

May 18, 2026

The National Stock Exchange of India Ltd
Corporate Communications Department
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Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051

BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400001

Scrip Symbol: RELIGARE

Scrip Code: 532915

Subject: Transcript of earnings call held on Wednesday, May 13, 2026 at 04.00 P.M. IST

Dear Sir/Madam,

With reference to the captioned subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), please find enclosed transcript of Earnings Call with investors held on Wednesday, May 13, 2026 to discuss operational & financial performance of the Company for quarter and year ended March 31, 2026. The enclosed transcript has also been made available on the website of the Company at https://docs.religare.com/pdf/Religare%20Enterprises%20Limited_13%20May%202026.pdf

It is confirmed that aforementioned transcript does not contain any Unpublished Price Sensitive Information.

This is for your kind information and record.

For Religare Enterprises Limited

Anuj Jain
Company Secretary & Compliance Officer

Encl.: As above



“Religare Enterprises Limited
Q4 and FY26 Earnings Conference Call”

May 13, 2026



**MANAGEMENT: MR. ARJUN LAMBA- EXECUTIVE DIRECTOR –
RELIGARE ENTERPRISES LIMITED**

**MR. PRATUL GUPTA – CHIEF FINANCIAL OFFICER –
RELIGARE ENTERPRISES LIMITED**

**MANAGEMENT TEAM OF RELIGARE ENTERPRISES
LIMITED AND ITS SUBSIDIARIES**

MODERATOR: MS. ANISHA JAIN – ADFACTORS PR

Disclaimer: This transcript may contain transcription errors, despite an earnest effort toward accuracy. The Company accepts no responsibility or liability for any such errors. Minor editorial adjustments have been made solely to enhance clarity, not to alter the substance of the discussion.

Moderator: Ladies and gentlemen, good day, and welcome to the Q4 and FY '26 Earnings Conference Call of Religare Enterprises Limited (REL) hosted by Adfactors PR. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes.

Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference has been recorded. I now hand the conference over to Ms. Anisha Jain from Adfactors PR. Thank you, and over to you, Ms. Jain.

Anisha Jain: Thank you, Swapnali. Good day, everyone, and thank you for joining us today to discuss the Q4 and full year '26 business performance of Religare Enterprises and its subsidiaries. We have with us today the management of Religare Enterprises Limited and its subsidiaries. Before we proceed with this call, I would like to mention that some of the statements made in this call may be forward-looking in nature and may involve risks and uncertainties.

The company undertakes no obligation to update any forward-looking statements to reflect the developments that occur after the statement is made. Documents related to company's financial performance, including investor presentation, have been uploaded on the stock exchanges and on the company's website. I now hand over the call to Mr. Pratul Gupta, Chief Financial Officer, at Religare Enterprises Limited. Over to you, Pratul.

Pratul Gupta: Thank you, Anisha. Good evening, ladies and gentlemen. Welcome to our quarter 4 and full year FY '26 earnings conference call. I am grateful to you for your participation and continued interest in Religare Enterprises and its subsidiaries. FY '26 has been an important year for Religare. We moved from recovery to rebuilding with significant progress across leadership, governance, capital availability and regulatory response.

During the year, the Board of REL was substantially reconstituted with the appointment of Mr. Rajender Mohan Malla and Mr. Shrikant Somani as Independent Directors, followed by onboarding of Mr. Arjun Lamba, Mr. Gurumurthy Ramanathan and Mr. Suresh Mahalingam as Promoter Nominee Directors post the RBI approval in July 2025.

Mr. Lamba have subsequently been redesignated as Executive Director of REL from 1st April 2026. Across all the operating subsidiaries, the respective Boards have been strengthened with enhanced membership from the nominee directors as well as independent directors. I now take this opportunity to invite Mr. Arjun Lamba to give his opening remarks. Over to you, Arjun.

Arjun Lamba: Thank you, Pratul. And good evening, everyone. As I stated earlier in our press release, we are building a foundation on which we hope to build a profitable, scalable and sustainable business and remain committed to the same. To get to this stage, we are hiring the right talent, empowering them, incentivizing them. Some of the people you will be interacting with on this call are in the room with us and many more will be joining us in the future.

As part of this process, we are also streamlining the group's structure for efficiencies, both from a capital and a shareholder perspective. Adequate capital has also been raised. The platform is

now getting ready to give shape to the above vision for all 4 businesses. And you will hear more of about this going forward. I will now hand it over to Pratul from here.

Pratul Gupta:

Thank you, Arjun. So I am joined in the room by leadership of all the operating businesses. And once we get into individual businesses, I'll mention about them. Let me walk you through our investor presentation. The presentation has already been shared with you and is available in the Investor Relations section on our website as well as it has been uploaded on bourses. The respective speakers shall also be referring to this presentation during discussions.

I am now referring to Slide 4. While some of the audience may have seen this slide earlier, I would just like to refresh everyone's memory on our business overview. Religare Enterprises serves as the listed holding company, CIC, with stakes in India's second largest standalone health insurance company called Care Health Insurance as well as financial services businesses across Religare Broking (RBL); Religare Finvest (RFL), the MSME lending platform; Religare housing finance (RHDFCL), which focuses on affordable housing.

Moving to next slide. These are the key highlights for FY '26. As mentioned earlier, we have strengthened our leadership across different businesses, and I'll cover the details in the next slide. There is a strong promoter commitment from Burman Group for Religare. The promoters have subscribed to 50% of the preferential rights issue with commitment of INR750 crores during the year.

I must also mention here that during the last quarter, the promoter group also increased stake in the company through open market purchases and the current shareholding is around 30.3%. Upon conversion of outstanding warrants, this stake is expected to rise further. During the last quarter, the respective Boards of Religare Enterprises Limited and Religare Finvest Limited approved a demerger scheme to create 2 separately listed focused entities.

Under the proposed demerger, REL's lending, broking and ancillary financial services business will move to RFL, while REL will become a pure play health insurance holding company through its stake in Care Health Insurance business. Post the implementation of demerger, RFL will operate as an integrated financial services platform and REL shareholders shall receive 1 RFL share for every REL share held.

Referring to Slide 6. This just gives a snapshot of key management changes during the year. You have already been introduced to Mr. Lamba, he represents the promoter family. And as I mentioned earlier, he is now the Executive Director. The other key appointments are Mr. Ajay Kumar Shah, a founding team member of Care with over 30 years of industry experience.

He has been appointed as MD and CEO of Care Health Insurance in April 2026 and succeeds Mr. Anuj Gulati, who built Care as India's second largest standalone health insurer during his tenure. Alongside Mr. Manish Vishnu Dodeja, a member of founding team and an industry veteran, has also been appointed as Executive Director of Care Health.

At Religare Finvest, Mr. Srinivasan Karthik, with nearly 3 decades of banking and financial services experience, has been appointed as the CEO. He joins us from HDB Financial Services,

wherein he spent the large decade to build consumer and asset finance portfolio across several products. He also played a key role in the digital transformation of the company over the last few years.

At Religare Broking, Mr. Vijay Kumar Goel, joined us as Managing Director of RBL in February 2026. Vijay has spent over 14 years at Motilal Oswal managing different lines of businesses and is an industry veteran. At Religare Housing Finance, Mr. Pankaj Rathi has been appointed as Chief Financial Officer and Executive Director to spearhead the growth and expansion on the franchise. Mr. Rathi, served as CFO of Grihum Housing Finance, just before joining Religare.

Now moving on to numbers. We are on Slide 7. Slide 7 gives an overview of the financial performance of REL and its subsidiaries for Q4 as well as FY '26. In Q4 FY '26, REL reported a total income of INR2,473 crores on a consolidated basis. For the full year, the total income was INR8,493 crores, and reported PAT is at INR73.16 crores.

Significant subsidiary, Care, reported a GWP of INR3,511 crores during the last quarter of the fiscal and a PBT of INR274 crores. Both these numbers are on 'n' basis. For the full year, Care reported a GWP of INR11,417 crores and a PBT of INR539 crores. RFL reported a profit of INR89 crores in quarter 4 on account of improved recoveries and has a cash balance including liquid investments of over INR591 crores currently.

Religare Broking Limited reported an income of INR99 crores for quarter 4 and for the full year, INR373 crores with INR22 crores as PAT reported for the year. Religare Housing Finance reported a total income of around INR30 crores for FY '26 and INR8 crores for the quarter. The business reported a loss of INR18.6 crores for the year. I'm on Slide 8 now. This is just a snapshot of our income statement.

As I mentioned earlier, REL reported total income of INR8,493 crores against total income of INR7,405 crores reported last year. The total expenses is INR8,407 crores for this fiscal and a PBT of INR87 crores. The last year corresponding number for the PBT was INR243 crores. On Slide 9, we have got segmental reporting. The insurance business clocked a revenue of INR2,313 crores for the quarter and INR7,969 crores for the entire fiscal 2026.

Financial Services were at INR166 crores approximately for the quarter and INR537 crores for the entire year. The profitability for the insurance segment is at INR41 crores for the last quarter, while it reported a loss of approximately INR46.8 crores at PBT level for FY '26. For the Financial Services segment, PBT of INR127.5 crores was reported for the last quarter and INR152.3 crores on the annual basis. The corresponding assets and liabilities are also detailed in slide 9.

Now we will get into each operating business. I will hand over to Mr. Amrish Jindal, the CFO of Care Health Insurance, to take us through the details of health insurance company's performance. Over to you, Amrish.

Amrish Jindal:

Thank you, Pratul. Good evening, everyone. This has been a transformative year for India's insurance sector. The exemption of GST on individual health insurance policy materially improved affordability for customers by removing the 18% exposure, which supported stronger demand across the segment. As a result, the industry saw a robust momentum in retail health and grew at 30% in H2 of the FY26, and Care grew by 8% more than what industry grew in the same period.

In this financial year, we achieved multiple milestones. Our top line crossed INR10,000 crores mark as we delivered gross written premium of INR11,417 crores against INR9,200 crores in the previous year. Our profit before tax both under Ind AS on an 'n' basis crossed INR500 crores mark. Profit before tax under Ind AS grew by 55%, excluding the impact of mark-to-market on financial instruments, while on n basis it grew by 38%. We continue to deliver mid-teens ROE for the fourth consecutive financial year.

And this year, our credit rating was upgraded to AA family from A family, which helped us in raising a sub debt of INR100 crores this year. Now highlights for the quarter are as: Our retail business grew 37% year-on-year on a full premium basis, with continued market share gain in the retail health insurance. Total GWP grew by 29%, again on 'n' basis. Profit before tax for the quarter is INR275 crores.

And on a 1/n basis, it is INR107 crores. Our digital transformation continues. 96% of our policies are issued digitally, and over 87% of cashless claims are processed in less than 1 hour. Customer complaints and grievances, we keep on focusing on this area. It has declined in quarter 4 as compared to previous year.

Now let me walk you through the presentation. I'm on Slide 12. The company delivered a top line of INR11,417 crores on a full premium basis, reflecting 24% growth while retail health grew by 34%. Our AUM crossed INR10,000 crores milestone and stood at INR10,944 crores. We have a market share of 6.7% among industry and 22% within SAHI segment.

Our solvency ratio stood at 1.68. However, due to mark-to-market losses in the equity book, solvency was lower by 2 basis points. Excluding this impact, solvency ratio would have been 1.70. And our claim settlement ratio is 97%. Moving on to next slide, here on Slide 13.

Over the past 4 financial years, the company has delivered a strong CAGR of 30%. In the current year, the growth stands at 25%. Our retail health market share continued to expand, reaching 11.6% of the overall industry and 19.7% within SAHI. While 'n' basis, industry data for retail health is not available, just to give you a perspective, industry grew at 20% on 1/n basis and Care grew 9% higher than the industry, leading to gaining market share. Our organization is a multi-channel organization focusing on all channels where in agency channel contributes almost 42% of total GWP against 40% in the previous year. Additionally, the retail mix has improved by 5% this year, which takes it to 66% on 'n' basis.

Moving on to the next slide, we are on Slide 14. The investment book increased by over INR2,500 crores compared to March '25 driven by strong business growth and capital infusion of INR322 crores in September '25. Investment leverage stands at 4.07x. Portfolio mix consists

largely of bonds and G-Secs, which constitute 93% of the entire book. And investments are predominantly allocated to sovereign and highest rated instrument with only 6% of the portfolio deployed in AA rated instruments.

Moving on to the next slide. The company benefits from strong promoter commitment with a planned capital infusion of INR600 crores, of which INR256 crores has already been infused in September '25. We operate as a multichannel organization with a strong focus on retail health, offering products across all customer segments. Our distribution network is extensive with approximately 4.11 lakh agents. During the year, we added around 50,000 agents and currently, we have 239 corporate agents and bancassurance.

Continued focus on disciplined underwriting and efficient claims management has led to an improvement of 120 basis points in the combined ratio basis Ind As accounting. Now on Slide 16. This slide highlights the key capabilities of company's robust mobile app platform. There are 12.5 million app installations and currently, we have 1.2 million monthly active users. 70% of active retail customers are now available on the mobile.

The Slide 17, it compares company's financial performance across all 3 accounting methodologies, 1/n, 'n' and Ind AS. On a 1/n basis, profit before tax stood at INR18 crores compared with INR200 crores in the previous year. However, these figures are directly not comparable as the previous year reflected only 6 months on a 1/n basis, whereas current year represents a full year on a 1/n basis. On a n basis, profitability improved by 38% with profit before tax rising to INR539 crores from INR390 crores in the previous year.

Under Ind AS, profit before tax stood at INR519 crores compared with INR388 crores in the previous year. During this year, profit was impacted by a mark-to-market loss of INR64 crores on equity investment as of 31st March due to geopolitical reasons at the end of March. Excluding this impact, profit before tax would have been INR583 crores against INR377 crores in the previous year. The combined ratio under Ind AS improved by 120 basis points to 101.4%. Return on equity based on profit before tax increased to 19.9% from 17.7% in the previous year.

Moving on to Slide 18. Number on this slide, they are on 1/n basis and is not comparable with previous year. Under 1/n methodology, our top line is lower by INR1,000 crores and profitability is lower by INR521 crores compared with 'n' basis. Combined ratio basis 1/n is 106.7% against 102.8% previous year. Again, the numbers are not comparable. And basis 1/n Q4 is profitable with INR107 crores of profit before taxes.

Moving on to Slide 19. This slide presents a bridge between company's IGAAP financial and number reported under Ind AS. The impact of Ind AS 117 is INR565 crores for the current year. As highlighted earlier, the impact of Ind AS 109 arising from the mark-to-market loss on equity investment is INR64 crores. As a result, profit before tax stand at INR519 crores.

Excluding this impact, profit would be INR583 crores. Within other comprehensive income, a portion of the debt portfolio has been classified as held for sale, resulting into mark-to-market impact. However, since most of these securities are held in maturity and hence, the mark-to-market effect on the other comprehensive income is only notional in nature. Combined ratio

improved by 120 basis points, driven by a 100 basis point reduction in the loss ratio and 20 basis point improvement in the operating expense ratio. Our underwriting loss basis Ind AS is INR114 crores, which has improved in this year by almost INR50 crores.

On the next slide, this slide summarizes the equity bridge between Indian GAAP and Ind AS. As highlighted in the previous slide, the key difference arises primarily from the impact of Ind AS 117 and the mark-to-market effect on securities. Handing over back to you, Pratul.

Pratul Gupta:

Thank you, Amrith, for detailed overview. I now invite Mr. Vijay Kumar Goel, MD Religare Broking Limited, to give his remarks .

Vijay Kumar Goel:

Thank you, Pratul. Good evening, everyone. Slide number 22. During the quarter, we saw a sharp rebound. Our PBT grew by 79% Y-o-Y to INR12.9 crores. Our 41% growth we saw in the brokerage on the top line side, 44% growth we saw in the interest income, another 31% growth we saw Y-o-Y in the e-governance business. Overall, our funding book, the client debit book grew by 75% Y-o-Y.

On the full year basis for financial year '26, our overall top line saw a marginal decline by 2%, and it came down to INR373 crores. We saw our profit coming down by 26%. Segment, our e-governance business grew by 13% and our interest income grew by 9%. During the year, our e-governance business saw a business partner expansion from 52,000 to about 61,000. And we had a onetime charge regarding the new labour codes.

Slide number 23 -- this is just -- you all know about it. Overall, industry saw about 3 million accounts getting added in the last financial year. But overall, the activity ratio has been falling from 2022 when it was 40%, is now...

Moderator:

Sorry to interrupt in between, sir, as you're speaking, you're not audible.

Pratul Gupta:

Thank you, Swapnali. Mr. Goel will just finish his remarks. I think we missed the last one, one-and-a-half minute.

Vijay Kumar Goel:

Sorry for this interruption. Good evening once again. I'll quickly repeat what I spoke about on the Slide 24, please, previous slide. Thank you. So our total income Y-o-Y grew by 18% from INR83 crores to INR98 crores. On a yearly basis, our total income grew from INR382 crores -- came down from INR382 crores to INR373 crores. Our profit Y-o-Y was up by 79% from INR7.2 crores to INR12.9 crores.

And for the year, our profit before tax came down by 31% from INR42.9 crores to INR29.6 crores. Our net worth saw an increase by 6% from INR354 crores to INR376 crores. And our assets under custody remained flat in '26 over '25.

Slide number 25. Our daily turnover in the cash segment, Y-o-Y was up by 13%. And on a yearly basis, our cash turnover, daily average daily turnover came down by 20%. So last quarter, we did well. But overall, during the year, our turnover had come down.

On the derivative side, we saw a growth both Y-o-Y basis by 61%. And on a yearly basis also, our daily turnover was up by 8%. Our active clients, the NSE active clients on a yearly basis came down by about 2% from 250,000 to 245,000. But the unique traded clients on a Y-o-Y basis were down by 2%. On a yearly basis, they were down by 5% as compared to 148,000 clients who traded in 2025.

Last year, we saw about 140,000 clients trading on a yearly basis. Our financials, as I have already mentioned, you will see that our revenues are INR98 crores for this quarter and for the year, INR373 crores. And our profit after tax is INR11 crores for the last quarter. And for the full year, it is INR23 crores.

Next slide. I'll just quickly cover that now what are we trying to do in Religare Broking. We are now trying to repair the business. The work has already started and put it on a high-growth path. There are a few initiatives that we have already taken.

I'll just give you a quick brief. The first focus is to increase the traded clients. We have around 1 million registered clients, around 2.5 lakh clients who are active clients with us, and there are a lot of dormant accounts who can be reactivated. So there are processes and plans have been made to increase the active traded clients.

Second, we have already started the work on improving our technology, the core trading technology as well as the mobile and digitization, including some AI-related initiatives, and we are adding more products on the platform and improving the client experience as well as our team experience. There will be a sharp focus on growing the non-broking revenue through the interest income as well as the non-broking third-party distribution products like investment products and insurance products.

We already do those products, but we are going to ramp it up significantly in the coming years. And process-led execution, we already have hired, a person has joined who is a Six Sigma and Lean methodology expert, having experience -- long experience in financial services and similar organizations with an objective to improve a lot of processes and automate a lot of things to improve the experience and deliver consistent experience. Thank you.

Pratul Gupta:

Thank you, Vijay, for this detailed overview. We will now move to Religare Finvest Limited. We are on Slide 29, which gives you an overview of RFL. RFL is part of the Financial Services segment of Religare and is categorized as a middle layer NBFC. RFL currently has a core SME book of approximately INR60-odd crores, along with surplus fund balance of over INR590 crores.

The strong liquidity position has been made possible because of company's consistent focus on collections and recovery with collection efficiency remaining stable at around 98%. The NNPA stands at approximately 0.8% and CRAR is at 261%, well above regulatory requirements.

For the full year FY '26, we have delivered a PAT of INR139 crores on account of improved collections and recoveries with quarter 4 PAT alone coming in at INR89 crores. The NOF, which

is the key regulatory requirement stands at INR821 crores. The tangible net worth of the company is approximately INR900 crores, providing ample headroom for future growth.

The quarter marked continued recovery from the loan book following regulatory cleanup and asset quality remains stable, reflecting close portfolio monitoring. With the joining of Karthik, the CEO of RFL, the focus of the entire team is now towards building -- rebuilding and growing the company. The cash is available. Capital is in place, people are there. Platform is now ready to do the business for the various business lines.

Coming to Slide 30. While it may seem like a slightly busy slide, the key takeaways are straightforward. All legacy issues have been conclusively resolved. There are no cumulative ALM mismatches. Balance sheet is entirely debt-free. IT platforms are getting refurbished to support future business needs. And RFL is now slated to emerge as a strong governance-led capital strong institution that is ready to serve its clients.

Moving to Slide 31. Some of the key ratios. Total income for Q4, as I said earlier, stands at INR42.6 crores compared to INR22 crores for the same period last year, nearly double year-on-year. This growth, again, has been driven primarily by a strong uptick in interest income, which moved from INR18.2 crores as of last quarter of last fiscal to INR40.6 crores in the previous quarter, reflecting sustained improvement in collections and recoveries. Net worth has grown steadily and is now at INR900 crores.

These ratios collectively reflect the financial strength of the platform and how the business has been managed during this entire turnaround. On Slide 32, it is just a schematic of profit and loss statement. Pre-provision operating profit stood at INR17.6 crores for quarter 4 compared to INR2 crores in quarter 4 of last fiscal, substantial improvement driven by disciplined cost control along with revenue growth.

For the full year, total income was at INR121.9 crores against INR75.4 crores for the previous year. The turnaround, as I said earlier, is driven by recovery momentum in the loan book, improved collections and resolution of all legacy provisions.

These numbers collectively reflect the strength of the company to collect from NPA pool and the cash collection should now position RFL well for the next phase. I will now hand over to Mr. Pankaj Rathi, Chief Financial Officer, Religare Housing Finance, for his remarks. Over to you, Pankaj.

Pankaj Rathi:

Thank you, Pratul. Good evening, everyone. I've recently taken over as the CFO for the Housing Finance business. My immediate focus will be strengthening the foundation of the business, putting the right building blocks and creating a scalable platform for sustainable growth. Housing finance company primarily operates in affordable housing finance segment, offering home loans and loan against property with an average ticket size of about INR10 lakhs to INR11 lakhs.

At the end of the quarter, the assets under management stood at INR243 crores with product mix comprising of about 70% home loan and 30% loan against property. The company continues to

maintain a healthy capital adequacy ratio of about 130%. We continue to hold investment-grade ratings of BBB- from ICRA and CARE, reflecting the stability and resilience of the business. Currently, the company operates through a network of about 15 branches in 8 states in India. Our focus remains firmly on granular retail portfolio, supported by a strong capital base, which is about INR186 crores.

From an industry perspective, the affordable housing finance segment continues to benefit from strong structural tailwinds, supported by favorable government initiatives and increasing demand for affordable housing. In parallel, we also are undertaking a comprehensive IT transformation initiatives aimed at strengthening operational efficiency, enhancing customer experience and building a future-ready organization.

Moving to Slide 35. The Indian retail credit growth story remains robust with affordable mortgage segment continuing to witness healthy momentum. The affordable housing finance industry has been delivering AUM growth nearly about 20% annually. Even India's mortgage penetration stands at only about 11% of GDP compared to significantly higher levels in developed economies, the sector offers substantial long-term growth opportunities.

Moving to Slide 36, which highlights the key operating and financial ratios of the company. For the quarter ended March '26, the company reported revenue of about INR7.9 crores with an average yield on portfolio about 15%. During the quarter, we witnessed improvement in asset quality, both in GNPA and NNPA numbers declining to 3.5% and 2.5%, respectively. The company continues to maintain a comfortable capital position, well above the regulatory requirements.

Coming to Slide number 37, which presents company's quarterly financial performance. The total revenue witnessed a marginal increase of about INR7.9 crores from INR7.1 crores. At the same time, operating expenses were reduced to INR11.5 crores from INR13 crores, reflecting improved cost discipline and operational efficiencies. For the quarter, the company reported a loss of INR3.6 crores as compared to a loss of INR5.9 crores in the previous quarter.

On a full year basis, the loss is about INR18.6 crores versus INR12.8 crores during the previous year. Going forward, our focus will remain on driving business with sustainable growth, improving operational efficiencies, strengthening the asset quality numbers and progressively improving profitability. That's all from my side. Handing over to Pratul.

Pratul Gupta:

Thank you, Pankaj. With this, we end our presentation, and we are now open to take the questions. Back to you, Anisha and Swapnali.

Moderator:

We take the first question from the line of Sarvesh Gupta from Maximal Capital.

Sarvesh Gupta:

So the first question is directed towards Mr. Arjun Lamba since he is representing the promoters. So I think in the last call also, there were concerns raised regarding this demerger process and the holding company discount, which can be created because of this sort of a structure. So now in this last quarter, we have seen promoters increasing their stake by open market purchase as well as this in pending preferential allotment.

So this would significantly increase their shareholding in Religare. And hence, we wanted to understand if there is any further views on how we can avoid the holding company discount because of Care being subsidiary to a listed firm?

Arjun Lamba:

Yes. Thanks for the question. Yes, the promoters have increased their stake in the last quarter. I think the increase has been to the tune of roughly 4%. And post conversion of the warrants, assuming everybody converts their warrants, I mean, promoters should be close to about 34%. And this is -- I mean, it is a logical step. And we believe that the structure that we put in place sets a path. And for the current moment, that's the right structure.

As and when things sort of materialize or change, we will get back to you, but we understand your concern, and we well acknowledge what the investors are saying. So I'll stop it at that. And for us, number one has been to separate the FS business from the insurance business and to provide a clean structure so that the shareholders can understand, the management can be very focused in doing what they have to do.

And whereas this question from yourself and other shareholders, which was there on the call, we will keep this at the back of our minds, and we will see what we have to do at an appropriate stage.

Sarvesh Gupta:

Okay. And if we were to go down on that path, can this be being done parallelly? Or it has to be done sequentially once the current scheme of arrangement gets over, which will take at least a year from now?

Arjun Lamba:

We will evaluate all this. I mean, we will evaluate all this, and we'll get back to you. And because these are complicated -- these restructurings are complicated, as you know, and they are time consuming as well. There are a lot of regulations and regulatory bodies that have to approve the same. So we'll get back to you on this.

Sarvesh Gupta:

One more question was...

Moderator:

Sorry to interrupt in between Sarvesh. I would request you to please re-join the queue again for more questions. Thank you, we will take the next question from the line of Adarsh from Enam Holdings.

Adarsh:

Yes, sir. So the first question is on Care. We did -- we put out our numbers on IFRS. So just wanted to understand a lot of our peers, obviously listed separately, do indicate, especially Niva does indicate their growth outcomes that they expect and where combines are likely to go. And hence, we get a good sense of kind of profitability.

Things kind of turned a little bit for health insurance, at least on the underwriting side this year going by numbers of all the companies. So if you can provide some clarity on that? And maybe after this, I'll take one question on the structuring.

Ajay Shah:

Thanks, Adarsh. This is Ajay Shah from Care. So on the tailwinds, have started with the sector from October. October to March, we saw a healthy growth of 40% in retail compared to 27% in

Half 1. And we have no reason to believe why these tailwinds will not continue. So I'm bullish on the sector. On the profitability, see, currently, our combined is at 101.4%. It should come down near 100% in 2 years' time line.

But more important, this combined ratio will not come because of claims or anything. This combined ratio will come because operating leverage will be better. And I expect renewal cost operating leverage will be the only game changer in this.

Adarsh: So sir, if you're saying 100 -- closer to 102% goes to 100%, broad sense, would you think the profit of Care goes closer to about INR800 crores? Would that be a fair number, maybe INR700 crores to INR800 crores because...

Ajay Shah: That you can take out very clearly. That's okay. But we are only balancing ourselves on the combined ratio. That's the only measure we do.

Adarsh: Understood. Fair. Sir, the second question, again, on the structure, while you've tried to clarify was that, as you said, there has been a creeping acquisition and post conversion for a separately listed life insurer, I believe the promoter shareholding should be 26%. In this case, we would be -- the Dabur family would still be short of it in case shares are directly issued. So what's the journey we can expect?

Because even while we came out with the structure and a large part of the value comes from Care, there is still limited clarity on potential time line on when one can see a clean Care share for the shareholders.

Arjun Lamba: Adarsh, I think the promoters have done what we wanted to or they wanted to do. I think the warrants itself convert by the end of March next year. There is time in that. And the shareholding is what it is. I mean, that's a number that is there fixed and etched in stone. And we will see at an appropriate time what we have to do. I mean, I cannot give you a clear-cut guidance as to when -- what will happen, but we've heard you out.

And we'll see what we have to do and when we have to do. Yes, we understand that the value is in Care. We are cognizant of that. That's why we are separating the entities, creating clear paths, and we hope to create value in the other entity as well, but well acknowledged what your question is, but I hope I have been able to answer what you asked me.

Moderator: We will take the next question from the line of Niharika Karnani from CapGrow Capital.

Niharika Karnani: A couple of questions. So first is, how do we plan to ramp up the NBFC division? And how do we plan to deploy the excess capital there?

Arjun Lamba: So Karthik is here, our new CEO, who just joined us about literally this week. So please excuse him. I mean he'll give a few thoughts. We obviously want -- I'll just give a broad motherhood statement, and then he can take it up from there. We want to kick start the NBFC. We want to be a multiproduct NBFC. We have this cash. It's all unlevered.

We have to get our credit rating where we want it to be. Promoters are strong. So I think with this preamble, I think we should be able to start. And after that, it all depends on execution. I'll ask Karthik to fill us in a little bit.

Karthik Srinivasan: Yes. Thanks, Arjun. So the aim is to create a multiline NBFC, launching products over a reasonable period in terms of conceptualization, preparedness in terms of technology platform and eventual launch into the market. So I think that's what we are going to see over the next couple of quarters from the NBFC.

Niharika Karnani: Okay. Okay. And sir, my second question is, as per IRDA, promoters of Religare should hold 25% in Care Health Insurance. So are promoters contemplating...

Moderator: Sorry to interrupt in between Niharika. Your voice is breaking in between.

Niharika Karnani: Can you hear me now?

Moderator: Yes, please proceed.

Niharika Karnani: So as per IRDA, promoters of Religare should hold 25% in Care health insurance. So are the promoters contemplating increasing their stake in Religare to meet this regulatory requirement?

Arjun Lamba: Niharika, I think it's 26%, if I'm correct. But yes, 25%, 26%, that's the right thing. We've increased our stake last quarter. We'll see as and when at an appropriate time, we'll see what we have to do, and we'll keep you guys informed as and when we do something. But we are well aware of these facts and figures.

Niharika Karnani: Okay. Okay. Understood. So is there any plan of bringing in strategic investor on board, given Kedaara Capital might want to exit? Or what are your thoughts on this?

Arjun Lamba: So we've not heard that Kedaara wants to exit, but that's a question that Kedaara would answer, but I do not -- we have not heard that they want to exit. I think they are our long-term partners in this investment, and I think they remain committed to the cause as well.

Moderator: We will take the next question from the line of Vikas Srivastava from RBC Financial Services.

Vikas Srivastava: Arjun, as you would have realized, there's only one thought on the shareholders' mind today. What about the reverse merger of Care? And I think the previous people asked the same question. And to be honest, we haven't got a clear answer on this. If Kedaara is a long term -- as there are some legal issues, which the previous person asked, can we amend -- is it possible legally to amend the current demerger in case you are able, for example, to either get Anuj as a promoter or Kedaara as a promoter, it was good to hear that Kedaara are long-term investors.

That's one question. And related to that, can the promoters buy more stock in this financial year? Considering -- without violating the creeping acquisition takeover code. I'm assuming you can't because you're already going up 2% because of your preferential allotment. So there's a big gap between the look-through from 19% to 26%, that's 7%. Every shareholder today has that.

So I'm saying, are there any conversations with either Anuj or Kedaara? Is there a possibility that they could become promoters because I don't see the Burman family getting to 26%. Is there a possibility that they could join hands and become promoters? And the last question was a legal question. Can the current scheme be amended if we were able to get to that number of 26%?

Arjun Lamba:

No, I'll answer your last question first. We don't want to amend the scheme. Whether a subsequent scheme can be done, when it can be done, we shall see at an appropriate time. Now whether we can increase our stake to 26%, that is speculative. Time will tell. We have taken a first step. What can happen with our other partners, that's an open question, and we have not sort of decided anything on this front just now, and we'll take our thoughts on board.

And we hear, again, as I said to the last participant that we acknowledge and well taken. And we've listened -- we've just also onboarded ourselves. We are streamlining everything, and we are conscious of what the shareholders want. And we will apply our minds and collectively, and we'll keep interacting with you, and we'll discuss this topic in detail when we have a plan and a view.

Vikas Srivastava:

My second question was on Anuj. Is he going to have any -- Anuj Gulati, is he going to have any role now that he is resigned? Is there any conversations or any discussion considering with his experience and he's been a founder of any continuing role in Care going forward?

Arjun Lamba:

So I'll just answer that question before the Care folks also answer. See, Anuj's term -- 15-year term is what is allowed as per IRDA and his term has come to an end now. And Anuj remains a 5.5% shareholder. We are very thankful, grateful to him. We have a great equation. And I'm sure he and we all have the best interest of the company at heart. But at Care, Anuj cannot be there for a period of 2 to 3 years, if my memory serves me correct. And that's per IRDA guidelines.

Moderator:

We will take the next question from the line of Dixit Doshi from White Stone Financial Advisors Private Limited.

Dixit Doshi:

So some of my questions have been answered. Just a couple of things. If you can broadly mention about the Religare Housing Finance and the Religare Finvest...

Moderator:

Sorry to interrupt in between Dixit, could you please use your handset mode?

Dixit Doshi:

Yes. Is it better now?

Moderator:

You may proceed.

Dixit Doshi:

So some of my questions have been answered. Just a couple of things. For the NBFC and the housing finance business, if you can broadly touch upon that for NBFC, which kind of product we are targeting or at what yield or NIM we are targeting? And will it be like a branch-led model or a digital model? If you can just give some rough picture.

Karthik Srinivasan:

Yes. So this is Karthik here. I'll attempt at answering your question. But as Arjun said, these are early days for me, just getting my head around the entire structure in terms of the art of the

possible here. But to come to your question, basically, it will be a mix of secured and unsecured products with a reliance on -- with a higher mix for the secured products. In terms of what is the distribution model, I think today, there are certain products which require a local presence.

There will be a need for a physical infrastructure, office branch, et cetera. And there are products which are basically location agnostic where entire onboarding, underwriting, servicing, et cetera, can be done digitally. So it will be a combination. There are certain products, which will require a physical presence. There will be branch-led, but there are many products, which are slightly typically low-ticket products, which will be completely done in a centralized manner.

Pankaj Rathi:

Okay. For the housing finance business, as a housing finance company, we are supposed to focus on home loans because we have to meet a regulatory threshold of 60% principal business criteria. Our focus will be home loans to the extent of about 60% to 70%, balance will be loan against property. These will be retail, granular, secured. Of course, this is what we do. And our ticket size would be about INR10 lakhs to INR11 lakhs right now we operate.

And it could obviously -- it will be below INR15 lakhs or so in terms of our strategy. It will be both in terms of digital sourcing and branch-led, but largely because these are Tier 2, Tier 3 city play, it will be through the branch network, and we will have adequate infra as we go along. These are the products, which we will cater from housing finance company.

Moderator:

We will take the next question from the line of Chintan Mehta from Puniska Family Office.

Chintan Mehta:

Sir, I just wanted to know when we are going to start disbursement in our Finvest and Housing Finance division. Currently, we are doing -- acquiring books or files or we have not started yet? And any target in mind in next 2, 3, 5 years kind of achieving any target of INR5,000 crores or INR10,000 crores kind of? I think so new leadership, vision has been set up. So if you have any?

Pankaj Rathi:

Yes. So currently, we are doing insignificant, I would say, about INR10 crores a month, less than that. But as we go along and get the first round of capital, we'll start putting in blocks in terms of our infra and expansion both. And obviously, it will be supported by investment on the front line, on the technology and all of that. We can't put a number right now in terms of how much we will -- going to do in another 5 years, 10 years.

But yes, the opportunity set is really pretty large. And I'm sure you would agree to that. But yes, we will start business gradually and slowly and increase the momentum.

Pratul Gupta:

These observations are for housing finance. I think, Karthik, would like to add.

Karthik Srinivasan:

Yes. For the NBFC division, I think there is a period of preparation when we put the entire technology stack in place. As probably you are well aware, today's business is as much controlled by technology as much as the people process and internal systems. So there will be a period of buildup in terms of preparation time. And once we do that, I think the scale-up will be fairly rapid in terms of distribution, getting national pan-India.

I think that's how we visualize this. And we'll definitely keep you posted, I think, more on a quarter-wise basis in terms of what the near-term visibility in terms of specific product launches as we move forward.

Chintan Mehta: Okay. If you can do it early in your guidance because that would be great. And the second question is related to Lakshmi Vilas Bank deposit case, where we are at? And what was the last -- whether in favor or not in favor, what's happening there?

Arjun Lamba: LVB case is sub-judice. We are obviously going to make best efforts to recover these money because it was an FD that was fraudulently taken away from RFL. So we have now initiated legal proceedings in the Delhi High Court. And we will keep you updated. But be rest assured, as our fiduciary responsibility, we'll be making best efforts to get this money. And we do believe over time, we should hopefully be successful.

Moderator: We will take the next question from the line of Parvesh Patel from Patel Investments.

Parvesh Patel: My questions are more in the line of a valuation perspective. So the first one is that over the medium term, 2 to 3 years, can you give me a strategic roadmap for...

Pratul Gupta: There is lot of echo, we couldn't understand your question. Could I request you to just keep the mouth away.

Arjun Lamba: Can you try again, there is a lot of echo, please.

Parvesh Patel: Is it better now?

Pratul Gupta: Yes.

Parvesh Patel: Yes. So my question is more on the valuation side of the -- and the modeling side of the business. So over the medium term, let's say, 2, 3 years, can you help me with the strategic roadmap for our verticals like insurance or broking, NBFC, housing finance, more so in terms of growth aspiration and capital allocation?

Arjun Lamba: So Parvesh, I think we obviously raised capital at REL level to fund the growth of each of these businesses. And I'll just break it up. Out of the INR1,500 crores, INR600 crores is going to Care, INR250 crores is going to the housing finance company, INR200 crores is going to the broking entity. And there's about INR375-odd crores, which is a general corporate purpose fund, which can be allocated depends on the need of these businesses.

RFL, as you know, the NBFC is well capitalized with about INR900 crores - INR1,000 crores net worth and INR600-odd crores cash sitting with it. So that obviously does not require any capital. Our intent is to scale all of these business to make them meaningful and sizable and part of this demerger is on account of this. And as these business teams with Karthik and Vijay and Pankaj and all get comfortable in their positions, we will update you on the business plans on a quarterly basis, and I think we'll be able to share more.

But be rest assured, our aspirations are to grow these businesses, and that will be the endeavor of the management of each of these businesses. Care is, in any case, growing very strongly. They've grown at a healthy 24% plus. I think we plan to hopefully maintain momentum, and Ajay and Ambrish can say a little bit about that. I think they are best suited to say that.

Ajay Shah: So tailwinds remain with the sector, and we should be able to capitalize on that.

Parvesh Patel: Sir, my second question was moving towards Care itself. So as you said, we have delivered a strong GWP currently, and we have also gained market share. So I just wanted to know, moving forward, what is the kind of sustainable growth rate that we are looking at probably over the next 3, 4 years?

Ajay Shah: Yes. So we are expecting a healthy growth rate, but the way we measure it, we should be growing better than the industry. That's the only benchmark that we carry.

Parvesh Patel: Got it. If you could give a range to me, that would be better.

Ajay Shah: Range can be anything between 18% to 24%.

Moderator: We will take the next question from the line of Karina Kaur from Starklume Capital.

Karina Kaur: My question is, is the leadership and management largely in place? Or are you looking at adding more senior people and in which business?

Arjun Lamba: So that's a simple question to answer. So most of our leadership, at least at the CXO level, CEOs and CFOs are there. I think what is required is the CEO for the HFC business. We are in the process of that. And CTOs will be coming in for each of these companies. And then it will be BAU going from here. But that's ongoing process. And I think we are making good headway on this process as well.

Karina Kaur: Okay. My second question is, do you expect the individual businesses to turn around in FY '27 and report profit in the same?

Arjun Lamba: So just our NBFC is already reporting profit. Our broking business is already reporting profit. Our HFC is the only one that is not reporting profit. I think maybe give it another 12 to 18 months. I think that would be a fair ask because you have to scale up and scale up will require some opex and capex. So just give us 12 to 18 months on that.

Moderator: Ladies and gentlemen, we will take as the last question. I now hand the conference over to Mr. Pratul Gupta for the closing comments. Thank you, and over to you, sir.

Pratul Gupta: Thank you, Swapnali and Anisha. We thank our shareholders for their faith in us, our customers for choosing our product and services, regulators for their engagement, our employees for their dedication and hard work. I also thank the entire leadership team present here with me in the room for taking out time and responding to our investors. Thank you, everyone, and wish you a good evening.

Moderator:

Thank you, members of the management. On behalf of Religare Enterprises Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines. Thank you.