

Challenging New Frontiers



Challenging new frontiers

We at Religare have seen and been a part of an unprecedented growth story. What started out as a humble journey into the financial services space some years back, is now one of India's leading integrated financial services groups.

With the vision to become a globally trusted brand, Religare today presents an integrated suite in the financial services. As we bid farewell to the financial year 2008-09, we look back to recollect the trail blazing growth of Religare witnessed in the last few months taking the vision forward and putting strategies into action.

Mergers, acquisitions, joint ventures were the buzzword during 2008-09, taking Religare to new heights and horizons hitherto unconquered. These partnerships have been so far the defining character and the very foundation of the diverse and integrated nature of your enterprise.

As you flip pages of this annual report discover the growth story of your company. Religare stands committed to building a globally scalable and integrated, diversified business model.



Content Content

• Chairman's Message	2
• CEO & MD's Message	3
• Religare Enterprises Limited	
360 Degree Financial Services Conglomerate	4
• Our Ethos and Philosophy	5
• REL Major Subsidiaries	6
• Key Performance Highlights	7-8
• Our Joint Ventures	9
• Our Global Presence	10
• Company Information	11
• Financial Declaration	12
Directors' Report	13-16
Management Discussion & Analysis	17-34
Report on Corporate Governance	35-50
• Financial Statements and Notes (REL)	
Auditors' Report	51-53
Balance Sheet	54
Profit and Loss Account	55
Cash Flow Statement	56
Schedules forming part of Balance Sheet and Profit & Loss Account	57-86
• Balance Sheet Abstract	87
• Statement pursuant to Section 212	88-92
• Consolidated Financial Statements and Notes	93-141



Chairman's Message

Dear Shareholders,

These are tough times indeed! The economic downturn of the past year has been really difficult for the international as well as domestic markets. However, we have good news for our shareholders – at Religare, we have weathered the storm, so to say. Not only that, but we have come out with flying colors and registered a growth that will only accelerate as the year unfolds ahead.

The past year saw us moving forward on mergers and acquisitions, further consolidating our position in the financial services domain. We put many of our dream plans into action and fulfilled them. Our strategic alliances and partnerships have triggered our growth and helped us provide quality service to our customers.

Everything was geared to follow one vision -- to present Religare as a globally trusted brand. Our constant effort is to ensure that all employees of the group ceaselessly strive to provide financial care driven by the core values of diligence and transparency.

We have invested in building an excellent team, infrastructure and competencies at all levels. Now in an expansion mode, we will steer your company to the next level of growth, expansion and consolidation. I can say with conviction that this time next year you will be proud and happy with your company's growth.

Thank you all for your trust in us and continued faith in our capabilities to drive and deliver good results. This is a growing business, and we will support it to bloom and deliver value to all our stakeholders.



With Best Wishes,
Malvinder Mohan Singh
Non-Executive Chairman

CEO & MD's Message

Dear Shareholders,

2008-09 will be remembered as the year that tested the mettle of financial services industry worldwide. As financial turmoil and volatility resounded world over, many firms discovered their foundation to be shaken. While firms struggled to be resilient, Religare in its undoubting manner not only withstood the crisis but further expanded its businesses into newer and exciting areas.

In our foray towards becoming a global player, we acquired Hichens Harrison, believed to be the oldest stock broking firm in UK that provided us a presence in multiple geographies.

We also established a strong foothold in the Asset Management business by acquiring Lotus India Asset Management Company Pvt. Ltd (Lotus India AMC) which has now been rechristened as Religare Mutual Fund.



Even though we continue to grow, capital conservation and risk management continue to be an integral part of our value system. It is this approach combined with no compromise over quality of our services and empowerment of our employees that has allowed us to emerge as one of the strongest players over one of the most challenging years in recent times.

FY09 numbers of your company show a total revenue of 11.95 billion (FY08 Rs 8.96 billion), an increase of 33% y-o-y while an EBITDA of Rs. 3478.16 million (FY08 EBITDA income of Rs. 4109.78 million).

The year saw an increase in Net worth of your company to Rs. 7.58 billion (in comparison to net worth of Rs. 5.83 billion in FY08).

To further limit the impact of capital market swings we will continue as in the past to diversify, innovate while remaining flexible to capitalize on upcoming opportunities. One such example would be our forthcoming entry in the Health Insurance space that certifies to be the next high growth opportunity waiting to be tapped. We will persist on nurturing our employees within a culture of strong values that assist us in creating sustainable models of growth.

India remains a promising market for the BFSI segment and while we carry on further strengthening our presence here, we are pledged in our aspiration to become a global player to be able to create a unique platform that allows us to leverage best practices and services for client's world over.

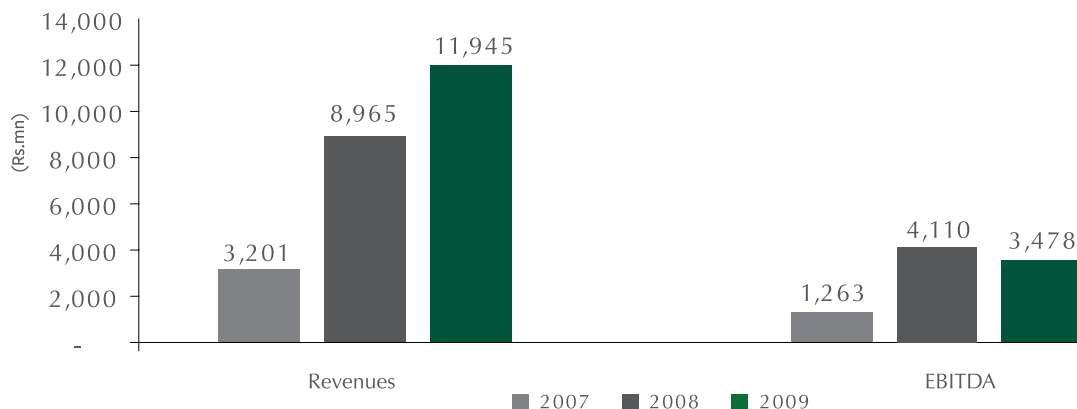
We are thankful for the confidence placed in us by you. As we go on to set many benchmarks, we remain firmly committed in our effort to become a balanced global 360 degree financial services conglomerate.

With Best Wishes,
Sunil Godhwani
CEO and Managing Director



360 Degree Financial Services Conglomerate

Religare Enterprises Limited



We started as a broking company to create a strong hold in retail market. Emphasis at this stage was on establishing infrastructure and reach.

We changed our name to Religare Enterprises Pvt. Ltd. in 2006, and with our reach firmly established started adding lines of businesses such as lending, PMS services along with our first JV with Aegon for Life Insurance. We came out with an award winning IPO in FY 2007, winning "Best New Listing" in the same year, from Outlook Money.

In a short span of time pursuant to entrenchment of our core business we have now expanded to become a diversified financial services company with a pan India and global presence. We offer a comprehensive suite of customer-focused financial products and services across the retail, institutional and high net worth spectrum. We also entered into joint ventures with international players such as Aegon and Macquarie to introduce global best practices towards provision of our products and services.

Our Vision

To build Religare as a globally trusted brand in the financial services domain

Brand Essence

Core brand essence is Diligence and Religare is driven by ethical and dynamic processes for wealth creation

Mission

Providing complete financial care driven by the core values of diligence and transparency

Report  junction.com

Clover Philosophy

The Religare name is paired with the symbol of a four-leaf clover. Traditionally, it is considered good fortune to find a four-leaf clover as there is only one four-leaf clover for every 10,000 three-leaf clovers found.

For us, each leaf of the clover has a special meaning. It is a symbol of Hope. Trust. Care. Good Fortune.

For the world, it is the symbol of Religare.



Our Identity



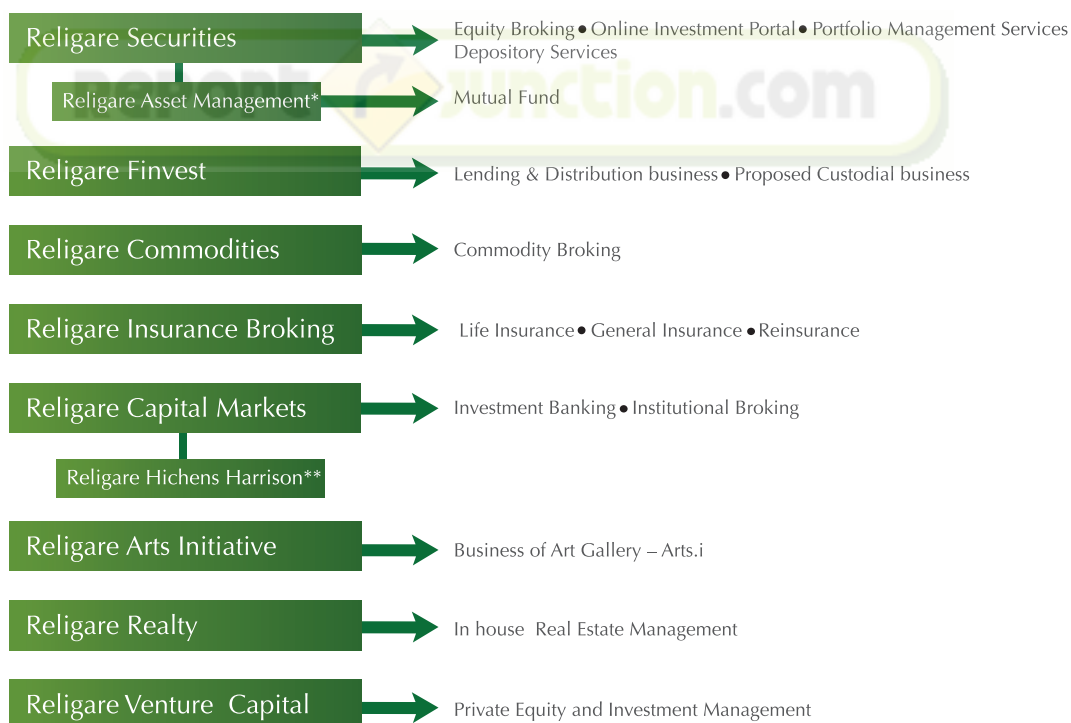
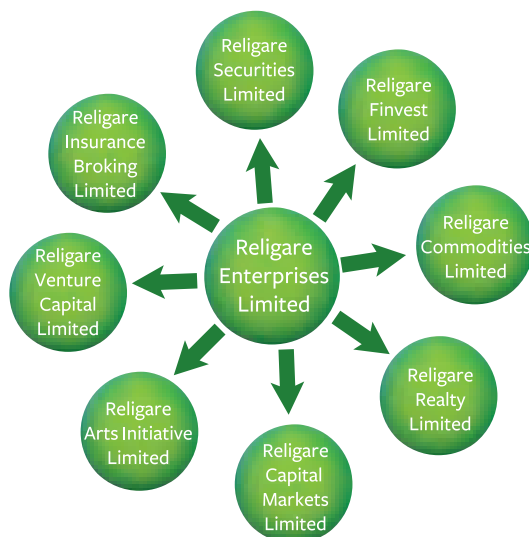
Religare is a Latin word that translates as 'to bind together'. This reflects the integrated nature of the financial services the company offers. The name is paired with the symbol of a four-leaf clover, a rare mutation of the common three – leaf clover. “Hope – Trust – Care – Good Fortune”, are all elements that perfectly combine the emblematic and rare, four-leaf clover to visually symbolize the values that bind together and form the core of the Religare vision.



REL Major Subsidiaries

Structurally, all businesses are operated through various subsidiaries of the holding company,

Religare Enterprises Limited



*structured as a wholly owned subsidiary of Religare Securities Limited - Religare Asset Management Company (P) Limited

**structured as an indirect subsidiary of Religare Capital Markets Limited

Key Performance Highlights

BROKING

EQUITY

Revenue of Rs. 2,514 mn
5,61,537 Clients

- Market share of 3.59%
- Equity trades in a day increased from 522,007 trades as on March 31, 2008 to 588,779 trades as on March 31, 2009

COMMODITY

Revenue of Rs. 426 mn
56,322 Clients

- Present in over 600 locations, across India in addition to over 50 Mandi (rural locations) Branches
- Turnover increased from Rs. 1,458 bn in FY08 to Rs. 2,372 bn in FY-09

Report  junction.com

LENDING

CAPITAL MARKETS FINANCE

LAS Revenue of Rs. 1,296 mn
LAS book size of Rs. 5,716 mn

- LAS clients increased from 2,675 as on March 31, 2008 to 2,681 as on March 31, 2009

CONSUMER FINANCE

Loan Revenue of Rs. 1,587 mn

- Pan India presence aggressively trying to scale up its SME business
- Disbursements increased from Rs 2,199 mn in FY-08 to Rs 6,021 mn in FY-09
- Number of clients increased from 6,221 as on March 31, 2008 to 10,577 as on March 31, 2009



ASSET MANAGEMENT

ASSET MANAGEMENT

AUM of over Rs. 6,02,200* mn
Over 188, 000 Investor Folios

- Acquired Lotus India Asset Management Co in 2008
- Diverse range of offerings by more than 10,000 distributors
- Operates out of 62** locations across 60 cities in India



INSURANCE BROKING

Income of Rs.298 mn

- Employs more than 2,900 sales personnel
- Offers products from more than 33 insurance companies

MUTUAL FUND

Income of Rs.44 mn

- Steep increase in collections to Rs. 616,285 mn in FY-09 from Rs 92, 611 mn in FY-08
- Financial planning services to individuals is provided under the brand 'Finmart'

DISTRIBUTION

DISTRIBUTION

*Average for month of March 2009

** Includes 26 -Branches, 28 -Sales Representative Offices and 8 - Business Centers