

RELIGARE ENTERPRISES LIMITED

Regd. Off.: D3, P3B, District Centre, Saket, New Delhi – 110017

NOTICE

NOTICE is hereby given that the Extra Ordinary General Meeting of the members of **Religare Enterprises Limited** will be held on **July 26, 2013 at 12:00 Noon** at Sri Sathya Sai International Center, Pragati Vihar, Lodhi Road, New Delhi-110003, to transact the following **Special Business**:-

SPECIAL BUSINESS:

1. To consider and, if thought fit to pass, with or without modification(s) the following Resolution for the preferential allotment of share warrants and equity shares as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (**Companies Act**), if any including any statutory modification(s) or re-enactment thereof, for the time being in force, various rules, circulars, press notes, clarification issued by Foreign Investment Promotion Board, the provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed there under and subject to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (**SEBI (ICDR) Regulations**), as in force and subject to other applicable rules, regulations and guidelines of Securities and Exchange Board of India (SEBI), Reserve Bank of India (**RBI**) and the stock exchanges where the shares of the Company are listed (**Stock Exchanges**) and enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into between the Company and the Stock Exchanges and subject to requisite approvals, consents, permissions and/or sanctions if any, of SEBI, the Stock Exchanges and other appropriate authorities, including RBI, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more of its power including the powers conferred hereunder), the Board be and is hereby authorized to create, offer, issue and allot upto 207,568 (two lakhs seven thousand five hundred sixty eight) equity shares of face value of INR 10/- each at a price of INR 313.15 per equity share and upto 5,811,911 (Fifty eight lakhs eleven thousand nine hundred eleven) Share Warrants ("**Warrants**") of face value INR 313.15 each, to be issued and allotted at par, on a preferential allotment basis, to Customers Bank Corp Inc., incorporated in the United States of America with its registered office situated at 1015 Penn Avenue, Wyomissing Pennsylvania, either directly or through any of its affiliates or subsidiaries ("**CUBI**"), subject to the overall investment by CUBI not exceeding US\$29 Million, which shall be convertible into equity shares of the Company no later than 18 months from the date of their allotment in accordance with the SEBI (ICDR) Regulations or other provisions of the law as may be prevailing at the time of allotment of equity shares/conversion of Warrants.

RESOLVED FURTHER THAT the exact number of the warrants and shares to be issued and allotted pursuant to the authorizations set out herein shall, in compliance with applicable laws and regulations, be determined based upon the actual Rupee Dollar Conversion Rate as of the date on which the investment is made by CUBI, provided that the total Dollar amount to be invested by CUBI shall under no circumstances exceed US\$ 29 Million.

RESOLVED FURTHER THAT the Relevant Date, as per the SEBI (ICDR) Regulations for the determination of issue price of the Warrants and the equity shares to be allotted pursuant to the preferential allotment and upon the conversion of Warrants is fixed as June 26, 2013 i.e. 30 days prior to the date of shareholders meeting proposed to be held on July 26, 2013, to approve the proposed preferential issue, in terms of Section 81(1A) of the Companies Act.

RESOLVED FURTHER THAT the equity shares to be allotted to the proposed allottee pursuant to the aforesaid preferential allotment and the equity shares to be allotted upon conversion of Warrants shall rank *pari passu* in all respects including as to dividend, with the existing fully paid up equity shares of face value of INR. 10/- each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/ the Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid equity shares and Warrants and issue or allotment of equity shares pursuant to conversion of the Warrants and listing of the equity shares to be allotted on preferential allotment basis and equity shares to be allotted pursuant to conversion of Warrants with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said equity shares and Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board of Directors
For **Religare Enterprises Limited**

Place : New Delhi
Date : June 26, 2013

Sd/-
Sudhakar Shetty
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IN THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF, PROXY NEED NOT BE A MEMBER.**
2. Proxies in order to be effective should be lodged with the Company at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act in respect of aforementioned businesses is attached.
4. All documents referred to in the notice or in the accompanying explanatory statement are available for inspection by the members on all working days except Saturdays, Sundays and public holidays between 11.00 a.m. to 1.00 p.m. prior to the date of Extraordinary General Meeting and will also be available for inspection at the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT

In terms of Section 173 of the Companies Act, the following Explanatory Statement sets out all the material facts relating to the Item No. 1 of the accompanying Notice dated June 26, 2013.

- (i) The equity shares and the Warrants are being issued by the Company with a view to dilute the shareholding of the promoters of the Company upto 49% to enable Religare Enterprises Limited to qualify for applying for banking license under the Guidelines issued by the Reserve Bank of India on February 22, 2013.
- (ii) The funds obtained by the Company through the investment by CUBI may be used to inter alia, fund the Company's growth capital requirements, to meet the Company's capital expenditure, enhance its long term resources and thereby strengthening the financial structure of the Company and for other general corporate purposes and purposes permitted by applicable laws.
- (iii) The Board of Directors of the Company on June 26, 2013, subject to necessary approval(s), has approved the proposal for raising funds upto US\$ 29 Million, by way of issue of equity shares and Warrants to CUBI on preferential allotment basis.
- (iv) Pursuant to provisions of Section 81 (1A) of Companies Act, any preferential allotment of securities needs to be approved by the shareholders by way of Special Resolution. Further, in terms of Regulation 73 of SEBI (ICDR) Regulations, 2009, the following disclosures are needed to be made in the Explanatory Statement to the Notice of the General Meeting:

i. The Objects of the issue through preferential offer:

The preferential offer is being made with a view to dilute the shareholding of the promoters of the Company upto 49% to enable Religare Enterprises Limited to qualify for applying for banking license under the Guidelines issued by the Reserve Bank of India on February 22, 2013. The proceeds of the preferential offer are proposed to be used to augment funds to inter alia fund the Company's growth capital requirements, to meet Company's capital expenditure, enhance its long term resources and thereby strengthening the financial structure of the Company and for other general corporate purposes and purposes permitted by applicable laws.

ii. The intention of the Promoters/Directors/key management persons to subscribe to the offer:

Promoters/Directors/Key Management Personnel do not intend to subscribe the offer.

iii. Relevant Date:

The Relevant Date as per the SEBI (ICDR) Regulations for the determination of issue price of the Warrants and the equity shares pursuant to the aforesaid preferential allotment and the conversion of Warrants is fixed as June 26, 2013 i.e. 30 days prior to the date of shareholders meeting proposed to be held on July 26, 2013, to approve the proposed preferential issue, in terms of Section 81(1A) of the Companies Act.

iv. Pricing of Preferential Issue:

The equity shares and the Warrants will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations.

Since the Company is listed on both BSE Limited and National Stock Exchange of India Limited, the trading volume of securities of the Company on both the stock exchanges is considered to determine the highest trading volume for computation of issue price.

Further, for the proposed allotment of equity shares and Warrants to be made to CUBI, the proposed issue price is required to be made at a price determined in accordance with Regulation 76(1) of the SEBI (ICDR) Regulations. Accordingly, for the proposed allotment(s) of equity shares and Warrants to be made to CUBI, the issue price shall be INR 313.15 (Rupees Three Hundred Thirteen and Paise fifteen) per share, as computed by taking into consideration the prices quoted on National Stock Exchange of India Limited (being the recognized stock exchange on which the highest trading volume in respect of equity shares of the Company has been recorded during the preceding 26 weeks prior to the Relevant Date).

As required under the ICDR Regulations, wherever it is required, the Company shall re-compute the issue price mentioned above in accordance with the ICDR Regulations. Further, if the amount payable on account of the re-computation of issue price is not paid by the proposed allottee, i.e., CUBI within the time stipulated under the ICDR Regulations, the equity shares allotted to CUBI shall continue to be locked in till the time such amounts are paid by CUBI.

v. Terms of Issue of Warrants

- a. At any time after the date of allotment of Warrants but on or before the expiry of 18 months from the date of allotment of Warrants, the proposed allottee of Warrants will be entitled, in one or more tranches, to apply for and obtain allotment of such number of equity shares of face value of INR 10/- each of the Company for each Warrants, as would be calculated on the basis of conversion price of INR 313.15 per equity share of the Company. Provided that all outstanding Warrants shall in any event be convertible into equity shares as stated above upon the expiry of 18 months from the date of allotment thereof.
- b. Upon receipt of the Warrants conversion notice, the Board (or a Committee thereof) shall allot such number of equity shares of face value of INR 10/- each of the Company for each Warrants, as would be calculated on the basis of conversion price of INR 313.15 per equity share of the Company by appropriating INR 10/- towards equity share capital and the balance amount paid, towards the securities premium.
- c. The equity shares issued pursuant to conversion of Warrants shall rank *pari passu* in all respects including with respect to dividend, with the then fully paid up equity shares of the Company.

vi. Identity of the proposed allottees:

Identity of Proposed allottees	No. of Warrants to be allotted#	No of equity shares to be allotted#	Issue Price (INR) of Warrants	Issue Price (INR) of equity shares
Customers Bank Corp Inc. or any of its affiliates or subsidiaries	Upto 5,811,911	Upto 207,568	313.15	313.15

#The numbers mentioned above have been computed on the presumption of Dollar Exchange rate to be INR 65/-. The exact number of Warrants to be issued and allotted pursuant to the authorizations set out herein shall, in compliance with applicable laws and regulations, be determined based upon the actual Rupee Dollar Conversion Rate as of the date on which the investment is made by CUBI, provided that the total dollar amount to be invested by CUBI shall under no circumstances exceed US\$ 29 Million.

vii. Shareholding Pattern pre and post preferential offer:

The present shareholding pattern and the shareholding pattern assuming full allotment of equity shares and Warrants to CUBI and the conversion of such Warrants into equity shares are given below#:

Category of Shareholders	Pre Issue (as on 21.06.2013)		Post Issue (After allotment of equity shares)		Post Issue (After conversion of warrants)	
	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
A. Promoters' Shareholding						
Promoters	38,375,182	25.69	38,375,182	25.65	38,375,182	24.69
Promoter Group	68,821,992	46.07	68,821,992	46.00	68,821,992	44.28
Sub-total	107,197,174	71.75	107,197,174	71.65	107,197,174	68.97

Category of Shareholders	Pre Issue (as on 21.06.2013)		Post Issue (After allotment of equity shares)		Post Issue (After conversion of warrants)	
	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
B. Public Shareholding						
I. Institutional Investors						
Mutual Funds	422	-	422	-	422	-
Financial Institutions/ Banks	1,605,424	1.07	1,605,424	1.07	1,605,424	1.03
Foreign Institutional Investors	2,305,003	1.54	2,305,003	1.54	2,305,003	1.48
Customers Bank Corp Inc	-	-	207,568	0.14	6,019,479	3.87
II. Non-Institutional Investors						
Bodies Corporate	1,638,675	1.10	1,638,675	1.10	1,638,675	1.05
Resident Individuals/ HUF	19,878,693	13.31	19,878,693	13.29	19,878,693	12.79
NRIs	11,734,992	7.85	11,734,992	7.84	11,734,992	7.55
Foreign Corporate Bodies	5,022,864	3.36	5,022,864	3.36	5,022,864	3.23
Others	18,076	0.01	18,076	0.01	18,076	0.01
Sub-total	42,204,149	28.25	42,411,717	28.35	48,223,628	31.03
Total (A+B)	149,401,323	100.00	149,608,891	100.00	155,420,802	100.00

The numbers mentioned above have been computed on the presumption of Dollar Exchange rate to be INR 65/-. The exact number of Warrants to be issued and allotted, the number of shares to be allotted pursuant to conversion of Warrants and the percentage of shareholding of the allottee (post conversion of Warrants) pursuant to the authorizations set out herein shall, in compliance with applicable laws and regulations, be determined based upon the actual Rupee Dollar Conversion Rate as of the date on which the investment is made by CUBI, provided that the total dollar amount to be invested by CUBI shall under no circumstances exceed US\$ 29 Million.

viii. Proposed time within which the allotment shall be completed:-

As required under the SEBI (ICDR) Regulations, the Company shall complete the allotment of equity shares and Warrants as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of equity shares and/or Warrants would require any approval(s) from any regulatory authority or the Central Government, within 15 (fifteen) days from the date of such approval(s), as the case may be.

ix. Change in control:

There shall be no change in management or control of the Company pursuant to the issue of equity shares and Warrants.

x. Others:

The certificate of the Statutory Auditors of the Company to the effect that the present preferential offer is being made in accordance with the requirements contained in Chapter VII of the SEBI (ICDR) Regulations shall be placed before the shareholders at the meeting.

As it is proposed to issue and allot the aforesaid securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 81(1A) of the Companies Act and Chapter VII of the SEBI (ICDR) Regulations. Your Directors, therefore, recommend the resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in the above referred resolution.

By Order of the Board of Directors
 For **Religare Enterprises Limited**

Sd/-

Sudhakar Shetty
 Company Secretary

Place : New Delhi
 Date : June 26, 2013



RELIGARE ENTERPRISES LIMITED

Regd. Off.: D3, P3B, District Centre, Saket, New Delhi – 110017

**Please fill in the Attendance Slip and hand it over
at the entrance of the meeting hall**

Name and address of the shareholder/Proxy:

.....
.....

Folio No. :

DP ID & Client ID:

No. of Shares held:

I/We hereby record my/our presence at the Extra-Ordinary General Meeting of the Company held on Friday, July 26, 2013 at 12.00 NOON. at Sri Sathya Sai International Center, Pragati Vihar, Lodhi Road, New Delhi- 110003.

Signature of the Shareholder or Proxy* :

*Strike out whichever is not applicable:

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RELIGARE ENTERPRISES LIMITED

Regd. Off.: D3, P3B, District Centre, Saket, New Delhi – 110017

Proxy Form

Folio No.:

DP ID & Client ID:

I/We of

.....

being a member/members of Religare Enterprises Limited hereby appoint.....

.....

of.....or failing

him/her..... of

..... as my/our proxy to vote for me/us on my/our behalf at the Extra General Meeting of the Company to be held on Friday, July 26, 2013 at 12.00 NOON. at Sri Sathya Sai International Center, Pragati Vihar, Lodhi Road, New Delhi-110003.

Signed this day of 2013.

Affix
Re 1/-
Revenue
Stamp

Note: The Proxies should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.