



Religare Enterprises Limited

Fair Practice Code

(Updated on September 06, 2018)

Fair Practice Code – Religare Enterprises Limited

Introduction

The Board of Directors of Religare Enterprises Limited ('Religare' / 'REL' / 'the Company') has approved the Fair Practice Code as required in terms of Reserve Bank of India Circulars No. CC No. 80/03.10.042/2005-06, dated 28-09-2006, CC No. 03.10.042 / 2007-08 dated October 10, 2007, CC No. 185/03.10.042/2010-11 dated October 19, 2010, CC No. 266/03.10.01/2011-12 dated March 26, 2012 and CC No. 320/03.10.01/2012-13 dated February 18, 2013, further consolidated in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank), Directions, 2016 to be followed in all dealings with the borrowers of the Company.

Religare is an Investment Holding Company for various investments of the Religare Group within the Financial Services Sector. More than 90% of Religare's total assets consist of investments in shares of Indian Subsidiaries / Joint Venture (JV) Companies. Religare is also classified as a Core-Investment Company – Non-Deposit Taking Systemically Important (CIC-ND-SI) by the Reserve Bank of India ("RBI") vide its certificate of registration dated June 3, 2014. Activities undertaken by the Company are governed by the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 ("CIC Directions") as amended from time to time.

Religare does not deal in active lending business but provides support to its subsidiaries/ Joint Ventures in the course of their business.

i) Applications for loans and their processing

The Company does not have operating lending business and to that extent it does not have any "Product" to be offered to customers. The only applicants for loan from the Company are its Group / Associate companies which are provided loans on short term basis on an arm's length basis. Such loans are provided based on terms as are agreed between the Company and the Group / Associate Company. Secondly, given the objectives of REL, currently there is no standard documentation or time frame for processing of the application since there will be loans in the form of inter corporate deposits which are based on appropriate corporate authorization. With respect to the loan applications, the Company shall use the vernacular language or a language as understood by the borrower for all communications and shall also state the documents required to be submitted. The Company shall also devise a system of giving acknowledgement for receipt of all loan applications along with time line within which loan applications will be disposed off.

ii) Loan appraisal and terms/conditions

The terms of the loans are agreed within the Company and the Group / Associate to the Company and these are also captured in the documentation that is entered into in this regard. The Company shall convey the amount of loan sanctioned along with the terms and

conditions, annualized rate of interest and method of application by means of a sanction letter or otherwise in the vernacular language or a language as understood by the borrower. The Company shall mention the penal interest charged for late repayment in bold in the loan agreement. The Company shall furnish a copy of the loan agreement along with each of the enclosures quoted in loan agreement to the borrowers preferably in the vernacular language as understood by the borrower.

iii) Disbursement of loans including changes in terms and conditions

The Company, being an Investment Holding Company, does not have any active lending Products. However, the Company provides short term loans in the form of inter-corporate deposits to its Group / Associate /Subsidiary companies. Such short term loans are provided on arm's length basis as per the terms and conditions that may be agreed upon between the Company and the concerned subsidiary / joint venture / associate. Any change in the terms and conditions would be as discussed and agreed upon between the Company and the Group / Associate /Subsidiary companies, since these are the contractual documents and the Company does not offer any off the shelf products unlike other companies who are providing retail loans. The Company shall convey to the borrowers, any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. by means of a notice in the vernacular language or a language as understood by the borrower. Right of set off will only be exercised by the company after giving notice to borrower along with full particulars about the remaining claims and conditions under which company is entitled to retain the securities till the relevant claim is settled/ paid.

iv) Interest Rate

The Company shall put in place appropriate internal principles and procedures to determine interest rates, processing and other charges. The Management has adopted Interest Rate Model taking into account relevant factors such as cost of funds, perceived risk & required margin.

v) General

- (a) The Company shall refrain from interference in the affairs of the borrower, except for the purposes provided in the terms and conditions of the loan agreement (unless new information, not earlier disclosed by the borrower, has come to the notice of the Company).
- (b) The Company shall not resort to any undue harassment, viz. persistently bothering at odd hours, use of muscle power in the matters relating to recovery of loans.
- (c) The Company shall ensure that the staff is adequately trained to deal with the customers in appropriate manner.

- (d) The Company shall lay down an appropriate grievance redressal mechanism within the organization.
- (e) All grievances shall be heard and disposed off by a person at least one level higher to the person/ designation against/ relating to whom the grievance is made. After examining the matter, the Company shall endeavor to provide the borrower/ applicant with its final or other response, within a period of six (6) weeks from receipt of such complaint/ grievance.
- (f) The Company may meet periodically to review the compliance of the fair practices code and the functioning of the grievances redressal mechanism at various levels of management.
- (g) The Company shall display the following information prominently, for the benefit of its customers, at its branches/ places where business is transacted:

- In case of any complaint/ grievance, the customers may contact:
- Grievance Redressal Officer: Mr. Gurvinder Singh Juneja, Director – Group Merger & Amalgamation.
 - Telephone: 91-124-3028304
 - Website: www.religare.com
 - E-mail: investorservices@religare.in
- In case the complaint/ dispute is not redressed within a period of one month, the customer may appeal to –

General Manager,
Department of Non-Banking Supervision,
Reserve Bank of India,
6, Parliament Street,
New Delhi – 110001.
Ph. 011-23714456
Email: dnbsnewdelhi@rbi.org.in