

November 06, 2018

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: Updates – Change in Credit Rating of Religare Enterprises Ltd. ("the Company") and its Subsidiary Companies.

Dear Sir(s),

We would like to inform you that the India Ratings & Research Private Limited ("IND Ra") has revised the ratings of the Company and subsidiaries of the Company, details of which are herein below:

a. Religare Enterprises Limited ("the Company")

Sr. No.	Instruments	Amount (In million)	Rating Action
1.	Senior secured Non-Convertible Debentures (NCDs),	INR 1,760	Early rating of "IND BBB-/RWN" has been withdrawn (paid in full)
2.	Short Term Debt (Commercial Papers)	INR 500	Rating revised from "IND A3/RWN" to "Ind A4+/RWN".

The revision in the ratings of the Company is inter-alia on account of downgrade of credit rating of Religare Finvest Limited ("RFL"), subsidiary Company. Credit rating revision is a reflection of RFL's reduced ability to provide support in view of its operational and financial challenges. Ind-Ra believes that the Company's long term support expectation from RFL, which formed main premise of rating linkage, has considerably reduced. The Company has not received dividends from RFL in FY 2017 & 2018. Ind Ra has also noted that during the 12 months ended October 2018, the Company has repaid substantial part of its debt obligations, while has further simplified the group structure through merger of certain group companies within itself.

b. Religare Finvest Limited (RFL), subsidiary Company;

Sr. No.	Instruments	Amount (In million)	Rating Action
2.	Lower Tier 2 sub-debt	INR7,500	Rating revised from IND BBB/RWN* to IND BB/RWN
3.	Long-term bank loans	INR150,000	Rating revised from IND BBB/RWN* to IND BB/RWN
4.	Long-term debentures	INR30,000	Rating revised from IND BBB/RWN* to IND BB/RWN
5.	Commercial paper	INR30,000	Rating revised from IND A3+/RWN* to IND A4+/RWN
6.	Short term bank	INR30,000	Rating revised from IND A3+/RWN* to IND



loans	A4+/RWN
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The revision in the rating assigned to the aforementioned instruments of RFL by India Ratings and Research follows the SEBI's Ex parte Interim order, as per which RFL has been directed by the Securities and Exchange Board of India (SEBI) to pay an amount of INR2 billion along with due interest within three months to Fortis Healthcare Limited (FHL).

SEBI has put restrictions on the use of assets and funds of RFL. Ind-Ra believes payment of this amount would pressure RFL's already stressed liquidity position, given its limited flexibility on the external funding front. Ind-Ra has been told by RFL's management that it has appealed against the order.

RFL is also facing stress owing to its disputed fixed deposit of INR7.9 billion kept with Laxmi Vilas Bank (LVB). This amount had been adjusted by LVB against loans given to the promoter holding company of Religare Enterprises Limited ("REL"- holding company of RFL). The matter is under judicial consideration.

RFL has recognized its entire corporate loans (26% of total loans at 1QFY19) as non-performing asset (NPA), against which the Reserve Bank of India had raised concerns in 2017, as they were given by RFL to the entities known to its erstwhile promoter group. Moreover, REL has delayed the infusion of the much-needed capital into RFL. Ind-Ra also takes note of the RFL's auditor's report for FY17 which has referred the concerns raised by the RBI on the corporate governance norms followed by RFL.

c. Religare Housing Development Finance Corporation Limited (RHDFCL), subsidiary of RFL

Sr. No.	Instruments	Amount (In Rs. Crore)	Rating Action
1.	Long Term Bank loan	10,000	Revised from IND BBB-/RWN to IND BB-/RWN
2.	Non -Convertible Debentures (NCDs)	1,000	Revised from "IND BBB-/RWN to "IND BB-/RWN
3	Commercial Paper	2,000	Revised from "IND A3/RWN" to "IND A4+/RWN"
4	Short Term Bank Loan	2,000	Revised from "IND A3/RWN" to "IND A4+/RWN"

The revision in the rating of RHDFCL reflects the revision in rating of RFL, parent company (owing 87.5% of RHDFCL) which reflects reduced ability of support from RFL in view of its operational and financial challenges.

You are requested to take the above information on your records.

For Religare Enterprises Limited



Reena Jayara
Company Secretary

