Oscar Investment Limited	-	-	-	-	20,925.29	2,900.00	-	-	20,925.29	2,900.00



(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	R.C. Nursery Private Limited	-	-	-	-	-	420.20	-	-	-	420.20
	Luxury Farms Private Limited	-	-	-	-	-	2,401.59	-	-	-	2,401.59
	Religare Aviation Limited	-	-	-	-	1,470.00	-	-	-	1,470.00	-
	International Hospital Limited	-	-	-	-	37,535.00	-	-	-	37,535.00	-
	Fortis Hospital Limited	-	-	-	-	34,500.00	-	-	-	34,500.00	-
	Trendy Exim (P) Limited	-	-	-	-	-	3.00	-	-	-	3.00
Inter Corporate Deposits Repaid Total		-	-	-	-	253,797.72	184,014.79	-	-	253,797.72	184,014.79
Interest Paid on Inter Corporate Deposits											
For Holding Company											
	RHC Holding Private Limited	-	-	-	-	505.15	1,231.37	-	-	505.15	1,231.37
	Oscar Investment Limited	-	-	-	-	460.79	525.30	-	-	460.79	525.30
	RHC Finance Private Limited	-	-	-	-	-	26.96	-	-	-	26.96
	R.C. Nursery Private Limited	-	-	-	-	57.94	34.63	-	-	57.94	34.63
	Luxury Farms Private Limited	-	-	-	-	98.14	131.41	-	-	98.14	131.41
For Subsidiary Companies											
	RHC Holding Private Limited	-	-	-	-	17.53	154.38	-	-	17.53	154.38
	Luxury Farms Private Limited	-	-	-	-	-	51.19	-	-	-	51.19
	Religare Technologies Limited	-	-	-	-	0.65	-	-	-	0.65	-
	R.C. Nursery Private Limited	-	-	-	-	-	12.65	-	-	-	12.65
	RHC Financial Services (Mauritius) Ltd.	-	-	-	-	1,367.26	-	-	-	1,367.26	-
	Trendy Exim (P) Limited	-	-	-	-	-	0.04	-	-	-	0.04
	International Hospital Limited	-	-	-	-	966.04	-	-	-	966.04	-
	Super Religare Laboratories Limited	-	-	-	-	2.65	-	-	-	2.65	-
	Fortis Hospital Limited	-	-	-	-	1,000.04	-	-	-	1,000.04	-
	Religare Aviation Limited	-	-	-	-	15.67	-	-	-	15.67	-
	International Hospital Limited	-	-	-	-	966.04	-	-	-	966.04	-
	Oscar Investment Limited	-	-	-	-	170.01	8.28	-	-	170.01	8.28

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
Interest Paid on Inter Corporate Deposits Total		-	-	-	-	5,627.91	2,176.21	-	-	5,627.91	2,176.21
Inter Corporate Deposits Given											
For Holding Company											
For Subsidiary Companies											
	Religare Aviation Training Academy Limited	-	-	-	-	290.00	-	-	-	290.00	-
	Religare Technologies Limited	-	-	-	-	58,619.00	22,352.50	-	-	58,619.00	22,352.50
	Super Religare Laboratories Limited	-	-	-	-	37,115.59	6,970.00	-	-	37,115.59	6,970.00
	Religare Aviation Limited	-	-	-	-	188,772.65	76,340.99	-	-	188,772.65	76,340.99
	Religare Voyages Limited	-	-	-	-	6,812.69	1,104.53	-	-	6,812.69	1,104.53
	Religare Travels (India) Limited	-	-	-	-	130.00	25.00	-	-	130.00	25.00
	Religare Wellness Limited	-	-	-	-	9,373.90	2,645.00	-	-	9,373.90	2,645.00
	Dion Global Solution Limited	-	-	-	-	65,725.00	56,862.07	-	-	65,725.00	56,862.07
	Oscar Investment Limited	-	-	-	-	43,100.00	12,760.00	-	-	43,100.00	12,760.00
Inter Corporate Deposits Given Total		-	-	-	-	409,938.83	179,060.09	-	-	409,938.83	179,060.09
Inter Corporate Deposits Received Back											
	Religare Wellness Limited	-	-	-	-	10,450.00	1,275.00	-	-	10,450.00	1,275.00
	Dion Global Solution Limited	-	-	-	-	58,415.00	51,302.57	-	-	58,415.00	51,302.57
	Religare Technologies Limited	-	-	-	-	56,883.00	22,797.50	-	-	56,883.00	22,797.50
	Super Religare Laboratories Limited	-	-	-	-	32,298.69	3,421.81	-	-	32,298.69	3,421.81
	Religare Aviation Limited	-	-	-	-	204,306.98	63,118.84	-	-	204,306.98	63,118.84
	Religare Voyages Limited	-	-	-	-	7,525.22	1,000.00	-	-	7,525.22	1,000.00
	Religare Travels (India) Limited	-	-	-	-	130.00	152.00	-	-	130.00	152.00
Inter Corporate Deposits Received Back Total		-	-	-	-	370,008.88	143,067.72	-	-	370,008.88	143,067.72
Interest Received on Inter Corporate Deposits											



(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Religare Aviation Training Academy Limited	-	-	-	-	5.91	-	-	-	-	5.91
	Religare Aviation Limited	-	-	-	-	1,803.14	1,417.55	-	-	-	1,803.14
	Dion Global Solution Limited	-	-	-	-	968.28	371.86	-	-	-	968.28
	Religare Technologies Limited	-	-	-	-	930.20	446.50	-	-	-	930.20
	Religare Voyages Limited	-	-	-	-	21.29	76.57	-	-	-	21.29
	Religare Travels (India) Limited	-	-	-	-	2.95	3.05	-	-	-	2.95
	Super Religare Laboratories Limited	-	-	-	-	468.34	187.94	-	-	-	468.34
	Religare Wellness Limited	-	-	-	-	238.77	4.90	-	-	-	238.77
Interest Received on Inter Corporate Deposits Total		-	-	-	-	4,438.88	2,508.36	-	-	-	4,438.88
Share Application Money Refunded	RHC Holding Private Limited	-	-	-	-	-	66,947.20	-	-	-	66,947.20
Share Application Money Refunded Total		-	-	-	-	-	66,947.20	-	-	-	66,947.20
Allotment of Equity Shares											
	Mr. Sunil Godhwani	-	-	-	-	-	-	-	-	-	2,366.66
	Japna Malvinder Singh	-	0.23	-	-	-	-	-	-	-	0.23
	RHC Holding Private Limited	-	-	-	-	-	23,052.80	-	-	-	23,052.80
	Malav Holdings Private Limited	-	-	-	-	-	45,000.00	-	-	-	45,000.00
	Shivi Holdings Private Limited	-	-	-	-	-	45,000.00	-	-	-	45,000.00
	Vistaar Entertainment Ventures Private Limited	-	-	-	-	-	-	-	-	-	-
Allotment of Equity Shares Total		-	0.23	-	-	8.11	113,052.80	-	-	-	8.11
Dividend Paid / Payable											
	Malav Holdings Private Limited	-	-	-	-	-	-	-	-	-	281.65
	Shivi Holdings Private Limited	-	-	-	-	-	-	-	-	-	281.65
	RHC Holding Private Limited	-	-	-	-	-	-	-	-	-	129.89
	Anil Saxena	-	-	-	0.50	-	-	-	-	-	0.50
	Mr. Sunil Godhwani	-	-	-	66.67	-	-	-	-	-	66.67
	Mr. Malvinder Mohan Singh	383.75	-	-	-	-	-	-	-	-	383.75
	Mr. Shivinder Mohan Singh	383.75	-	-	-	-	-	-	-	-	383.75
Dividend Paid / Payable Total		767.50	-	-	67.17	693.19	-	-	-	-	1,527.85
Purchase of Bond	RHC Holding Private Limited	-	-	-	-	-	-	-	-	-	14,444.76
Purchase of Bond Total		-	-	-	-	-	-	-	-	-	14,444.76
Sale of Bond	RHC Holding Private Limited	-	-	-	-	-	-	-	-	-	20,375.79
Sale of Bond Total		-	-	-	-	-	-	-	-	-	20,375.79

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
BROKING TRANSACTIONS (SECONDARY MARKET OPERATIONS)											
Secondary Market Transactions (Gross Basis)											
	International Hospital Limited	-	-	-	-	-	50.49	-	-	-	50.49
	RHC Holding Private Limited	-	-	-	-	2,235.87	9,544.63	-	-	2,235.87	9,544.63
	Oscar Investment Limited	-	-	-	-	3,112.99	741.29	-	-	3,112.99	741.29
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	7,576.43	-	7,576.43	-
	RHC Finance Private Limited	-	-	-	-	60,239.53	-	-	-	60,239.53	-
	Religare Aviation Limited	-	-	-	-	1,026.19	-	-	-	1,026.19	-
	Monica Madan	-	-	-	-	0.66	2,334.26	-	-	0.66	2,334.26
	Shashi Madan	-	-	-	-	1.16	1.06	-	-	1.16	1.06
	Gagan Randev	-	-	-	-	5.57	-	-	-	5.57	-
	Ashu Madan	-	-	-	-	79.89	-	-	-	79.89	-
	Sameer Godhwani	-	-	-	-	-	0.86	-	-	-	0.86
	Mr. Shivinder Mohan Singh	2.65	108.73	-	-	-	-	-	-	2.65	108.73
Trading Transactions Total		2.65	108.73	87.28	2,336.18	66,614.58	10,336.41	7,576.43	-	74,280.94	12,781.32
Security deposit given											
	Radhika N Godhwani	-	-	24.00	-	-	-	-	-	24.00	-
	Naraindas P Godhwani	-	-	24.00	-	-	-	-	-	24.00	-
Security deposit given Total		-	-	48.00	-	-	-	-	-	48.00	-
Security Deposit (Rental Premises) Repaid											
	Super Religare Laboratories Limited	-	-	-	-	-	6.70	-	-	6.70	-
Security Deposit (Rental Premises) Repaid Total		-	-	-	-	6.70	-	-	-	6.70	-
Brokerage Earned											
	RHC Holding Private Limited	-	-	-	-	1.00	7.15	-	-	1.00	7.15
	Religare Aviation Limited	-	-	-	-	4.91	0.03	-	-	4.91	0.03
	International Hospital Limited	-	-	-	-	-	0.15	-	-	-	0.15
	RHC Finance Private Limited	-	-	-	-	19.43	-	-	-	19.43	-
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	455.67	392.41	455.67	392.41
	Oscar Investment Limited	-	-	-	-	1.67	1.00	-	-	1.67	1.00
	Monica Madan	-	-	0.00	0.56	-	-	-	-	0.00	0.56



(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Gagan Randev	-	-	0.01	-	-	-	-	-	0.01	-
	Ashu Madan	-	-	0.08	-	-	-	-	-	0.08	-
	Mr. Shivinder Mohan Singh	0.00	0.08	-	-	-	-	-	-	0.00	0.08
Brokerage Earned Total		0.00	0.08	0.09	0.56	27.01	8.34	455.67	392.41	482.77	401.39
Sale of Equity Shares	RHC Holding Private Limited	-	-	-	-	2.50	-	-	-	2.50	-
	Today's Holdings Private Limited	-	-	-	-	2.50	-	-	-	2.50	-
Sale of Equity Shares Total		-	-	-	-	5.00	-	-	-	5.00	-
Investments											
Subscription/Investments to Equity Shares/Debtentures by the Company	Milestone Religare Investment Advisors Pvt Limited	-	-	-	-	-	-	-	50.00	-	50.00
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	16,720.00	11,880.00	16,720.00	11,880.00
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	2,250.00	1,250.00	2,250.00	1,250.00
Subscription/Investment to Preference Shares by the Company	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	750.00	-	750.00	-
Subscription to Equity/ Preference Shares Total		-	-	-	-	-	-	19,720.00	13,180.00	19,720.00	13,180.00
Subscription to Equity Shares in the Company	RHC Holding Private Limited	-	-	-	-	50,000.00	-	-	-	50,000.00	-
Subscription to Preference Shares in the Company	RHC Holding Private Limited	-	-	-	-	12,000.00	-	-	-	12,000.00	-
Subscription to Equity/ Preference Shares in the Company Total		-	-	-	-	62,000.00	-	-	-	62,000.00	-
Other Receipts and Payments											
Purchase of Fixed Asset											
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	53.00	-	53.00	-
	Religare Wellness Limited	-	-	-	-	50.63	2.36	-	-	50.63	2.36
	Dion Global Solution Limited	-	-	-	-	127.50	2.36	-	-	127.50	2.36
	Religare Technologies Limited	-	-	-	-	474.52	3,372.04	-	-	474.52	3,372.04
	Dion Global Solutions (Australia) Pty Ltd.	-	-	-	-	1,404.29	-	-	-	1,404.29	-
Purchase of Fixed Asset Total		-	-	-	-	2,056.94	3,374.40	53.00	-	2,109.94	3,376.76
Sale of Fixed Asset											
	Dion Global Solution Limited	-	-	-	-	2.98	-	-	-	2.98	-
Sale of Fixed Asset Total		-	-	-	-	2.98	-	-	-	2.98	-

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
Purchase of Services											
	Dion Global Solution Limited	-	-	-	-	-	40.82	-	-	-	40.82
	Fortis Global Healthcare Limited	-	-	-	-	5,144.15	-	-	-	5,144.15	-
	Religare Technologies Limited	-	-	-	-	-	504.01	-	-	-	504.01
Purchase of Services Total		-	-	-	-	5,144.15	544.84	-	-	5,144.15	544.84
Loan Given											
	Mr. Shachindra Nath	-	-	215.00	-	-	-	-	-	-	215.00
	Mr. Deepak Joshi	-	-	15.39	-	-	-	-	-	15.39	-
	Mr. Nitin Jain	-	-	92.73	-	-	-	-	-	92.73	-
	Mr. Anuj Gulati	-	-	0.03	-	133.72	-	-	-	0.03	133.72
Loan Given Total		-	-	108.15	-	348.72	-	-	-	108.15	348.72
Lease Rentals Earned											
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	-	43.65	-	43.65
	Super Religare Laboratories Limited	-	-	-	-	72.59	32.02	-	-	72.59	32.02
	Dion Global Solutions Limited	-	-	-	-	98.70	5.23	-	-	98.70	5.23
	Religare Technologies Limited	-	-	-	-	738.80	81.19	-	-	738.80	81.19
	Religare Voyages Limited	-	-	-	-	24.67	-	-	-	24.67	-
	Religare Travels (India) Limited	-	-	-	-	0.72	-	-	-	0.72	-
	Religare Aviation Limited	-	-	-	-	93.45	-	-	-	93.45	-
	Religare Wellness Limited	-	-	-	-	3.82	23.80	-	-	3.82	23.80
Lease Rentals Earned Total		-	-	-	-	1,032.75	142.23	-	43.65	1,032.75	185.88
Commission Paid											
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	733.60	386.13	733.60	386.13
Commission Paid Total		-	-	-	-	-	-	733.60	386.13	733.60	386.13
Other Expenses											
HR Support Services											
	Religare Technologies Limited	-	-	-	-	9.98	334.89	-	-	9.98	334.89
IT Service Expenses											
	Religare Technologies Limited	-	-	-	-	2,156.23	222.41	-	-	2,156.23	222.41
Call centre expenses											
	Dion Global Solutions Limited	-	-	-	-	1,236.90	-	-	-	1,236.90	-
	Religare Technologies Limited	-	-	-	-	23.52	11.77	-	-	23.52	11.77
	Dion Global Solutions Limited	-	-	-	-	-	47.18	-	-	-	47.18
Travelling Expenses											
	Religare Travels (India) Limited	-	-	-	-	2,308.55	1,112.61	-	-	2,308.55	1,112.61
	Religare Aviation Limited	-	-	-	-	285.58	-	-	-	285.58	-
Other Expenses Total		-	-	-	-	6,020.76	1,728.86	-	-	6,020.76	1,728.86
Depository Charges	RHC Holding Private Limited	-	-	-	-	0.03	0.04	-	-	0.03	0.04
	RHC Finance Private Limited	-	-	-	-	0.01	-	-	-	0.01	-
	Oscar Investment Limited	-	-	-	-	0.03	-	-	-	0.03	-



(Rupees in Lacs)

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		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Malvinder Mohan Singh	0.04	-	-	-	-	-	-	-	-	0.04
	Mr. Shivinder Mohan Singh	0.03	-	-	-	-	-	-	-	-	0.03
	Japna Malvinder Singh	0.01	-	-	-	-	-	-	-	-	0.01
	Aditi Shivinder Singh	0.02	-	-	-	-	-	-	-	-	0.02
	Anhad Parvinder Singh	0.01	-	-	-	-	-	-	-	-	0.01
	Kabir Parvinder Singh	0.01	-	-	-	-	-	-	-	-	0.01
	Nimmi Singh	0.01	-	-	-	-	-	-	-	-	0.01
	Nimrita Singh	0.01	-	-	-	-	-	-	-	-	0.01
	Udayveer Parvinder Singh	0.01	-	-	-	-	-	-	-	-	0.01
	Vivan Parvinder Singh	0.02	-	-	-	-	-	-	-	-	0.02
	ANR Securities Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Fortis Clinical Research Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Super Religare Laboratories Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Fortis Healthstaff Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Fortis Hospital Limited	-	-	-	-	0.01	-	-	-	-	0.01
	International Hospital Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Dion Global Solutions Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Malav Holdings Private Limited	-	-	-	-	0.02	-	-	-	-	0.02
	Fortis HealthCare Holding Limited	-	-	-	-	0.02	-	-	-	-	0.02
	Religare Wellness Limited	-	-	-	-	0.01	-	-	-	-	0.01
	Shivi Holdings Private Limited	-	-	-	-	0.02	-	-	-	-	0.02
	Fortis Health Care Limited	-	-	-	-	0.02	-	-	-	-	0.02
Depository Charges Total		0.17	-	-	-	0.24	0.04	-	-	-	0.41
Income from Data Sharing	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	456.73	362.45	456.73	362.45
Income from Data Sharing Total		-	-	-	-	-	-	456.73	362.45	456.73	362.45
Financial Advisory Fees	Religare Technova Global Solutions Pty Ltd	-	-	-	-	-	55.75	-	-	-	55.75
	Super Religare Laboratories Limited	-	-	-	-	1,500.00	-	-	-	1,500.00	-
	Religare Infotech Pvt Limited	-	-	-	-	-	104.55	-	-	-	104.55
	Religare Technologies Limited	-	-	-	-	-	115.95	-	-	-	115.95
	Fortis Global Healthcare(Mauritius) Ltd.	-	-	-	-	3,365.09	1,840.74	-	-	3,365.09	1,840.74
	Fortis Health Care Limited	-	-	-	-	711.00	-	-	-	711.00	-
Financial Advisory Fees Total		-	-	-	-	5,631.84	2,061.24	-	-	5,631.84	2,061.24
Interest Income	Deepak joshi	-	-	-	5.50	-	-	-	-	-	5.50
Interest Income Total		-	-	-	5.50	-	-	-	-	-	5.50

(Rupees in Lacs)

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Income from Client referral & Fund Management Fees	Vistaar Investment Advisors Pvt. Ltd.	-	-	-	-	90.00	90.00	-	-	90.00	90.00
Income from Client referral Services Total						90.00	90.00			90.00	90.00
Support Services Fees	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	38.53	37.04	38.53	37.04
Support Services Fees Total								38.53	37.04	38.53	37.04
Allocation of Expenses By other Companies											
Software Development charges	Religare Technologies Limited	-	-	-	-	139.41	-	-	-	139.41	-
Software Development charges Total	Dion Global Solutions Limited	-	-	-	-	224.85	136.85	-	-	224.85	136.85
Director's Sitting Fees	Mr. Malvinder Mohan Singh	0.20	1.40	-	-	-	-	-	-	0.20	1.40
	Mr. Shivinder Mohan Singh	0.20	1.60	-	-	-	-	-	-	0.20	1.60
	Mr. R.V. Shastri	-	-	-	-	1.30	-	-	-	1.30	-
	Mr. R. N. Bhardwaj	-	-	-	-	1.50	-	-	-	1.50	-
	Lt. Gen. (Retd.) S.S. Mehta	-	-	-	-	1.50	-	-	-	1.50	-
Director's Sitting Fees Total		0.40	3.00	-	-	4.30	-	-	-	4.70	3.00
Repair & Maintenance Expenses	OliveRays Innovations Limited	-	-	-	-	-	9.93	-	-	-	9.93
Repair & Maintenance Expenses Total							9.93				9.93
Allocation of Expenses To Other Companies											
Expense Reimbursement to other Companies	Dion Global Solutions Limited	-	-	-	-	332.89	-	-	-	332.89	-
	Religare Wellness Limited	-	-	-	-	3.22	-	-	-	3.22	-
	Religare Technologies Limited	-	-	-	-	566.27	319.49	-	-	566.27	319.49
	RHC Holding Private Limited	-	-	-	-	1,000.00	-	-	-	1,000.00	-
	Vistaar Investment Advisors Pvt. Ltd.	-	-	-	-	8.40	-	-	-	8.40	-
	Religare Aviation Limited	-	-	-	-	2.52	-	-	-	2.52	-
	Religare Travels (India) Limited	-	-	-	-	0.05	-	-	-	0.05	-
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	5.42	-	5.42	-
Expense Reimbursement to other Companies Total		-	-	-	-	1,913.35	319.49	5.42	-	1,918.77	319.49



(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant influence		Joint Ventures		Total		
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	
Expense Reimbursement by other Companies												
	Fortis Health Care Limited	-	-	-	-	234.85	16.87	-	-	-	234.85	16.87
	Super Religare Laboratories Limited	-	-	-	-	-	145.95	-	-	-	-	145.95
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	41.24	20.12	-	41.24	20.12
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	2.71	0.11	-	2.71	0.11
	RHC Holding Private Limited	-	-	-	-	0.14	5.95	-	-	-	0.14	5.95
	Religare Aviation Limited	-	-	-	-	0.26	3.06	-	-	-	0.26	3.06
	Religare Aviation Training Academy Limited	-	-	-	-	0.02	-	-	-	-	0.02	-
	Religare Technologies Limited	-	-	-	-	3.88	1.94	-	-	-	3.88	1.94
	Dion Global Solutions Limited	-	-	-	-	547.85	70.67	-	-	-	547.85	70.67
	Religare Infotech Pvt Limited	-	-	-	-	-	26.90	-	-	-	-	26.90
	Religare Travels (India) Limited	-	-	-	-	-	0.11	-	-	-	-	0.11
	Religare Voyages Limited	-	-	-	-	-	8.29	-	-	-	-	8.29
Expense Reimbursement by other Companies Total												
	Mr. Sunil Godhwani	-	-	-	-	-	279.74	-	-	-	279.74	-
Remuneration to Key Management Personnel												
	Mr. J.S.Grewal	-	-	-	-	-	-	-	-	-	-	-
	Mr. Shachindra Nath	-	-	-	-	-	-	-	-	-	-	-
	Mr. Anil Saxena	-	-	-	-	-	-	-	-	-	-	-
	Mr. Kamlesh Dangi	-	-	-	-	-	-	-	-	-	-	-
	Mr. Jayant Manglik	-	-	-	-	-	-	-	-	-	-	-
	Dr. Amit Varma	-	-	-	-	-	-	-	-	-	-	-
	Mr. Vikash Khandelwal	-	-	-	-	-	-	-	-	-	-	-
	Mr. Deepak Joshi	-	-	-	-	-	-	-	-	-	-	-
	Mr. Amit Gupta	-	-	-	-	-	-	-	-	-	-	-
	Mr. Prasanna Chandwaskar	-	-	-	-	-	-	-	-	-	-	-
	Mr. Vipul Sanghvi	-	-	-	-	-	-	-	-	-	-	-
	Mr. Manoj Singla	-	-	-	-	-	-	-	-	-	-	-
	Mr. Suhas Harinarayanan	-	-	-	-	-	-	-	-	-	-	-
	Mr. Tarun Kataria	-	-	-	-	-	-	-	-	-	-	-
	Mr. Kiran Vaidya	-	-	-	-	-	-	-	-	-	-	-
	Mr. Ankush Pitale	-	-	-	-	-	-	-	-	-	-	-
	Mr. Arun Rathi	-	-	-	-	-	-	-	-	-	-	-
	Mr. Nalin Nayyar	-	-	-	-	-	-	-	-	-	-	-
		-	-	4,252.57	877.18	-	-	-	-	-	4,252.57	877.18
										20.23	830.95	299.98

(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Mr. Ashu Madan										
	Mr. Gagan Randev										
	Mr. Anuj Gulati										
	Mr. Chandan Kumar Sinha										
	Mr. Nitin Jain										
	Mr. Gulrukh Parmar										
	Mr. Sandeep Adukia										
	Mr. Mukesh Panika										
	Ms. Yamini Chawla										
	Mr. Kavi Arora										
	Mr. Atul Gupta										
Remuneration to Key Management Personnel Total		-	-	4,252.57	877.18	-	-	-	-	4,252.57	877.18
Other Expenses (Lease Rentals)											
	RHC Holding Private Limited	-	-	-	-	1.50	18.00	-	-	1.50	18.00
	Super Religare Laboratories Limited	-	-	-	-	2.54	-	-	-	2.54	-
	Religare Technologies Limited	-	-	-	-	-	281.67	-	-	-	281.67
	Radhika N Godhwani	-	-	21.74	20.11	-	-	-	-	21.74	20.11
	Rochiram P Godhwani	-	-	-	20.28	-	-	-	-	-	20.28
	Naraindas P Godhwani	-	-	21.74	20.28	-	-	-	-	21.74	20.28
	Hari R Godhwani	-	-	-	20.28	-	-	-	-	-	20.28
Other Expenses (Lease Rental) Total		-	-	43.47	80.95	4.04	299.67	-	-	47.51	380.62
OUTSTANDING BALANCES											
Payables											
Unsecured Loan											
	Super Religare Laboratories Limited	-	-	-	-	6,922.39	-	-	-	6,922.39	-
	RHC Holding Private Limited	-	-	-	-	-	196.56	-	-	-	196.56
	RHC Financial Services (Mauritius) Ltd.	-	-	-	-	30,643.63	-	-	-	30,643.63	-
	Fortis Hospital Limited	-	-	-	-	4,000.00	-	-	-	4,000.00	-
	International Hospital Limited	-	-	-	-	37,965.00	-	-	-	37,965.00	-
	Religare Technologies Limited	-	-	-	-	1,700.00	-	-	-	1,700.00	-
	Oscar Investment Limited	-	-	-	-	-	94.42	-	-	-	94.42
	R.C. Nursery Private Limited	-	-	-	-	585.32	520.02	-	-	585.32	520.02
	Luxury Farms Private Limited	-	-	-	-	347.42	1,338.14	-	-	347.42	1,338.14
Unsecured Loan Total		-	-	82,163.75	2,149.14	82,163.75	2,149.14	-	-	82,163.75	2,149.13



(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
Payables (Interest on unsecured loan)	Religare Technologies Limited	-	-	-	-	0.59	-	-	-	0.59	-
	International Hospital Limited	-	-	-	-	125.93	-	-	-	125.93	-
	Fortis Hospital Limited	-	-	-	-	3.33	-	-	-	3.33	-
Payables (Interest on unsecured loan)		-	-	-	-	129.85	-	-	-	129.85	-
Other Payables											
	Religare Travels (India) Limited	-	-	-	-	88.27	2.11	-	-	88.27	2.11
	Fortis Health Care Limited	-	-	-	-	-	0.01	-	-	-	0.01
	Religare Aviation Limited	-	-	-	-	9.54	0.68	-	-	9.54	0.68
	Dion Global Solutions Limited	-	-	-	-	1,230.79	4.21	-	-	1,230.79	4.21
	Religare Technologies Limited	-	-	-	-	1.70	1,000.88	-	-	1.70	1,000.88
	Religare Wellness Limited	-	-	-	-	4.63	-	-	-	4.63	-
	Oscar Investment Limited	-	-	-	-	0.00	4.69	-	-	0.00	4.69
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	-	131.88	0.32	131.88
	RHC Holding Private Limited	-	-	-	-	-	-	0.41	-	-	0.41
	Sameer Godhwani	-	-	-	-	0.00	0.51	-	-	0.00	0.51
	Mr. Shivinder Mohan Singh	-	-	-	-	-	-	-	-	-	0.08
	Other Payables Total		-	-	-	-	1,334.92	1,012.99	131.88	0.32	1,466.80
Commission Payable	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	54.58	23.47	54.58	23.47
Commission Payable Total		-	-	-	-	-	-	54.58	23.47	54.58	23.47
Payable Total		-	-	-	-	85,628.52	3,162.13	186.46	23.79	83,814.98	3,186.51
Receivables											
Other Receivables											
	RHC Holding Private Limited	-	-	-	-	0.18	4.76	-	-	0.18	4.76
	Super Religare Laboratories Limited	-	-	-	-	0.01	12.10	-	-	0.01	12.10
	Vistaar Religare Media Fund Trust	-	-	-	-	-	103.82	-	-	-	103.82
	RHC Finance Private Limited	-	-	-	-	0.01	-	-	-	0.01	-
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	-	10.34	10.34	102.11
	Fortis Health Care Limited	-	-	-	-	0.00	16.87	-	-	0.00	16.87
Fortis Hospital Limited	-	-	-	-	0.03	-	-	-	0.03	-	
Mr. Sunil Godhwani	-	-	-	-	0.01	-	-	-	-	0.01	-

(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel/ Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Fortis HealthCare Holding Limited	-	-	-	-	0.02	-	-	-	0.02	-
	Fortis Healthstaff Limited	-	-	-	-	0.04	-	-	-	0.04	-
	Fortis Clinical Research Limited	-	-	-	-	0.01	-	-	-	0.01	-
	ANR Securities Limited	-	-	-	-	0.02	-	-	-	0.02	-
	Religare Aviation Limited	-	-	-	-	13.65	-	-	-	13.65	-
	Religare Aviation Training Academy Limited	-	-	-	-	0.02	-	-	-	0.02	-
	Religare Technologies Limited	-	-	-	-	367.24	-	-	-	367.24	-
	Dion Global Solutions Limited	-	-	-	-	11.25	109.16	-	-	11.25	109.16
	Religare Voyages Limited	-	-	-	-	8.35	-	-	-	8.35	-
	Religare Wellness Limited	-	-	-	-	0.03	-	-	-	0.03	-
	Malav Holdings Private Limited	-	-	-	-	0.02	-	-	-	0.02	-
	Oscar Investment Limited	-	-	-	-	0.04	-	-	-	0.04	-
	Shivi Holdings Private Limited	-	-	-	-	0.02	-	-	-	0.02	-
	Dion Global Solutions Pty. Limited	-	-	-	-	55.75	-	-	-	55.75	-
	Fortis Global Healthcare Limited	-	-	-	-	1,735.35	-	-	-	1,735.35	-
	Malvinder Mohan Singh	0.04	-	-	-	-	-	-	-	0.04	-
	Mr. Shivinder Mohan Singh	0.02	-	-	-	-	-	-	-	0.02	-
	Udayveer Parvinder Singh	0.01	-	-	-	-	-	-	-	0.01	-
	Vivan Parvinder Singh	0.01	-	-	-	-	-	-	-	0.01	-
	Kabir Parvinder Singh	0.01	-	-	-	-	-	-	-	0.01	-
	Anhad Parvinder Singh	0.01	-	-	-	-	-	-	-	0.01	-
	Aditi Shivinder Singh	0.07	-	-	-	-	-	-	-	0.07	-
	Japna Malvinder Singh	0.01	-	-	-	-	-	-	-	0.01	-
	NIMMI SINGH	0.01	-	-	-	-	-	-	-	0.01	-
	Nimrita Singh	0.01	-	-	-	-	-	-	-	0.01	-
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	1.15	45.62	1.15	45.62
	Religare Technova Global Solutions Pty Ltd	0.22	-	-	-	55.75	-	-	-	55.75	-
Other Receivables Total						2,247.80	246.70	11.49	147.73	2,259.52	394.43
Unsecured Loan											
	Religare Aviation Training Academy Limited	-	-	-	-	290.00	-	-	-	290.00	-
	Deepak Joshi	-	-	-	-	-	-	-	-	48.89	-
	Mr. Shachindra Nath	-	-	-	-	215.00	-	-	-	215.00	215.00



(Rupees in Lacs)

Nature of Transactions	Name of the Related Party	Individual Owning Directly or Indirectly Interest and Voting Power that gives them control		Key Management Personnel / Relatives of Key Management Personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		Joint Ventures		Total	
		Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2011	Year Ended March 31, 2010
	Oscar Investment Limited	-	-	-	-	4,600.00	-	-	-	4,600.00	-
	Super Religare Laboratories Limited	-	-	-	-	7,710.00	3,548.19	-	-	7,710.00	3,548.19
	Religare Technologies Limited	-	-	-	-	3,737.00	2,001.00	-	-	3,737.00	2,001.00
	Aegon Religare Life Insurance Company Limited	-	-	-	-	-	-	170.39	-	170.39	-
	Dion Global Solutions Limited	-	-	-	-	12,905.05	5,595.00	-	-	12,905.05	5,595.00
	Religare Voyages Limited	-	-	-	-	(0.00)	712.53	-	-	(0.00)	712.53
	Religare Wellness Limited	-	-	-	-	293.90	1,370.00	-	-	293.90	1,370.00
	Religare Aviation Limited	-	-	-	-	350.00	16,834.33	-	-	350.00	16,834.33
Unsecured Loan Total		-	-	263.89	215.00	29,885.94	30,061.05	170.39	-	30,320.22	30,276.05
Receivables (Interest on unsecured loan)		-	-	-	-	-	-	-	-	-	-
	Oscar Investment Limited	-	-	-	-	145.81	-	-	-	145.81	-
	Religare Aviation Training Academy Limited	-	-	-	-	5.91	-	-	-	5.91	-
	Deepak Joshi	-	-	0.43	-	-	-	-	-	0.43	-
	Super Religare Laboratories Limited	-	-	-	-	155.47	97.37	-	-	155.47	97.37
	Religare Technologies Limited	-	-	-	-	494.88	101.25	-	-	494.88	101.25
	Dion Global Solutions Limited	-	-	-	-	434.77	183.57	-	-	434.77	183.57
	Religare Wellness Limited	-	-	-	-	119.75	40.20	-	-	119.75	40.20
	Religare Voyages Limited	-	-	-	-	-	28.15	-	-	-	28.15
	Reglus Aviation Limited	-	-	-	-	54.11	524.70	-	-	54.11	524.70
Receivables (Interest on unsecured loan) Total		-	-	0.43	-	1,410.71	975.24	-	-	1,411.13	975.24
Current Account Transaction		-	-	-	-	-	-	-	-	-	-
	Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	-	73.84	-	73.84
Current Account Transaction Total		-	-	-	-	-	-	-	73.84	-	73.84
Security Deposit		-	-	-	-	-	-	-	-	-	-
	Radhika N Godhwani	-	-	38.40	14.40	-	-	-	-	38.40	14.40
	Rochiram P Godhwani	-	-	-	14.40	-	-	-	-	-	14.40
	Hari R Godhwani	-	-	-	14.40	-	-	-	-	-	14.40
	Naraindas P Godhwani	-	-	38.40	14.40	-	-	-	-	38.40	14.40
Security Deposits Total		-	-	76.81	57.60	-	-	-	-	76.81	57.60
Receivables Total		0.22	-	341.14	272.60	33,544.44	31,283.00	181.88	221.57	34,067.68	31,777.17

(xxv) Figures for the previous year/period have been regrouped, rearranged and reclassified wherever necessary to conform to the current year's classification.

Signatures to Schedule A to S forming part of the Consolidated Financial Statements

For and on behalf of the Board of Directors

For Price Waterhouse

Firm Registration No -301112E

Chartered Accountants

Sd/-

PARTHA GHOSH

Partner

Membership No: F55913

Sd/-

ANIL SAXENA

Director & Group Chief

Financial Officer

(DIN-01555425)

Sd/-

SHACHINDRA NATH

Director & Group Chief

Executive Officer

(DIN-00510618)

Sd/-

SUNIL GODHWANI

Chairman &

Managing Director

(DIN-00174831)

Sd/-

RAVI BATRA

Sr.Vice President - Corp. Affairs & Company Secretary

Place : Mumbai

Date : June 29, 2011

Place : New Delhi

Date : June 29, 2011



DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES

The Ministry of Corporate Affairs, Government of India, vide general circular No. 2 and 3 dated 8 February, 2011 and 21 February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of certain conditions stipulated in the circular. The company has satisfied the conditions stipulated in the circular including the disclosure of information of subsidiaries in the consolidated balance sheet of the company.

Sl No.	Name of Holding/ Subsidiary	Subsidiary Companies										
		Holding Company	Religare Bullion Limited (RBL)	Religare Share Brokers Limited (RSBL)	Religare Securities Limited (RSL)	Religare Fininvest Limited (RFL)	Religare Commodities Limited (RCL)	Religare Capital Markets Limited (RCML)	Religare Infrafacilities Limited (RIL)	Religare Insurance Broking Limited (RIBL)	Religare Advisory Service Limited (RASL)	
1	Capital	1,764,344,940	10,000,000	20,000,000	394,928,000	1,733,221,370	20,000,000	1,477,500,000	308,500,000	555,000,000	500,000	
2	Share Application Money	-	-	-	-	-	-	-	-	-	-	
3	Reserves/ (Accumulated Losses)	30,148,476,419	137,303	(931,222)	3,938,636,858	14,368,114,889	233,057,223	5,446,265,731	100,107,475	(486,533,623)	(24,334,131)	
4	Total Assets	32,554,634,152	264,639,933	19,085,291	21,091,112,191	110,384,992,608	2,173,815,211	10,681,408,125	1,895,034,144	227,945,992	10,973,320	
5	Total Liabilities	32,554,634,152	264,639,933	19,085,291	21,091,112,191	110,384,992,608	2,173,815,211	10,681,408,125	1,895,034,144	227,945,992	10,973,320	
6	Investments	-	-	-	251,624,387	598,254,211	36,000	-	-	18,264,852	-	
7	Total Income	1,267,700,786	3,905,793,590	-	6,268,925,679	11,631,497,544	910,739,857	1,020,011,048	1,023,968,912	172,789,662	10,968	
8	Profit/(Loss) before taxation	106,076,252	488,524	(931,222)	203,115,946	1,762,371,525	188,284,716	(460,530,094)	1,397,485	(77,010,733)	(13,869,519)	
9	Provision for taxation	55,111,508	351,221	-	85,537,821	614,626,193	67,101,150	3,667,391	239,080	29,977	2,462	
10	Profit/(Loss) After taxation	50,964,744	137,303	(931,222)	117,578,125	1,147,745,332	121,183,566	(464,197,485)	1,158,405	(77,040,710)	(13,871,981)	
11	Interim Dividend	-	-	-	31,594,240	259,983,205	30,000,000	-	-	-	-	
	Exchange Rate	-	-	-	-	-	-	-	-	-	-	
	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	

DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES

SI No.	Name of Holding/ Subsidiary	Subsidiary Companies									
		Religare Health Insurance Company Limited (RHICL)**	Religare Venture Capital Limited (RVCL)	Vistaar Religare Capital Advisors Limited (VRCAL)	Religare Arts Initiative Limited (RAIL)	Religare Arts Investment Management Limited (RAIML)	Religare Housing Development Finance Corporation Limited (RHDFC)	Religare Asset Management Company Limited (RAMCL)	Religare Trustee Company Limited (RTCL)	Religare Finance Limited (RFNL)	Religare Capital Markets Plc
1	Capital	1,750,000,000	300,500,000	2,218,990	130,000,000	35,500,000	399,980,000	602,691,526	500,000	20,500,000	8,965,977,028
2	Share Application Money	-	-	-	-	-	-	-	-	-	-
3	Reserves/(Accumulated Losses)	(55,593,015)	(70,721,023)	10,508,750	(158,703,017)	5,190,140	688,104,486	(343,656,014)	(189,809)	4,807,951	129,785,283
4	Total Assets	1,716,886,983	407,900,668	27,169,506	150,879,534	40,916,865	2,344,654,231	370,657,367	589,047	28,904,300	11,811,552,627
5	Total Liabilities	1,716,886,983	407,900,668	27,169,506	150,879,534	40,916,865	2,344,654,231	370,657,367	589,047	28,904,300	11,811,552,627
6	Investments	429,467,640	258,264,852	-	18,264,852	-	-	135,883,091	101,050	-	96,815,127
7	Total Income	34,940,390	13,746,980	15,185,680	40,079,495	3,918,328	202,314,975	391,687,655	2,045,702	32,593,962	1,276,348,769
8	Profit/(Loss) before taxation	(44,511,746)	(9,875,182)	2,689,401	(64,988,611)	2,876,871	91,915,681	(501,965,490)	(420,461)	2,530,507	(1,274,130,867)
9	Provision for taxation	24,062,415	37,901	494,228	-	1,210,763	22,545,962	32,975	-	799,249	(329,522,140)
10	Profit/(Loss) After taxation	(68,574,161)	(9,913,083)	2,195,173	(64,988,611)	1,666,108	69,369,719	(501,998,465)	(420,461)	1,731,258	(944,608,727)
11	Interim Dividend	-	-	-	-	-	-	-	-	-	-
	Exchange Rate	-	-	-	-	-	-	-	-	-	72.79
	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	GBP

DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES

SI No.	Name of Holding/ Subsidiary	Subsidiary Companies										
		Religare Capital Markets (UK) Ltd.	Religare Investment Advisory (mauritius)**	Religare Capital Markets Limited***	Religare Capital Markets Inc.	Religare Capital Markets Corporate Finance Pte Limited	Religare Capital Markets (Hongkong) Limited (Trading as Aviate Global)	Religare Global Asset Management Japan Co. Ltd.	Tobler (Mauritius) Limited	Tobler UK Limited	Blamire Limited	Religare Hichens Harrison Consultoria Internacional Ltda
1	Capital	727,904	193,457	1,329	180,910,233	932,562,227	904,470,413	54,790,000	225,286,361	217,643,369	7,279	276,279
2	Share Application Money	-	-	-	-	-	-	-	-	-	-	-
3	Reserves/ (Accumulated Losses)	13,830,176	-	(25,959,933)	(83,646,945)	(970,066,513)	146,692,767	(52,669,337)	1,916,207	11,064,141	685,191	29,342,156
4	Total Assets	54,811,171	193,457	48,719	117,357,399	509,147,092	6,017,747,792	69,035,454	228,040,022	234,821,830	311,65,443	717,622
5	Total Liabilities	54,811,171	193,457	48,719	117,357,399	509,147,092	6,017,747,792	69,035,454	228,040,022	234,821,830	311,65,443	717,622
6	Investments	10,741,192	-	-	-	-	-	-	-	-	-	-
7	Total Income	83,053,846	-	-	31,288,799	447,496,301	(1,553,960,989)	20,648,588	1,055,460,800	141,504,538	-	-
8	Profit/(Loss) before taxation	(43,674,240)	(771,558)	(26,057,570)	(41,691,660)	(913,975,732)	(10,527,707)	(92,731,367)	1,050,703,511	1,338,615,456	-	(16,315,928)
9	Provision for taxation	-	-	-	99,875	-	(1,558,491)	130,126	-	329,522,141	-	-
10	Profit/(Loss) After taxation	(43,674,240)	(771,558)	(26,057,570)	(41,791,535)	(913,975,732)	(8,969,216)	(92,861,493)	1,050,703,511	1,009,093,315	-	(16,315,928)
11	Interim Dividend	-	-	-	-	-	-	-	-	-	-	-
	Exchange Rate	72.79	45.40	6.65	45.40	35.98	5.83	0.55	72.79	72.79	72.79	27.63
	Reporting Currency	GBP	USD	ZAR	USD	SGD	HKD	JPY	GBP	GBP	GBP	BRL



DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES

SI No.	Name of Holding/ Subsidiary	Subsidiary Companies										
		Religare Investment Holding (UK) Limited	Kyte Management Limited %	Religare Capital Markets (Singapore) Pte Limited	Religare Capital Markets (EMEA) Limited	Religare Capital Markets (USA) LLC	Religare Global Asset Management (HK) Limited	Hichens, Harrison (Middle East) Limited \$	London Wall Nominees Limited \$	Charterpace Limited \$	HH1803.com Limited \$ #	Hichens Harrison (Ventures) Limited \$
1	Capital	235,258,573	4,090,341,780	136,193,400	363,952,000	16,830,417	6	3,785	14,558,08	2,838,83	72,790,40	72.79
2	Share Application Money	-	-	-	-	-	-	-	-	-	-	-
3	Reserves/ (Accumulated Losses)	(291,162)	-	(36,030,100)	(232,201,376)	-	-	-	-	-	-	-
4	Total Assets	234,967,411	-	169,238,232	1,631,960,768	24,566,202	-	-	-	-	-	-
5	Total Liabilities	234,967,411	-	169,238,232	1,631,960,768	24,566,202	-	-	-	-	-	-
6	Investments	50,181,136	-	-	-	-	-	-	-	-	-	-
7	Total Income	-	-	365,996,428	96,811,232	45,318,672	-	-	-	-	-	-
8	Profit/(Loss) before taxation	(291,162)	-	23,748,770	(259,206,614)	(141,324,986)	-	-	-	-	-	-
9	Provision for taxation	-	-	-	(9,681,123)	137,601	-	-	-	-	-	-
10	Profit/(Loss) After taxation	(291,162)	-	23,748,770	(249,525,491)	(141,462,587)	-	-	-	-	-	-
11	Interim Dividend	-	-	-	-	-	-	-	-	-	-	-
	Exchange Rate	72.79	45.40	45.40	72.79	45.40	5.83	72.79	72.79	72.79	72.79	72.79
	Reporting Currency	GBP	USD	USD	GBP	USD	HKD	GBP	GBP	GBP	GBP	GBP

DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES

Sl No.	Name of Holding/ Subsidiary	Subsidiary Companies										
		Hichens Harrison (Far East) Pte. Ltd. \$	Religare Capital Markets International (UK) Limited	Religare Capital Markets International (Mauritius) Limited	Religare Securities Australia Pty. Ltd.	Strategic Research Limited	Relsec Nominees No. 1 Pty Limited	Relsec Nominees No. 2 Pty Limited	Bartleet Malloy Stockbrokers (P) Ltd.	Northgate Capital, LP	Northgate Capital, LLC	Religare Global Asset Management Inc.
1	Capital	35.98	9,039,332,426	6,595,901,512	327,355,924	2,059,248	94	94	21,820,863			10,896
2	Share Application Money		1,861,309,800	-	-				-			
3	Reserves/(Accumulated Losses)		(977,468,938)	(147,259,437)	(56,153,030)	18,891,702			263,057,497	(220,024,552)	223,093,380	(227,401,057)
4	Total Assets		13,857,508,060	12,575,409,427	287,835,041	21,747,500			503,122,595	220,024,552	478,282,562	3,953,033,353
5	Total Liabilities		13,857,508,060	12,575,409,427	287,835,041	21,747,500			503,122,595	220,024,552	478,282,562	3,953,033,353
6	Investments		32,557,471	-	-				236,198,780	-	-	-
7	Total Income		8,460,572	5,166,290	2,344,600	20,592,442			117,505,501	249,720,668	154,314,740	121,437,991
8	Profit/(Loss) before taxation		(269,127,528)	(69,555,822)	(44,466,974)	18,891,702			63,606,887	92,218,863	-	(169,224,676)
9	Provision for taxation		-	-	831,114	-			13,126,579	-	-	7,288,728
10	Profit/(Loss) After taxation		(269,127,528)	(69,555,822)	(45,298,088)	18,891,702			50,480,308	92,218,863	-	(176,513,404)
11	Interim Dividend		-	-	-				-	-	-	-
	Exchange Rate	35.98	45.40	45.40	46.81	0.41	46.81	46.81	0.41	45.40	45.40	45.40
	Reporting Currency	SGD	USD	USD	AUD	LKR	AUD	AUD	LKR	USD	USD	USD

Board controlled subsidiary

\$ Dormant Company

@ Since it is a Limited liability company therefore Members interest has been shown instead of capital which includes reserves and surplus

^^ Unaudited figures

% Since there is no requirement for preparation of its financial statement, only capital information shown.

For and on behalf of the Board of Directors

Sd/-
ANIL SAXENA
Director & Group Chief
Financial Officer
(DIN-01555425)

Sd/-
SHACHINDRA NATH
Director & Group Chief
Executive Officer
(DIN-00510618)

Sd/-
SUNIL GODHWANI
Chairman &
Managing Director
(DIN-00174831)

Sd/-
RAVI BATRA
Sr.Vice President - Corp. Affairs & Company Secretary

Place : New Delhi
Date : June 29, 2011



Religare is a Latin word that translates as '**to bind together**'. This name has been chosen to reflect the integrated nature of the services offered.

The Religare name is paired with the symbol of a four-leaf clover. Traditionally, it is considered good fortune to find a four-leaf clover as there is only one four-leaf clover for every 10,000 three-leaf clovers found.



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



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



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



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



The fourth and final leaf of the clover represents Good Fortune.
Signifying that rare ability to meld opportunity and planning with circumstance to generate those often looked for remunerative moments of success.



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