

Reliance Capital Limited

**Review report on the results for the quarter ended
June 30, 2013 (un-audited)**

July 29, 2013

Safe Harbor

This report and the discussion that follows may contain “forward looking statements” by Reliance Capital Limited (“RCL”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operation, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the directors and management of RCL about the business, industry and markets in which RCL operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond RCL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of RCL. In particular, such statements should not be regarded as a projection of future performance of RCL. It should be noted that the actual performance or achievements of RCL may vary significantly from such statements.

General Risk

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Company unless they can afford to take the risk of losing their investment. For taking an investment decision, investors must rely on their own examination of RCL including the risks involved.

Convenience translation

We publish our financial statements in Indian Rupees. All references herein to “Indian Rupees” and “Rs.” are to Indian Rupees and all references herein to “US dollars” and “US\$” are to United States dollars. All translations from Indian Rupees to United States dollars were made (unless otherwise indicated) using the rate of Rs. 55.95 = US\$ 1.00 for Q1 FY14 profit and loss items and the rate of Rs. 59.70 = US\$ 1.00 for balance sheet items as on June 30, 2013. All amounts translated into United States dollars as described above are provided solely for the convenience of the reader, and no representation is made that the Indian Rupees or United States dollar amounts referred to herein could have been or could be converted into United States dollars or Indian Rupees respectively, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

We also use the international convention of presenting financial information in millions or billions of rupees. Note: One million rupees is equal to ten lakh rupees. Ten million rupees is equal to one crore rupees. One billion rupees is equal to one hundred crore rupees.

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SECTION 1
RELIANCE CAPITAL - PERFORMANCE AT A GLANCE

(Rs. Million)

Particulars	2011	2012	2013	Quarter ended June 30, 2013
Reliance Capital Limited (Consolidated)				
Total Revenues	55,359	66,269	75,186	19,383
Profit After Tax	2,912	4,578	8,119	1,327
Net worth	78,097	116,963	119,910	121,376
Total Assets	319,939	353,430	405,881	421,548
Reliance Capital Asset Management (Consolidated)				
Total Revenues	7,330	6,647	7,346	2,116
Profit Before Tax	2,943	3,076	2,896	771
Reliance Life Insurance				
Total Premium (Net)	65,479	54,702	40,153	9,097
Profit Before Tax / (Loss)	(1,293)	3,726	3,804	565
Reliance Commercial Finance				
Total Revenues	13,741	19,450	21,168	5,404
Profit Before Tax	2,693	2,537	3,420	830
Broking & Distribution businesses				
Total Revenues	3,109	3,810	3,781	838
Profit Before Tax	332	554	448	(3)
Reliance General Insurance				
Gross Written Premium	16,554	17,548	20,362	7,063
Profit Before Tax / (Loss)	(3,098)	(3,416)	(928)	102

Particulars	Year ended March 31,			Quarter ended June 30, 2013*
	2011 ⁺	2012 ⁺	2013 ⁺	
Reliance Mutual Fund				
Average Asset under Management (Rs. billion)	1,016	781	946	978
Reliance Life Insurance				
New business premium	30,349	18,093	13,766	5,141
Reliance General Insurance				
Combined Ratio (%)	140%	145%	121%	113%
Reliance Commercial Finance				
Loan book size	122,900	132,386	136,524	135,984
Broking				
Broking Accounts (Nos.)	663,900	687,300	715,500	718,900

* All the financial highlights given are based on consolidated audited results

* Financial highlights are based on un-audited consolidated results

SECTION 2

AN OVERVIEW

Introduction:

Reliance Capital is one of India's leading private sector financial services companies and ranks amongst the top financial services companies, in terms of net worth.

Reliance Capital is a part of the Reliance Group and is a constituent of CNX Nifty Junior and MSCI India.

Reliance group is amongst India's leading business houses with over 230 million customers. It has a strong presence across a wide array of high growth consumer facing businesses of financial services, telecom, energy, power, infrastructure and media and entertainment.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial finance; equities and commodities broking; wealth management services; distribution of financial products; private equity; asset reconstruction; proprietary investments and other activities in financial services.

Reliance Capital Asset Management

- Reliance Capital Asset Management (RCAM) managed Rs. 1.8 trillion (US\$ 32.0 billion) as on June 30, 2013 across:
 - mutual funds* - Rs. 977.7 billion (US\$ 17.5 billion)
 - pension funds - Rs. 734.6 billion (US\$ 13.1 billion)
 - managed accounts - Rs. 14.1 billion (US\$ 252.2 million) and
 - offshore funds - Rs. 61.8 billion (US\$ 1.0 billion)

** - average assets under management for the quarter ended June 30, 2013*
- RCAM continues to be the largest asset manager in the country
- RCAM's income from its operations for the quarter ended June 30, 2013 was at Rs. 2.1 billion (US\$ 37.8 million) - a YoY increase of 39%
- RCAM's total expenditure from its operations for the quarter ended June 30, 2013 was at Rs. 1.3 billion (US\$ 24.0 million) - a YoY increase of 44%
- Profit before tax for the quarter ended June 30, 2013 was Rs. 770.8 million (US\$ 13.8 million) - a YoY increase of 32%

- PBT margins declined from 38.5% in Q1 FY13 to 36.4% in Q1 FY14 due to increase in marketing and other expenses
- Highlights for the quarter:
 - Retail debt forms over 41% of overall debt AUMs
 - For the year ended June 30, 2013, 20% of the top performing 10 Equity schemes of Rs. 10 billion and above in the MF industry, belonged to RMF
 - Continue to build on retail assets through expanding our distribution base and penetrating emerging markets

Reliance Mutual Fund

- Reliance Mutual Fund (RMF) is amongst the top 2 mutual funds in India in terms of Assets under Management, with a market share of 12%
- The AAUM for the quarter ended June 30, 2013 was at Rs. 977.7 billion (US\$ 17.5 billion) as against Rs. 806.9 billion for the corresponding previous period - a YoY increase of 21%
- RMF continues to be one of the most profitable Mutual Funds in India
- Continued focus on the untapped retail opportunity
 - Gold Savings Fund
 - The ETF + FoF was Rs. 25.5 billion (US\$ 455.8 million) in AAUM for the quarter ended June 30, 2013 - a YoY decrease of 8%
 - RMF had a 24% market share in gold AUMs as on June 30, 2013
- The Systematic Investment Plan (SIP) & Systematic Transfer Plan (STP) investor accounts at the end of the quarter, were approx. 1.3 million
- As on June 30, 2013, there were total of 49 schemes - 22 Equity oriented schemes, 23 debt oriented schemes, 3 exchange traded schemes and 1 fund of funds scheme
- At the end of Q1 FY14, RCAM had a wide distribution network spanning over 200 offices and more than 41,000 empanelled distributors

Reliance Life Insurance

- Reliance Life Insurance (RLI) offers products that fulfill savings and protection needs of customers. Reliance Life offers 31 products, of which 24 are targeted at individuals and 7 at group business
- Reliance Life Insurance has 16 optional rider offerings to provide comprehensive risk protection to customers. Of these, 12 are for Individual Business Segment and the rest for the Employee Benefits Business Segment
- Reliance Life is committed to emerge as a transnational Life Insurer of global scale and standard and attaining leadership rankings in the industry within the next few years
- RLI is amongst the leading Indian private sector insurers in terms of new business premium with a private sector market share of 10.5% as against 5.0% in Q1 FY13 (Source: May 2013 data, IRDA website)
- Total premium (net of reinsurance) for the quarter was Rs. 9.1 billion (US\$ 162.6 million) - a YoY increase of 12%
- New business premium for the quarter ended June 30, 2013, was Rs. 5.1 billion (US\$ 91.9 million) - a YoY increase of 105%
- Renewal premium for the quarter was Rs. 4.0 billion (US\$ 71.4 million)
- 80% of the new business individual premium was contributed by traditional products
- RLI achieved a profit before tax of Rs. 564.5 million (US\$ 10.1 million), for the quarter ended June 30, 2013 - a YoY increase of 196%. The declared results of Reliance Capital include consolidation of 48% stake of RLI
- During Q1 FY14, net surplus arising from non-participating business amounted to Rs. 329.7 million (US\$ 5.9 million). This surplus has not been included in the Q1 pretax profit
- Average ticket size for the quarter rose to over Rs. 17,000 - a YoY increase of 47%
- The total funds under management were at Rs. 180.1 billion (US\$ 3.0 billion) as on June 30, 2013

- The distribution network stood at over 1,150 offices across India and the number of agents as on June 30, 2013 rose to over 138,000
- Achievements and initiatives:
 - “Best Non-Urban Coverage” Award at Indian Insurance Awards 2013 for the third time in a row
 - Pre-issuance verification calling with call recording implemented successfully in over 50% of the branch network

Reliance Commercial Finance

- Reliance Commercial Finance (RCF) offers a wide range of products which include Home loans, Loans against property, SME loans, Vehicle loans, Loans for Construction equipment, and Infrastructure financing
- RCF is amongst the leading lenders in the Indian non banking finance sector. The focus in this business continues to be on asset backed lending and productive asset creation. In line with this, the Company has been disbursing only secured asset backed loans and has wound down the unsecured loans portfolio
- As on June 30, 2013, 100% of the outstanding book was secured
- The disbursements for the quarter ended June 30, 2013 were Rs. 16.5 billion (US\$ 295.5 million) as against Rs. 17.0 billion for the corresponding previous period - a YoY decrease of 3%
- As on June 30, 2013, the assets under management (including securitized portfolio) was Rs. 159.1 billion (US\$ 2.7 billion) as against Rs. 151.3 billion as on June 30, 2012 - a YoY increase of 5%
- As on June 30, 2013, the outstanding loan book was Rs. 136.0 billion (US\$ 2.3 billion) as against Rs. 136.1 billion as on June 30, 2012. This loan book is spread across over 80,600 customers from top 34 Indian metros
- Total income stood at Rs. 5.4 billion (US\$ 96.6 million) in Q1 FY14 as against Rs. 5.0 billion in the corresponding previous period - a YoY increase of 9%

- The Net Interest Income for the quarter ended June 30, 2013 was Rs. 1.7 billion (US\$ 30.0 million) as against Rs. 1.4 billion in the corresponding previous period - a YoY increase of 23%
- RCF achieved a profit before tax of Rs. 829.8 million (US\$ 14.8 million) - a YoY increase of 25%, driven by higher margins and improved cost efficiencies

Broking business

- Reliance Capital's broking business consists of Reliance Securities, one of the leading retail broking houses in India, that provides customers with access to equities, equity options and commodities futures, wealth management, portfolio management services, mutual funds and IPOs, and Quant Capital, which caters to wholesale client segment of the capital markets, including foreign and domestic institutions, corporations and ultra high net worth individuals. The focus is on the key business verticals of broking and wealth management
- Equity Broking:
 - It has over 718,900 retail broking accounts as on June 30, 2013 - a YoY increase of 4%
 - Daily average stock exchange turnover stood at Rs. 25.2 billion (US\$ 450.0 million) - a marginal YoY decrease of 2%
- Wealth Management:
 - In wealth management, client needs are assessed to create customized financial investment opportunities. Customized individual portfolios are based on their diverse investment needs and risk profiles
 - The AUM as on June 30, 2013 has increased to Rs. 11.1 billion (US\$ 185.1 million) - a YoY increase of 124%
- Commodity Broking:
 - It has nearly 40,500 commodity broking accounts as on June 30, 2013 - a YoY increase of 8%
 - The average daily commodities broking turnover was Rs. 8.1 billion (US\$ 144.8 million)

- Revenues of the broking business stood at Rs. 537.8 million (US\$ 9.6 million) for the quarter ended June 30, 2013 - a YoY decrease of 6%
- The business achieved a profit before tax of Rs. 4.2 million (US\$ 0.1 million) for the quarter ended June 30, 2013
- Achievements and initiatives:
 - WSJ named Reliance Securities Research team in Top 20 Research firms in Asia (May 2013)
 - WSJ rated Ms. Sapna Jhawar as the Top Analyst in Asia for the Healthcare sector (May 2013)
 - Tie-up with Bank of Maharashtra for broking accounts - access to more than 1,500 branches pan India

Distribution business - 'Reliance Money'

- The distribution business of Reliance Capital, branded as 'Reliance Money', is a manufacturer agnostic, comprehensive financial services and solutions provider, providing customers with access to mutual funds, life and general insurance products, money transfer, currency exchange, loans, gold coins and premium products
- As on June 30, 2013, Reliance Money had a pan India distribution network of over 5,650 outlets
- Reliance Money sold over 1,500 kgs. of gold in the quarter ended June 30, 2013
- Reliance Money is one of the largest private sector partners for Western Union Money Transfer in India - nearly 0.7 million money transfer transactions handled during the quarter - a YoY increase of 12%
- Reliance Money achieved revenues of Rs. 299.8 million (US\$ 5.4 million) for the quarter ended June 30, 2013 - a YoY increase of 104%
- The business had a loss of Rs. 7.6 million (US\$ 0.1 million) for the quarter ended June 30, 2013

Reliance General Insurance

- Reliance General Insurance (RGI) offers insurance solutions for auto, health, home, property, travel, marine, commercial and other specialty products
- RGI is the amongst the leading private sector general insurance players in India with a private sector market share of 8.4%
- Gross Written Premium for the quarter ended June 30, 2013 was Rs. 7.1 billion (US\$ 126.2 million) as against Rs. 5.6 billion for the corresponding previous period - a YoY increase of 25%
- Number of policies sold in the quarter rose by 40% to 9.2 lakhs
- The combined ratio (including 3rd party motor pool) was 113% as against 120% for the corresponding previous period, driven by reduction in claims incurred as well as commission and expenses ratios
- The profit was at Rs. 101.9 million (US\$ 1.8 million) for the quarter ended June 30, 2013 as against a loss of Rs. 201.2 million in the corresponding previous period
- The focus at RGI is on writing profitable business and improving the combined ratio. In line with this, the company is optimizing its product portfolio mix and is increasing its commercial lines of business. During the quarter, RGI realized a gross written premium of Rs. 1.6 billion (US\$ 29.1 million) from commercial lines of business
- The total capital invested continues at Rs. 17.5 billion (US\$ 292.6 million)
- The solvency ratio for the business stood at 1.42 as on June 30, 2013 as against the minimum stipulated ratio of 1.40
- The distribution network composed of 127 branches and over 12,000 intermediaries as on June 30, 2013

Quant Capital

- Quant Capital focuses on the wholesale client segment of the capital markets which includes foreign and domestic institutions, corporations and ultra high net worth individuals. Apart from traditional fundamental research, it also combines quantitative and behavioral research to forecast trends and inflection points for global currencies, commodities, and equities

- Quant has been extensively featured in the Asia Money polls 2011. In the Overall Prime Broking Services category across Asia, Quant is the only Indian firm to have been featured in the list. In the Overall Hedge Fund Services category across Asia, Quant is only one of two Indian firms that have qualified in the top 30 list

Reliance Equity Advisors (India) Limited (REAL)

- Reliance Equity Advisors was formed in 2008-09 with the aim of bringing third party investments into sunrise industries offering rapid growth opportunities in India. Reliance Equity Advisors manages the Reliance Alternative Investments Fund - Private Equity Scheme I, which is a private equity fund that makes late stage investments in mid-sized Indian companies.
- The fund has made six investments and has deployed ~75% thus far. The investment portfolio has been performing well, and REAL is in the process of concluding two more investments in Q2, taking the total deployment of the Fund to over 90%. The Fund's portfolio has been valued at 1.41 times cost as on March 31, 2013
- The Fund's existing investments are closely monitored on an ongoing basis, and continue to perform to or above expectation. The Fund expects to begin evaluating exits opportunistically and judiciously in the course of this year

Reliance Asset Reconstruction

- Reliance Asset Reconstruction Ltd. (Reliance ARC) is in the business of acquisition, management and resolution of distressed debt / assets
- During Q1, there was a rise in the overall NPLs in the banking sector, due to the ongoing economic downturn and high interest rates. There are indications that banks would be more willing to sell NPLs at prices which are acceptable to the ARCs. We expect this trend to continue during the current year
- The assets under management as on June 30, 2013 were Rs. 625.0 million (US\$ 10.5 million). Its own investment in NPAs declined from Rs. 121.9 million as on June 30, 2012 to Rs. 302.7 million (US\$ 5.1 million) as on June 30, 2013

SECTION 3

FINANCIAL AND OPERATING HIGHLIGHTS

Key Highlights for the quarter ended June 30, 2013

- Total income of Rs. 19.4 billion (US\$ 346.4 million) against Rs. 16.8 billion in the corresponding previous period - an increase of 16%, driven by increase in topline of General Insurance, Reliance Capital Asset Management and Commercial Finance businesses
- Net profit of Rs. 1.3 billion (US\$ 23.7 million) - a growth of 194% as compared to the corresponding previous period
- Net debt to equity stood at 1.81 as on June 30, 2013, as compared to 1.64 at the end of Q1 FY13

Summary of Consolidated Financial Statements

(Rs. Million)

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
Interest Income	8,730	7,443	8,567	32,067
Capital Gains / Dividend	512	1,184	504	11,588
Premium Earned	7,063	5,780	4,936	20,733
Management & Advisory Fee	1,847	1,229	1,672	6,416
Brokerage & Commission	756	597	544	2,208
Other Income	476	524	685	2,174
Total income	19,383	16,758	16,907	75,186
Interest & Finance charges	6,179	5,678	5,987	23,430
Other Expenses	11,695	10,345	10,209	43,453
Total Expenses	17,874	16,023	16,196	66,883
Profit before tax	1,509	735	711	8,303
Net Profit after Minority Interest & share of profit of associates	1,327	451	2,654	8,119
Diluted EPS (Rs.)	5.4	1.8	10.8	33.1

Total income:

RCL's consolidated income from operations for the quarter ended June 30, 2013 was Rs. 19.4 billion (US\$ 346.4 million) against Rs. 16.8 billion in the corresponding previous period - an increase of 16%, driven by increase in topline of General Insurance, Reliance Capital Asset Management and Commercial Finance businesses

Finance cost and Net profit from operations:

Interest & finance charges for the quarter were Rs. 6.2 billion (US\$ 110.4 million) - an increase of 9% as against the corresponding previous period.

Other expenses for the quarter were Rs. 11.7 billion (US\$ 209.0 million) - an increase of 13% as against the corresponding previous period.

Profit after tax, minority interest and share of profit of associates for the quarter ended June 30, 2013 was Rs. 1.3 billion (US\$ 23.7 million) - an increase of 194% as against the corresponding previous period.

Balance sheet

As on June 30, 2013, the company had total assets of Rs. 421.5 billion (US\$ 7.1 billion) - an increase of 12%. The company had a net worth of Rs. 121.4 billion (US\$ 2.0 billion). This resulted in net debt to equity ratio of 1.81, as against 1.64 as on June 30, 2012.

It enjoys the highest ratings of 'A1+' by ICRA and CRISIL, for its short term borrowing program and 'CARE AAA' by CARE for its long term borrowing program.

BUSINESS WISE PERFORMANCE
RELIANCE CAPITAL ASSET MANAGEMENT
FINANCIAL PERFORMANCE

	(Rs. Million)			
	Q1 FY14	Q1 FY13	Q4 FY13	FY13
Total Income	2,116	1,520	1,949	7,346
Total Expenses	1,345	934	798	4,450
Profit before tax	771	586	1,151	2,896

Discussion of financial performance

- RCAM's income from its operations for the quarter ended June 30, 2013 was at Rs. 2.1 billion (US\$ 37.8 million) - a YoY increase of 39%
- RCAM's total expenditure from its operations for the quarter ended June 30, 2013 was at Rs. 1.3 billion (US\$ 24.0 million) - a YoY increase of 44%
- Profit before tax for the quarter ended June 30, 2013 was Rs. 770.8 million (US\$ 13.8 million) - a YoY increase of 32%

RELIANCE LIFE INSURANCE

- *Amongst leading private sector life insurers in India with private sector market share of 10.5% in terms of new business premium*

FINANCIAL PERFORMANCE

(Rs. Million)

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
First year premium	4,795	2,221	3,932	11,884
Single premium	346	284	724	1,882
Total new business premium	5,141	2,505	4,655	13,766
Renewal premium	3,997	5,652	8,147	26,688
Total premium (Net of Reinsurance)	9,097	8,102	12,719	40,153
Profit before tax	565	191	2,902*	3,804*
Operating Costs (excl. commission)	2,723	2,742	4,558	13,117
Total Funds under management	180,069	185,860	181,894	181,894

* Including policyholder's surplus transferred to shareholders' account

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
No. of offices	1,162	1,230	1,230	1,230
No. of agents	138,360	119,931	124,038	124,038

- Total premium (net of reinsurance) in Q1 FY14 rose by 12% to Rs. 9.1 billion (US\$ 162.6 million)
- New Business Premium Income was Rs. 5.1 billion (US\$ 91.9 million) for the quarter - a YoY increase of 105%
- Renewal premium for the quarter was Rs. 4.0 billion (US\$ 71.4 million)
- 80% of new individual business premium was contributed by traditional products
- RLI achieved a profit before tax of Rs. 564.5 million (US\$ 10.1 million) for the quarter ended June 30, 2013 - a YoY increase of 196%.
- During the quarter, net surplus arising from non-participating business amounted to Rs. 329.7 million (US\$ 5.9 million). The Q1 profit before tax figures does not include this surplus
- Operating costs (excluding commission) were at Rs. 2.7 billion (US\$ 48.7 million) for the quarter ended June 30, 2013 - a YoY decline of 1%. This is in line with the focus to achieve leaner cost structure

- The total funds under management were at Rs. 180.1 billion (US\$ 3.0 billion) as on June 30, 2013
- The distribution network stood at 1,162 offices at the end of Q1 FY14 and the number of agents were over 138,000, as against approx. 120,000 as on June 30, 2012

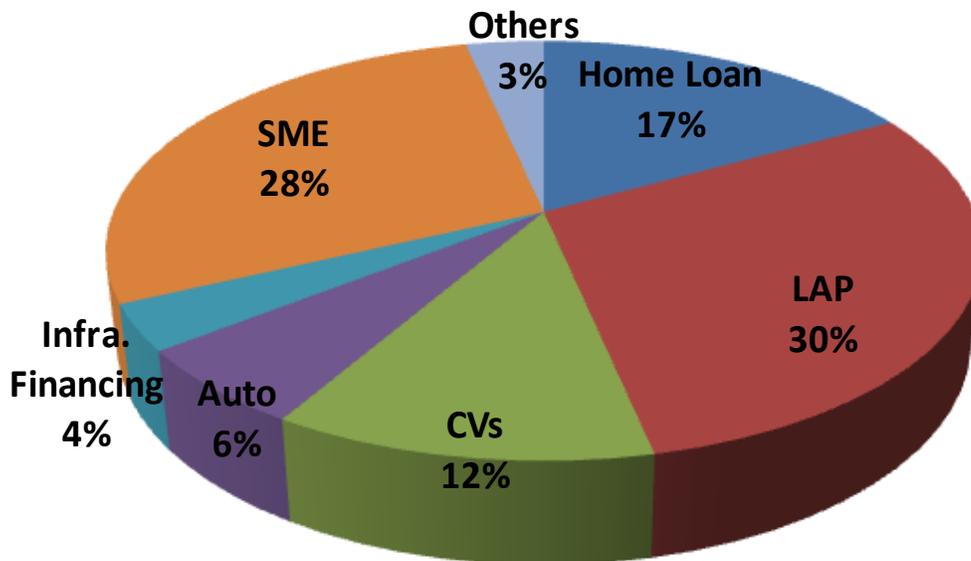
RELIANCE COMMERCIAL FINANCE

Discussion of financial performance

- Reliance Commercial Finance disbursed Rs. 16.5 billion (US\$ 295.5 million) of secured loans during the quarter, as against Rs. 17.0 billion for the corresponding previous period - a YoY decrease of 3%
- As on June 30, 2013, the assets under management (including securitized portfolio) was Rs. 159.1 billion (US\$ 2.7 billion) as against Rs. 151.3 billion as on June 30, 2012 - a YoY increase of 5%
- As on June 30, 2013, the outstanding loan book was Rs. 136.0 billion (US\$ 2.3 billion) as against Rs. 136.1 billion as on June 30, 2012. This loan book is spread across over 80,600 customers from top 34 Indian metros
- As on June 30, 2013, 100% of the outstanding book was secured
- Personal loans proportion brought down to miniscule 0.05% of the outstanding loan book at the end of the quarter

LOAN BOOK MIX - as on June 30, 2013

Outstanding Loan book - Rs. 136.0 billion



FINANCIAL PERFORMANCE

(Rs. Million)

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
Disbursements	16,533	17,023	24,476	87,446
Net Interest Income	1,679	1,361	1,718	5,901
Total Income	5,404	4,951	5,546	21,168
Interest expenses	3,420	3,351	3,408	13,778
Other expenses	821	784	735	3,115
Provisions	333	154	200	855
Profit before tax	830	661	1,203	3,420

- Total income stood at Rs. 5.4 billion (US\$ 96.6 million) for the quarter as against Rs. 5.0 billion for the corresponding previous period - a YoY increase of 9%
- The Net Interest Income for the quarter was Rs. 1.7 billion (US\$ 30.0 million) as against Rs. 1.4 billion for the corresponding previous period - a YoY increase of 23%
- The profit before tax for the quarter was Rs. 829.8 million (US\$ 14.8 million) as against Rs. 661.2 million for the corresponding previous period - a YoY increase of 25% driven by higher margins and improved cost efficiencies
- The cost to income ratio for the quarter improved to 15.2% as against 15.8% for Q1 FY13
- Average NIMs for the quarter ended June 30, 2013, rose to 5.0% as against 4.0% for the corresponding previous period
- Gross NPLs were 2.2% of outstanding AUMs at Rs. 3.6 billion (US\$ 59.8 million) as against 1.7% at Rs. 2.6 billion as on June 30, 2012
- The coverage ratio (including write-offs) stood at 59% as on June 30, 2013. Excluding write-offs, the ratio was at 20%

BROKING BUSINESSES

FINANCIAL PERFORMANCE

(Rs. Million)

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
Total Income	538	575	788	2,581
Total Expenditure	534	524	677	2,206
Profit before tax	4	51	111	375

Discussion of financial performance

- The total income stood at Rs. 537.8 million (US\$ 9.6 million) for the quarter ended June 30, 2013 - a YoY decrease of 6%
- The business achieved a profit before tax of Rs. 4.2 million (US\$ 0.1 million) for the quarter ended June 30, 2013

DISTRIBUTION BUSINESS - 'RELIANCE MONEY'

FINANCIAL PERFORMANCE

(Rs. Million)

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
Total Income	300	147	415	1,200
Total Expenditure	307	120	357	1,127
Profit before tax	(8)	26	58	73

Discussion of financial performance

- Total income stood at Rs. 299.8 million (US\$ 5.4 million) for the quarter ended June 30, 2013 - a YoY increase of 104%
- The business had a loss of Rs. 7.6 million (US\$ 0.1 million) for the quarter ended June 30, 2013, as against a profit of Rs. 26.5 million for the corresponding previous period

RELIANCE GENERAL INSURANCE

- *Amongst leading private sector general insurers in India with private sector market share of 8.4%*

FINANCIAL PERFORMANCE

(Rs. Million)

	Q1 FY14	Q1 FY13	Q4 FY13	FY13
Gross Written Premium	7,063	5,635	4,866	20,362
Profit before Tax / (Loss)	102	(201)	170	(928)
Combined ratio with pool	113%	120%	115%	121%
Capital infusion	-	-	-	1,550
Investment book	34,340	28,686	32,525	32,525
No. of policies issued (millions)	0.9	0.7	0.8	2.9
No. of branches	127	148	127	127
No. of intermediaries	12,140	7,680	10,665	10,665

SEGMENT WISE BREAK UP

- Premium contribution

Particulars	Q1 FY14	Q1 FY13	Q4 FY13
Motor	50%	55%	66%
Health	24%	14%	17%
Fire & Engineering	17%	19%	12%
Marine	2%	2%	1%
Others	7%	9%	5%
Total	100%	100%	100%

Discussion of financial performance

- Gross Written Premium for the quarter ended June 30, 2013, was Rs. 7.1 billion (US\$ 126.2 million) - a YoY growth of 25%
- Number of policies sold in the quarter rose by 40% to 9.2 lakhs
 - Usage of manual cover-note in Motor segment reduced from 27% in Q1 FY13 to 8% in Q1 FY14
- The combined ratio (including third party motor pool) was 113% in the quarter, as against 120% for Q1 FY13

- The profit was at Rs. 101.8 million (US\$ 1.8 million) for the quarter ended June 30, 2013 as against a loss of Rs. 201.2 million in the corresponding previous period
- The focus at RGI is on writing profitable business and improving the combined ratio. In line with this, the Company is optimizing its product portfolio mix and is increasing its commercial lines of business. During the quarter, RGI realized a gross written premium of Rs. 1.6 billion (US\$ 29.1 million) from commercial lines of business
- The total capital invested is Rs. 17.5 billion (US\$ 292.6 million)
- The distribution network composed of 127 branches and over 12,000 intermediaries as on June 30, 2013
- The solvency ratio for the business stood at 1.42 as on June 30, 2013 as against the minimum stipulated ratio of 1.40

SECTION 4

STOCK MARKET HIGHLIGHTS

General information

Shareholding and Financial data as on June 30, 2013	
Code/ Exchange	500111 / BSE RELCAPITAL / NSE
Bloomberg/ Reuters	RCAPT.IN
No of share outstanding (June 30, 2013)	245,632,800
Closing market price (Rs.) (June 30, 2013)	336.9
Combined volume (NSE & BSE) (for the quarter) (No. in million / day)	5.7
Combined value (NSE & BSE) (for the quarter) (Rs. billion / day)	2.0
F & O volume (NSE - for the quarter) (No. in million / day)	25.5
F & O value (NSE - for the quarter) (Rs. in billion / day)	8.7
Stock Beta (for quarter ended June 30, 2013)	1.38
Market capitalization as on June 30, 2013 (Rs. billion)	82.7
Market capitalization as on June 30, 2013 (US\$ billion)	1.4
Book value per equity share (Rs.)	494.1

Summarized shareholding pattern as of June 30, 2013

Category	No. of shares	Shareholding
Promoters	132,982,272	54.1%
Foreign investors - FIIs, NRIs and others	49,958,644	20.3%
Domestic institutions/ Banks / Mutual funds	13,198,382	5.4%
Indian public	49,493,502	20.2%
Total	245,632,800	100.0%