

May 30, 2019

**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

Sub: Annual Secretarial compliance Report For Financial Year 2018-19

Dear Sir(s),

Pursuant to the SEBI Circular No. CIR/CFD/CMD/1/27/2019 dated February 08, 2019, please find enclosed herewith copy of Annual Secretarial Compliance Report for the Financial Year 2018-19, duly certified by a Company Secretary in practice.

This is for your information and further dissemination.

Thanking You

Yours truly,
For Religare Enterprises Limited


**Reena Jayara
Company Secretary**



Encl.: as above



**Secretarial Compliance Report of Religare Enterprises Limited
for the year ended March 31, 2019**

To,
The Board of Directors
Religare Enterprises Limited
Regd. Office: 2nd floor, Rajlok Building, 24,
Nehru Place, New Delhi - 110019

We, MAKS & Co., Company Secretaries (FRN: P2018UP067700) have examined:

- (a) all the documents and records made available to us and explanation provided by Religare Enterprises Limited ("the **listed entity**" / "the **Company**"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

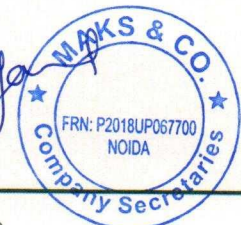
for the year ended **March 31, 2019** ("**Review Period**") in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (*not applicable for the Review Period*);
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*not applicable for the Review Period*);
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (*not applicable for the Review Period*);
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Depositories Act, 1996 and the Regulations and Bye Laws framed thereunder to the extent of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

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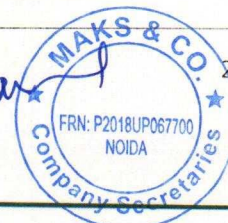
- (j) the Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act, 2013 and dealing with the client to the extent of securities issued; and
- (k) the Securities and Exchange Board of India (Investor Education and Protection Fund) Regulations, 2009.

and based on the above examination, We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sl. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	As per Regulation 33(3)(d) of SEBI (LODR) 2015, the Company is required to submit, to the stock exchange, annual audited financial results for entire financial year alongwith the audited financial results of the last quarter (balancing figure) alongwith the auditor's report within 60 days from the end of the financial year.	The Company submitted the annual audited financial results for the quarter and year ended March 31, 2018 with a delay of around 3 Hours i.e May 31, 2018 at 2.57 a.m. Refer Para (c)(i)(1) below for details.	The Company was imposed fine of Rs. 5,000/- each by BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Company had requested for and was granted waiver of fine imposed by NSE. The Company has also requested for waiver of the fine imposed by BSE. No further communication received from BSE in the matter. Refer Para (c) (i) (1) below for details.
2	As per Regulation 17(10) of SEBI (LODR) Regulations 2015, The performance evaluation of independent directors shall be done by the entire board of directors Provided that in the above evaluation the directors who are subject to evaluation shall not participate	No evaluation of performance of independent directors was carried out by the Board for the FY 2017-18 which was due in May 2018 i.e. the date of Annual Board Meeting as per the Board Evaluation Policy of the Company..	As per the noting in the Board meeting minutes, the performance evaluation was initiated by the Company for FY 2017-18 in Annual Board Meeting of May 2018 as per the Board Evaluation Policy of the Company but same could not be completed as the majority of the Board members were newly appointed directors and decided defer the same. Further, no Board evaluation was done in FY 2018-19.

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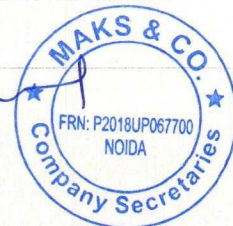
3	As per Regulation 23(2) of SEBI (LODR) Regulations 2015, all related party transactions shall require prior approval of Audit Committee	No prior approval of Audit Committee was obtained by the Company for transaction of Rs. 131.25 Lakhs related to expenses reimbursement to Religare Finvest Limited, subsidiary of the Company.	No prior approval of Audit Committee of the Company was obtained. However, Audit Committee subsequently in its meeting held on September 06, 2018. ratified the said transaction
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

i. Action against the Company:

Sl. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
1.	BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').	Non-submission of the financial results within the period prescribed under Regulation 33 of SEBI (LODR) 2015 for the financial year ended March 31, 2018. The financial results were submitted to NSE & BSE with a delay of around 3 Hours on May 31, 2018.	(a) BSE vide email dated June 18, 2018 imposed a fine of Rs. 5900/- for the violation. (b) NSE vide letter/ email dated June 15, 2018 imposed a fine of Rs. 5000/- for the violation.	(a) The Company vide letter dated June 20, 2018 informed BSE that the Board Meeting scheduled to consider and approve the Audited Financial Results for the FY 2017-18 was commenced at 10:30 a.m. on May 30, 2018 and ended at 2.30 a.m. on Thursday, May 31, 2018 and the Results were submitted within the prescribed time of 30 minutes of the closure of the said Meeting. Hence, there was delay. Vide the said letter, the Company requested for condoning the marginal delay of around three hours and waiver of fine imposed. The response from BSE is awaited in the matter.

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Sl. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
				(b) The Company vide letter dated June 22, 2018 informed NSE that the Board Meeting scheduled to consider and approve the Audited Financial Results for the FY 2017-18 was commenced at 10:30 a.m. on May 30, 2018 and ended at 2.30 a.m. on Thursday, May 31, 2018 and the Results were submitted within the prescribed time of 30 minutes of the closure of the said Meeting. Vide the said letter, the Company requested for waiver of fine imposed. NSE vide letter dated February 04, 2019 waived the fine imposed.
2.	Securities and Exchange Board of India ("SEBI")	Non-compliance of provisions of Regulation 7(2)(b) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') i.e. non-submission of particulars of trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.	SEBI vide its order dated May 22, 2018 appointed the Adjudicating Officer ('AO') to inquire and adjudicate in the matter. The office of AO vide show cause notice dated July 05, 2018 called upon the Company as to why an inquiry should not be held and penalty should not be imposed against the Company.	Please refer Note-1 below.

ii. Action against Mr. Malvinder Mohan Singh & Mr. Shivinder Mohan Singh (Promoters):

Note: The Company has informed that upon approval of shareholders of the Company, the Company has applied to Stock exchanges for the Re-classification of Promoters and Promoters Group into Public Shareholders category. The Company has also submitted an application dated April 15, 2019 with SEBI

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seeking for an exemption from strict application of one of the conditions mentioned in erstwhile Regulation 31A(6) in relation to re-classification of existing Promoters and Promoters Group of Religare Enterprises Limited to Public Shareholders. The response of SEBI on the application is currently awaited.

Details of action against Promoters are as below:

Sl. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
1.	SEBI	Please refer Note-2 below.	Please refer Note-2 below.	Please refer Note-2 below.
2.	SEBI	Please refer Note-3 below.	Please refer Note-3 below.	Please refer Note-3 below.

iii. Action against the Material Subsidiaries:

Religare Finvest Limited

Sl. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
1.	SEBI	Please refer Note-3 below.	Please refer Note-3 below.	Please refer Note-3 below.

iv. Action against the Directors of the Company There were no actions taken against the directors of the Company either by SEBI or by Stock Exchanges under the aforesaid Acts/ Regulations and circulars/ guidelines.

Note-1:

The Company vide letter dated May 17, 2017 informed the BSE & NSE that Mr. Sunil Godhwani, one of the whole-time directors, has dealt in 800,000 equity shares of the Company (value of around Rs. 22 Cr) during the week October 17, 2016 to October 21, 2016. However, no disclosures under the PIT Regulations were received by the Company from Mr. Godhwani and the same was noticed by the Company in BEN-POS received from RTA. Requisite actions were undertaken by the Compliance Officer and the Audit Committee and a penalty of Rs. 50,00,000/- was imposed by the Company on Mr. Godhwani. On replying to Company notice, Mr. Godhwani submitted that the transaction was a 'gift' of shares to his wife and not a 'sale'.

Relying upon the legal opinion and under the guidance of the Audit Committee, the Company, with limited information available, filed submission under Regulation 7(2)(b) of PIT Regulations.

During the enquiry proceeding by AO, it was noticed that the Company was in possession of information relating to transaction done by Mr. Godhwani but failed to disclose the same. While the adjudication proceeding was in progress, the Company submitted an application dated August 24,

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2018 for settlement of proceeding under SEBI (Settlement of Administrative and Civil Proceeding) Regulations, 2014 and submitted that "we neither admit nor deny the findings of facts and conclusions of law", which may be part of settlement order.

The Company was given an option of summary settlement procedure by paying Rs. 200,000/- or come through normal settlement procedure. The Company opted for summary settlement and paid Rs. 200,000/- vide letter dated January 02, 2019. In view of above, SEBI vide Settlement Order dated January 17, 2019 disposed off the adjudication proceeding.

Note-2:

SEBI vide order No. WTM/GM/IVD/100/2018-2019 dated March 14, 2019 ('Order') observed that a detailed investigation of the fund diversion in the instant case is necessary to find out the role of each entity, listed in the Order, in the alleged diversion of funds of Rs. 2,315.09 Cr. from the books of Religare Finvest Limited ('RFL') for utilization of Promoters and Promoter Group Entities of the Religare Enterprises Limited ('REL'). However, pending detailed investigation, SEBI, as a remedial action, passed an interim ex-parte order, to protect the interests of shareholders of REL as funds to the tune of Rs. 2315.09 Crores (approx.) have moved out from RFL for the ultimate benefit of erstwhile promoters of REL.

In view of foregoing, in order to protect the interest of the investors and the integrity of the securities market, in exercise of the powers conferred by virtue of section 19 read with sections 11(1), 11(4)(d) and 11B of the SEBI Act, 1992, SEBI *inter-alia* issued following directions:

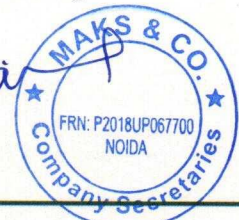
- a. REL and RFL (i.e. Noticee nos. 1 & 2) shall initiate steps to recall all the loans, amounting to Rs.2315.09 Crores (approx.) , as specified in table no. 8 under para 4 of the Order, extended, either directly or indirectly, to the Noticee nos. 3 to 25 (viz. OSPL Infradeal Private Limited, Bharat Road Network Limited , Platinum Infrastructure Pvt. Ltd, Ad Advertising Pvt. Ltd, Artifice Properties Pvt. Ltd, Best Health Management Pvt. Ltd, Devera Developers Pvt. Ltd, Vitoba Realtors Pvt. Ltd, Fern Healthcare Pvt. Ltd, Modland Wears Pvt. Ltd, Rosestar Marketing Pvt. Ltd, Star Artworks Pvt. Ltd, Tripoli Investment & Trading Co, Volga Management and Consultancy Pvt. Ltd, Zolton Properties Pvt. Ltd, Religare Comtrade Limited, RHC Holding Pvt Ltd , Ranchem Pvt. Ltd , ANR Securities, Shivi Holdings Pvt. Ltd, Malav Holdings Pvt. Ltd, Shri Malvinder Mohan Singh and Shri Shivinder Mohan Singh), along with due interest, within three months of the date of this order.
- b. The Noticee nos. 3 to 25 shall, pending completion of the investigation and till further orders, not dispose of or alienate any of their assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.
- c. The Noticee nos. 24 and 25 (viz. Shri Malvinder Mohan Singh and Shri Shivinder Mohan Singh) shall not associate themselves with the affairs of REL and RFL, in any manner whatsoever, till further directions

The detailed investigation in the above stated matter is still in progress. For full details, the copy of Order can be referred to.

Note-3:

SEBI vide order No. WTM/GM/IVD/101/2018-2019 dated March 19, 2019 read with interim ex-parte order No. WTM/GM/IVD/68/2018-19 dated October 17, 2018 read with order WTM/GM/IVD/80/2018-19 dated December 21, 2018, *inter alia*, issued the following directions:-

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(Firm Regn. No.: P2018UP067700)



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- a. Fortis Healthcare Limited and Fortis Hospitals Limited shall continue to pursue the measures to recall the outstanding amount of Rs.403 crore (approx.) along with due interest from RHC Holding Private Limited, Shivi Holdings Private Limited, Malav Holdings Private Limited, Shri Malvinder Mohan Singh, Shri Shivinder Mohan Singh, Religare Finvest Limited, Best Healthcare Private Limited, Fern Healthcare Private Limited and Modland Wears Private Limited (Noticee nos. 3 to 11).
- b. RHC Holding Private Limited, Shivi Holdings Private Limited, Malav Holdings Private Limited, Shri Malvinder Mohan Singh, Shri Shivinder Mohan Singh, Best Healthcare Private Limited, Fern Healthcare Private Limited and Modland Wears Private Limited (Noticee nos. 3 to 7 and 9 to 11) pending completion of the investigation, shall not dispose of or alienate any of their assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.
- c. Religare Finvest Limited (Noticee nos. 8), pending completion of the investigation, shall not dispose of or alienate any of its assets or divert any funds, without the prior permission of SEBI, except for meeting expenses of day-to-day business operations and/or complying with the terms of the 'Corrective Action Plan' as stipulated by the Reserve Bank of India; and
- d. Shri Malvinder Mohan Singh and Shri Shivinder Mohan Singh shall not associate themselves with the affairs of Fortis Healthcare Limited and Fortis Hospitals Limited in any manner whatsoever.

The detailed investigation in the above stated matter is still in progress. For full details, the copy of Order can be referred to.

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not applicable for the Review Period				

For M/s. MAKS & Co.,
Company Secretaries
[FRN P2018UP067700]

Ankush Agarwal
Partner
Membership No.: F9719
Certificate of Practice: 14486



Date: May 30, 2019
Place: Noida