

March 15, 2024

The National Stock Exchange of India Ltd.
Corporate Communications Department
“Exchange Plaza”, 5th Floor,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051

BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Scrip Symbol: RELIGARE

Scrip Code: 532915

Subject: Press Statement

Dear Sir(s),

Please find herewith enclosed the press statement dated March 15, 2024 being issued by the Religare Enterprises Limited.

This is for your kind information and record.

Thanking you,
For Religare Enterprises Limited

Reena Jayara
Company Secretary

Encl.: as above

Press Statement by REL; 15 March 2024

InGovern Report Inaccurate and Misleading

The recent Report issued by InGovern Research Services Private Limited and subsequently published by online and offline media relating to voting recommendations, as proposed by Religare Enterprises Limited (REL) to its shareholders, regarding fund infusion into MIC Insurance Web Aggregator Private Limited (MIC), a wholly-owned subsidiary of REL, is misleading, unfounded, and portrays an incomplete picture.

It is worth mentioning that InGovern had reached out to REL to discuss the Report. However, before conducting such discussions, InGovern, in a rush, seems to have shared the Report with media outlets, with an incomplete and incorrect understanding. The unwarranted rush to publish the Report without having the discussion (as promised by InGovern) seems to be a deliberate attempt to adversely influence the shareholders' rational evaluation and decision on the MIC resolution.

InGovern's actions are evidence of its continuous attempts to malign, defame and demean the Religare Group and the Group's management. With InGovern acting dishonestly, it is in breach of the Code of Conduct for Research Analysts (which InGovern is subject to) prescribed under the Securities and Exchange Board of India (Research Analysts) Regulations, 2014. It has breached moral and professional standards by not seeking the requisite clarifications from REL.

The proposal to infuse funds in MIC for its growth and expansion is in line with the ordinary business of REL as a 'Core Investment Company'.

The status of voting resolutions

Currently voting on resolutions about MIC fund infusion and an amendment to articles of association of REL consequent upon the divestment of shareholding by the International Finance Corporation (IFC) is underway through an e-voting mechanism (open until 21 March 2024).

Key highlights relating to the MIC acquisition:

- The documentation for the acquisition of MIC by REL was executed in April 2023, much before the current Open Offer. On 11 September 2023, after duly considering requisite Group synergies, conflicts of interest and all other aspects of MIC and REL including the need and significance of the acquisition of MIC by REL, the Insurance Regulatory and Development Authority of India (IRDAI) gave its consent. Infusion of additional capital at periodic intervals to ensure compliance with regulatory requirements is one of the conditions stipulated by IRDAI while approving. Subsequently, REL disclosed the information on IRDAI's approval to the stock exchanges. Pursuant to completion of relevant formalities, REL completed the acquisition of MIC in December 2023 in the ordinary course.

- REL proposes an investment of INR 15 crore in MIC. The requirement to approach shareholders is arising on account of the provisions of 26(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST Regulations). Accordingly, REL has proposed the relevant matter to shareholders for approval through the special resolution which is only an enabling resolution. The proposed capital infusion of INR 15 Crore by REL will be undertaken over due course of time as required by MIC to grow and expand its business and operations.
- It is relevant to note that all disclosures required under statutes and applicable laws for the proposed resolution have been made. The claim in the Report by InGovern that there are missing disclosures about financials and valuation of MIC is incorrect. The financials of MIC have been consolidated with REL as of the quarter ended December 31, 2023; and the standalone financials of MIC will be released with REL's financials with effect from this financial year – i.e., financial year 2023-2024. The statutory regulations applicable for unlisted companies concerning valuation at the time of issuance of equity securities will be duly followed by MIC as and when the capital is proposed to be infused.
- REL clarifies that MIC does not have any external debt currently. There are no current debt-service records required to be disclosed.
- It is also relevant to note that pending the Open Offer, the SEBI SAST Regulations specifically require the Board of Directors of the target company, in this case, REL, to ensure that during the offer period, *“the business of the target company is conducted in the ordinary course consistent with past practice”*.
- REL categorically clarifies that the Religare Group does not have any existing insurance broking business. The claims made in InGovern's Report are baseless and unfounded in this regard and are based on an incorrect factual understanding of the Religare Group / its businesses. IRDAI has also subsequently approved the appointment of relevant nominee directors of REL on MIC's board after due consideration.
- The InGovern Report states that there is *“uncertainty”* and an *“imminent change in promoters and management which may take place post takeover by Burman group”* as the rationale for the negative voting recommendation. As is available in the public domain already, the Open Offer by the Burman group entities for takeover of the REL is subject to various regulatory approvals. In this light, the references made in the Report are grossly incorrect and misrepresenting to the public at large.

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