

Date: 09.05.2022

To,
The Manager - Listing Department,
Bombay Stock Exchange Limited,
1st Floor, P J Tower, Dalal Street, Mumbai 400001

Sub: Certificate for Security Cover pursuant to Clause No. 54(2) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Dear Sir/Madam,

Pursuant to Clause No. 54(2) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Company has already disclosed the said information along with financials on 09.05.2022, further in compliance to the above said regulations we hereby intimate that we have maintained hundred per cent security cover sufficient to discharge the principal amount at all the times for the non-convertible debt securities issued. Details of the issued series are as follow:

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Outstanding Amount as on 31-03-2022 (in Cr.)	Cover Required
INE884Q07038	Public Issue	Secured	0.95	110% of Outstanding Amount
INE884Q07061	Public Issue	Secured	17.90	110% of Outstanding Amount
INE884Q07608	Private Placement	Secured	25.94	105% of Outstanding Amount
INE884Q07616	Private Placement	Secured	25.50	105% of Outstanding Amount
INE884Q07632	Private Placement	Secured	18.68	105% of Outstanding Amount

Kindly acknowledge the receipt of the same.

For and on behalf of
Midland Microfin Limited



Sumit Bhojwani
Company Secretary
M.No. A36611
Jalandhar

Sumit Bhojwani
(Company Secretary)
M. No. A-36611

Midland Microfin Limited

Regd. & Corporate Office: The Axis, Plot no. 1, RB Badri Dass Colony, BMC Chowk, G.T. Road Jalandhar – 144001 INDIA.
Tel.: 0181 – 5085555, 5086666 Fax: 5087777, email id: info@midlandmicrofin.com, Website: www.midlandmicrofin.com

CIN – U65921PB1988PLC008430

Statement showing maintenance of Security Cover for listed Non-Convertible Debentures (“NCD’s”) for the financial year ended March 31, 2022.

Table – I

Security coverage available in respect of Secured Listed Debt Securities

Sr. No.	Particulars		Amount
i.	Total Securities available for secured Debt Securities	A	94,80,48,205
	• Property Plant & Equipment (Fixed assets) - movable/immovable property etc.		-
	• Loans/advances given (net of provisions, NPAs and sell down portfolio), Debt Securities, other credit extended etc.		94,80,48,205
	• Receivables including interest accrued on Term loan / Debt Securities etc.		
	• Investment(s)		-
	• Cash and cash equivalents and other current/Non-current assets		-
ii.	Total borrowing through issue of secured Debt Securities (secured by exclusive charge on assets)	B	88,97,09,874
	• Debt Securities (As per Table II below)		76,73,50,000
	• Ind - AS adjustment for effective interest rate on secured Debt Securities		(23,00,331)
	• Interest accrued/payable on secured Debt Securities		12,46,60,205
iii.	Security Coverage Ratio	(A/B)	1.07 times

Table – II

ISIN wise details of Secured Listed Debt Securities

Sr. No.	ISIN	Facility	Type of charge	Sanctioned Amount	Carrying value as on 31-03-2022	Cover Required	Assets Required
1	INE884Q07061	Non-convertible Debt Securities	Exclusive	7,10,80,000	17,90,18,586	1.1	19,69,20,444
2	INE884Q07038	Non-convertible Debt Securities	Exclusive	92,70,000	94,77,175	1.1	1,04,24,893

Midland Microfin Limited

3	INE884Q07608	Non-convertible Debt Securities	Exclusive	25,00,00,000	25,93,96,814	1.05	27,23,66,655
4	INE884Q07616	Non-convertible Debt Securities	Exclusive	25,00,00,000	25,49,97,419	1.05	26,77,47,290
5	INE884Q07632	Non-convertible Debt Securities	Exclusive	18,70,00,000	18,68,19,879	1.05	19,61,60,873
Grand total					88,97,09,873		94,36,20,155

For and on behalf of
Midland Microfin Limited



Sumit Bhojwani
Company Secretary
M. No. A-36611

Midland Microfin Limited

Regd. & Corporate Office: The Axis, Plot no. 1, RB Badri Dass Colony, BMC Chowk, G.T. Road Jalandhar – 144001 INDIA.
Tel.: 0181 – 5085555, 5086666 Fax: 5087777, email id: info@midlandmicrofin.com, Website: www.midlandmicrofin.com

CIN – U65921PB1988PLC008430

Independent Auditor's Certificate

on Asset Cover and Compliance with Covenants as at March 31, 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 (i) Catalyst Trusteeship Limited and (ii) Centbank Financial Services Limited (hereinafter collectively referred to as the "Debenture Trustees")

May 09, 2022

To,
The Board of Directors,
Midland Microfin Limited
The Axis, Plot No. 1, R.B. Badri Dass Colony,
G.T. Road Jalandhar.

1. This certificate is issued in accordance with the terms of our engagement letter dated May 05, 2022 with Midland Microfin limited ("the Company").
2. We, SCV & CO LLP, Chartered Accountants, have been appointed as statutory auditors of the Company with effect from financial year 2021-22 and onwards, and have been requested by the Company to examine the accompanying Statement showing Asset Cover as per the terms of "Information-Memorandum & Debenture-Trust-Deed" and compliance with the covenants for the listed non-convertible debentures as at March 31, 2022 ("the Statement") which has been prepared by the Company from the Audited Financial Statements and other relevant record and documents maintained by the Company as at March 31, 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, ("the SEBI Regulations"), and has been initialled by us for identification purpose only.
3. This Certificate is required by the Company for the purpose of submission with the Debenture Trustees of the Company to ensure Compliance with the SEBI Regulations, in respect of its listed non-convertible debt securities ("Debentures") as at March 31, 2022. The Company has entered into agreement(s) with the Debenture Trustees ("Debenture Trust Deed") in respect of such Debentures, as indicated in the Statement.



Other offices:

New Delhi: 4/18, Asaf Ali Road, New Delhi-110002 (Delhi) T: +91-11-23274888/77410 F: +91-11-23272805

Ludhiana: B-XIX-220, Rani Jhansi Road, Ghumar Mandi, Ludhiana - 141 001 (Punjab) T: +91-161-2774527 F: +91-161-2771618

Noida: Unit No. 505, 5th Floor, Tower B, World Trade Tower, C-1, Sector-16, Noida -201301, UP: T: +91-120-4814400 F: +91-11-41749444

Mumbai: A-005 Western Edge - II, Off Western Express Highway, Borivali (E), Mumbai - 400066 T: +91-7738013832

Management's Responsibility for the Statement

4. The preparation of the accompanying Statements 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.
5. 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 Trustees and for the complying with all the covenants as prescribed in the Information Memorandum and Debenture Trust Deed.

Auditor's Responsibility

6. Pursuant to the requirements of the SEBI Regulations, it is our responsibility to provide a limited assurance and conclude as to whether:
 - a) the Company has maintained asset cover as per the terms of the Information Memorandum and Debenture Trust Deed; and
 - b) the Company is in compliance with all the covenants as mentioned in the information Memorandum and Debenture Trust Deed as indicated in the Statement.
7. Financial Statements of the Company for the F.Y. 2021-22, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 09, 2022. Our audits of these Financial Statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. Our audit was not planned and performed in connection with any transaction to identify matters that may be of potential interest to third parties.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
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 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 information, specified elements, accounts or items thereof, for the purpose of this Certificate. Accordingly, we do not express such opinion.



11. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 6 above. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
- a) Obtained and read the Debenture Trust Deed and the Information Memorandum and noted the asset cover percentage required to be maintained by the Company in respect of Debentures, as indicated in Part A of the Statement.
 - b) Traced and agreed the principal amount of the Debentures outstanding as on March 31, 2022 to the Audited Financial Statements of the Company as at March 31, 2022, referred to in paragraph 7 above.
 - c) Obtained and read the particulars of asset cover required to be provided in respect of Debentures as indicated in the Debenture Trust Deed and the information Memorandum and compared it with the information furnished in Part A of the Statement.
 - d) Traced the Value of assets indicated in Part A of the Statement to the Audited Financial Statements of the Company as at March 31, 2022, referred to in paragraph 7 above, and other relevant records maintained by the Company.
 - e) Obtained the particulars of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with the Ministry of Corporate Affairs ('MCA'). Traced the value of charge created against assets to the asset cover in Part A of the Statement.
 - f) Examined and verified the arithmetical accuracy of the computation of asset cover indicated in Part A of the Statement.
 - g) With respect to compliance with financial covenants indicated in the Part B of the Statement, we have performed following procedures:
 - i. Compared the financial covenants computed by the management as at March 31, 2022 with the requirements stipulated in the Debenture Trust Deed to verify whether such covenants are in compliance with the requirements of the Debenture Trust Deed.
 - ii. Performed necessary enquiries with the management regarding any instances of the non-compliance with financial covenants or communications received from the Trustees indicating any breach of covenants during the year ended March 31, 2022.
 - iii. Obtained the days past due report generated from the system as at March 31, 2022 to verify the PAR 30 days past due status for loan. For all such borrowers where restructuring is allowed as per RBI guidelines "Resolution Framework for COVID-19-related stress" and "Micro, Small and Medium Enterprises (MSME) Sector – Restructuring of Advances" dated August 6, 2020, the days past due is considered after implementing the restructuring plan.
 - h) With respect to the non-financial covenants, 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 information Memorandum and Debenture Trust Deed as at March 31, 2022, except for the covenants where due date has not passed as on date of this certificate.
 - i) Performed necessary inquires with the Management and obtained necessary representations.



Observation

12. The Company has not maintained the LLR/PAR90 ratio as specified in clause (ii) of financial covenants of Debenture Trust deeds dated March 23, 2022 during the year ended March 31, 2022. However, the Company has been granted waiver for the breaches by the lenders by way of email dated May 07, 2022.

Conclusion

13. Based on the reliance placed on the representations mentioned in paragraph 11(h) above, read with the observation in paragraph 12 above and procedures performed by us, as referred to in other points in paragraph 11 above and according to the information and explanation received along with representations provided by the management, nothing has come to our attention that causes us to believe that:
- The Company has not maintained asset cover as per the terms of the information Memorandum and Debenture Trust deed; and
 - The Company is not in compliance with all the covenants as mentioned in the information Memorandum and Debenture Trust Deed as on March 31, 2022 (except Para 12 above).

Restriction on Use

14. This Certificate has been issued solely at the request of the Company's management, solely in connection with the purpose mentioned in the paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustees 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 Certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For SCV & Co. LLP

Chartered Accountants

Firm Regn. No. 000235N/N500089



A handwritten signature in blue ink, appearing to be 'Rajiv Puri'.

(Rajiv Puri)

Partner

Membership No.: 084318

UDIN: 22084318AIRHZD1686

Place: New Delhi

Dated: May 09, 2022

Statement on asset cover and covenant compliance in respect of listed debt securities as at and for the quarter ended March 31, 2022

To
Catalyst Trusteeship Limited
Centbank Financial Services Limited
(collectively referred to as the 'Debenture Trustees of Midland Microfin Limited')

- a. We, Midland Microfin Private Limited ("the Listed Entity"), vide its Board Resolution and information memorandum/offer document and under various Debenture Trust Deeds have issued the following listed debt securities:

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Sanctioned Amount
INE884Q07038	Public Issue	Secured	92,70,000
INE884Q07061	Public Issue	Secured	7,10,80,000
INE884Q07608	Private Placement	Secured	25,00,00,000
INE884Q07616	Private Placement	Secured	25,00,00,000
INE884Q07632	Private Placement	Secured	18,70,00,000

- b. Asset Cover for listed debt securities:

- The financial information as on 31-03-2022 has been extracted from the books of accounts for the quarter and year ended 31-03-2022 and other relevant records of the Listed Entity.
- The assets of the Listed Entity provide coverage of 1.07 times of the principal and interest amount in respect of Secured debt securities at an aggregate level (calculation as per Table - I). Asset cover required as per the Debenture Trust Deed has been furnished in Table II.
- There are no unsecured listed debt securities, thus clause b (iii) of Annexure A to the SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12, 2020 are not applicable (as per requirement of Regulation 54 read with Regulation 56(1)(d) of LODR Regulations).



Signature



Midland Microfin Limited

Regd. & Corporate Office: The AXIS, Plot No. 1, R.B, Badri Dass Coony, BMC Chowk, G.T. Road, Jalandhar – 144 001 Punjab, INDIA
Tel: 0181-508 5555, 508 6666 | **Fax:** 508 7777 | **Email:** info@midlandmicrofin.com | **Website:** www.midlandmicrofin.com

CIN - U65921PB1988PLC008430

Table – I
Asset coverage available in respect of Secured Listed Debt Securities

Sr. No.	Particulars		Amount
i.	Total assets available for secured Debt Securities	A	94,80,48,205
	• Property Plant & Equipment (Fixed assets) - movable/immovable property etc.		-
	• Loans/advances given (net of provisions, NPAs and sell down portfolio), Debt Securities, other credit extended etc.		94,80,48,205
	• Receivables including interest accrued on Term loan / Debt Securities etc.		-
	• Investment(s)		-
	• Cash and cash equivalents and other current/Non-current assets		-
ii.	Total borrowing through issue of secured Debt Securities (secured by exclusive charge on assets)	B	88,97,09,874
	• Debt Securities (As per Table II below)		76,73,50,000
	• Ind - AS adjustment for effective interest rate on secured Debt Securities		(23,00,331)
	• Interest accrued/payable on secured Debt Securities		12,46,60,205
iii.	Asset Coverage Ratio	(A/B)	1.07 times

Table – II

ISIN wise details of Secured Listed Debt Securities

Sr. No.	ISIN	Facility	Type of charge	Sanctioned Amount	Carrying value as on 31-03-2022	Cover Required	Assets Required
1	INE884Q07061	Non-convertible Debt Securities	Exclusive	7,10,80,000	17,90,18,586	1.1	19,69,20,444
2	INE884Q07038	Non-convertible Debt Securities	Exclusive	92,70,000	94,77,175	1.1	1,04,24,893
3	INE884Q07608	Non-convertible Debt Securities	Exclusive	25,00,00,000	25,93,96,814	1.05	27,23,66,655
4	INE884Q07616	Non-convertible Debt Securities	Exclusive	25,00,00,000	25,49,97,419	1.05	26,77,47,290
5	INE884Q07632	Non-convertible Debt Securities	Exclusive	18,70,00,000	18,68,19,879	1.05	19,61,60,873
Grand total					88,97,09,873		94,36,20,155

Midland Microfin Limited

Regd. & Corporate Office: The AXIS, Plot No. 1, R.B. Badri Das Colony, BMC Chowk, G.T. Road, Jalandhar - 144 001 Punjab
 Tel: 0181-508 5555 | Fax: 508 7777 | Email: info@midlandmicrofin.com | Website: www.midlandmicrofin.com

CIN - U65921PB1988PLC008430



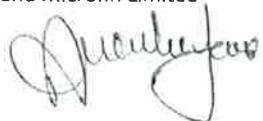
A. K. Singh



iv. Compliance of all the covenants/terms of the issue in respect of listed debt securities of the listed entity

S. No.	ISIN	Facility description	Date of Trust deed	Covenant description	Compliance (Y/N)	If no, reasons for non-compliance
1	INE884Q07038	MIDLAND MICROFIN LIMITED OPT 5 12 NCD 04JN24 FVRS10000	July 01, 2014	Covenants as per Clause 39 and 40 of Debenture Trust Deed Dated 01.07.2014.	Complied	N.A.
2	INE884Q07061	MIDLAND MICROFIN LIMITED OPT 6 12 NCD 04JN24 FVRS10000				
3	INE884Q07608	MIDLAND MICROFIN LIMITED 11.7230 NCD 26NV23 FVRS10LAC	November 19, 2020	Covenants as per Clause 10.3, 10.4, 10.5 and 10.6 of Debenture Trust Deed Dated 19.11.2020.	Complied	N.A.
4	INE884Q07616	MIDLAND MICROFIN LIMITED 11.6284 NCD 18JN24 FVRS10LAC	January 11, 2021	Covenants as per Clause 10.3, 10.4, 10.5 and 10.6 of Debenture Trust Deed Dated 19.11.2020.	Complied	N.A.
5	INE884Q07632	MIDLAND MICROFIN LIMITED 12.45 NCD 31MR27 FVRS10LAC	March 23, 2022	Covenants as per Clause 3.4 read with Clause 2.3 (Part B), Clause 3.5 read with Clause 2.4 (Part B), Clause 3.6 read with Clause 2.5 (Part B) and Clause 3.7 with Clause 2.6 (Part B) of Debenture Trust Deed Dated 23.03.2022.	Complied	N.A.

For Midland Microfin Limited




Name: Amardeep Singh Samra
Designation: Managing Director
Place: Jalandhar
Date: May 09, 2022

Midland Microfin Limited

Regd. & Corporate Office: The AXIS, Plot No. 1, R.B, Badri Dass Coony, BMC Chowk, G.T. Road, Jalandhar - 144 001 Punjab. INDIA
Tel: 0181-508 5555, 508 6666 | Fax: 508 7777 | Email: info@midlandmicrofin.com | Website: www.midlandmicrofin.com

CIN - U65921PB1988PLC008430