

November 30, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

BSE Scrip Code: 540709

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

NSE Scrip Symbol: RHFL

Dear Sir(s),

Sub.: Security Cover Certificate as at September 30, 2022

Further to our letter dated November 3, 2022 and pursuant to Regulation 54 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 issued by SEBI, we enclose herewith the Security Cover Certificate as at September 30, 2022.

Thanking you.

Yours faithfully,

For **Reliance Home Finance Limited**

Parul Jain

Company Secretary & Compliance Officer

Encl.: As Above.

Reliance Home Finance Limited

Registered & Corporate Office: The Ruby, 11th Floor, North-West Wing, Plot No. 29, Senapati Bapat Marg, Dadar (West), Mumbai 400 028
T +91 22 6838 8100 / F +91 22 6838 8360, E-mail: rhfl.investor@relianceada.com, Website: www.reliancehomefinance.com

Customer Service: T +91 22 4741 6400 / E-mail: customercare@reliancehomefinance.com



TAMBI & JAIPURKAR
CHARTERED ACCOUNTANTS

410, Atlanta Estate, Opp Westin Hotel,
Goregaon (East), Mumbai-400063

Ph No: 9833585810

E-Mail- garima.agarwal@tandj.co.in

Independent Auditor's Report on Asset Cover and Compliance with all Covenants as at September 30, 2022 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to SEBI in compliance with circular SEBI/HO/MIRSD/MIRSD_CRADTCIR/P/2022/67 dated 19th May, 2022

To,
The Board of Directors
Reliance Home Finance
Limited The Ruby, 11 th Floor,
North-West wing,
Plot No- 29, Senapati Bapat
marg,,
Dadar (West),
Mumbai – 400028.

1. We Tambi & Jaipurkar, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Asset Cover as per the terms of the Debenture Trust Deed and Compliance with Covenants' for listed non-convertible debt securities as at September 30, 2022 (hereinafter the "Statement") which has been prepared by the Company as prescribed by Securities and Exchange Board of India (SEBI) circular dated May 19, 2022 SEBI/HO/MIRSD/MIRSD_CRADTCIR/P/2022/67 from the Unaudited financial results and other relevant records and documents maintained by the Company as at and for the half yearly ended September 30, 2022 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the "SEBI Regulations").

Management's Responsibility

2. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustee and for complying with all the covenants as prescribed in the Debenture Trust Deeds entered into between the Company and the Debenture Trustee ('Trust Deeds')/Information Memorandum.

Auditor's Responsibility

4. It is our responsibility is to provide limited assurance as to whether:
 - (a) the Company has maintained asset cover as per the terms of the Information memorandum/Trust Deeds; and
 - (b) the Company is in compliance with all the covenants as mentioned in the Trust Deeds as on September 30, 2022.

5. We have performed review of the financial results of the Company for the quarter and half year ended September 30, 2022, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified opinion dated November 3, 2022.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

9. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
 - a) Obtained and read the Trust Deeds/Information Memorandum and noted the asset security cover required to be maintained by the Company.
 - b) Traced and agreed the principal amount of the listed non-convertible debt securities outstanding as on September 30, 2022 to the unaudited financial results and books of account maintained by the Company as on September 30, 2022.
 - c) Obtained and read the list of asset cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the unaudited financial results and books of accounts maintained by the Company as on September 30, 2022.
 - d) Obtained the list of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA'). Traced the value of charge created against Assets to the Asset Cover in the attached Statements.
 - e) Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of listed non-convertible debt security.
 - f) Examined and verified the arithmetical accuracy of the computation of Asset Cover, in the accompanying Statement.
 - g) Compared the Asset Cover with the Asset Cover required to be maintained as per Trust Deeds/Information Memorandum.
 - h) With respect to compliance with covenants (including financial, affirmative, informative and negative covenants) included in the attached Statement, we have performed following procedures:
 - (i) Obtained the copies of bank statements and traced the date of repayment of principal and interest due on sample basis during the period April 1, 2022 to September 30, 2022.
 - (ii) We have verified the compliance of debt covenants as per the Trust Deeds/Information Memorandum till date of this certificate. With respect to the covenants for the quarter/half year ended September 30, 2022 for which due date is after the date of this certificate, management has represented to us that the same shall be duly complied with

within the due date; and

- (iii) Performed necessary inquiries with the management regarding any instances of non-compliance of covenants during the half year ended September 30, 2022.
- i) With respect to covenants other than those mentioned in paragraph 10(h) above, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the Trust Deeds/Information memorandum, as at September 30, 2022. We have relied on the same and not performed any independent procedure in this regard.
- j) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:

- a) The Company has not maintained asset cover as per the terms of the Trust deeds/Information memorandum; and
- b) The Company is not in compliance with all the covenants as mentioned in the Trust deeds/Information memorandum as on September 30, 2022.

Restriction on Use

The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 1 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

For Tambi & Jaipurkar

Chartered Accountants

ICAI Firm Registration Number: 115954W

GARIMA ASHOK Digitally signed by GARIMA
ASHOK AGARWAL
AGARWAL Date: 2022.11.30 18:32:19
+05'30'

CA Garima Agrawal

Partner

Membership Number: 160944

UDIN:22160944BENPDL1967

Place of Signature: Mumbai

Date:30TH November,2022

Statement of Security Cover and Statement of Compliance Status of Financial Covenants in respect of Non-Convertible debentures of the Company for the period ended and as at September 30, 2022

Rs. In Crores

Column A Particulars	Column B Description of asset for which this certificate relate	Column C Exclusive Charge	Column D Exclusive Charge	Column E Pari-Passu Charge	Column F Pari-Passu Charge	Column G Pari-Passu Charge	Column H Assets not offered as Security	Column I Debt not backed by any assets offered as security	Column J Elimination (amount in negative)	Column K (Total C to H)	Column L to O Related to only those items covered by this certificate					Column P
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in Column F)			debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets ^{viii}	Carrying value/ book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(L+M+N+O)	
		Book Value	Book Value	Yes/ No	Book Value	Book Value								Relating to Column F		
ASSETS (Refer Note 1)		-	-	-	-	-										
Property, Plant and Equipment (Refer Note 4)		0.05	-	Yes	41.79					41.84	-	0.05		41.79	41.84	
Capital Work-in- Progress		-	-	-	-					-	-	-	-	-	-	
Right of Use Assets		-	-	-	-					-	-	-	-	-	-	
Goodwill		-	-	-	-					-	-	-	-	-	-	
Intangible Assets		-	-	-	-					-	-	-	-	-	-	
Intangible Assets under Development		-	-	Yes	0.82					0.82	-	-	-	0.82	0.82	
Investments		-	-	Yes	104.21					104.21	-	-	104.21	104.21	104.21	
Loans		-	-	Yes	2,679.20					2,679.20	-	-	-	2,679.20	2,679.20	
Inventories		-	-	-	-					-	-	-	-	-	-	
Trade Receivables		-	-	-	-					-	-	-	-	-	-	
Cash and Cash Equivalents		-	-	Yes	2,993.38					2,993.38	-	-	-	2,993.38	2,993.38	
Bank Balances other than Cash and Cash Equivalents		-	-	Yes	385.27					385.27	-	-	-	385.27	385.27	
Others (Refer Note 3)		-	-	Yes	162.98		3,869.93			4,032.91	-	-	-	162.98	162.98	
Total		-	0.05	-	6,367.65	-	3,869.93	-	-	10,237.63	-	0.05	104.21	6,263.44	6,367.70	
LIABILITIES																
Debt securities to which this certificate pertains		-	-	Yes	6,024.37					6,024.37	-	-	-	-	-	
Other debt sharing pari-passu charge with above debt		-	-	-	-					-	-	-	-	-	-	
<i>Other Debt</i>		-	-	-	-					-	-	-	-	-	-	
Subordinated debt (Refer Note 2)		-	-	No	-			797.93		797.93	-	-	-	-	-	
<i>Borrowings</i>		-	-	-	-					-	-	-	-	-	-	
Bank		-	-	Yes	3,884.70					3,884.70	-	-	-	-	-	
Debt Securities		-	-	-	-					-	-	-	-	-	-	
<i>Others (ICD's and PTC)</i>		-	-	-	1,296.99			612.64		1,909.63	-	-	-	-	-	
Trade payables		-	-	-	-			0.84		0.84	-	-	-	-	-	
Lease Liabilities		-	-	-	-			-		-	-	-	-	-	-	
Provisions		-	-	-	-			40.48		40.48	-	-	-	-	-	
Others (inclusive of interest accrued)		-	-	-	3,043.35			333.11		3,376.46	-	-	-	-	-	
Total		-	-	-	14,249.41	-	-	1,785.00	-	16,034.41	-	-	-	-	-	
Cover on Book Value					0.45											
Cover on Market Value					0.45											
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio											

Notes

- All Assets are offered as security except those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed / to be availed from them.
- Sub ordinate debts are classified as debt not backed by any assets offered as security as per circular.
- Other asset of Rs.3869.93 Crs. includes Deferred Tax Asset and Non Financials Assets.
- Listed Secured Redeemable Non-Convertible Debentures ("Secured NCDs") of the Company are secured by way of first pari-passu legal mortgage and charge on the Company's immovable property and additional pari-passu charge by way of hypothecation on the present and future book debts / receivables, outstanding money (loan book), receivable claims of the Company with other secured lenders.
- The Financial information as on September 30, 2022 has been extracted from unaudited books of account for the half year ended September 30, 2022 and other relevant records and documents of the Company.
- The Company has complied with the financial covenants as per requirements.
- Due to sudden adverse developments in the financial services sector post the IL&FS crisis and its adverse impact on the liquidity position of majority of the Non-banking and housing finance companies, the Company was adversely impacted resulting in liquidity mismatch and severe financial stress on account of which it was not in a position to services its dues to the lenders.Pursuant thereto, certain lenders of the Company (Banks and other Financial Institutions) have entered into an Inter-Creditor Agreement (ICA) for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India (RBI) on Prudential Framework for Resolution of Stressed Assets. Majority of our lenders have already executed the ICA dated July 6, 2019 with Bank of Baroda acting as the Lead Lender. The Lead Bank and the lenders forming part of ICA have appointed resolution advisors, cashflow monitoring agency, forensic auditor, valuers and legal counsel. Bank of Baroda as the Lead Lender and on behalf of the ICA lenders has as part of the debt resolution process has invited Expression of Interest (Eoi) and bids from interested bidders vide newspaper advertisement dated July 29, 2020 and through the Lead Bank's website. 19 investors' initially, had expressed interest through submission of EOIs. The ICA lenders have evaluated, voted upon and selected Authum Investment & Infrastructure Limited (Authum) as the final bidder on June 19, 2021. Upon approval of Authum's bid by the ICA lenders, the same has been presented to the Company along with the distribution mechanism. The Company has shared the final resolution plan along with the distribution mechanism with the Debenture Trustees to call for the Debenture Holder's meet and seek approval on the resolution plan along with the distribution mechanism. The Company has informed the stock exchanges that Authum's debt resolution plan is approved under the RBI Directions by the ICA lenders and the implementation of the resolution plan by the successful bidder is subject to approval of non-ICA Lenders, shareholders, regulatory authorities and, vacation of existing legal injunctions on the Company. In view of the resolution process being in the final stages, the accounts of the Company have been prepared on Going Concern Basis. As informed, a Meeting of the Debenture Holders of Reliance Home Finance Limited has been called by IDBI Trusteeship Services Ltd. (Debenture Trustee) on May 13, 2022, for consideration and approval of the Resolution Plan alongwith the Distribution Mechanism approved by ICA Lenders on June 19, 2021.Further, pursuant to the Order dated May 10, 2022 passed by the Hon'ble High Court of Judicature at Bombay, the results of the voting of the Meeting has been placed before the Hon'ble Court in a sealed envelope. Further, the Company is prohibited to dispose off, alienate, encumber either directly or indirectly or otherwise part with the possession of any assets, pursuant to Order dated November 20, 2019 passed by the Hon'ble Delhi High Court in the matter of OMP/1/ COMM. 420/2019.
- All the above figures are as per Ind AS (Indian Accounting Standards).