

MCSL/SEC/24-25/136

August 7, 2024

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street,

Mumbai - 400 001

Scrip Code – 511766

Scrip Code (Debenture and CP)- 974915, 974292, 974550, 974552, 975282, 975513, 975662, 975739, 726950, 727368 and 727488

Dear Sir/Madam,

Sub: Disclosure pursuant to Regulation 54(2) and 54 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to Regulation 54(2) and 54 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to state that:

The following Debentures issued by the Company is secured as on 30.06.2024 as per the details given below:

ISIN	Maturity Date	Secured by way of	Amount (₹ in Crore)	Date of Creation of Security
INE296G07119	06.10.2024	First ranking pari passu, current and continuing charge created pursuant to the Deed of Hypothecation executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over all the standard receivables of the Issuer (the "Hypothecated Assets"). A security cover of 1.20x (One Decimal Point Two Zero Times) the value of the outstanding principal plus accrued interest/obligations if any of this Debentures shall be maintained at all times until the redemption of the Debentures from standard receivables of the Issuer ("Security Cover").	100	09.03.2023
INE296G07085	06.04.2024	For the first 90 days, charge is created exclusively on the amounts lying in the charged account and Fixed Deposit, as more particularly set out in the Deed of Hypothecation, such that 1x cover on Principal and accrued interest is maintained.	20	06.01.2023

		<i>Pari-passu charge is created over trade receivables of the Company after a period of 90 days such that a cover to the extent of 1.1.x is maintained.</i>		
INE296G07077	06.01.2025	<p><i>For the first 90 days, charge is created exclusively on the amounts lying in the charged account and Fixed Deposit, as more particularly set out in the Deed of Hypothecation, such that 1x cover on Principal and accrued interest is maintained.</i></p> <p><i>Pari-passu charge is created over trade receivables of the Company after a period of 90 days such that a cover to the extent of 1.1.x is maintained.</i></p>	20	06.01.2023
INE296G07093	06.01.2026	<p><i>For the first 90 days, charge is created exclusively on the amounts lying in the charged account and Fixed Deposit, as more particularly set out in the Deed of Hypothecation, such that 1x cover on Principal and accrued interest is maintained.</i></p> <p><i>Pari-passu charge is created over trade receivables of the Company after a period of 90 days such that a cover to the extent of 1.1.x is maintained.</i></p>	35	06.01.2023
INE296G07127	31.05.2025	<i>Hypothecation of Trade Receivables of the Company with security cover of 1.1X</i>	49	16.06.2023
INE296G07135	28.12.2026	<i>A pari passu charge via a deed of hypothecation over asset portfolio of receivables (“Hypothecated Assets”) with a security cover of 1.15 times (“Minimum Security Cover”) to be maintained on the Outstanding Amounts of the NCDs along with coupon thereon at all times during the tenure of the NCDs.</i>	100	27.12.2023
INE296G07143	19.03.2027	<i>Hypothecation of Trade Receivables of the Company with security cover of 1.15 times</i>	50	18/03/2024



INE296G07150	16.05.2027	<i>A pari passu charge via a deed of Hypothecation over asset portfolio of receivables. Hypothecation of Trade Receivables of the Company with security cover of 1.15 times</i>	50	15.05.2024
INE296G07168	12.06.2026	<i>First ranking pari-passu charge on Loan Receivables and unencumbered cash and cash equivalents and all benefits, rights, title, interest, claims and demands whatsoever of the Company in, or in respect of all the Company Loan Documents owed and accrued from Company Loan Obligors to the extent of Security Cover of 1.1 times of the outstanding amount of Debentures.</i>	100	11.06.2024

We have also enclosed herewith the certificate issued by the Statutory Auditor, PKF Sridhar & Santhanam LLP, Chartered Accountants regarding maintenance of security cover in respect of the above mentioned listed Debentures issued by the Company. Please note that the security cover certificate attached is in the revised format as prescribed by the SEBI Circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022, along with the certification on status of compliance of all the covenants.

Kindly take the same on your information and records.

Thanking You,

Yours Faithfully,

For Muthoot Capital Services Limited

Ramandeep Singh
Chief Finance Officer

PKF SRIDHAR & SANTHANAM LLP
Chartered Accountants

To

The Board of Directors,

Muthoot Capital Services Limited,

Kochi.

Independent Auditor's Report on Asset Cover as at June 30, 2024 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) for submission to the National Stock Exchange (NSE), BSE Limited and to Vardhaman Trusteeship Private Limited (the "Debenture Trustee")

1. This Report is issued in accordance with the terms of our engagement letter dated 15th June 2024.
2. The accompanying statement attached as "Annexure I" contains details of Asset cover for secured listed non-convertible debt securities issued by the company as at 30th June 2024. The Certificate is issued to the Board of Directors of the Company; as per the requirement of Regulation 54 read with Regulation 56(1)(d) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended the purpose of submission to National Stock Exchange (NSE), BSE Limited and Vardhaman Trusteeship Private 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.

S.no	Private Placement/Public Issue	ISIN no	Sanctioned Amount (Rs. In Lakhs)	Debenture Trustee	Secured/ Unsecured
1	Private Placement	INE296G07127	4,900	Vardhaman Trusteeship Private Limited	Secured by Pari-Passu on receivables
2	Private Placement	INE296G07119	10,000	Vardhaman Trusteeship Private Limited	Secured by Pari-Passu on receivables
3.1	Private Placement	INE296G07077	2,000	Vardhaman Trusteeship Private Limited	Secured by Pari-Passu on receivables
3.2	Private Placement	INE296G07093	3,500	Vardhaman Trusteeship Private Limited	Secured by Pari-Passu on receivables



Unit 606, 6th Floor, Jain Sadhguru Images Capital Park, Plot No: 1-98/4/1 – 1328 & 29, Near Metro Pillar No 1765, Madhapur, Hyderabad, Telangana, India 500 081.

PKF SRIDHAR & SANTHANAM LLP is a registered Limited Liability Partnership with LLPIN AAB-6552 (REGISTRATION NO. WITH ICAI IS 003990S/200018)

4	Private Placement	INE296G07135	10,000	Vardhaman Trusteeship Limited	Private	Secured by Pari- Passu on receivables
5	Private Placement	INE296G07143	5,000	Vardhaman Trusteeship Limited	Private	Secured by Pari- Passu on receivables
6	Private Placement	INE296G07150	5,000	Vardhaman Trusteeship Limited	Private	Secured by Pari- Passu on receivables
7	Private Placement	INE296G07168	10,000	Vardhaman Trusteeship Limited	Private	Secured by Pari- Passu on receivables

Management responsibility

- 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.
- 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.
- The Management is also responsible to ensure that Assets Cover Ratio as on June 30, 2024 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 of hundred percent as per the SEBI Regulations as given in Annexure I attached to this certificate.

Auditor's Responsibility

- Our responsibility, for the purpose of this certificate is to verify the particulars contained in the Statement, on the basis of the reviewed financial results 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.
- We have reviewed the Financial Results for the quarter ended 30th June 2024, 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 unqualified conclusion dated August 7th, 2024. Our review of these financial results for the quarter ended 30th June 2024 was conducted as per 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.
- 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.



9. 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.
10. 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.

11. **Summary of work performed**

- (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.
- (b) Traced and agreed the principal amount of the Debentures outstanding as on 30th June 2024 to the reviewed financial results of the Company and reviewed books of account maintained by the Company as at 30th June 2024.
- (c) Traced the value of assets indicated in Annexure I of the Statement to the reviewed financial results of the Company and reviewed books of account maintained by the Company as on 30th June 2024.
- (d) Obtained the list of security created in the register of charges maintained by the Company and Form CHG-9 filed with Ministry of Corporate Affairs. Traced the value of charge created against assets to the asset cover.
- (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 the Debentures.
- (f) Examined and verified the arithmetical accuracy of the computation of asset cover indicated in Annexure I of the Statement.
- (g) Traced general and financial covenants from debenture term sheet and verified whether those are complied with.

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

Conclusion

13. (A) Based on the procedures performed by us, as referred to in paragraph 11 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.

(B) Nothing has come to our attention that causes us to believe that the Company has not complied in all material respects with General* and Financial Covenants# as stated in the respective debenture term sheet in respect of the secured listed non-convertible debt securities as of 30th June 2024 which would adversely affect the borrowing facilities.



*Affirmative and other covenants are verified according to our procedures substantiated by reaffirmations from the management.

#Except for one breach w.r.t GNPA level for principal protected marked linked debentures (PPMLD) and Non-convertible debenture bearing ISIN no. INE296G07119, INE296G07135, INE296G07143, INE296G07150 and for which waiver request letter has been sent to debenture trustee.

Restriction on Use

14. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the National Stock Exchange (NSE), BSE Limited and to Vardhaman Trusteeship Private Limited (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: 7th August 2024

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration Number: 003990873200018

Viswanadh VNSS Kuchi



Viswanadh VNSS Kuchi
Partner
Membership No. 210789
UDIN No: 24210789BKGFFX9075

Muthoot Capital Services Limited

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	Rs. in Lakhs	
Particulars		Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	(Elimination (amount in negative))	(Total C to H)	Related to only those items covered by this certificate						
	Description of asset for which this certificate relate	Debit for which this certificate being issued	Other Secured Debt	Debit for which this certificate being issued	Assets shared by pari passu debt holder (includes debit for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (including items covered in column F)		Debit amount (considered more than zero) (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, DORA 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, DORA market value is not applicable)	Total Value=(Total C to H)		
		Book value	Yes/No	Yes/No	Book value	Book value										
ASSETS																
Property, Plant and Equipment					-	-	253.24	-	253.24							
Capital Work-in-Progress					-	-	-	-	-							
Right of Use Assets					-	-	-	-	-							
Goodwill					-	-	-	-	-							
Intangible Assets					-	-	326.28	-	326.28							
Intangible Assets under Development					-	-	41.30	-	41.30							
Investments					8,082.26	-	741.66	-	8,823.92				8,082.26	8,082.26		
Loans*	Book debt receivables				1,99,387.50	-	19,187.54	-	2,18,575.04				1,99,387.50	1,99,387.50		
Inventories					-	-	-	-	-							
Trade Receivables					-	-	-	-	-							
Cash and Cash Equivalents					13,021.56	-	-	-	13,021.56				13,021.56	13,021.56		
Bank Balances other than Cash and Cash Equivalents					4,630.97	-	620.25	-	5,451.22				4,630.97	4,630.97		
Others					729.50	-	9,674.59	-	10,404.09				729.50	729.50		
Total					2,25,851.79		31,844.86		2,56,896.65				2,25,851.79	2,25,851.79		
LIABILITIES																
**Debt securities to which this certificate pertains				Yes	52,425.05	-	-	-	52,425.05							
Other debt sharing pari-passu charge with above debt				No	79,814.49	-	-	-	79,814.49							
Other Debt					-	-	-	-	-							
Subordinated debt					-	-	1,069.19	-	1,069.19							
Borrowings					-	-	-	-	-							
Bank					-	-	-	-	-							
Debt Securities					-	-	3,803.04	-	3,803.04							
Public deposits	Payable for PTC to SPV, Loan from director, Commercial Paper				-	-	-	-	-							
Others				No	16,914.57	-	19,804.46	-	36,719.02							
Trade payables					-	-	1,615.92	-	1,615.92							
Lease Liabilities					-	-	-	-	-							
Provisions					-	-	315.71	-	315.71							
Others				No	1,123.35	-	1,262.60	-	2,385.96							
Total					1,50,277.46		27,870.92		1,78,148.38							
Cover on book value					1.50											
Cover on market value		Exclusive Security Cover Ratio	Nil	Pari-Passu Security Cover Ratio	1.50											

*Loan receivable indicated above consists of Gross loans Rs.199,387.50 Lakhs net of over 90 days DPD receivable Rs.19,187.54 Lakhs. The financial statements of the Company reflect Loan Receivable of Rs. 202,342.59 Lakhs (consisting of Gross Loans Rs. 218,575.04 Lakhs reduced by impairment provision Rs. 16,432.45 Lakhs)

For Muthoot Capital Services Limited

Ramandeep Singh Gill
Chief Finance Officer
Date: 7th August 2024



For PKV Sridhar and Santhana LLP

PKV Sridhar and Santhana LLP

Vinayada Kachi
Partner

