

Report on Security Cover as at December 31, 2023 and compliance with financial covenants for the period from October 1, 2023 to December 31, 2023 under Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

The Board of Directors,
Nido Home Finance Limited (formerly known as Edelweiss Housing Finance Limited)
5th Floor, Tower 3, Wing B,
Kohinoor City Mall, Kohinoor City,
Kiroil Road, Kurla (W),
Mumbai 400070.

Dear Sirs,

1. We, NGS & Co. LLP, Chartered Accountants, the Statutory Auditors of Nido Home Finance Limited (**formerly known as Edelweiss Housing Finance Limited**) (“the Company”) have been requested by the Company to examine the accompanying Statement showing ‘Security Cover’ as per the terms of offer document/ information memorandum and/or debenture trust deed, ‘book value of assets’ for the listed secured non-convertible debt securities as at December 31, 2023 and ‘Compliance with the financial covenants’ for listed non-convertible debt securities for the period from October 1 2023 to December 31, 2023 (the “Statement”) which has been prepared by the Company from the reviewed financial results and other relevant records and documents maintained by the Company as at and for the period ended December 31, 2023 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 and SEBI Circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/ 2022/67 dated May 19, 2022 (together referred as the "SEBI Regulations"), and has been initialed by us for identification purpose only. This Report is required by the Company for the purpose of submission to the Stock Exchanges and Debenture Trustees (IDBI Trusteeship Services Limited and Beacon Trusteeship Limited) to ensure compliance with the SEBI Regulations in respect of its listed non-convertible debt securities as at December 31, 2023 (" Debentures").

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, the circulars, Companies Act, 2013 and other applicable laws and regulations, as applicable and for providing all relevant information to the Stock Exchange and to the Debenture Trustee and for complying with all the covenants as prescribed in the Debenture Trust Deeds/Information Memorandum/Prospectus entered into between the Company and the Debenture Trustee (hereinafter referred to collectively as “Information Memorandum”).
4. The Management is also responsible to ensure that Assets Cover Ratio as on December 31, 2023 is in compliance with SEBI circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/ 2022/67 dated May 19, 2022 with the minimum asset cover requirement as per the terms of the Information Memorandum, given in Annexure I attached to this certificate.

Auditor's Responsibility

5. Our responsibility is to provide a reasonable assurance as to whether;
 - a) Company has maintained security cover as per the terms of the offer document / information memorandum and /or Debenture Trust deed;
 - b) The particulars contained in the aforesaid Statement with the respect to the book value of asset charged against listed non-convertible debt securities issued by the Company in agreement with reviewed financial results as at December 31, 2023 and other relevant records and documents maintained by the Company; and
 - c) The Company has complied with the financial covenants in respect of listed non-convertible debt securities of the Company as mentioned in the Offer Document/Information Memorandum/Prospectus /Debenture Trust deeds (together referred to as 'Information Memorandum').
6. We have carried out limited review of the unaudited financial results for the year to date from April 1, 2023 to December 31, 2023, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, as amended and issued an unmodified conclusion vide our report dated January 23, 2024. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India.
7. 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.
8. 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.
9. 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.
10. 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 in extent than for, a reasonable assurance engagement. 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 on a test check basis, the Debenture Trust Deeds and the Information Memorandum/Prospectus in respect of the secured Debentures and noted the Particulars of security cover and the security cover percentage required to be maintained by the Company in respect of such Debentures indicated in the Statement;

- b) Obtained and read on a test check basis, the Debenture Trust Deeds and the Information Memorandum in respect of the unsecured Debentures and noted that there is no minimum-security cover percentage prescribed therein in respect of the such Debentures;
- c) Traced and agreed the principal amount of the Debentures outstanding as at December 31, 2023 to the reviewed financial results as at December 31, 2023 referred to in paragraph 6 above, and the books of account maintained by the Company as at and for the period ended December 31, 2023;
- d) Obtained and read the particulars of security cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the book value of assets indicated in the Statement to the reviewed financial results as at and for the period ended December 31, 2023, referred to in paragraph 6 above and other relevant records maintained by the Company as at and for the period ended December 31, 2023;
- e) Obtained the list of the security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs. Traced the value of charge created against assets to the security cover indicated in the Statement on a test check basis;
- f) Obtained the list and the book 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 security cover in respect of the Debentures;
- g) Examined and verified the arithmetical accuracy of the computation of Security Cover, in the accompanying Statement;
- h) Compared the Security Cover with the Security Cover required to be maintained as per Trust Deeds/Information Memorandum;
 - i) With respect to compliance with the financial covenants specified in the Information Memorandum listed in the attached Statement, we have performed following procedures:
 - (i) Obtained the statement showing the amounts due, due date and actual date of repayment of principal on redemption of listed non-convertible debt securities and payment of interest due on debenture by the Company for the period from October 1, 2023 till December 31, 2023;
 - (ii) Compared the financial covenants computed by the management as at December 31, 2023 with the requirements stipulated in the Information Memorandum to verify whether such covenants are in compliance with the requirements of the Information Memorandum;
 - (iii) Obtained the copies of bank statements and traced the date of repayment of principal and interest due on sample basis during the period from October 1, 2023 to December 31, 2023;
 - (iv) Obtained the copies of email communication of the quarterly/half yearly reports required to be furnished by the Company to the Debenture Trustee during the period from October 1, 2023 to December 31, 2023 pursuant to the requirements of Information Memorandum;
 - (v) We have verified the compliance of financial covenants as per the Trust Deeds /Information Memorandum till date of this certificate. With respect to the financial covenants 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
 - (vi) Performed necessary inquiries with the management regarding any instances of non-compliance of covenants during the quarter ended December 31, 2023 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 Information Memorandum;
- b) Book value of assets as included in the Statement are not in agreement with the books of account underlying the reviewed financial results of the Company as at December 31, 2023; and
- c) The Company is not in compliance with the financial covenants as mentioned in the Information Memorandum during the period from October 1, 2023 to December 31, 2023.

Restriction on Use

11. 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 Stock Exchanges and Debenture Trustees (IDBI Trusteeship Services Limited and Beacon Trusteeship Limited) and is not to be used or referred to for any other reason. 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 NGS & Co. LLP

Chartered Accountants

Registration No.: 119850W

R. P. Soni

Partner

Membership No.: 104796

UDIN: 24104796BKBEGI8722

Place: Mumbai

Date: January 23, 2024

Table 1 (a)

(Rs in Crore)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	PariPassu Charge	PariPassu Charge	PariPassu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		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 paripassu 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	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=(K+L+M+N)	
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment	Land	-	-		0.12	-	1.24	-	1.36	-	-	-	0.12	0.12
Capital Work-in Progress		-	-		-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-		-	-	17.48	-	17.48	-	-	-	-	-
Goodwill		-	-		-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-		-	-	6.21	-	6.21	-	-	-	-	-
Intangible Assets under Development		-	-		-	-	-	-	-	-	-	-	-	-
Investments	Pass Through Certificates/ Mutual Funds	-	-		38.22	12.73	147.93	-	198.88	-	-	-	38.22	38.22
Loans	Loans (Gross)	-	-		1,436.86	1,432.13	85.13	-	2,954.12	-	-	-	939.08	939.08
Investments		-	-		1.49	-	-	-	1.49	-	-	-	1.49	1.49
Trade Receivables		-	-		23.32	-	-	-	23.32	-	-	-	-	-
Cash and Cash Equivalents		-	-		261.47	-	-	-	261.47	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-		52.33	118.88	4.01	-	175.22	-	-	-	-	-
Others	Other Financial & Non Financial Assets and Investment Property	-	-		12.28	103.05	44.42	-	159.75	-	-	-	12.28	12.28
Total		-	-	-	1,826.09	1,666.79	306.43	-	3,799.30	-	-	-	991.19	991.19
LIABILITIES														
Debt securities to which this certificate pertains (refer Note 1 and 2)		-	-	Yes	953.11	-	-	-	953.11	-	-	-	953.11	953.11
Other debt sharing pari-passu charge with above debt (Refer Note 3)		-	-	No	724.48	-	-	-	724.48	-	-	-	-	-
Other Debt		-	-		-	-	-	-	-	-	-	-	-	-
Subordinated debt		-	-		-	-	55.10	-	55.10	-	-	-	-	-
Borrowings		-	-		-	-	-	-	-	-	-	-	-	-
Bank		-	-		-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-		-	-	-	-	-	-	-	-	-	-
Others	Securitisation Liability and Others	-	-		-	1,235.59	29.60	-	1,265.19	-	-	-	-	-
Trade payables		-	-		-	-	12.36	-	12.36	-	-	-	-	-
Lease Liabilities		-	-		-	-	20.31	-	20.31	-	-	-	-	-
Provisions		-	-		-	-	4.52	-	4.52	-	-	-	-	-
Others	Other Non Financial Liabilities	-	-		-	-	11.59	-	11.59	-	-	-	-	-
Total		-	-	-	1,677.59	1,235.59	133.48	-	3,046.66	-	-	-	953.11	953.11
Cover on Book Value														
Cover on Market Value														
		Exclusive Security Cover Ratio					1.20						1.04	
						Pari-Passu Security Cover Ratio							Pari-Passu Security Cover Ratio	

- Notes:
1. Includes secured Non Convertible Debentures (NCDs) of Rs. 65.57 crores of face value which are held in treasury by the Company and accordingly the asset cover is computed on a gross basis.
 2. Indian Accounting Standards (Ind AS) adjustment for effective Interest rate on secured Debt Securities of Rs 12.34 crores is excluded from assets cover computation being an accounting adjustment and accordingly the asset cover is computed on a gross basis.
 3. Indian Accounting Standards (Ind AS) adjustment for effective Interest rate on Borrowings Other than Debt Securities Rs 9.85 Crores is excluded from assets cover computation being an accounting adjustment and accordingly the asset cover is computed on a gross basis.
 4. The company has complied with all covenants of the Offer Document/Information Memorandum in respect of listed non convertible debentures.

Tushar Kotecha
Chief Financial Officer

Amount in INR Crores

S.No.	ISIN	Facility	Trustee Nmae	Type of charge	As on December 31, 2023 (Principal Amount)	Cover Required	Assets Required
1	INE530L07426	Public Issue	Beacon Trusteeship Limited	Paripassu	38.81	1.00	38.81
2	INE530L07434	Public Issue	Beacon Trusteeship Limited	Paripassu	12.82	1.00	12.82
3	INE530L07442	Public Issue	Beacon Trusteeship Limited	Paripassu	42.99	1.00	42.99
4	INE530L07459	Public Issue	Beacon Trusteeship Limited	Paripassu	44.56	1.00	44.56
5	INE530L07467	Public Issue	Beacon Trusteeship Limited	Paripassu	16.06	1.00	16.06
6	INE530L07475	Public Issue	Beacon Trusteeship Limited	Paripassu	53.88	1.00	53.88
7	INE530L07483	Public Issue	Beacon Trusteeship Limited	Paripassu	31.97	1.00	31.97
8	INE530L07491	Public Issue	Beacon Trusteeship Limited	Paripassu	9.77	1.00	9.77
9	INE530L07509	Public Issue	Beacon Trusteeship Limited	Paripassu	17.19	1.00	17.19
10	INE530L07517	Public Issue	Beacon Trusteeship Limited	Paripassu	7.85	1.00	7.85
11	INE530L07590	Public Issue	Beacon Trusteeship Limited	Paripassu	21.02	1.00	21.02
12	INE530L07574	Public Issue	Beacon Trusteeship Limited	Paripassu	2.02	1.00	2.02
13	INE530L07566	Public Issue	Beacon Trusteeship Limited	Paripassu	19.43	1.00	19.43
14	INE530L07608	Public Issue	Beacon Trusteeship Limited	Paripassu	10.25	1.00	10.25
15	INE530L07558	Public Issue	Beacon Trusteeship Limited	Paripassu	1.72	1.00	1.72
16	INE530L07616	Public Issue	Beacon Trusteeship Limited	Paripassu	5.00	1.00	5.00
17	INE530L07624	Public Issue	Beacon Trusteeship Limited	Paripassu	15.88	1.00	15.88
18	INE530L07533	Public Issue	Beacon Trusteeship Limited	Paripassu	0.77	1.00	0.77
19	INE530L07582	Public Issue	Beacon Trusteeship Limited	Paripassu	2.51	1.00	2.51
20	INE530L07541	Public Issue	Beacon Trusteeship Limited	Paripassu	6.27	1.00	6.27
21	INE530L07210	Public Issue	IDBI Trusteeship Limited	Paripassu	24.84	1.00	24.84
22	INE530L07228	Public Issue	IDBI Trusteeship Limited	Paripassu	349.20	1.00	349.20
23	INE530L07236	Public Issue	IDBI Trusteeship Limited	Paripassu	5.98	1.00	5.98
24	INE530L07350	Private Issue	IDBI Trusteeship Limited	Paripassu	150.00	1.25	187.50
25	INE530L07160	Private Issue	IDBI Trusteeship Limited	Paripassu	25.00	1.00	25.00
	Total A				915.79		953.29

Tushar Kotecha
Chief Financial Officer