
Religare Easy Gold



Presentation Flow



Section I: Religare Overview & Footprint in Financial Services

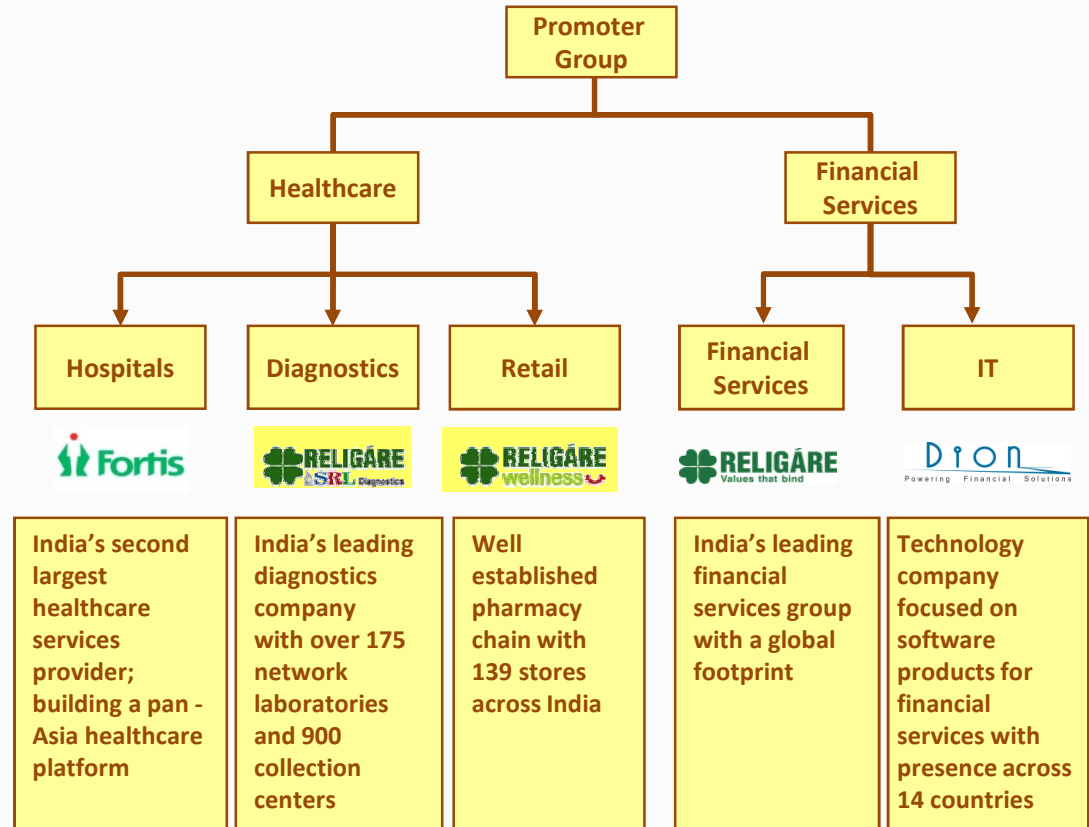


Religare's presence in Financial Services

Religare Enterprises Ltd ("REL") - An Overview

- REL(holding company of the financial services business) is building an emerging markets business anchored in India
- Financial services is one of two focus areas for the Singh brothers, Promoters of the Group
- The Promoters have an established track record of three generations of successful entrepreneurship and value creation
- Established in 1994, the financial services business was reinvigorated in 2000 with the induction of the current management team that has since successfully built a leading franchise in India
- The Promoters have invested substantial capital of over US\$600mn to build the franchise; currently hold c.70% stake
- REL's IPO (2007) was one of the most successful in the history of the Indian stock market and was oversubscribed 159 times⁽¹⁾; current market capitalisation of US\$ 1.5bn⁽²⁾

One of India's Fastest Growing Business Groups



(1) Source: Prime Database

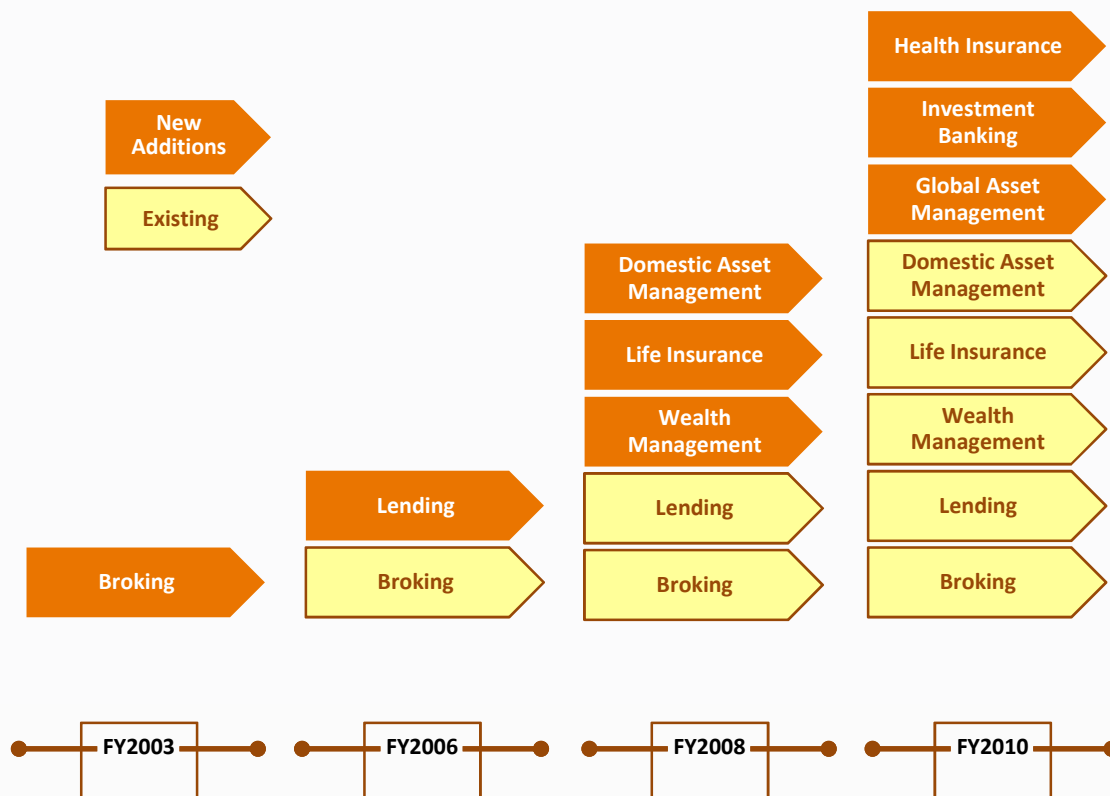
(2) Market Cap as at Feb 10, 2011; Source: BSE

The Journey so far..

Significant Growth in Platform

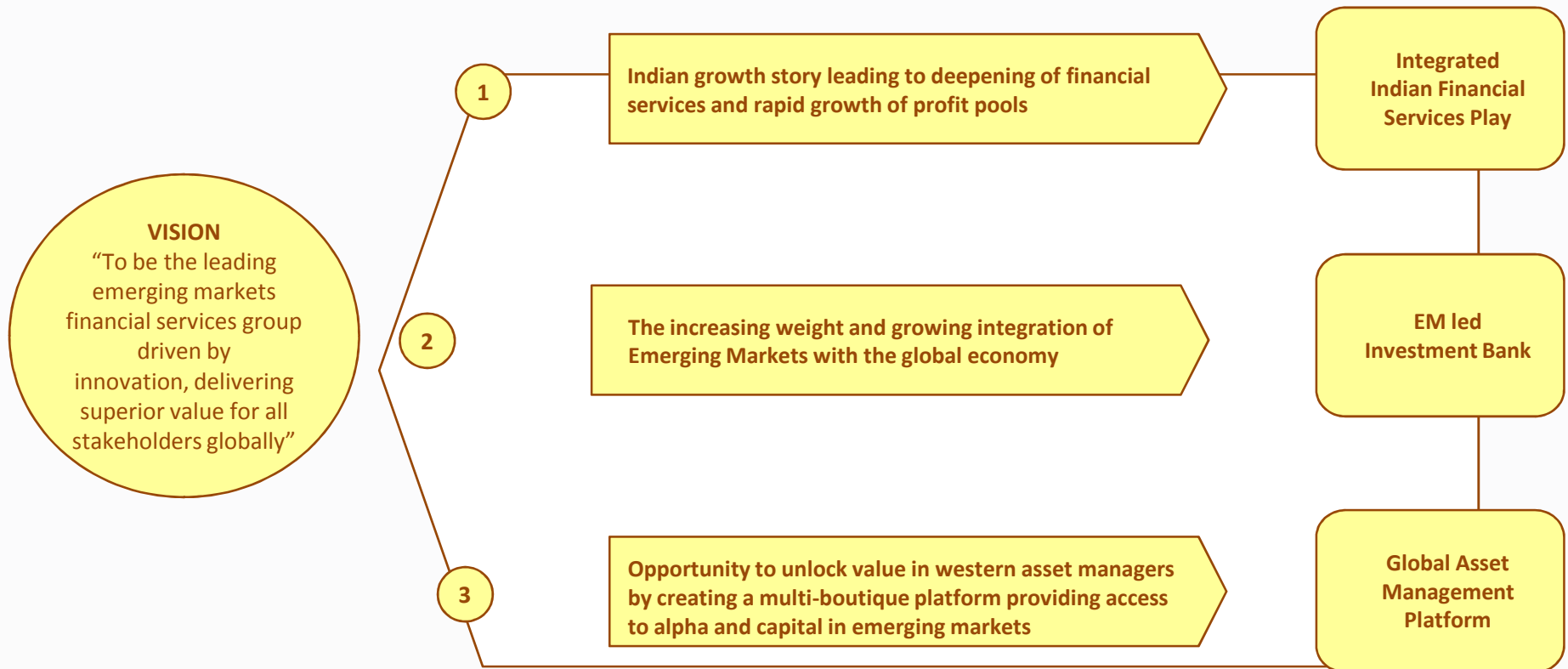
REL over the last 10 years has:

- Diversified from a pure-play retail broking business into an integrated financial services platform
- Achieved leading market position across various business verticals including retail broking and lending
- Been amongst the fastest growing financial services business in India
- Developed a pan-India footprint with presence across 566 cities and 2,163 locations
- Made significant progress in building its emerging markets franchise



The Road Ahead..

Religare is building a leading emerging market financial services group, anchored in India and underpinned by three secular trends



Strategy is to create a Global presence!



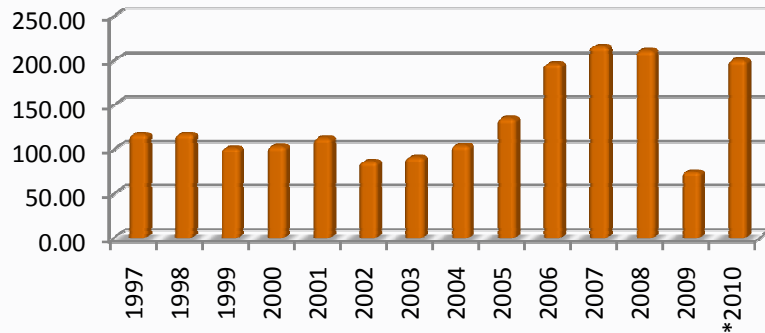


Section II: Gold Market in India

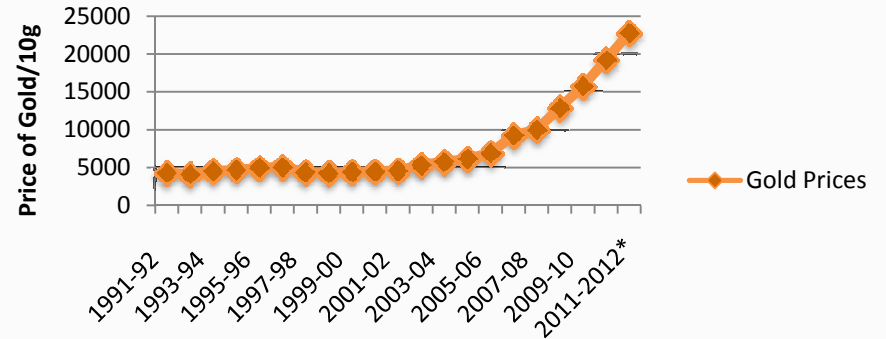


Why Gold?

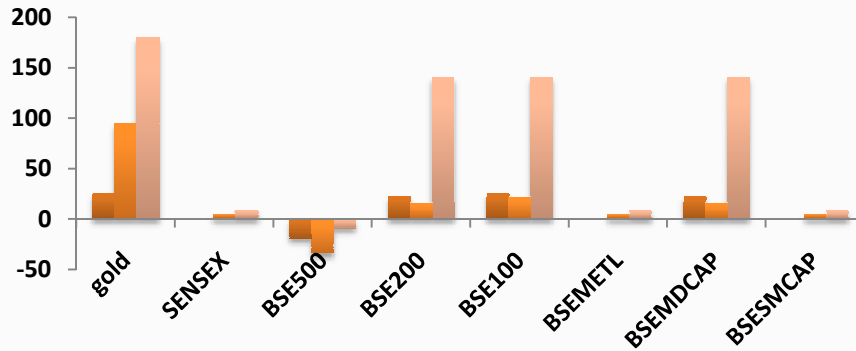
Net Retail Investment (Tonnes)



Price Trend in India



1 Year 3 Year 5 Year



Period % change to Sept '10

- Gold imports into India, the world's biggest buyer of the metal, jumped 60 percent to 267 tonnes in three months to June 2011

Source: WGC, NCDEX, RBI

What's so great about Gold??

Financial Reasons

- Gold prices have been rising at a CAGR of 20.75% in India
- The country (India) currently has one of the highest saving rates in the world; estimated at around 30% of total income, of which 10% is invested in gold.
- Religare is venturing into Gold to capture this opportunity which is largely fragmented.
- Extensive research done over major cities in India shows that there is a need of a product: Which locks in the price of Gold.
- In addition to locking the price, gives the facility of part payment in multiple modes.
- Avoids hassles of storing physical Gold

Emotional Reasons

- When my both kids were born at that time we took 10-tola biscuit. Every year on birthdays we buy 10 gm gold coin. – Respondent from Mumbai
- Sona such ka shringar hota hai, dukh ka aahar hota hai.– Respondent from Delhi
- Gold is also a security; it is security for the family for bad times – Respondent from Ahmedabad
- It is our custom in Muslims that putting min 40 to 50 sovereign to our daughters. If we put, we get 8soverign of gold in return from bride groom side. – Respondent from Chennai



Section III: Product – Religare Easy Gold



Easy Gold

👑 Features

- 👑 Purchase of physical Gold in monthly installments for delivery after 1 or 2 years
- 👑 The rate of gold is fixed at the time of entering into the contract with Religare
- 👑 The customer pays 15%+ of the Religare gold price as upfront, rest in equal installments
- 👑 There is no interest charged on EMI's

👑 Benefits

- 👑 **Price Lock-In-** Customer locks today's rate so by the time he gets delivery whatever is the increase in gold rate is his added earning.
- 👑 **Interest Free Payment-** For the 1st time in India customer can purchase gold on installment without any interest
- 👑 **EMI Payment-** Customer can purchase Gold at competitive prices from Religare and still pay over a 1 year or 2 year period in EMI's.
- 👑 **Double Earning-** For 15% down payment he can earn appreciation on full value of gold plus earn on the balance amount through alternate investments.
- 👑 **Quality-** The purest and best quality of Gold i.e. 999 purity gold is given to the customer.

Product – 1 Year Plan

	10g and Multiples	10g and Multiples	50g and Multiples	100g and Multiples
Term of plan	12 months	12 months	12 months	12 months
Minimum quantity of sale	10g and multiples of 10g	10g and multiples of 10g	50g and multiples of 50g	100g and multiples of 100g
Quantity of Gold	10g	20g	50g	100g
Value of Gold	31,580	63,160	155,222	310,445
Total Amount	31,020	64,824	159,751	318,473
Upfront Margin Amount	4,500	9,000	22,500	45,000
1st Installment Amount	2,763	5,527	13,201	26,402
2nd to 10th Installment Amount	2,432	4,863	11,952	23,904
Last Installment Amount	2,429	4,866	11,953	23,907
Delivery charges*	50	50	100	100
VAT*	316	632	1553	3105
Delivery (grams)	10g	20g	50g	100g
* VAT and Delivery Charges will be taken separately at the time of delivery				

Product – 2 Year Plan

	10g and Multiples	50g and Multiples	100g and Multiples
Term of plan	24 Months	24 Months	24 Months
Minimum quantity of sale	20g and multiples of 10g	50g and multiples of 50g	100g and multiples of 100g
Quantity of Gold	20g	50g	100g
Value of Gold	67,976	167,267	334,534
Total Amount	69,763	171,639	343,177
Upfront Margin Amount	9,500	24,000	48,500
1 st Installment Amount	3,415	7,781	15,061
2 nd to 22 nd Installment Amount	2,503	6,158	12,317
Last Installment Amount	2,498	6,168	12,316
Delivery charges*	50	100	100
VAT*	680	1,673	3,346
Delivery at the end of 1 Yr (%): (Optional) *	40%	40%	40%
Delivery at the end of 2 Yr (%)	60%	60%	60%
* VAT and Delivery Charges will be taken separately at the time of delivery			

Charges

S.NO.	PARTICULARS	CHARGES APPLICABLE
1.	Vault charges	i) Free for 1st month; ii.) Rs 200/10g per quarter thereafter up to six months.
2.0	DELAYS WITHIN 3 MONTHS OF THE AGREEMENT: i.) Payments not received up to 9 days from the due date.	i) Penal charge of 24%p.a of the installment due.
2.1.	ii.) Payments not received beyond 9 days from the due date.	i) Termination of Agreement ; and ii) Entitlement of Refund Value – Nil
2.2.	BEYOND 3 MONTHS OF THE AGREEMENT i) Delay in payment up to 9 days from the due date.	i) Penal charge of 24%p.a of installment due.
	ii.) Delay in payment beyond 9 days from the due date.	i) Termination of Agreement; and ii) Entitlement of the Refund Value*
3.	Prepayment Charges	5% of Outstanding Installments.
4.	Death	Delivery of Product /refund of amount received as the case may be.
5.	Cheque/ECS bounce charges	Rs. 300/bounce for first instance, which shall be Rs. 500/- on subsequent bounces.
6.	Delivery Charges	Rs 50/- for contracts up to 20g. Rs 100/- for contracts greater than 20g.
7.	Part Delivery Charges	In addition to as charges as stated at Clause 6, the Company shall charge up to 2% of the value of the Products delivered on each delivery.
8.	VAT & other statutory charges	As per applicable Statutory Rates.

Comparison Chart

Parameters	Religare Easy Gold	ICICI	HDFC	Muthoot	Mannapuram	MMTC	Tanishq
Price	Spot+15%	Spot+18%	Spot+18%	Spot+11%+interest(13.5%) flat	Spot+11%+Interest (12%) flat	Spot+10%	Spot+13.5%
Gold Coin Denominations	10,50 and 100g	2.5,5,8,20 and 50g	2.5,5,8,10,20 and 50g	1,2,4,8,20 and 100g	8g upto 100g		
Payment	Interest Free Installments for 1-2 years	Upfront Payment	Upfront Payment	Installments with interest (13.5%p.a) for 1-3 years	Installments with interest (13%p.a) for 1-5 years	Upfront Payment	Upfront Payment
Applicable Rate	As on the date of Scheme Activation	As on the date of payment	As on the date of payment	As on the date of payment	As on the date of payment	As on the date of payment	As on the date of payment
Delivery	On the Date of Scheme maturity (on payment of all dues)	As on the date of payment	As on the date of payment	On the Date of Scheme maturity (on payment of all dues)	On the Date of Scheme maturity (on payment of all dues)	As on the date of payment	As on the date of payment
Availability	Select Pilot Locations	Across India	Across India	Across India	Across India	Across India	Across India
Purity	24 karat	24 karat	24 karat	24 karat	24 karat	24 karat	24 karat
Purity Risk	None	None	None	Self Certified	Self Certified	Self Certified	Self Certified
Certification	Internationally recognized	PAMP	PAMP	Self Certified	Self Certified	Self Certified	Self Certified

Rate Chart

Rate (In Rs) as of 10:30 AM


Date	10g				20g				50 g				100 g			
	HDFC	Religare Easy Gold	ICICI	Tanishq	HDFC	Religare Easy Gold	ICICI	Tanishq	HDFC	Religare Easy Gold	ICICI	Tanishq	HDFC	Religare Easy Gold	ICICI	Tanishq
19/10/11	31498	31580	31195	30690	62861	63160	62390		156641	155222	155975	151700	313000	310445	311950	300500
18/10/11	31702	31795	31469	30851	63267	63590	62938	61702	157656	156283	157345	152791	315031	312565	314690	302657
17/10/11	31698	31845			63261	63691			157642	156529			315003	313058		
14/10/11	31609	31634			63261	63269			157642	155489			315003	310977		
13/10/11	31790	31774			63445	63548			158101	156177			315922	312354		
12/10/11	31673	31754	31566		63210	63508	63132		157511	156082	157830		314739	312163	315660	









Section III: FAQs






What is Easy Gold?

-  Religare Easy Gold is a scheme where the customer can purchase Gold Bars in the denominations of 10 Gram, 50 Gram and 100 Grams in easy and affordable installments. Under this unique scheme, the customers are able to lock the gold price for delivery of physical gold at a future date. What's more, this can be followed up with 11/23 easy installments with zero interest.



What are the Features of the scheme?

-  Some salient features of the scheme are:
 -  The scheme allows the customer to lock the price of Gold
 -  The customers can pay for the gold bars through easy, interest free installments.
 -  Part Delivery can be availed under the 2 year scheme
 -  The customers get 24 karat pure gold bar(s) of 999 purity with international quality certifications .
 -  The old bars purchased by the customers are acceptable anywhere in the world.

What is the tenure of the scheme?

-  Currently there are two products under the Gold SIP plan:
 -  12 Month Plan
 -  24 Month Plan

What is the Minimum Purchase quantity under the scheme?

-  Minimum purchase quantity for 1 year plan is 10g and for 2 year plan is 20 g.
-  To avail part delivery, minimum purchase quantity is 30g

Will you buy-back the Gold from me at a later date?

-  Religare doesn't have a policy to buy back the gold it sells to the customer

👉 **What is Part Delivery?**

- 👉 Under the 2 year plan, the customer can opt for taking a part of the total quantity at the end of 1 year. Nominal charges will be paid by the customer to avail for part delivery

👉 **How does Easy Gold differ from Gold ETFs?**

- 👉 In Easy Gold, the customer can buy gold in physical form at the time of maturity but in Gold ETF the retail investor will not get gold in physical form
- 👉 In Easy Gold, prices of Gold bar(s)/coin(s) are fixed at the time of booking, so as to avoid any market fluctuations; but in Gold ETF, the prices of gold are not fixed- the NAV varies according to the market fluctuations

👉 **Who can participate in the scheme?**

- 👉 The scheme is for individuals who wish to purchase 999 purity 24 karat gold certified by internationally well known gold refineries. Corporates, Partnerships and HUFs are also welcome to participate in the scheme

👉 **How do the customers invest in Easy Gold?**

- 👉 To invest, the customer needs to submit a duly filled client application form, self attested copies of ID and address proofs, cross signed colored photograph on the form, ECS cum Direct debit mandate and ECS authorization form. The customer would also need to submit a down payment amount cheque along with the requisite documents.

👉 **How will the customers know that the gold bar(s)/coin(s) have been booked in their account?**

- 👉 The customer will receive an SMS upon booking the rate of their scheme. Post account activation, the customer will receive a welcome call confirming the details of the scheme. The customer will also receive all details of his/her scheme and account details in a welcome kit.

👤 **What are the various documents required for subscribing to Easy Gold?**

👤 The customer needs to submit the following documents with self attestation along with the duly filled and signed client application form:

- Address Proof
- ID proof
- ECS/Direct Debit Mandate
- Authorization form
- Down Payment Cheque

👤 **What are the various touch points for any customer queries?**

👤 For any queries, the customer can drop an Email to gold@religare.in or contact his/her distributor/channel partner

👤 **Are there any restrictions on the number of applications a customer can submit?**

👤 No, there are absolutely no restrictions on the number of applications. Every time a customer wishes to make a purchase, he/she will have to submit the duly filled and signed Easy Gold application form other requisite documents.

👤 **What are the different payment modes under the scheme?**

👤 The customer has to pay a down payment amount at the time he/she submits the form. Post that, the customer has to be the installments thru ECS (Electronic Clearing Service)/Direct debit for either 11/23 months, according to the plan chosen.

👤 **What are the charges applicable to the customers?**

👤 The customers need to pay the delivery charges and other statutory charges applicable.

🍪 **What happens if the customer misses a payment?**

- 🍪 If the customer misses a payment, he/she will be informed of the pending payment thru a call and Email. If the payment is still not made, then the account will be dealt as prescribed in the T&C

🍪 **In the event of death of a customer, can the scheme be continued by his/her nominee?**

- 🍪 In the event of death of a customer, his/her account will be closed products/refunds for the amounts paid by him/her will be given to the nominees

🍪 **What happens after the payment of final installment?**

- 🍪 The customer can take the delivery of Gold bar(s)/coin(s) on payment of all dues. The delivery will be taken from the delivery center chosen by the customer.

🍪 **When does a customer become eligible for delivery?**

- 🍪 Post payment of all dues- installments, taxes, penalties (if any), delivery charges etc the customer will become eligible to collect gold bar(s)/coin(s) from the delivery center chosen by him/her.

🍪 **What documents need to be presented to take delivery?**

- 🍪 The customer would be required to carry the ID proof, Address proof, IPIN and letter of delivery to the delivery center

🍪 **What is IPIN?**

- 🍪 IPIN is a unique number for identification of the customer at the time of delivery. The customer will receive his IPIN 2 months prior to the date of delivery via courier on the address as mentioned in the client application form.

🍪 **Can a customer change his/her delivery center?**

- 🍪 The customer can change his delivery center thru a Profile Change Request form. The form will be sent to the customer 3 months prior to the date of delivery. Any change has to be notified 2 months prior to the date of delivery.

🍪 **Till when can a customer take delivery?**

- 🍪 The customer can take delivery within 1 month of payment of all dues. In case the customer doesn't take delivery beyond 1 month, storage charges will have to be paid as mentioned in the T&C.

🍪 **What happens if the customer doesn't take delivery?**

- 🍪 If the customer doesn't take delivery upto 6 months, the gold will be sold at the prevailing rates and the proceeds from liquidation will be refunded post deduction of charges as applicable.

🍪 **What if I want the delivery of Gold earlier than the maturity of my scheme?**

- 🍪 The customer can apply for delivery of gold before maturity date by paying all the remaining installments along with prepayment charges as mentioned in the T&C.

🍪 **Why is your rate so much higher from the price printed in the newspaper?**

- 🍪 The rate of gold at Religare is that of physical gold bar(s)/coin(s). The rates quoted in the newspaper are that of the market. Our rates are competitively priced as compared to other market players.

🍪 **What happens if the price falls after I purchase the gold?**

- 🍪 The rate once locked in for the customer cannot be changed if the price falls or rises on a future date. The product value remains the same as on the day of log in of client application form.

- **Where will I sell the gold in the market? Will they buy from me at the same price as you are selling it at?**
 - Gold can be sold to any local jeweler as it has purity certifications of international standards. There will be a nominal rate difference in the price the customer sells the gold.
- **Can I sell the gold to someone during the duration of the scheme?**
 - The scheme is non-transferable in nature and hence cannot be sold.
- **Tanishq/ Local jeweller have a similar scheme for gold on installment, how is your scheme different?**
 - Tanishq/Local jewelers provide deposit schemes to purchase jewelry and not pure gold. Those schemes do not lock the price of gold and purchase from local jewelers may not come with quality certifications
- **What guarantee do I have that Religare will deliver the Gold to me upon maturity of the scheme?**
 - The customer signs a T&C document at the time of filling the client application form. Customer gets an acknowledgement slip at the time of signing the time of agreement.
 - In 3 days customer gets a welcome call from Religare
 - In 7 working days the customer gets a welcome kit containing a welcome letter, ECS schedule and **GOVT. STAMP PAPER** on which Religare commits quantity, quality and delivery of product to the customer.
- **What guarantee do I have about the quality of Gold I will get at the time of delivery?**
 - The Gold sold to the customer comes with purity certifications of international standards and tamper proof packing.
- **Do I have the option of flexible installments i.e. either pay 2 or more installments together or to skip payment for a month and make it in the subsequent month?**
 - Currently, there is no such provision.



Section IV: Operations – Religare Easy Gold



Application Form filling

👑 Client Details : (Mandatory)

- 👑 Use only CAPITAL LETTER to fill the application form.
- 👑 Paste colored Photograph of Client and arrange “Across Signature” on application form.
- 👑 All KYC (Know your client) information should be filled properly including Client’s name, occupation, date of birth, address with full details including pin code, contact details, e-mail ID etc.
- 👑 Address of client should be matched with address proof submitted by client.
- 👑 All cutting/ overwriting should be attested/cross signed by client.

👑 Payment & Bank details: (Mandatory)

- 👑 Fill the details of Initial Down Payment cheque with Bank Name & cheque details.

👑 DENOMINATIONS: “KEY TO WHOLE PRODUCT : ONE APPLICATION ONE DENOMINATION”

- 👑 Please note that minimum order quantity shall be 10g for 1 year and **20g** for 2 year product.
- 👑 Please fill the required No. of Bar/ Coins in Multiples as “If a client wish to purchase **30** Gms gold”

Denomination	No. of Bar(s)/Coin(s)	Quantity (gms)
10 gms	X 3	30 Gms

- 👑 **PLEASE NOTE CLIENT CAN OPT : ONE DENOMINATION IN ONE APPLICATION.**

👉 **SCHEME DETAILS: (Mandatory)**

- 👉 Client can opt for any one scheme out of two available:

1 year PLAN OR 2 year PLAN

- 👉 1 Year Plan will require the client to pay back the gold value in 1 year
- 👉 2 Year Plan will require the client to pay back the gold value in 2 year

👉 **Part delivery : (Optional) If client opt for 2 Year Plan, he can opt for part delivery**

- 👉 In case client opt for Part Delivery he is entitle to receive delivery upto the value he had paid as on date of delivery.
- 👉 Minimum Order Quantity for Part delivery shall be 30gms.
- 👉 Once selected, client must need to take delivery on due date to avoid charges.

👉 **SCHEME DETAILS: (Mandatory)**

- 👉 **Delivery Centre Code: “Four digit numerical”**
- 👉 Delivery Centres are locations where company has put-in Vaults to execute delivery to client.
- 👉 Client can opt for delivery centre location as per his own convenience/choice and had to mandatorily fill the location code and place.
- 👉 Location code of delivery centre is available on back of “Acknowledgement Slip”
- 👉 Delivery location once filled can’t be modified without a written request from client.

👉 **DETAILS OF NOMINEE: (OPTIONAL)**

- 👉 Client can opt for appointing a nominee. For this:
- 👉 Client shall fill Nominee information including nominee name ,date of birth, nominee address including pin code.
- 👉 In case Nominee is Minor : Client shall mandatorily fill Guardian's details on application form.

👉 **SIGNATURE :** Most critical function in filling application form.

- 👉 Client shall put his full signature as per his bank's records.
- 👉 This signature will be verified by client's banker during ECS activation of monthly payment.
- 👉 **This signature will further be required during "Delivery of Gold"**

👉 **PROCURER'S DETAILS (MANDATORY) : TO BE FILLED BY THE PROCURER ONLY**

- 👉 Channel Partner Code: Business partner code who had sold the product.
- 👉 Distributor Code: Agent of Business Partner who had sold the product.

Signature of client on Terms & Conditions : Part of KYC (Mandatory)

ECS Mandate :

- Pre-requisite: Client shall submit a copy of cancelled cheque from which he is issuing the ECS for monthly installment.
- Client shall ensure to fill the Bank details on ECS mandate as per details printed on Cancelled cheque of his bank account.

ECS Date and other details to be filled as under:

Name OF the Scheme	Date of the Scheme Activation	Periodicity (Monthly)	Maximum Amount (upper limit)	Valid up to (End Month/year)
Easy Gold	Form Filling date (dd/mm/yyyy)	Monthly	To be remain blank	Form Filling + 13 Months (MM/YYYY)

- Signature of client must need to be matched with his /her bank's record to avoid penalties/forfeiture of Scheme's down payment.

WE ARE OPEN TO YOUR QUESTIONS!

Thank You

