

Registered AD / Email

CTL/RHFL/2019-20/7632

March 04, 2020

Reliance Home Finance Limited,
Reliance Centre, 6th Floor,
South Wing, Off Western Express Highway,
Santacruz (East), Mumbai - 400055

Kind Attention: Mr. Pinkesh R. Shah, Chief Financial Officer

Dear Sir,

Sub: Default in payment of interest by Reliance Home Finance Ltd., under INE217K08222 and INE217K08230 and consequent "Acceleration Event" to INE217K08131, INE217K08149, INE217K08156, INE217K08164, INE217K08172, INE217K08180, INE217K08198, INE217K08206, INE217K08214, INE217K08222, and INE217K08230

Ref: Unsecured, Subordinated, Redeemable, Non-Convertible INR Denominated Debenture Issue of **Reliance Home Finance Ltd.** Under the Debenture Trust Deed dated 05.06.2015

With reference to the above subject we have to state as under:

Reliance Home Finance Ltd. (RHFL/Company) has issued Unsecured, Subordinated, Redeemable, Non-Convertible INR Denominated Debentures (NCDs), on private placement basis, for the purpose of augment Tier II capital of the company and to meet ongoing funding requirement for the company's business activities for general corporate purpose and refinancing of existing debt obligation of the company. In terms of the same, RHFL has issued / allotted the NCDs under various ISINs on the terms and conditions described in the respective Term Sheet. The details of NCDs under the said ISINs remain outstanding on the date of this Notice are as under:

Sr. No.	ISIN No.	Face value of NCD (Rs. In Crores)	Allotment Quantity	Issue Size In Cr	Total outstanding in Cr
1.	INE217K08131	0.05	400	20	20
2.	INE217K08149	0.05	200	10	10
3.	INE217K08156	0.05	200	10	10
4.	INE217K08164	0.05	200	10	10



5.	INE217K08172	0.05	200	10	10
6.	INE217K08180	0.05	400	20	20
7.	INE217K08198	0.05	200	10	10
8.	INE217K08206	0.05	140	7	7
9.	INE217K08214	0.05	200	10	10
10.	INE217K08222	0.05	300	15	15
11.	INE217K08230	0.05	60	3	3
	Total				125

1. In order to comply with the terms and conditions of applicable Laws relating to the issuance of said NCDs, RHFL has appointed Catalyst Trusteeship Ltd. (CTL) as the Debenture Trustee, by executing Debenture Trustee Agreement dated 05.06.2015.
2. Pursuant to the said Debenture Trustee Agreements and also pursuant to the Applicable Laws, RHFL has executed Debenture Trust Deed dated 05.06.2015 (“**Debenture Trust Deed**”) for all the ISINs mentioned in table above. The Debenture Trustee Agreement, Term Sheets and Debenture Trust Deed are collectively referred to as “Transaction Documents” for the sake of brevity.
3. We state that the Company is required to comply with the various terms and conditions, representation and warranties as set out in the Transactions Documents, including payment of amounts of interest and principal on due dates.
4. We note the following instances in the context of ability of RHFL to meet its obligation on due dates, in respect of said NCDs.
 - (a) Credit Rating has been downgraded from ‘AA’ to ‘D’ between the period March 06, 2019 to July 02, 2019.
 - (b) Considering the financial default, the Lenders (Banks), led by Bank of Baroda, have entered into an Inter-Creditor Agreement (“ICA”) to arrive at a debt resolution plan in accordance with the circular dated June 07, 2019 issued by the Reserve Bank of India, on Prudential Framework for Resolution of Stressed Assets.
 - (c) The Company has defaulted in payment of interest in respect of the Debentures issued under INE217K08222 and INE217K08230 which has led to an Acceleration Event under the Debenture Trust Deed. Further the Company has informed the Stock Exchanges on January 21, 2020 and February 10, 2020 that as directed by Lead Bank interest payment due on the NCDs is delayed.



- (d) NCLT proceedings under Section 71(10) of the Companies Act, 2013 have been initiated by another debenture trustee - IDBI Trusteeship Services Limited in respect of public issue NCDs.
- (e) Since the Company has committed defaults in observance and performance of the conditions of the Information Memorandum/ Prospectus/ Tranche Prospectus/ Disclosure Documents/ Term Sheet and Debenture Trust Deed, the Debenture Trustee have become entitled to recall the entire principal amounts of the Debentures, interest and all other amounts due in respect thereof.

In view of above, as per the said Debenture Trust Deed and other Transactions documents, the entire amounts due under NCDs under ISINs mentioned in Para 1 above viz. INE217K08131, INE217K08149, INE217K08156, INE217K08164, INE217K08172, INE217K08180, INE217K08198, INE217K08206, INE217K08214, INE217K08222, and INE217K08230 have become due and payable forthwith by RHFL. We, therefore, exercise the powers conferred under the transaction documents and applicable Laws and call upon you the Issuer Company to pay to the respective debenture holders, the amounts due under ISIN INE217K08131, INE217K08149, INE217K08156, INE217K08164, INE217K08172, INE217K08180, INE217K08198, INE217K08206, INE217K08214, INE217K08222, and INE217K08230 as described in para 1 above, aggregating to **Rs.125 Crore** (Rupees One Hundred and Twenty Five Crores only), together with interest and penal interest thereon at the agreed rate of interest, within 7 days from the date of notice failing which appropriate legal action will be taken in the matter.

Please note that this notice of default is without prejudice to any other right that we may exercise at our sole discretion, as available to us under the applicable laws and provisions contained under the Debenture Trust Deed.

Please acknowledge.

Yours faithfully,

For Catalyst Trusteeship Limited

Authorized Signatory

