February 20, 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

<u>Subject: Transcript of earnings call held on Monday, February 16, 2026 at 04.00 P.M. IST</u>

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 Monday, February 16, 2026 to discuss operational & financial performance of the Company for quarter and year to date ended December 31, 2025. The enclosed transcript has also been made available on the website of the Company at https://docs.religare.com/pdf/Religare-Enterprises-Limited_16-Feb-2026_1.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It is confirmed that aforementioned transcript does not contain any Unpublished Price Sensitive Information.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

Digitally signed by ANUJ JAIN
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"Religare Enterprises Limited

Q3 & 9M FY'26 Earnings Conference Call"

February 16, 2026

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

MANAGEMENT TEAM OF RELIGARE ENTERPRISES LIMITED AND SUBSIDIARIES

MODERATOR: **MS. MANASI BODAS – 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 Q3 and nine months FY '26 Earnings Conference Call of Religare Enterprises Limited 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.

I now hand the conference over to Ms. Manasi Bodas from Adfactors PR. Thank you, and over to you, Ms. Manasi.

Manasi Bodas: Thank you, Rutuja. Good evening, everyone, and thank you for joining us today to discuss Q3 and nine months FY '26 business performance. We have with us management of Religare 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 also undertakes no obligation to update any forward-looking statements to reflect developments that occurs 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 from Religare Enterprises Limited. Over to you, sir.

Pratul Gupta: Thank you, Manasi. Good afternoon, ladies and gentlemen, and welcome to Religare Enterprises Limited Quarter 3 FY '26 Earnings Conference Call. I am Pratul Gupta, CFO of the company, and I'm happy to host this session, marking our continued commitment to transparent engagement with investors and analysts following our first call, which happened in November 2025. In the room, we have senior management from Religare and its subsidiaries.

Today's session will cover detailed updates before transitioning to Q&A. I referred the presentation already before you since it has been uploaded on bourses. It is also available in IR section of our website.

Referring to Slide number 5, business overview. While some of the audience may have seen this slide earlier, I would just like to refresh everyone's memory. Religare Enterprises serves as the listed holding company, CIC, with stakes in high potential financial services business across Care Health Insurance, which is India's second largest stand-alone health insurer; Religare Broking, which is into retail-focused securities broking along with e-governance business; Religare Finvest, the SME lending platform; and Religare Housing Finance, which focuses on affordable housing.

Moving to Slide 6. The group structure is as depicted in the slide. We have listed Religare Enterprises, below which there is Care Health Insurance, wherein Religare Enterprises holds 63.2% share. We also have a wholly owned subsidiary called Religare Broking Limited, which in turn also holds Religare Digital Solutions Limited, which is its wholly owned subsidiary.

The SME platform, Religare Finvest Limited, which is another arm of lending segment, is a wholly owned subsidiary and Religare Housing Finance -- Housing Development Finance Corporation is a significant subsidiary, which is below Religare Finvest. Religare holds majority strategic stakes across insurance and financial services platforms, which we believe are ready for growth.

Moving to Slide 7. At an industry level, the quarter ended December marked a broad-based performance across India's financial services sector. The NBFC ecosystem demonstrated resilience with industry AUM growth. Capital markets activity continued to benefit from strong retail participation and sustained domestic SIP inflows supporting broking and asset management businesses. For insurance businesses, after a brief hiatus due to GST changes, the activity returned back with a lot of vigor.

With respect to the business environment for REL businesses for Q3 FY '26, we navigated a mixed operating environment during the quarter. Our performance reflects disciplined execution across our diversified financial services businesses. The group results this quarter, absorbed onetime employee benefit provisions related to past service liabilities. Excluding these non-recurring items, our core operating performance remained stable, supported by healthy franchise momentum.

As a diversified platform, we continue to see opportunity from the strengthening credit cycle and supportive policy environment. Our approach remains deliberate, focused on building strong operating foundation rather than chasing short-term growth. We have focused on governance via Board reconstitution as well with 3 promoter nominees added in July 2025.

Further, the Board has proposed the induction of 3 promoter family members, Dr. Anand Burman, Mr. Mohit Burman and Mr. Aditya Chand Burman as additional directors, along with Mr. Jimeet Modi from SAMCO Group as additional Director. They will be designated as Non - Executive and Non - Independent Directors subject to necessary regulatory approvals.

We have also strengthened leadership across the group. We have Mr. Vijay Goel joining as Managing Director of Religare Broking. Recently, we also welcomed Mr. Babu Rao from Bajaj Finance as Group General Counsel and Group Chief Compliance Officer; and Mr. Indranil Choudhury as Group CHRO, who earlier served as CHRO for UTI Mutual Fund. REL continues to maintain a strong capital and liquidity position, providing flexibility to its operating businesses to support growth, drive stabilization and pursue value-accretive investments.

Capital allocation during the quarter remained measured and selective aligned with each subsidiary's requirement. Our focus remains on preserving balance sheet strength while providing funding support to businesses as per their growth plans. Our priorities continue to be to allocate capital in line with risk-adjusted return potential, reinforce governance, operating discipline and risk controls across all businesses and position the group to compound value over medium to long term.

Business-specific observations are summarized in Slide 7 across business segments, including insurance and financial services. Now let me give you a snapshot of income statement. At the consolidated level, the company clocked a total income of INR2,067.9 crores against INR1,670.2 crores for the corresponding quarter last year.

I'm on Slide 8. On a nine month basis, the income reported is INR6,033.1 crores against income of INR5,355.6 crores for the same period last year. The total expenses for the period were INR2,171 crores and a negative PBT of INR103.1 crores. The corresponding number for last year was a negative INR78.9 crores.

On Slide 9, we have segmental reporting in terms of segments. The insurance business clocked a revenue of INR1,931.9 crores, whereas Financial Services were at INR143.1 crores. The profitability for the insurance segment was a negative of INR111.2 crores, whereas Financial Services reported a profit of INR8.5 crores after accounting for onetime line items, including wage code provisions as well as write-down of investments in case of RFL. The corresponding assets and liabilities are also detailed on Slide 9.

On a stand-alone basis, referring to Slide 10, the total income was INR2.4 crores against a total expense of INR13.8 crores, leading to a loss of INR11.4 crores before tax during the quarter. Just to remind the audience, the numbers pertain in case of stand-alone only to CIC Holding Company.

We will now dive into the performance of each business, starting with Care Health Insurance. And I would like to hand over the floor to Mr. Ambrish Jindal, CFO of Care Health Insurance Limited. Over to you, Ambrish.

Ambrish Jindal: Thank you, Pratul. Good afternoon, everyone. This has been a transformative quarter for India's insurance sector. The insurance amendment bill was passed during this quarter, enabling 100% FDI. Also, this was the first full quarter following the GST exemption on individual health and life insurance policy. This exemption has materially improved affordability for customers. We also saw the new labor code come into force.

Highlights for the quarter are, our retail business during the quarter improved 41% year-on-year on a full premium basis with continued market share gains in retail health insurance. The company remained profitable for the quarter on a full premium basis, maintaining our track record of profitability since financial year '18/'19. We achieved the credit rating upgrade from A+ to AA-, reflecting our strengthening financial position.

Our digital transformation continues. 96% of policies are issued digitally and over 76% of cashless claims are processed within 30 minutes. Customer complaints declined as compared to the preceding quarter. The new labor code did impact our financials with an approximate INR13.5 crores, which is a onetime charge for this quarter.

Now let me walk you through to the presentation. I'm on Slide number 12. Company achieved a top line of INR7,906 crores on a full premium basis with a growth of 21.5%, wherein this quarter, retail growth from proprietary channel is 41%. Our AUM growth crossed INR10,000 crores milestone. The investment book increased by over INR1,800 crores compared to March '25, driven by business growth and INR322 crores of capital infusion in the month of September

'25. Company has a solvency of 1.70 as at the end of quarter 3. Our combined ratio improved by 110 basis points on a YTD basis. We have a market share of 9.9% among private players and 22% within SAHI segment. And our claims settlement ratio is 97%.

Moving on to the next slide. Over the previous three years, we grew at a CAGR of 33%. And in this current year on a full premium basis, we grew at 21.5%. Our retail health market share continues to expand, currently at 11.4% of the industry and 19.5% amongst SAHIs. While industry numbers on a full premium basis, they are not available for retail health, but just to give you a perspective, industry grew at 16.5% basis on 1/n for retail health, wherein SAHI grew at 18.75% and we grew at 23.3%, resulting into increase in our market share.

The organization is a multichannel organization, focusing on all channels, wherein agency channel contributes almost 40% of the total GWP. Our retail book constitutes approximately 63%.

Now I am on slide 14. All numbers in this slide they are on a full premium basis. Our profitability as on December '25 is INR265 crores against a PBT of INR92 crores in the same period last year. Underwriting results are also improved in this financial year as compared to previous year. The underwriting results they are improved by 23%. If we remove the one-time impact of the labor code, then the underwriting results they are improved by 27% as compared to previous year.

Claim ratio on a YTD basis has increased by 2.7%. However, combined ratio have improved by 1.1% as compared to previous year. Our expense of management continues to decline as we benefit from scale and digital adoption, and we remain fully compliant with EOM regulations. Our investment book of INR10,246 crores is consistently delivering a yield in the range of 7.2% to 7.3%.

Moving on to the next slide. Numbers on this slide they are on a 1/n basis and hence they are not comparable. But just to give you a perspective, under 1/n basis, our top line is lower by INR734 crores and profitability is lower by INR354 crores compared to full premium basis for the first nine months. For this quarter, top line is lower by INR181 crores and profitability is lower by INR200 crores.

Now this is purely a timing difference, not an economic loss. Under the earlier accounting, just to give you an example, if we sold a three-year policy for INR30,000, the entire amount was recognized as gross written premium in year one. Under the new 1/n methodology, we now recognize only one-third, that is 10,000 in the year we write the business, and the balance 20,000 in the following two years.

As a result, in the year of sale our reported top line and profit looked lower than under the old method because a portion of the premium and the corresponding profit are pushed into the future years. Hence, this is only deferral of premium and profitability will accrue over a period of time. Thank you.

We keep on expanding proprietary participation, we keep -- as we also highlighted we are an omni-channel organization so we keep on focusing on all the channels within the -- that are present in the health insurance space. We are investing a lot on the technology and we are the only company who distribute commission on a daily basis.

We keep on innovating on our products and wellness integration, and we have also started Gift City operations last year. We are acting as a reinsurer for foreign insurance companies they are based out of Dubai and Middle East and this is how we are expanding over the years.

Thank you. Yes, and handing over to Pratul.

Pratul Gupta: Thank you, Ambrish, for this detailed snapshot. I now invite Mr. Vijay Kumar Goel, MD of Religare Broking Limited, to give his comments. Just to introduce Mr. Goel, he joined Religare Broking recently as Managing Director effective February 2. He has got more than 30 years of experience in financial services, having spent 11 years with Aditya Birla Financial Services and 16 years with Motilal Oswal.

Previously, he was the CEO and MD of broking and Distribution, Private Wealth Management Business and Home Finance Business with the Motilal Oswal. Before joining Religare Broking, he was self-employed having a professional practice as an executive coach and business growth consultant. He is a Chartered Accountant as well as the Cost Accountant. Over to you, Vijay. Thank you.

Vijay Kumar Goel: Thank you, Pratul. Good evening, everyone. Quick update on Religare Broking. Our revenue YoY was up by 12% from INR81.5 crores to INR91 crores. Our client debit book, known as MTF popularly in the market, as well as the short-term debit book, was up by 93% YoY from INR165 to INR317 crores.

The clients traded / unique clients traded, YoY came down by 11% for us as against the, at industry level, this number came down by 12%. So we did slightly better than industry out there. The e-governance business grew by 21% YoY.

Now moving on to slide 19, this just shows that our e-governance business is largely franchise-driven and technology-driven across the country where we have more than 50,000 agents selling various small value solutions to lot of rural and semi-urban clients.

Slide number 20, if you move, you will observe that at an industry level, the overall Demat accounts in last five years have grown from 5.5 crores to now about 21.5 crores. But the active ratio, basically the clients who are trading with the exchanges, has been consistently coming down. In '22, it peaked at 40% of all the clients registered with Demat accounts, which has now come down to 21%.

Slide number 21, as I already mentioned at the beginning, that our revenue year-on-year grew from INR81.5 to INR91 crores. The PBT, Profit Before Tax, grew sharply by about 893% from INR70 lakhs to about INR6.6 crores. Our net worth is showing steady growth from INR350 crores to about INR366.6 crores. And assets under custody, which is the Demat balances that we hold for clients, is about INR42,642 crore. If you look at the quarter four of last year, you will find a very good growth from INR37,847 crores.

Moving on to slide 22, our daily turnover for cash market is INR276 crores for the quarter that we are discussing. Our derivatives turnover was about INR9,782 crores, which grew YoY as well as from quarter 4 of last year. Our active clients is slightly down. Active clients basically mean the clients who are eligible to trade as per National Stock Exchange criteria. And the unique traded clients I already mentioned earlier has come down by about 11%, the fall which is lesser than the industry fall of 12%.

Moving on to slide 23, these are our financial numbers. Our income INR91 crores as compared to INR81 crores on a basis. Our total income is INR274.7 crores as against INR299.30 for the corresponding nine months previous year. Our profit before tax for the quarter under review INR6.56 crores, YoY INR 0.67 crores, the growth is from INR0.67 to INR6.56 crores. On nine-month basis, our profit is INR16.71 crores this year as against INR35.68 crores for the last year.

Moving on to slide 24. We understand, that we are seeing, as Pratul also mentioned, lot of retail participation increasingly driven by SIP as well as the prosperity as well as the digital revolution that has taken place. And that opens up an opportunity for us to acquire lot of new clients, which will continue to do. Focus remains on activating lot of clients that are already registered with us and also launching new products on non-broking as well as on broking platforms, as well as investing in our digital platform to make it a very strong and scalable platform.

That's it. Thank you.

Pratul Gupta: Thank you, Vijay. We now move over to Religare Finvest Limited.

We are on slide 26. Religare Finvest Limited is a part of financial services segment of Religare and it is categorized as a middle layer NBFC. RFL currently has a core book of SME of INR70 crores which is left, along with a cash balance of INR480 crores. This kind of cash collection has been possible because of our tremendous focus on collections and recovery. Our collection efficiency continues to be 99% or thereabouts.

Our net NPA ratio has continued to be very stable and is at 1%, and CRAR, which is the regulatory ratio, is at 228%. This quarter marked continued recovery from the loan book following regulatory clean-up. Asset quality remained stable, reflecting close portfolio monitoring.

The focus of the employees also made sure that the organization is ready for the next phase of rebuilding the business and growth with the leadership team being there. As I mentioned earlier, the cash is available, there is enough capital by way of net worth in excess of INR800 crores, and the platform is ready for next business line that we choose to adopt. During the quarter, the board has been strengthened with members from the promoter group as well as addition of independent directors.

Coming to slide 27, while it seems a busy slide, my takeaway is all the legacy issues have been resolved now, there are no cumulative ALM mismatches in any of the buckets, and our IT platforms are currently getting refurbished to take care of future business needs as and when we restart the business. To take you through the financials, I'll request Mr. Prakash Jejani, the CFO of Religare Finvest to give his comments.

Prakash Jejani: Thank you, Pratul. Good evening, everyone. I'm Prakash Jejani, CFO of RFL. Slide number 28 gives you key ratio over the few quarters. Our total income is at INR39.6 crores in this quarter. Our profit after tax has reduced to INR1.2 crores in this quarter due to impairment provision on subsidiary investment of INR17.4 crores, as well as new labor code provision on one-time basis. The collection efficiency continue to be stable at around 98% to 99%, and NNPAs are stable at 1% and net worth is at 812.9 crores in this quarter. CRAR has consistently improved quarter-on-quarter basis and it is 228.2% currently.

Quickly on the financial, slide number 29. Our interest income has increased due to improved collection and recovery. We have reported a total income net of finance cost of INR39.5 crores against INR21.8 crores for the same quarter last year. The pre-provision operating profit has gone up substantially to INR21 crores against INR40 lakhs for the same quarter last year.

Profit before tax for the quarter is lower on account of earlier mentioned impairment provision on subsidiary investment, as well as new labor code provision on one-time basis. For the year under consideration, nine months, the total income net of finance cost has moved up from INR53.4 crores to INR79.4 crores. The resultant PBT has gone up from INR16.4 crores to INR49.9 crores in the current year. These are the major financial highlights.

Thank you. Handing over to Pratul.

Pratul Gupta: Thank you, Prakash. I now invite Rahul Mehrotra, the CEO of Religare Housing Finance, to give his observations on the results.

Rahul Mehrotra: Thank you so much. Good evening, and welcome to everyone. Religare Housing Finance Company focuses on the affordable segment with products such as home loans and loan against property with an average ticket size of around INR10 lakhs. As of Q3 end, the AUM of the company is INR241 crores with a product mix between home loans and loan against property of close to 70%-30%.

The collection efficiency of the company is around 97.36%, which is slightly higher than last quarter and with a CRAR of around 132%. The company continues to enjoy investable rating of BBB- from both ICRA and CARE Edge. Currently, the company works from a branch network of 15 and serves 8 states in the country.

The company focuses only on granular retail portfolio and has a strong capital base of close to INR184 crores. Externally, there are strong structural growth drivers aided by government initiatives, which are driving the affordable housing market growth at around 13% to 14%. The company has a stable portfolio and IT transformation of the company is in its last leg of implementation.

Moving to the next slide, which is Slide number 32. The Indian retail credit growth story is intact with the industry clocking an average CAGR of close to 22%. The affordable mortgage leads the AUM growth with about 15.5% growth. Considering that the Indian mortgage penetration as a percentage of GDP is only about 11%, there is enough and more headroom available for us to grow. The average CAGR clocked by the affordable housing finance industry is around 20% to 22%, which is ahead of the mortgage industry growth percentage.

Coming to the next slide, which is Slide number 33, we are showcasing the key ratios for the company. For the quarter ended December '25, the company clocked a revenue of INR7.1 crores with an average yield of around 15%. The company has a stable GNPA and NNPA with NNPA around 3.5%. The CRAR for this quarter end has reduced from 142% to 132% if we compare it to the last quarter. The same is on account of the loan which we have taken from Religare Enterprises.

Coming to the next slide, slide number 34, where we are showcasing the financial numbers Q-on-Q. The quarterly total revenue has seen a slight drop from INR7.79 crores to INR7.11 crores for corresponding quarter last year considering the drop in book size. But, correspondingly the expenses have also been brought down from INR13.61 crores to INR13.04 crores for the same quarter last year. For the quarter ended December '25, the company has booked a loss of INR5.93 crores, slightly higher due to the impact of provisioning that was taken under the new labor code.

That's it from my side. Handing over to Mr. Pratul Gupta.

Pratul Gupta: Thank you, Rahul. Now that we have discussed the quarter gone by, let me get to the other part where we will discuss about reorganization of Religare and demerger of its financial services business. On 14th Feb 2026 this year, the Boards of Religare Enterprises Limited and Religare Finvest Limited have approved the demerger of financial services and insurance businesses of the group into two focused and independent listed entities.

This is not just a structural or reorganization. It is a strategic imperative step designed to unlock shareholder value, create business clarity and position the resulting entities for sustained long-term growth.

Let me explain the rationale a bit in detail. This initiative is driven by certain important factors that have converged to create the optimal conditions for this step. First, the takeover of REL by Burman Group as promoters. This development brings in decades of institution building experience with top-notch governance and a proven legacy of value creation.

The group's takeover was followed by capital raise announced earlier, which takes care of the funds requirement for the businesses for the foreseeable future. That's the second part, and that takes care of the capital. And thirdly, businesses as they grow and reach a certain scale, demand specialized focus. We are now at an inflection point where each piece requires and will require dedicated strategic attention. Each business also operates with different capital requirements, risk frameworks, manpower talent and growth trajectories.

Coming back to the presentation, I'm referring to Slide 36, which is just a refresh of our current corporate structure. As you see, the promoter group on a fully diluted basis after the conversion of recently issued warrants shall hold 29.75% in REL, whereas the public continues to hold -- will continue to hold the remaining 70.25%. And as mentioned earlier, we have Care on one side as the insurance segment, and we have NBFCs, RFL and housing, one below the other and broking as Financial Services segment. Just to remind, as far as REL is concerned, its stock is listed on BSE and NSE, whereas RFL is an unlisted entity, and it is registered with RBI as a middle layer category, NBFC.

Now if you see Slide 37, this demerger is built on 4 pillars. First, streamlined business focus and simplified structure. The segregation of financial services from insurance business is to create a focused entity with specific business model, growth strategy, capital deployment and performance metrics for the teams. Secondly, unlocking shareholder value through a separate listing.

The independent listing of RFL is expected to unlock shareholder value and enhance investor participation. It will facilitate targeted capital raising for this business and enable more efficient allocation of management resources, thereby supporting sustainable growth and long-term value creation by this newly created company.

Third, the focused management attention and talent alignment. Post demerger, each entity will have dedicated leadership teams. The leadership teams are already in the hiring mode. They'll require sharper operational alignment and clearer strategic mandates. Decision-making has to become faster. Strategic execution has to become more focused. Market response has to become nimbler.

So with these objectives in mind, there was a need to bring in this clarity. This will also help us set up the objectives for the new incumbents as we hire the senior leadership for different components of the business. Both enhance risk management and compliance. The demerger enables implementation of specific risk management policies and internal compliance frameworks tailored to each business segment. This improves monitoring and control of risk associated with them.

Now moving to Slide 38. Let me just outline the proposed structure more clearly. This is demerger of Financial Services business from REL to RFL pursuant to proposed scheme of arrangement. The lending, broking and ancillary support services held under REL shall be demerged into RFL on a going concern basis. The investment in CARE shall continue to be retained in REL.

As a consideration for transfer of financial services business, RFL will issue fully paid-up equity shares to the shareholders of REL in a 1:1 ratio. For every equity share held in REL, there will be one RFL share issued upon implementation of the scheme. The RFL shall thereafter will also be listed on the bourses. The current registrations of REL and RFL with various regulators shall not undergo any kind of change.

So what does this result into? This creates two parallel focused organizations with independent governance, capital structures and growth mandates as detailed on slide 39. On financial services side, while the promoters and public shall continue to hold shares in the ratio as mentioned, the resulting entity RFL shall have Religare Broking as its direct subsidiary. It will also have Religare Housing Finance, which is already a subsidiary, as another fellow subsidiary focusing on affordable housing finance.

As mentioned earlier, we aim to list RFL in the first quarter of FY 2028 after the completion of the process. For the remaining, REL is as it exists today. The listed entity shall continue to hold its entire stake in Care Health Insurance as it does today. This demerger will be implemented through a scheme of arrangement under sections 230 to 232 of the Companies Act 2013 and other relevant provisions of the act read in conjunction with them.

The scheme shall also require various regulatory approvals as well as shareholders' and creditors' approval. The company expects the entire process to take 15 to 18 months starting from the current quarter and shall culminate in the first quarter of FY '28. The detailed timelines can be referred to in slide 40, which is there before you, with various steps being appended alongside.

We believe that during this period there will be no disruption to operations, no impact on customers and no change to employee continuity. We are committed to ensuring a seamless transition with complete operational continuity. Just to reiterate, post demerger, each business will have a clarity and focus to pursue its own growth path. This has resulted after comprehensive evaluation of various structural alternatives which were discussed with leading advisors.

The Board concluded that this particular initiative and option represents the most efficient and future-ready structure for our next phase of growth. Any future fundraising as and when required will be undertaken based on business growth plans, capital requirements and strategic opportunities and will be subject to necessary corporate and regulatory approvals.

Just to summarize, we are creating a simplified structure with independent business segments concentrating on their core competencies. We are unlocking shareholder value through separate listing that enhances investor participation and enables targeted growth. We are enabling better management alignment with sector-specific talent acquisition and performance-linked rewards.

We are implementing enhanced risk management with tailored compliance frameworks and strengthened governance. And last but not the least, we are executing this transformation backed by a very strong commitment from the Board and the promoter group.

I thank you all for your continued trust and support and we look forward to engaging with you as we move forward in our journey. Thank you so much. We are now open to any questions you may have. Over to you, Manasi.

Moderator: Thank you very much. The first question is from the line of Umang Shah from Avendus Spark. Please go ahead.

Umang Shah: So firstly, congrats on the demerger proceeding. And my question is related to that only. So I mean, I'm a bit puzzled why we chose to demerge financial services and not CARE directly? Because when we talk about value unlocking, most part of HoldCo or discount that is there on CARE in our overall financials, that could have gone away directly. So any specific reason why we chose RFL and not to demerge CARE separately?

Pratul Gupta: So Umang, we have not demerged RFL as such. We are basically demerging the entire financial services business of Religare into RFL, one. Secondly, this is a step in the direction or let's say, this is the path towards the final outcome wherein we believe that each business needs to operate independently. However, the current consideration before the Board allowed us to take this first step. And possibly in future, we will take some incremental steps to complete the demerger in complete sense in terms of insurance business. As of now, the structure is that the listed entity, REL will continue to hold the entire shareholding of CARE.

Umang Shah: Right, sir. So we are planning a reverse merger with REL in future after this demerger. I mean we could have incorporated that in this scheme of arrangement. So any specific reason why we chose to postpone it after 18 months?

Pratul Gupta: Well, I think this is -- as I mentioned, this is the first step in that direction. And as and when the conditions are conducive and there are certain other milestones which are achieved by these businesses, we could be evaluating such options in the future.

Umang Shah: Okay, sir. Okay. No, I had my question only related to demerger. Otherwise, business is absolutely -- it's in your control. So I don't have many questions over there, sir. Great. Thank you so much.

Moderator: Thank you. The next question is from the line of Adarsh from Enam Asset Management. Please go ahead.

Adarsh: Sir, just a follow-up on the previous question. Is it safe to say that while you can't -- you've not put it out, but there are precedents now to Max Financials opting to reverse merge the life company into the HoldCo. Is that the structure that eventually is -- so some investor in Religare does have access to care directly. Is that the final outcome? Is that a fair assumption to make?

Pratul Gupta: Well, as I mentioned, Adarsh, I mean, we will decide about future course of action as and when conditions and situations are conducive. There could be many possibilities. As of now, our endeavour and our -- this particular step where it has brought us to is that in the resulting structure, Religare Enterprises would just be holding one asset, which is CARE.

So that itself and the fact that there will be an issuance of RFL equity as well, that itself should be value accretive for the shareholders. In the future, we could be looking at various options, including the one you mentioned, but the current thinking is to first implement this particular scheme in the next 15 to 18 months.

Adarsh: Got it, sir. And the second thing is the inclusion of INR1,500 crores, has that money come in? And in what form it was put to use, which businesses have got the capital, if you can just highlight that?

Pratul Gupta: Sure. So out of INR1,500 crores of warrants, which we raised, so far, as of the end of the quarter, we have received INR410 crores, which included INR375 crores of upfront premium and another INR35 crores of conversion of warrants. Out of this INR410 crores INR256 crores has already been infused in CARE by way of subscription of rights issue, which the company had opened. And the rest of the money has been given to other subsidiaries, including broking and housing in the form of loan apart from a part of funds, which has been utilized for operations of REL.

Since you mentioned the figure of INR600 crores, let me clarify and assure you here, whatever money has been envisaged for different businesses in our shareholder resolution for warrants issue, all that money is part of this implementation scheme to be directed towards those very subsidiaries. So there is no change of plans there. And as envisaged, CARE will get an investment of up to INR600 crores as per the original plans.

Adarsh: Got it. And sir, then I just -- if you can lay out over a two, three year period for the broking, NBFC and the housing business, what are the broad aspirations plans over a two, three year period, you do have unutilized equity there and you're talking about another INR900 crores, which is INR1,500 crores minus INR600 crores. So it's a lot of equity in the broking or NBFC or the HFC. So if you could just highlight what the plan and the use of capital there would be?

Pratul Gupta: Sure. So I think during my narration, I did mention that the leadership for these businesses is coming into place. But very broadly, what I can tell you is that most of the accounts are right now unleveraged. So if I look at Religare Finvest Limited, we are sitting on a cash of INR500 crores, completely unlevered. So as and when we start the business with new leadership team coming in place, we are definitely looking at levering this to industry standards in the next couple of years. That's the aspiration.

In terms of housing, again, right now, we don't have any lending lines, and we have aimed to infuse a large sum up to INR250 crores in housing finance. So there also, we are taking steps to start leveraging there and get banking lines and expand the franchise to a much larger number.

In terms of broking, we just have the company of Vijay. He is right now evaluating the business on a 360-degree basis. And I am sure by the time we interact next time, we will have more details on our side to discuss in terms of broking expansion plans.

Adarsh: Perfect. This is useful. Thank you.

Moderator: Thank you. The next question is from the line of Niteen Dharmawat from Aurum Capital. Please go ahead.

Niteen Dharmawat: Thank you for the opportunity. So actually to see the demerger scheme and the things that you explained. So you mentioned that there are certain parameters and certain milestones that you would like to see before next steps can be taken. So can you elaborate more on that? What are the things in your mind before you take up the next steps?

Pratul Gupta: So well, I mean, some of the milestones pertain to how we sort of grow this business. And what is the growth trajectory we are looking at, what kind of holding structures are there. So there is a promoter group above Religare Enterprise.

We also need to see what are the regulatory thresholds we need to sort of keep in mind in terms of minimum shareholding requirement. So some of the considerations need to be in place before any incremental steps could be taken in that regard. But we thought and we evaluated that this is a good credible first step in that direction.

Niteen Dharmawat: I got it. So do we have any doubts about the growth trajectory? That's why we are thinking in this way? Are we too conservative in taking the decisions?

Pratul Gupta: Well, I will not say that we are conservative, Niteen, in terms of taking the decisions, but we want to take the decisions after thinking hard and making sure that the decisions are right to the north. So the idea here is that we evaluate each and every situation with a complete 360-degree approach. And thereafter, we implement it. So that's the approach the management and the Board has so far.

Niteen Dharmawat: Okay. Got it. Wishing you best.

Moderator: The next question is from the line of Yash Bhandari from Neo Wealth & Asset Management. Yash Bhandari, please go ahead with your question, your line is unmuted. As there is no response from Mr. Bhandari, we'll move to the next question, which is from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.

Hitaindra Pradhan: Yes. So first question on the demerger. So I think there is an IRDA requirement of promoter shareholding, which I think along with the private equity investor at the CARE level, we could have probably met with the fund infusion also happening in place in REL. So was there a reluctance on part of the private equity investor to be the promoter for CARE because of which we could not have done the overall demerger in the way it would have captured the entire value?

Pratul Gupta: Well, without specifically commenting on a particular stakeholder or participant, what I would like to say Hitaindra is that there are certain conversations, certain situations which need to be sort of achieved before we take that step. So you are right in terms of the fact that the look-through shareholding of the promoter group today in CARE is at around 18% to 19%. However, there are -- there is a thinking to move ahead on that. And at an appropriate time, we will be able to come back to the shareholders with the decisions about it.

Hitaindra Pradhan: Okay. Secondly, sir, with REL, there was this ongoing case with LVB fixed deposits, which was sort of captured by them. So what is the current status of them? Because I think LVB has been taken over by DBS. And so when you report your net worth as INR800 crores, is it -- what happens to that INR700 crores? Is that something that we are going to collect and then that will add to this net worth? Or what is the situation there?

Pratul Gupta: So as far as LVB is concerned, Hitaindra, so the matter is subjudice right now in Delhi High Court. And the LVB has been replaced by DBS since LVB was taken over by DBS. So DBS has replaced LVB in the court. In terms of any resolution, I think we are still some distance away and the matter is being taken up in Delhi High Court right now.

Hitaindra Pradhan: No. So this net worth of INR800 crores is assuming you have already provided INR700 crores for the LVB account?

Prakash Jejani: Yes.

Prakash Jejani: Yes. We have already provided for LVB provision. So we have not anything outstanding in books of account. The INR800 crores net worth is over and above this.

Pratul Gupta: Yes. So entire FD amount, Hitaindra of INR750 crores has been provisioned in RFL.

Hitaindra Pradhan: Okay. And roughly at the RFL level, you had so many bad loans. So what is that collectible pool in totality? And what are we planning to do about that? So what is the expected recoveries from those accounts, let's say, on a per year basis going forward?

Prakash Jejani: You see that in our presentation, the AUM from the SME book is INR70 crores and whatever the bad loan which are there, we are already in the -- a lot of litigation is there. So we are fighting in that case. And as and when we get the favourable order from the court, we will take up the money from the litigation.

Pratul Gupta: On a conservative basis, Hitaindra, just to add here, while the current cash position of RFL is above INR500 crores and the good book which is left behind is around INR70 crores, then there are certain accounts where there is a view that there could be certain recoveries.

If we step back into the corporate loan book side, that entire corporate loan book has been so far provisioned. However, there is a dedicated collection team, which is making efforts and looking at various options in terms of recovery. However, at this point in time, we are not in a position to give you any target recovery number here.

Hitaindra Pradhan: Okay. And sir, IFRS results of for the insurance company, so normally, you know, some of our comparable companies are giving out IFRS 1/n, N with N, everything. In our case, we have given some operational parameter without 1/n and then we have given Ind AS. So what are our IFRS numbers if it would be great if it can be put in the presentation going forward, but as of now for the nine-month FY '26 and '25, what is our IFRS PAT?

Ambrish Jindal: Hitaindra, hi. Ambrish this side. So we're in the process of preparation of these IFRS numbers and maybe from next quarters or next to next quarter, we would be publishing those numbers.

Hitaindra Pradhan: But roughly, can you give us an idea of what is that number right now?

Ambrish Jindal: No, I think I'll still say that we are in the process of preparation of those numbers. So would not like to comment on that.

Hitaindra Pradhan: Okay. And sir finally on the broking piece, so normally all the brokers, you know, trade at very high ROE numbers and in our case, it is single digits. So, is it because we are very sub-optimally utilizing our expense base as of now and what is the program to sort of increase it to let's say 25%-30% ROE number which is very common amongst brokers?

Vijay Kumar Goel: Okay. From broking side, yes, we intend to definitely increase the productivity of the infrastructure that we have and there is definitely a scope to do that and going forward we are going to work on that. And what was your second question about this infrastructure

Hitaindra Pradhan: So basically, we are having 6%, 7% ROE, right? So I wanted to understand, is there a pathway and how quickly can we go to a normal ROE for a broker, which is in the vicinity of 25%, 30%?

Vijay Kumar Goel: That number we have not done as of now. As Pratul mentioned that I have recently joined and I'm just understanding the business right now. And we already have a large client base and our active client ratio is less than the market. I showed a number that at industry level we have 21 crores Demat accounts and about 21% are the traded clients. For us, that number is about 14%.

So there is a headroom available for us to increase our active clients, that straightforward result into the business growth for us. The ROE numbers we have not worked out. Right now our priorities remain to improve our digital offering as well as our presence in our large cities and work on the productivity of our resources that are already deployed in the business. I don't know, but we will take some time before we start working on the ROE numbers.

Hitaindra Pradhan: Okay sir. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Ravi Purohit from Securities Investment Management. Please go ahead.

Ravi Purohit: Thanks for giving the opportunity to ask question. Congratulations Pratul on the restructuring announced. Just, you know, follow-up on the earlier participant's questions on, you know, the way we have structured this. So IRDAI, I think, has some ruling of, you know, 25% being the minimum shareholding required to be classified as promoters. And I think you just mentioned that the Burman family, at the current see-through holding is about 18%-19%.

Is it fair to assume that they will have to increase their stake in REL itself to basically qualify as a promoter of Care Health at a future date if at all, you know, once that has to be merged into this? So is there some is there an intent on that if you could just share?

Pratul Gupta: Ravi, thanks for joining. I mean, I can't comment on behalf of promoters here. So I think this is a question best left to the wisdom of promoters here. What we understand is that REL will continue to be promoter of Care as it has been so far, and any kind of future thinking is a prerogative of the promoter group. And I think at a point in time, they shall come back to us through the board with their state-of-the-art thinking is what I can observe right now.

Ravi Purohit: Yes. So Pratul, just one request, since this handover or the takeover has just concluded right in, it's been like two-three quarters now. Is it possible for the Burman family to also kind of join one of the calls if not all the calls, just to kind of share with the shareholders, their long-term vision?

Because you know this company has been kind of under, you know, hammer and battle for the last, I don't know how many years now. And it's just like finally some path is being kind of drawn for its future. It would have been helpful if the Burman family, one of the members could at least have like one call or interaction with in, you know, investors just to kind of share with them what is it that they are thinking, you know, what is it that their long-term vision about this company is, right?

They hold stakes in Aviva Life, they hold stakes in General Sompo Insurance side, so there are lot of smaller stakes or that they own where they are not promoters of those insurance businesses. So, is this like just another of those or is this something that they are seriously looking at building over a long period of time?

If you could just share our message and concern to the Burman family and, you know, request them if they can participate in one of the calls and just share their thoughts with the investors that would be great.

Pratul Gupta: Sure, Ravi. Your request is noted and it will get communicated to the promoter. I can assure you.

Ravi Purohit: And so next question is on Care Health insurance, right? And I think one of the participants had also asked about IFRS numbers. Again, that is -- so in one of the slides, we have discussed without 1/n where our profit before tax for the first nine months is about INR265-odd crores, whereas on a 1/n basis, there is actually a loss right now, right?

So is it -- so while we understand that the IFRS numbers are still not done. But typically, what we've seen is the IFRS numbers generally tend to be slightly higher or significantly higher than the reported numbers. So is it fair to assume that the IFRS profits and IFRS numbers are better than what we have reported on without 1/n basis? And is it a business which actually makes a decent ROE, double-digit ROE as we speak today? Or is that that's not the case as of now?

Ambrish Jindal: So Ravi, on ROE, I think in the previous three full financial year our ROE was always in the range of mid-teens. This year as you rightly mentioned, the numbers are INR265 crores on a full premium basis against INR92 crores. But again on IFRS numbers, again will not be able to comment on that on the assumption that that the numbers would be higher than the numbers reported on a full premium basis. So we will come back to you on that once the numbers are ready.

Ravi Purohit: Okay. Just one request, same, Pratul, just like for what we mentioned about Religare. If Anuj can participate in one of the calls and share his wisdom, and he's been one of the promoters, Promoter Founder -- not promoters, I would say, Founder, Investor, CEO, MD of the company and has kind of set up this company ground up. So it will be great to hear his vision also, right, for incoming shareholders.

See, Religare has a very, very long history and baggage, right? So it helps and gives investors also something to kind of look forward to when they hear straight from the horse's mouth what their long-term vision is. And these guys don't have to come every call, right? But they can just come once at the beginning of the journey and express their thoughts and vision with shareholders, and I think it will be a great initiative.

You all are already doing a great initiative by holding these con calls such early in life, corporate life of Religare and the new management. But I think if one of the calls, someone from the Burman family and Anuj can come and address the investors, that it will be great. I think, it will go a long way in kind of us being able to share their vision of what they want these companies to become over a 5-, 10-year period.

Pratul Gupta: Sure, Ravi. Your suggestion is again noted, and we will make sure that it is communicated to the management definitely.

Ravi Purohit: Okay. Sure, thanks a lot. I'll get back in the queue.

Moderator: Thank you. The next question is from the line of Vikas Srivastava from RBC Financial Services. Please go ahead.

Vikas Srivastava: So my understanding clearly of the IRDA law is that for a reverse merger, there has to be a promoter with 25%. So every which way this reverse merger cannot happen until the promoter owns 25% of CARE. And as of now, the look-through is only about 19%. I'm just making a statement. And would you confirm that? That's the law, IRDA law today.

Pratul Gupta: Well, Yes. It's an established law. So as of now…

Vikas Srivastava: I'm sorry. Just for, many of us investors are not clear on law so we needed to understand. My second question was on the stock options of the erstwhile CEO, if there's any progress, what is it worth or in terms of percentage of Care and in terms of clawback and the case going on if you could provide us an update?

The second question on insurance was, there seems to be a little bit of worry in the investor's mind on, you know, IFRS numbers not coming and the insurance business not doing too well. If you could kind of say is this just a procedural delay because post all this happened, is it just a procedural delay and how are we doing as compared to the industry both in terms of growth, in terms of costs, etc.?

Some kind of comfort without giving specifics as to how is the how is the Care Insurance business doing? Those are the two questions on the insurance business.

Pratul Gupta: Well, so I'll get Care management to respond on IFRS, but before that since you mentioned about the ESOPs of erstwhile chair, I presume that's the query you have. And the matter right now, Prakash, is sub-judice. As of now what we understand is that there is a IRDAI ruling on that and the matter is lying in courts.

It is public knowledge that ESOPs to the tune of more than 2% of the equity of Care Health Insurance was granted to her, and we also understand that the one-third options which was exercised by her currently are something which is a subject matter of discussion in the courts as well as with the agencies.

The unvested unexercised portion which is two-third of the ESOPs is something, you know, so there is no transaction which has happened as far as those ESOPs are concerned.

Ambrish Jindal: Yes. Now on the on the performance, Prakash. So as we presented our numbers on a full premium basis which is without 1/n because 1/n is just an accounting change and we also take all the calls basis full premium basis. So as we highlighted, our growth on a full premium basis is 27% on a total GWP. Our retail health has improved by 41% in this quarter, which was a significant growth as compared to previous quarter.

Our profitability numbers they were INR265 crores and our combined ratio has also improved by 110 basis points. So all financial metrics, if we look at it the way we used to present our numbers earlier, they have been improving or they have improved in this financial year. And on the EOM side, it is coming down, it has reduced by 150 basis points and we are also well compliant with EOM regulations as well. So as far as the performance of the business is concerned, we are quite satisfactory with the way business is doing.

Vikas Srivastava: That is comforting. My name is Vikas. Now just coming to the demerged part of the business, I'm again reconfirming -- what I understand is that no legacy amounts are still in the balance sheet as assets. They've all been written off. Whatever we recover will be a bonus.

And just back of the envelope totalling I was doing while you were speaking earlier, is my understanding right that the non -- after writing off everything, the DB, the Lakshmi Vilas Bank and all the earlier loans, the book value of your demerged business is about INR70 to INR90 a share. Is my understanding, would that be right, approximately, give or take, INR5-INR10 crores here or there? Because would that also -- sorry, let me just complete.

Also, would that include the -- I'm assuming out of the INR1,500 crores, INR900 crores is going to come. You said INR600 crores you are allocating to the insurance business. So all the other INR900 crores would come to the demerged entity. Just before and after with the INR900 crores without the INR900 crores, what is the book value of our assets there in the sense that what is the cash, what is the surplus cash, where are we with or without this INR900 crores on all these companies combined?

Pratul Gupta: So Vikas, as I mentioned, it will be difficult for me to give you the share price of the resulting company. What I can tell you right now is that RFL currently is as I mentioned earlier, sitting on a cash of INR500 crores plus, the total net worth is INR800 crores plus. The net worth of Religare Broking is over INR350 crores, it is approximately INR366 crores.

In case of RFL, housing is assumed there. Then on top of it, you are right, a large part of INR900 crores is going to flow towards financial services business. So apart from some operating expenses, the remaining amounts shall flow towards financial services business.

Vikas Srivastava: No, I was not asking you for the share price, I was only talking about net worth. I got that. So that pretty much tallies with my-right..

Pratul Gupta: Directionally you are right, Vikas. Directionally you are right, but I mean I'll leave the back of the envelope calculations to you. I would ideally like to come back to you with more precise numbers sometime later in future.

Vikas Srivastava: I appreciate that. Now, last question. You've been very helpful. So just this last question. You know, last call you said that with DB taking over LVB and again, this LVB though it is sub-judice, there is also been a, there's a commitment that 50% of the -- this was an FD and interest, and you did mention on the last call that we have a very strong case and DB being a stronger bank, you did express an opinion that your case was very, very strong.

Is there any possibility of an out-of-court settlement? Are we discussing it or are we just going hammer and tong since our case is so strong, are we going hammer and tong on the high court case? Is it also that since it was an FD with a coupon rate, the interest, the probability of getting interest is high?

And my last question on this is that you have a transaction with 50% of the principal of Deutsche Bank, sorry, 70% and 50% of the interest has to go to has to go to the erstwhile lenders with whom you've made a erstwhile settlement. Even if I reduce that, that amount also comes to about, again back of the envelope and you don't need to comment on it, is about INR700 crores.

Our share, Religare share is 450 plus 250. Even this, what I'm assuming if and when it comes it would also accrue to the it would also accrue to the other -- to the demerged business.

Pratul Gupta: So I mean, I've got the General Counsel, Babu here with me, and I would actually request him to give his observations as far as DBS matter is concerned.

Vikas Srivastava: Yes. Maybe the numbers you do not comment on.

Babu Rao: Sure. So we'll not be numbers commenting. See the thing is first of all, I think these are all written off accounts, right? From our books actually it has been already told. So matters are sub-judice and we're putting company is putting all efforts to recover its money, right? Whatever deal get and in that process we can -- that can be, out of court settlement or is it within the court whatever it is we are open but at appropriate stage I think we'll be, considering all those options.

And secondly, on this thing recovery I think we as you already, sort of noted that it is actually we have a strong case. We will be I think trying putting all our efforts to recover the money fully. And third point is that on the sharing of these thing money, some money to banks and all as per the agreed, agreements, terms of the agreement, we will be honouring those commitments also.

Vikas Srivastava: Which you have to, which is fair. Got it. And the numbers, if I ask you, has somebody made a calculation that what is our share with accrued interest till date? The principal and interest, what is the...

Babu Rao: We can calculate anything and everything unless and until we see the color of the money, then there's no point in that cash.

Vikas Srivastava: No, no color. As an investor, Mr. Babu, color, that is why investor invest for future probability.

Babu Rao: I agree, but the thing is as long as it is…

Moderator: I am sorry to interrupt you, Mr. Srivastava, we will request you to please rejoin the queue. We have participants waiting.

Vikas Srivastava: Okay, thank you. No, thank you very much, this is very helpful.

Pratul Gupta: Thank you. I'll just make an observation here, let's see some progress and then have this discussion Vikas. Thank you so much.

Moderator: Thank you. The next question is from the line of Rohan Jain from Blue Nile Capital. Please go ahead.

Rohan Jain: Thank you for the opportunity. Yes. I had a question regarding the lending and broking businesses. So with regards to those two businesses, are we largely done with the leadership hiring there? Or are there any further leadership hiring left in those two segments? And again, what kind of scale up are we seeing -- do we foresee in those two segments? If you can just share some more qualitative color on what is the plan for the ramp-up of those two segments, please?

Pratul Gupta: Sure. So well, as I mentioned, Vijay is already here as far as broking is concerned, and some more leadership hiring is in the offing. You will hear from us very soon both on broking and lending pieces. As I mentioned that we are looking at industry leaders who approach the business in a bit of an entrepreneurial way and have long-term commitment to expand the franchise multifold.

In terms of our targets for expansion, we would let the new leadership decide what could be the milestones or goalposts. As Religare, we are committed to provide the capital and the right platform for these business leaders to grow the business. As I mentioned earlier during my narration, both broking and our MSME lending business can be leveraged much more, and as we move forward, we would like to utilize that opportunity and expand the franchise multifold.

Rohan Jain: And then a small request, as one of the earlier participants had highlighted, it would be great if Mr. Anuj Gulati and or the Dabur promoter family, they could join the call and share their thoughts on how they look at their respective businesses going ahead. It would help us as minority shareholders better understand where the business is going in the next few years?

And secondly, in the IFRS bit as well, if disclosures can be improved, not just with regards to IFRS, but if I were to compare your deck with those of your peers when it comes to the insurance piece, there's a lot of, I think, gap there as well. If that can be covered up also, it would be really, really helpful with regards to other disclosures within the insurance business itself. That's all from my side.

Pratul Gupta: Sure. Sure. Thanks, Rohan, all suggestions noted, and we will come back to you.

Moderator: Thank you. The next question is from the line of Chintan Mehta from Puniska Family Office. Please go ahead.

Chintan Mehta: Thank you so much for the opportunity, sir. Sir, my question is regarding shareholder threat of large equity dilution in demerged entity of NBFC division. So for example, last equity dilution of INR1,500 crores

Moderator: I am sorry to interrupt you Mr. Mehta, we are unable to hear you, sir. Your voice is breaking

Chintan Mehta: Shareholder threat of large equity dilution at Religare NBFC division. So for example, equity dilution of INR1,500 crores, we have taken 2.723 book value. But if demerger of financial services into separate entity and it does not have a right equity listed valuation, then we need to make a very large equity dilution at a very low multiple. So how we are going to mitigate this risk if you can broadly explain, that would be great.

Pratul Gupta: So if I have got your question right, Chintan, you are possibly asking about any future dilution on the financial services side, right? So as I mentioned earlier in my narration that the financial services pieces are very well capitalized and we did the last fundraise by way of warrants preferential very recently and the warrants conversion, a significant portion of it is yet to happen and the money is targeted towards the stated end goals.

So the focus for the management right now is to utilize that funding to grow the business, expand the franchise, and then look outside for any kind of a strategic capital. So our belief is that we will make these businesses scalable and at an appropriate stage, we will step out for any incremental fundraise as and when required, which will be value-accretive for all the shareholders.

Chintan Mehta: So before the demerger, what is the AUM target we are expecting or something in next 18 months of book, that will set up our base to take further equity-dilution if needed?

Pratul Gupta: So as I mentioned, I mean if we look at RFL, we are yet to restart the business and there is enough capital to do so, and then we have the ability to leverage that further. So we would take those baby steps and look at the first 18 months in terms of growth trajectory and once this scheme is implemented then we will chart out our incremental capital raise plans and come back to you for the same.

Chintan Mehta: So sir, any particular date when we are going to first disbursement of the new division, in the next 1 quarter, next 2 months or something?

Pratul Gupta: Sorry, I completely missed the question, Chintan.

Chintan Mehta: So when we are going to start a disbursement in this NBFC division?

Pratul Gupta: As I have been mentioning that we are just getting the leadership in place. You will hear from us soon. Once the leaders are there, then the business plans shall be there, and we will announce stepping back into the market as far as MSME loans are concerned. On the housing front, we continue to be in the market and disburse the loans.

Chintan Mehta: So possibly in next 3, 6 months, roughly, I mean you are talking about too long. I mean you have taken control of last one year or so. So I mean…

Pratul Gupta: Well, I mean, Chintan, I can't really comment on month-on-month or quarter-on-quarter expectations. But as I said, a lot of legacy issues are out. There is much more regulatory clarity. If you see, we achieved our cap removal a couple of quarters back. There is a collection machinery, which is already working overtime. So to our mind, we are sort of seeing convergence of various efforts, and it should finally culminate into a tangible start-up of the business very soon.

Chintan Mehta: I just did not get the perfect those numbers or something. Okay. Thank you so much, sir.

Pratul Gupta: Sure. Once we have decided and we sort of take those steps, definitely, we will be communicating the same to the markets and to you definitely.

Moderator: Thank you. The next question is from the line of Sugandhi Sud from BTH Partners. Please go ahead.

Sugandhi Sud: Hi. Thank you for taking my question. This is with regards to the insurance business and I'm referring to the public disclosure that Care does in line with other insurance company. If I look at the numbers on a quarterly basis, there seems to be a deterioration in the claims ratio and even on a nine-monthly basis, the PAT numbers that I see in the quarterly disclosures are, I'm not able to reconcile them with the numbers in the presentation.

So, on my rough calculation the combined ratio quarter-on-quarter has gone -- the claims ratio on quarter-on-quarter has gone from 70% to 75%. So if you could just -- and also the solvency, I wanted to understand in insurance, how comfortable you are with this level and post the capital infusion, what in your calculation would be the solvency ratio?

Ambrish Jindal: So the numbers that you are referring are on a 1/n basis, wherein we are seeing that because of this accounting impact of 1/n , which I mentioned in my presentation as well and because of the deferral of premium, which is resulting into lower net earned premium, we are seeing these elevated numbers on the claim ratio side as well and on the combined ratio side as well.

But when we look at our numbers on a full premium basis, all the -- all the financial metrics you are seeing, they are much better as compared to previous year, be it combined ratio, be it expense of management ratio, be it profitability, be it growth, be it retail book growth and be it expense of management as well.

So on a 1/n basis, the numbers, it is only a transition impact because -- which I gave an example as well in my opening remarks as well that if a business which is to be for INR3,000 is booked

-- is a long-term business. Earlier, we were allowed to book entire INR3,000. Now we can book only INR1,000. And hence, the INR2,000 got deferred.

So as on date, close to INR1,400 crores is deferred on the premium side, which has given a negative impact on our earned premium. And hence, we are seeing these elevated numbers. But on a full premium basis, the way we take all the decisions in our organization, all the financial metrics we are looking. You can refer our presentation as well, which is on Slide number 14, and you'll be able to see all the numbers on a full premium basis.

Sugandhi Sud: So sir, have you disclosed the number on the basis on which the regulator has mandated in the current presentation? Could you refer to a slide, which is more like-for-like in line with what other players report?

Ambrish Jindal: Yes. So Slide number 15 is the numbers, which are basis 1/n, wherein for this quarter, as you're mentioning, the claim ratio is 75%. And for the nine months ended, the claim ratio is 74%. And the combined ratios are also 111.1% against 101.1% on a full premium basis. So this is written in slides wherein which is as per the regulatory accounting.

Sugandhi Sud: Sure. And are there any one-offs in the other expenses because I noticed that there is a spike in the GST cost. Is that a one-off number? I mean it's about a 2% impact on your expense, 2% as a percentage of your...

Ambrish Jindal: So one-off number is only with regard to the labor code impact, which is INR13.5 crore. The impact on the GST, I'll say is coming out of the distribution cost, where in the distribution cost has reduced and the expense is being shown as a GST expense in the public disclosure, but it does not impact the financial position of the company and also at the same time does not impact the distributors as well, since we are seeing the elevated number of policies, elevated number of growth which is seen in this quarter.

So I'm sure that on the distribution side as well, distributor's income will also not get affected on a long-term basis. So this INR58 crores number that you are referring on a GST side is not a one-time number, it is only coming out of the distribution cost only, which is because of this GST exemption.

Sugandhi Sud: Sorry. So on an ongoing basis, we can expect the expense ratio to stay at the current level as the previous quarter?

Ambrish Jindal: So, on an ongoing basis, very difficult to comment because the expense ratio depends on a various factor. So in case there is a -- there is a heavy growth on the retail new business side, then the expense ratio tend to improve. So I think the right metric is to look at the combined ratio, which is the right metric to look at it. But yes, on a steady state, you are right in saying that the number should be in the same range or should reduce slowly, should keep on reducing slowly.

Sugandhi Sud: Sure. And on the solvency margin, post capital infusion, where do you expect it to be closed? And does it -- will that leave room for growth for how many years do you think that should be enough before you need further capital infusion?

Ambrish Jindal: So I think we will continue to -- we are comfortable at the range of 1.7. So we'll continue to maintain in the similar range of 1.7 or above 1.7.

Sugandhi Sud: So post capital raise, you are saying that, that would suffice for managing the current growth rate without needing -- without risking a decline in the solvency margin?

Ambrish Jindal: No, no. I'm not saying that without any capital infusion, we would be able to grow…

Sugandhi Sud: I'm asking post the INR600 crores capital infusion that was outlined before.

Ambrish Jindal: So I think we have various options to maintain the solvency. We can -- we have a net worth of close to equity of INR2,000 crores. We can raise sub debt of INR1,000 crores. And as Pratul also mentioned that out of INR600 crores, INR250 crores has been infused in CARE health Insurance. So I think there are plans to take care of that. But the solvency we will continue to maintain solvency of 1.7 or upwards of that.

Sugandhi Sud: Sure. Thank you, sir. That's it from my side.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, that was the last question for today. I now hand the conference over to management for closing comments.

Pratul Gupta: Thank you, Rutuja. It was a very detailed session we had with investors, and I thank everyone for taking out time and listen to us and understand our journey. If there are any queries further, there are contact details in the presentation where you could send in your queries and we will be happy to respond. We look forward to our continued association and hope to see you next time with our year-end FY 2026 results. Thank you so much. Back to you, Manasi.

Moderator: Thank you. On behalf of Religare Enterprises Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.