

Date: February 12, 2024

To,
The Manager,
Listing Department-BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001

Dear Sir,

Sub: Submission of Unaudited Financial Results for the quarter and nine months ended December 31, 2023 under Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 52 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Board of Directors in their meeting held on quarter and nine months ended December 31, 2023 considered and approved Unaudited Financial Results along with Limited Review Report issued by Statutory Auditors for the quarter and nine months ended December 31, 2023 duly reviewed by the Audit Committee.

The said financial have been signed by the Managing Director of the Company and we hereby declare that the Statutory Auditors M/s SCV & CO. LLP Chartered Accountants (ICAI Firm Registration Number: 000235N/N500089) have submitted the Limited Review Report for the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2023 with an Un-Modified opinion.

In term of Regulation 52 (4) of the Listing Regulations:

- a) **Debt-Equity Ratio:** 4.47 times
- b) **Debt service coverage ratio:** Being a Non-Banking Financial Company, requirement of disclosure of debt service coverage ratio is not applicable.
- c) **Interest service coverage ratio:** Non-Banking Financial Company, requirement of disclosures of interest service coverage ratio is not applicable.
- d) **Outstanding redeemable preference shares (quantity and value):** 1,20,65,000 shares/443.90 mn (Unlisted)
- e) **Capital redemption reserve/debenture redemption reserve:** 42.80 mn/36.63 mn
- f) **Net worth:** 3,991.97 mn
- g) **Net profit after tax:** 464.75 mn
- h) **Earnings per share:** 10.20
- i) **Current Ratio:** Being a Non-Banking Financial Company, requirement of disclosure of Current Ratio is not applicable.
- j) **Long term debt to working capital:** Being a Non-Banking Financial Company, requirement of disclosure of Long term debt to working capital is not applicable.
- k) **Bad debts to Account receivable ratio:** Being a Non-Banking Financial Company, requirement of disclosure of Bad debts to Account receivable ratio is not applicable.
- l) **Current Liability ratio:** Being a Non-Banking Financial Company, requirement of

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

- disclosure of Current Liability ratio is not applicable
- m) **Total Debts to Total Assets:** 0.76
- n) **Debtors Turnover:** Being a Non-Banking Financial Company, requirement of disclosure of Debtor Turnover ratio is not applicable
- o) **Inventory Turnover:** Being a Non-Banking Financial Company, requirement of disclosure of Inventory Turnover ratio is not applicable.
- p) **Operating Margin (%):** Being a Non-Banking Financial Company, requirement of disclosure of operating margin is not applicable
- q) **Net Profit Margin (%):** 12.55%
- r) **Sector specific equivalent ratios:**
- Gross NPA (%)- as on December 31, 2023 is 3.09%
 - Net NPA (%)- as on December 31, 2023 is 1.17%
 - Capital Adequacy Ratio (%)- as on December 31, 2023 is 28.12%
 - Provision Coverage Ratio (NPA) (%)- as on December 31, 2023 is 62.74%

Pursuant to the Regulation 52(7) of the Listing Regulations, declaration with respect to the utilization of issue proceeds of non-convertible debt securities is not required since there was no issuance during the period under review.

Pursuant to the Regulation 54 (3) of the Listing Regulations, disclosure on Asset Cover has been attached with this report and also submitted separately to the BSE Limited.

Kindly acknowledge the receipt of the same.

**For and on behalf of
Midland Microfin Limited**



**Sumit Bhojwani
Company Secretary
M. No. A-36611**

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Date: February 12, 2024

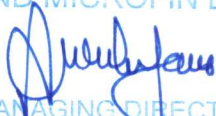
Declaration pursuant to Regulation 52 (3)(a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“Listing Regulations”)

In compliance of the provisions of Regulation 52(3)(a) of the Listing Regulations, we hereby declare that by M/s SCV & CO. LLP Chartered Accountants (ICAI Firm Registration Number: 000235N/N500089), Statutory Auditors of the Company, have issued Audit Reports with Unmodified Opinion on the Unaudited Financial Results for the quarter and nine months ended December 31, 2023.

Yours faithfully,

**For and on behalf of
Midland Microfin Limited**

MIDLAND MICROFIN LTD.



MANAGING DIRECTOR

**Amardeep Singh Samra
Managing Director
DIN: 00649442**

Independent Auditor's Review Report
on unaudited financial results for quarter and nine months ended December 31, 2023 of
MIDLAND MICROFIN LIMITED
pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure
Requirements) Regulations, 2015 as amended.

Review Report to
The Board of Directors,
Midland Microfin Limited

1. We have reviewed the accompanying Statement of unaudited financial results ("the Statement") of **Midland Microfin Limited ("the Company")** for the quarter and nine months ended December 31, 2023, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No: 000235N/N500089



Place: New Delhi
Dated: February 12, 2024

(Rajiv Puri)
Partner
Membership No.: 084318
UDIN: 24084318BKFMEV5922

Midland Microfin Limited
(CIN: U65921PB1988PLC008430)
Registered Office:- The AXIS, Plot No.1, R.B. Badri Dass Colony, G.T Road, Jalandhar PB 144001 (INDIA)
Tel : +91-181-5076000, Fax No : +91- 181-2236070 Website : www.midlandmicrofin.com
Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2023

(Rupees in millions unless otherwise stated)

Particulars	Quarter ended			nine months ended		Year ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations						
Interest income	1,217.39	1,130.27	989.49	3,252.07	2,561.79	3,546.79
Fees and commission income	61.73	60.69	28.95	134.10	137.89	178.95
Net gain on derecognition of financial instruments under amortised cost category	55.94	98.60	48.44	301.70	77.24	218.31
Total revenue from operations	1,335.06	1,289.56	1,066.88	3,687.87	2,776.92	3,944.05
Other income	0.12	14.64	0.74	15.21	4.42	5.07
Total income	1,335.18	1,304.20	1,067.62	3,703.08	2,781.34	3,949.12
Expenses						
Finance cost	533.09	480.65	472.66	1,452.21	1,214.11	1,684.55
Net loss on fair value changes	25.00	140.40		215.40		
Impairment on financial instruments	154.68	81.63	158.60	250.72	365.78	514.84
Employee benefit expenses	273.18	256.86	194.06	747.25	547.62	747.19
Depreciation and amortization expense	10.54	9.58	7.64	28.02	21.45	30.09
Other expenses	130.66	137.37	91.24	390.14	248.67	357.36
Total expenses	1,127.15	1,106.49	924.20	3,083.74	2,397.63	3,334.03
Profit before tax	208.03	197.71	143.42	619.34	383.71	615.09
Tax expense:						
Current tax	52.80	83.61	63.80	199.06	191.98	104.81
Deferred tax	(0.78)	(34.48)	(26.42)	(44.47)	(93.66)	41.95
Income tax expense	52.02	49.13	37.38	154.59	98.32	146.76
Profit for the period/year (A)	156.01	148.58	106.04	464.75	285.39	468.33
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Re-measurement gain on defined benefit plans	1.27	1.14	1.16	3.59	3.33	3.82
Income tax effect	(0.31)	(0.28)	(0.29)	(0.90)	(0.84)	(0.96)
Items that will be reclassified subsequently to profit or loss						
Fair value income/(loss) on derivative financial instruments	0.27	16.25	(9.02)	2.82	(21.52)	(5.22)
Income tax effect	(0.07)	(4.09)	2.27	(0.71)	5.42	1.31
Other comprehensive income/(loss) (B)	1.16	13.02	(5.88)	4.80	(13.61)	(1.05)
Total comprehensive income for the period/year (A+B)	157.17	161.60	100.16	469.55	271.78	467.28
Earnings per equity share (face value of ₹10 per equity share)						
Computed on the basis of total profit for the period/year						
Basic EPS (₹)*	3.26	3.26	2.33	10.20	6.26	10.28
Diluted EPS (₹)*	3.22	3.22	2.33	10.11	6.26	10.28

*Basic and Diluted EPS for the Quarter ended December 31, 2023, September 30, 2023, December 30, 2022 and nine months ended December 31, 2023, December 31, 2022 are not annualised.



For and on Behalf of the Board of Directors of
Midland Microfin Limited



Amardeep Singh Samra
Amardeep Singh Samra
Managing Director

Place: Jalandhar
Date: February 12, 2024

Midland Microfin Limited
(CIN: U65921PB1988PLC008430)

Registered Office:- The AXIS, Plot No.1, R.B. Badri Dass Colony, G.T Road, Jalandhar PB 144001 (INDIA)
Tel : +91-181-5076000, Fax No : +91- 181-2236070 Website : www.midlandmicrofin.com

Notes to the Unaudited financial results:

1. Midland Microfin Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the quarter and nine months ended December 31, 2023 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.
2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 12, 2024, in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The above results for the quarter and nine months ended December 31, 2023 have been reviewed by the Statutory Auditors of the Company.
3. The Company operates in a single reportable segment i.e. lending to borrowers, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographic segment i.e. domestic.
4. During nine months ended December 31, 2023, the Company has issued 5,37,160 Cumulative Compulsorily Convertible Preference Shares of a face value of Rs.150 per share aggregating to ₹ 80.57 Mn through private placement.
5. In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition, Asset classification and Provisioning (IRACP) norms (including provision on standard asset). The impairment allowances under Ind AS 109 made by company exceeds the total provision required under IRACP (including standard asset provisioning), as at December 31, 2023 and accordingly, no amount is required to be transferred to impairment reserve.
6. The Company has developed estimates for the purpose of determination of the provision for impairment of financial assets. As at December 31, 2023, the Company holds an aggregate provision of ₹ 409.11 Mn. The Company will closely monitor any material changes to future economic conditions and update its assessment.
7. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective.
8. Details of loans transferred/acquired, as per RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021, are given below:
(i) Details of loans not in default transferred through assignment:

(₹ in millions unless otherwise stated)

Particulars	For quarter ended	For nine months
	December 31, 2023	ended December 31, 2023
Number of loan accounts assigned	30,953	1,98,997
Aggregate amount of loans assigned	791.52	5,665.51
Weighted average residual tenor of the loans assigned (in months)	12.26	15.15
Weighted average holding period (in months)	9.51	8.10
Retention of beneficial economic interest by the originator	20%/10%	20%/10%
Tangible security cover	Nil	Nil
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

(ii) The Company has not acquired any loan through assignment during the quarter and nine months ended December 31, 2023.

(iii) The Company has not transferred/acquired any stressed loan during the quarter and nine months ended December 31, 2023.

(iii) The Company has not transferred any non-performing assets (NPA's) during the quarter and nine months ended December 31, 2023.



[Handwritten Signature]

9. Analytical ratios/disclosures required under Regulation 52(4) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

(₹ in millions unless otherwise stated)

Particulars	For quarter ended December 31, 2023	For nine months ended December 31, 2023
(1) Debt-equity ratio	4.47	4.47
(2) Debt service coverage ratio	Not Applicable	Not Applicable
(3) Interest service coverage ratio	Not Applicable	Not Applicable
(4) Outstanding redeemable preference shares (quantity and value)		
-Quantity	1,20,65,000	1,20,65,000
-Value	443.90	443.90
(5) Capital Redemption Reserve (₹ in millions)	42.80	42.80
(6) Debenture Redemption Reserve (₹ in millions)	36.63	36.63
(7) Net worth (₹ in millions)	3,991.97	3,991.97
(8) Net profit after tax (₹ in millions)	156.01	464.75
(9) Earnings per share		
-Basic	3.26	10.20
-Diluted	3.22	10.11
(10) Current ratio	Not Applicable	Not Applicable
(11) Long term debt to working capital	Not Applicable	Not Applicable
(12) Bad debts to account receivable ratio	Not Applicable	Not Applicable
(13) Current liability ratio	Not Applicable	Not Applicable
(14) Total debts to total assets	0.76	0.76
(15) Debtors turnover	Not Applicable	Not Applicable
(16) Inventory turnover	Not Applicable	Not Applicable
(17) Operating margin (%)	Not Applicable	Not Applicable
(18) Net profit margin (%)	11.68	12.55
(19) Sector specific equivalent ratios, as applicable:		
(a) Capital Adequacy Ratio (%)	28.12	28.12
(b) Gross Non-Performing Assets (GNPA) Ratio (%)	3.09	3.09
(c) Net Non-Performing Assets (NNPA) Ratio (%)	1.17	1.17
(d) Provision Coverage ratio (NPA) (%)	62.74	62.74

10. As per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, debentures are secured by exclusive first charge on receivables of the Company by way of hypothecation to the extent of 1.06 times of the amount outstanding.
11. The figures for the previous periods/year have been regrouped/rearranged wherever necessary to conform to current period presentation.
12. The above financial results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.midlandmicrofin.com).



For and on Behalf of the Board of Directors of
Midland Microfin Limited

Amardeep Singh Samra
Managing Director

Place: Jalandhar
Date: February 12, 2024

Independent Auditor's Certificate

on Asset Cover and Compliance with Covenants as at December 31, 2023

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")

February 12, 2024

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 February 10, 2024 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 Covenants for the listed non-convertible debentures as at December 31, 2023 ("the Statement") which has been prepared by the Company from the Financial Statements and other relevant record and documents maintained by the Company as at 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 by SEBI Circular No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 on "Revised format for Security Cover certificate, monitoring and revision in timelines", ("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 as at December 31, 2023 ("Debentures"). The Company has entered into agreement(s) with the Debenture Trustees ("Debenture Trust Deed") in respect of such Debentures, as indicated in the Statement.



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. We have reviewed the Financial Results of the Company for quarter and nine months ended December 31, 2023 and expressed an unmodified conclusion vide our Review Report dated February 12, 2024. We conducted our review of the Financial 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Financial Statements are free of material misstatement. A Review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we have not expressed an audit opinion.
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 Appendix-I of the Statement.
- b) Traced and agreed the principal amount of the Debentures outstanding as on December 31, 2023 to the Financial Results of the Company as at and for the quarter and nine months ended December 31, 2023 referred to in paragraph 6 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 Appendix-I of the Statement.
- d) Traced the Value of assets indicated in Part A of the Statement to the Financial Results of the Company as at December 31, 2023, referred to in paragraph 6 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 Appendix-I of the Statement.
- f) Examined and verified the arithmetical accuracy of the computation of asset cover indicated in Appendix-I of the Statement.
- g) With respect to compliance with financial covenants, we have performed following procedures:
- i. Compared the financial covenants computed by the management as at December 31, 2023 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 quarter and nine months ended December 31, 2023.
 - iii. Obtained the days past due report generated from the system as at December 31, 2023 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 December 31, 2023, except for the covenants where due date has not passed as on date of this certificate.
- i) Performed necessary inquiries with the Management and obtained necessary representations.



Observation

12. The Company has maintained all the financial covenants of Debenture Trust deeds during the quarter and nine months ended December 31, 2023.

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:
- a) The Company has not maintained asset cover as per the terms of the information Memorandum and Debenture Trust deed; and
 - b) The Company is not in compliance with all the covenants as mentioned in the information Memorandum and Debenture Trust Deed as on December 31, 2023.

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
ICAI Firm Registration Number: 000235N/N500089



Rajiv Puri
Rajiv Puri
(Partner)
Membership No.: 084318
UDIN: 24084318BKFMEW5693

Annexure A

Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (LODR) Regulation, 2015 as on December 31, 2023

We hereby confirm that Midland Microfin Limited (the 'Company') having its registered office at The AXIS, Plot No.1, R.B. Badri Dass Colony, G.T Road, Jalandhar, Punjab-144001, as at December 31, 2023 has an security cover to the extent of 1.06 times of outstanding amount of Listed Secured Redeemable Non-Convertible Debentures.

The Company has complied with all the covenants in respect of outstanding Listed Secured Redeemable Non-Convertible Debentures as on December 31, 2023.

Working of Security Cover (for secured Listed Debentures) as per SEBI Circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 is attached as Appendix 1.

For Midland Microfin Limited



Name: Amardeep Singh Samra
Designation: Managing Director



Place: Jalandhar

Date: February 12, 2024

Midland Microfin Limited

Regd. & Corporate Office: The Axis, Plot No. 1, R.B. Badri Dass Colony, BMC Chowk, G.T. Road, Jalandhar-144001 (Punjab), India
Tel: 0181-5085555, 5086666 | Fax: 0181-5087777 | Email : info@midlandmicrofin.com | Website : www.midlandmicrofin.com

CIN : U65921PB1988PLC008430

Appendix 1

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	Pari- Passu Charge	Pari- Passu Charge	Other assets on which there is pari- Passu charge (excluding items covered in column F)	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	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 DSRA market value is not applicable)	Market Value for Assets charged on Exclusive basis	Carrying value/book value for pari passu assets where market value is not ascertainable or applicable (For Eg. Bank DSRA market value is not applicable)	Related to only those items covered by this certificate
		Book Value	Book Value	Yes/ No	Book Value	Book Value								Referring to Column F
ASSETS														
Property, Plant and Equipment				No	NA	NA	137.38		137.38					
Capital Work-in-Progress				No	NA	NA								
Right of Use Assets				No	NA	NA	13.41		13.41					
Goodwill				No	NA	NA	9.56		9.56					
Intangible Assets				No	NA	NA								
Intangible Assets under Development				No	NA	NA	520.60		520.60					
Investments				No	NA	NA	3,868.67		17,998.49**		1,291.79			1,618.13
Loans	Receivables under financing activities	1,291.79*	12,838.03*	No	NA	NA								
Inventories				No	NA	NA								
Trade Receivables				No	NA	NA	17.73		17.73					
Cash and Cash Equivalents			2,522.50	No	NA	NA	75.78		2,598.28					
Bank Balances other than Cash and Cash Equivalents			1,135.39	No	NA	NA	1,010.52		2,145.91					
Others				No	NA	NA	449.03		449.03					
Total		1,291.79	16,495.92				6,107.59		23,895.30		1,291.79			1,618.13



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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	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	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 Assets charged on Exclusive basis	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)	Related to only those items covered by this certificate
		Book Value	Book Value	Yes/ No	Book Value	Book Value		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 Assets charged on Exclusive basis	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)	Relating to Column F
LIABILITIES														
Debt securities to which this certificate pertains	Listed Non Convertible Debentures	1,215.89 ^A		No	NA	NA			1,215.89					
Other debt sharing pari-passu charge with above debt														
Other Debt														
Subordinated debt		not to be filled		No	NA	NA	1,342.78		1,342.78					
Borrowings														
Bank			9,440.81	No	NA	NA			9,440.81					
Debt Securities			728.28	No	NA	NA	340.50		1,068.78					
Others			5,231.07	No	NA	NA			5,231.07					
Trade payables				No	NA	NA	34.50		34.50					
Lease Liabilities				No	NA	NA	18.16		18.16					
Provisions				No	NA	NA	26.67		26.67					
Others				No	NA	NA	1,115.55		1,115.55					
Total		1,215.89	15,400.16				2,878.17		19,494.22					
Cover on Book Value		1.06												
Cover on Market Value														
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

^AIncludes Ind-AS adjustment for effective rate of interest on listed debt securities of Rs. 0.51 Mn and interest accrued on listed debt securities of Rs. 170.55 Mn.

^{*}Amount of loans charged on exclusive basis as mentioned in Column C & D include principal outstanding only.

^{**}Implies outstanding of loans grossed up of impairment loss reserve.



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