



MCSL/SEC/22-23/139

November 16, 2022

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street,

Mumbai - 400 001

Scrip Code - 511766

Dear Sir/Madam,

Sub: Disclosure pursuant to Regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to Regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to state that:

The following debenture issued by the Company is secured as on 30.09.2022 as per the details given below:

ISIN	Maturity Date	Secured by way of	Amount (₹ in Crore)	Date of Creation of Security
INE296G07010	21.04.2023	First ranking pari passu and continuing charge along with all other lenders by way of hypothecation in favour of the Debenture Trustee over all Receivables of the Company such that the aggregate value of the Receivables, that at any time can be appropriated to the charge created herein are, at all times, equal to at least 1.33 (one decimal three three) times the value of the Outstanding Amounts.	50	25.06.2020



We have also enclosed herewith the certificate issued by the Auditor PKF Sridhar & Santhanam LLP, Chartered Accountants regarding maintenance of 100% asset cover in respect of the above mentioned listed Non- Convertible Debentures issued by the Company.

Kindly take the same on your information and records.

Thanking You,

Yours Faithfully,

For Muthoot Capital Services Limited

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GOPALAKRI
SHNAN

Digitally signed by
DEEPA
GOPALAKRISHNAN
Date: 2022.11.16
17:24:19 +05'30'

Deepa G
Compliance Officer

PKF SRIDHAR & SANTHANAM LLP
Chartered Accountants

To

The Board of Directors,

Muthoot Capital Services Limited,

Kochi.

Independent Auditor's Certificate on maintenance of Asset Cover as at September 30,2022 as per the terms of debenture trust deeds for secured listed non-convertible debt securities.

1. This certificate is issued in accordance with the terms of our engagement letter dated 05th January 2022
2. This Certificate is prepared to certify whether the company has maintained adequate asset cover for secured listed non-convertible debt securities as at 30th September 2022 as per the terms of respective debenture trust deeds. The Report has been prepared in compliance with the requirements of para 80 read with para 32A of Guidance Note on Reports or Certificates for Special Purposes and Standards of Auditing issued by the Institute of Chartered Accountants of India.
3. The accompanying statement attached as Annexure 'A' contains details of Asset cover for secured listed non-convertible debt securities issued by the company as at 30th September 2022. The Certificate is issued to the Board of Directors of the Company; as per the requirement of Regulation 56(1)(d) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended for the purpose of submission to IDBI Trusteeship Services Limited (the Debenture Trustee) in respect of secured listed non-convertible debt securities issued by Muthoot Capital Services Limited vide various disclosure documents as stated below .

	Private Placement/Public Issue	ISIN no	Sanctioned Amount (Rs. In Lakhs)	Secured/ Unsecured
1	Private Placement	INE296G07010	5,000	Secured by Pari-Passu on receivables

Management responsibility

4. 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.

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5. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI circular, SEBI Regulations, Companies Act, 2013 and other applicable laws and regulations, as applicable.
6. The Management is also responsible to ensure that Assets Cover Ratio as on September 30, 2022 is in compliance with SEBI circular no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020 with the minimum asset cover requirement of hundred percent as per the SEBI Regulations as given in Annexure I attached to this certificate

Auditor's Responsibility

7. Our responsibility, for the purpose of this certificate is to verify the particulars contained in the Statement, on the basis of the reviewed financial statements and other relevant records and documents maintained by the Company and to certify asset cover ratio is minimum hundred percent as per the minimum requirement stated in SEBI Regulations.
8. We have reviewed the Financial Results for the quarter and half year ended 30 September 2022, prepared by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated November 10, 2022. Our review of these financial results for the quarter and half year ended September 30, 2022 was conducted 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 ("ICAI") respectively.
9. 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.
10. 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.
11. 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.



12. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 7 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 the Debenture Term sheet and the Information Memorandum in respect of the secured Debenture and noted the asset cover percentage required to be maintained by the Company in respect of such Debenture, as Indicated in Annexure I of the Statement.
- (b) Traced and agreed the principal amount of the Debentures outstanding as on September 30, 2022 to the reviewed financial statement of the Company and unaudited books of account maintained by the Company as at September 30, 2022
- (c) Obtained and read the particulars of asset cover required to be provided in respect of Debentures as indicated in the Debenture Term sheet and the Information Memorandum.
- (d) Traced the value of assets indicated in Annexure I of the Statement to the reviewed financial statements of the Company and unaudited books of account maintained by the Company as on September 30, 2022.
- (e) Obtained the list of security created in the register of charges maintained by the Company. Traced the value of charge created in favor of debenture trustee.
- (f) 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 the Debentures.
- (g) Examined and verified the arithmetical accuracy of the computation of asset cover indicated in Annexure I of the Statement.

13. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

Conclusion

14. Based on the procedures performed by us, as referred to in paragraph 12 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 the Company has not maintained hundred percent asset cover or asset cover as per the terms of the Debenture Term Sheet and Information Memorandum.



Restriction on Use

15. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 3 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.

Place: Hyderabad
Date: 14th November 2022

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration Number: 0039905 / S200018

K VNSS Viswanadh
Viswanadh VNSS Kuchi
Partner
Membership No. 210789
UDIN No: 22210789BDHMNT7848



ANNEXURE-A

(i) Table I (As per Annexure A(b) of SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12,2020)

SL No.	Particulars	Amount (Rs. In Lakhs)	
A	Total current assets, book debts, loans and advances and receivables on which Pari Passu charge is held by various secured lenders		
	• Cash and cash Equivalents	20,140.45	
	• Bank Balances other than Cash and Cash Equivalents	544.18	
	• Loans (including interest accrued)	121,968.47	
	• Other Financial Assets (specified balances)	740.92	
	• Investments	3,032.91	
			146,426.94
B	Borrowings Other than listed debt securities on which Pari Passu charge held by lenders		
	• Secured Non-Convertible Debentures- Unlisted	1.50	
	• Interest accrued on Secured Non- Convertible Debentures - Unlisted	1.56	
	• Bank Borrowings	96,142.67	
	• Interest accrued on Bank Borrowings	27,444.25	
	• Margin on bank borrowings	253.11	
	Pari Passu charge held by secured lenders other than listed debt securities		123,843.09
I	Total current assets, book debts, loans and advances and receivables on which Pari Passu charge is available for secured Debt Securities (A-B)		22,583.85
II	Borrowing through issue of secured listed debt securities		
	• Secured listed debt securities (Details as per table A below)	5,000.00	
	• Interest accrued but not due	99.32	
	• INDAS Adjustment for Effective Interest rate on secured Debt Securities		
	Pari Passu charge held by secured listed non- convertible debt securities		5,099.32
III	Asset Coverage Ratio (I / II) (100% or higher as per the terms of debenture trust deed See Table- A)		442.88%

(ii) Table II (As per Annexure A(b) of SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12,2020)

This table is not applicable to the company since the company does not have unsecured debt securities as at 30th Sep 2022.

For MUTHOOT CAPITAL SERVICES LTD.


Authorised Signatory



ISIN wise details (As per Annexure A(b) of SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12,2020)

Table A

SL No.	ISIN	Facility	Type of charge	Sanctioned Amount	Interest Accrued	Outstanding Amount	Cover Required (Times the outstanding Balance)	Assets Required
1	INE296G07010	Non-convertible Debt Securities	Pari-passu on receivables	5,000	96.56	5,096.56	1.33	6,778.42
	Total			5,000	96.56	5,096.56		6,778.42
				0				
				5,000.00				
								133.00%



For MUTHOOT CAPITAL SERVICES LTD.

[Signature]
Authorised Signatory

