



May 16, 2025

To  
The Manager (Listing),  
**The BSE Limited,**  
P.J. Towers, Dalal Street,  
Mumbai 400001

**Sub: - Intimation of Breach of Covenant Under Regulation 51 read with Part B of Schedule III of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 51 read with Part B of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) "LODR", we would like to intimate that the following breaches of financial covenants in respect of the listed Non-Convertible Debentures (NCDs) and other unlisted NCDs of the company.

Enclosed herewith the Certificate issued by the Statutory Auditors on compliance with financial covenants as of 31 March 2025 as per Debenture Trust Deed / Information Memorandum pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated May 15, 2025.

ISIN	Financial Covenants	Current Status
INE046W07172 INE046W07180	The company shall maintain the ratio Return on Assets of greater than 0% over the period comprising the preceding 12 months	The Company is not in compliance with this covenant for the quarter ending March 31, 2025.
INE046W07172 INE046W07180	The Company shall at all times maintain a ratio of the sum of (x) Portfolio at Risk over 30 (Thirty) days plus Restructured Loans plus Net Charge-Offs during the last 12 (Twelve) months divided by (y) the Outstanding Gross Loan Portfolio of not greater than 10% (Ten Percent).	The Company is not in compliance with this covenant for the quarter ending March 31, 2025.
INE046W07198 INE046W07271	The Company shall maintain Return on Assets exceeds 1% (one percent)	The Company is not in compliance with this covenant for the quarter ending March 31, 2025.
INE046W07198 INE046W07271	Write-Off Ratio does not exceed 2% (Two percent) until March 31, 2025.	The Company is not in compliance with this covenant for the quarter ending March 31, 2025.

**MUTHOOT MICROFIN LIMITED**  
CIN:L65190MH1992PLC066228

Regd. Office: 13 \*Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051  
Administrative: Office 5th Floor, Muthoot Towers, M G Road, Kochi, Kerala - 682035, Tel: +91 -484-4277500, +91-484-4300127, F: +91-484-4300127 E: info@muthootmicrofin.com  
[www.muthootmicrofin.com](http://www.muthootmicrofin.com)

We have already communicated the breaches to the respective debenture holders and have formally requested a waiver from them. Additionally, Company have obtained waivers from several lenders and are in the process of securing waivers or extensions from the remaining ones. Meanwhile, the company continues to maintain a healthy liquidity position, with a cash balance of ₹752.85 crores. We will update the exchange upon receipt of the waiver approvals.

Kindly take the same on record.

Thanking You,

Yours Faithfully,

For **Muthoot Microfin Limited**

**Neethu Ajay**  
**Chief Compliance Officer and Company Secretary**

Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai – 400 021, India

T + 91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com  
LLP Identity No. AAB-7509

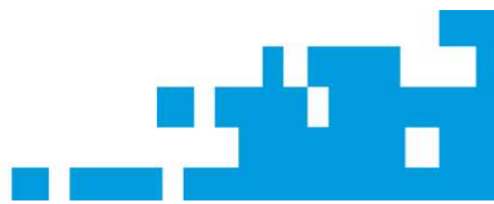
To,  
The Board of Directors  
Muthoot Microfin Limited  
13th Floor, Parinee Cresenczo,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai- 400051.

**Independent Auditors' Certificate on compliance with financial covenants as at 31 March 2025 as per Debenture Trust Deed / Information Memorandum pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to the Catalyst Trusteeship Limited and Vardhman Trusteeship Private Limited (collectively the "Debenture Trustees")**

1. This certificate is issued in accordance with the terms of our engagement vide email dated 02 May 2025.
2. We have been requested by the management of Muthoot Microfin Limited ("the Company") to issue a certificate on compliance of financial covenants for its secured, listed, rated, redeemable Non-Convertible Debentures ("Non-Convertible Debentures") as at 31 March 2025 ("the Statement") for submission to the Debenture Trustees, pursuant to the requirement of Master circular no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated 16 May 2024 issued by Securities and Exchange Board of India ("SEBI") in terms of Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) for submission to the Debenture Trustees. The Statement has been prepared by the management of the Company from the audited financial statements, underlying books of account, other relevant records and documents maintained by the Company as at and for the year ended March 31, 2025 and certified by the Chief Financial Officer of the Company. We have stamped on the Statement for identification purposes only.

**Management's responsibility**

3. 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 designing, implementing, and maintaining 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. Further, the Management of the Company is responsible for ensuring that the Company complies with financial covenants of the Debenture Trust Deed / Information Memorandum in respect of Non-Convertible Debentures as at 31 March 2025.
4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI circulars, SEBI Regulations, Companies Act, 2013, BSE Limited (BSE) and other applicable laws and regulations, as applicable.



**Auditor's responsibility**

5. Pursuant to the requirements as mentioned in paragraph 2 above, it is our responsibility to provide a limited assurance in the form of conclusion based on examination of the audited financial statements/ information for the year ended 31 March 2025 and other relevant records maintained by the Company as to whether the Company has complied with the financial covenants mentioned in Annexure 1 of the Statement in respect of Non-Convertible Debentures.
6. A limited assurance engagement includes performing procedures to obtain sufficient and appropriate audit evidence on the reporting criteria mentioned in paragraph 2 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement:
  - a) Obtained and read the Information Memorandum and Debenture Trust Deed in respect of Non-Convertible Debentures issued by the Company and noted the financial covenants required to be maintained by the Company in respect of Non-Convertible Debentures.
  - b) Obtained the computation of ratios, wherever required and recomputed the same after verifying the respective numbers used in those ratios from the audited financial statements/ information, investor presentation and other relevant records and documents maintained by the Company for the year ended 31 March 2025.
  - c) Verified the returns (DNBS 04B -Structural liquidity & interest rate sensitivity) filed with Reserve Bank of India for the quarter ended 31 March 2025; and
  - d) Performed necessary inquiries with the management and obtained necessary representation letter from the management.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance. Consequently, the level of assurance obtained in a limited assurance is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

7. The audited financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated 8 May 2025. Further, we have issued additional report addressed to the Board of Directors of the Company in compliance with the requirement of Master Direction DNBS. PPD.03/66.15.001/2016-17 dated 29 September 2016 and has not come across any exceptions that are required to be reported under paragraph 5 of the aforesaid Reserve Bank of India (RBI) Notification. Our audits of these financial statements were conducted in accordance with the Standards of Auditing referred to in Section 143(10) of the Companies Act, 2013 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
8. We conducted our examination of the statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) 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.

**Conclusion**

10. Based on the procedures performed and the information and explanations provided to us, nothing has come to our attention that causes us to believe that the Company has not complied with the covenants in respect of the Non-Convertible Debentures during the year ended, except for certain instances of breach and non-compliance with financial covenants, as detailed in Annexure 1 to this certificate

**Restriction on Use**

11. This Certificate is issued at the request of the Management of the Company to comply with the requirements mentioned in paragraph 2 above and to be submitted with the accompanying statement to the Debenture Trustees. As a result, this certificate may not be suitable for any other purpose and is intended solely and entirely for the above-mentioned purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. 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.

For Suresh Surana & Associates LLP  
Chartered Accountants  
Firm's Reg No: 121750W/W100010

Ramesh Gupta Digitally signed by Ramesh Gupta  
Date: 2025.05.15 15:54:15 +05'30'

Ramesh Gupta  
Partner

Membership No.: 102306

Certificate No.: RG/2025-26/008

UDIN No.: 25102306BMHKNJ7753

Place: Mumbai

Dated: 15 May 2025





**Statement of compliance of financial covenants for its secured, listed, rated, redeemable Non-Convertible Debentures ("Non-Convertible Debentures") as at March 31, 2025**

- a) The Company has vide its various Board Resolutions and Key Information Document / General Information Document and under Debenture Trust Deeds, has issued the following Non-Convertible Debentures which remains outstanding as at 31 March 2025:

ISIN	Description	Private Placement/ Public Issue	Secured/ Unsecured	Sanctioned Amount (₹ in Crore)	Outstanding Amount (₹ in Crore)
INE046W07172	Secured, listed, rated, redeemable non-convertible debentures	Private Placement	Secured	38.00	38.00
INE046W07180				112.00	112.00
INE046W07230				200.00	80.00
INE046W07248				150.00	89.91
INE046W07255				75.00	46.88
INE046W07263				75.00	56.25
INE046W07271				66.40	66.40

**b) Statement of compliance of the financial covenants of the issue in respect of Listed Non-Convertible Debentures as at March 31, 2025**

We confirm the compliance status of the financial covenants of listed Non-Convertible Debentures as per Key Information Document/ General Information Document/ Information Memorandum of the issue are as disclosed in Annexure -1.



### Annexure I

ISIN	Financial Covenants	Compliance status
INE046W07172	(i) On and from July 1, 2022 and until the Final Settlement Date, the Company shall at all times maintain a ratio of the sum of (x) Portfolio at Risk over 30 (Thirty) days plus Restructured Loans plus Net Charge-Offs during the last 12 (Twelve) months divided by (y) the Outstanding Gross Loan Portfolio of not greater than 10% (Ten Percent).	Not Complied
	(ii) On and from July 1, 2022 and until the Final Settlement Date, the Company shall at all times maintain, a ratio of the sum of (x) Portfolio at Risk over 90 (Ninety) days plus (y) Restructured Loans minus Loan Loss Reserves divided by (z) Tier I Capital of not greater than 10% (Ten Percent).	Complied
	(iii) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times, maintain the Capital Adequacy Ratio calculated as per the applicable RBI regulations for non-banking financial companies of at least 16% (Sixteen Percent).	Complied
	(iv) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times, maintain the ratio of Return on Assets of greater than 0% (Zero Percent) over a period comprising the preceding 12 (Twelve) months;	Not Complied
	(v) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times ensure that its exposure to its related parties shall not exceed in the aggregate 15% (Fifteen Percent) of its total exposures. For the purpose of this sub-clause (vi) of Clause 2.6 of Part B of this Deed (Financial Covenants), the term "related parties" shall have the meaning assigned to such term under Clause (76) of Section 2 of the Act.	Complied
	(vi) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times, maintain the sum of the absolute value of the ratio of each single currency, (not being the Indian Rupee) of the Foreign-Currency Assets minus Foreign-Currency Liabilities divided by Equity of not greater than 50% (Fifty Percent).	Complied
INE046W07180	(i) On and from July 1, 2022 and until the Final Settlement Date, the Company shall at all times maintain a ratio of the sum of (x) Portfolio at Risk over 30 (Thirty) days plus Restructured Loans plus Net Charge-Offs during the last 12 (Twelve) months divided by (y) the Outstanding Gross Loan Portfolio of not greater than 10% (Ten Percent).	Not Complied





ISIN	Financial Covenants	Compliance status
	(ii) . On and from July 1, 2022 and until the Final Settlement Date, the Company shall at all times maintain, a ratio of the sum of (x) Portfolio at Risk over 90 (Ninety) days plus (y) Restructured Loans minus Loan Loss Reserves divided by (z) Tier I Capital of not greater than 10% (Ten Percent).	Complied
	(iii) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times, maintain the Capital Adequacy Ratio calculated as per the applicable RBI regulations for non-banking financial companies of at least 16% (Sixteen Percent).	Complied
	(iv) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times, maintain the ratio of Return on Assets of greater than 0% (Zero Percent) over a period comprising the preceding 12 (Twelve) months; and	Not Complied
	(v) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times ensure that its exposure to its related parties shall not exceed in the aggregate 15% (Fifteen Percent) of its total exposures. For the purpose of this sub-clause (vi) of Clause 2.6 of Part B of this Deed (Financial Covenants), the term “related parties” shall have the meaning assigned to such term under Clause (76) of Section 2 of the Act.	Complied
	(vi) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times, maintain the sum of the absolute value of the ratio of each single currency, (not being the Indian Rupee) of the Foreign-Currency Assets minus Foreign-Currency Liabilities divided by Equity of not greater than 50% (Fifty Percent).	Complied
INE046W07230, INE046W07248, INE046W07255 and INE046W07263	On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times ensure that its exposure to its related parties shall not exceed in the aggregate 15% (Fifteen Percent) of its total exposures. For the purpose of this sub-clause (vi) of Clause 2.6 of Part B of this Deed (Financial Covenants), the term “related parties” shall have the meaning assigned to such term under Clause (76) of Section 2 of the Act.	Complied
	The ratio of Total Debt divided by Equity should be within 5x (Five) times;	Complied
	It maintains a Capital Adequacy Ratio of at least 20% (Twenty Percent) or as prescribed by the applicable regulations of the RBI from time to time, whichever is higher. Further, in respect of the above Capital Adequacy Ratio, the Company shall maintain a Tier I Capital Adequacy Ratio of at least 18% (Eighteen Percent);	Complied
	The Gross NPA, expressed as a percentage, shall not exceed 5% (Five Percent) of the Gross Loan Portfolio;	Complied





ISIN	Financial Covenants	Compliance status
INE046W07271	The ratio of Net NPA to Tangible Net Worth shall not exceed 15% (Fifteen Percent);	Complied
	The share of Off Balance Sheet Portfolio shall not exceed 35% (Thirty Five Percent) of the Gross Loan Portfolio;	Complied
	The pre-provision after-tax Net Income (excluding extra-ordinary income) of the Company shall remain positive. This covenant shall be tested on a quarterly and annual basis until the Final Settlement Date.	Complied
	It shall not have any negative mismatches on a cumulative basis in any of the buckets till the next one year of ALM statement after incorporating all the liabilities of the Company including any put options or reset options exercisable in any form. The unencumbered cash and cash equivalents of the Company which are maturing across all the buckets of the ALM shall be included under the asset and form a part of the opening asset balance. Provided that unutilised bank lines, undisbursed committed sanctions of the Company and cash credit limits of the Company shall not be taken into account while testing this covenant; and	Complied
	The Company shall not prepay any Financial Indebtedness of the Company availed by it from any third party (whether voluntarily or mandatorily) including the redemption of any debentures, prior to its stated maturity thereof, which prepayment and/or redemption leads to a negative mismatch on a cumulative basis in any of the buckets of the ALM statement of the Company until the residual tenor of the Debentures, after incorporating all the liabilities of the Company including any put options or interest reset on liabilities. Provided that unutilised bank lines, undisbursed committed sanctions of the Company and cash credit limits of the Company shall not be taken into account while testing this covenant.	Complied However, management represented that they will not prepay any Financial Indebtedness of the Company availed by it from any third party (whether voluntarily or mandatorily) including the redemption of any debentures, prior to its stated maturity thereof, which prepayment and/or redemption leads to a negative mismatch on a cumulative basis in any of the buckets of the ALM statement of the Company until the residual tenor of the Debentures.
INE046W07271	The ratio of Total Debt divided by Equity should be within 6x (Six) times	Complied
	Capital Adequacy Ratio to exceed 17%	Complied
	Return on Assets to exceed 1%	Not Complied
	Open credit exposure ratio not to exceed 20%	Complied
	Write-off ratio not to exceed - 2.00% for FY 25 (April 2024 to March 2025) - 1.75% for FY 26 (April 2025 to March 2026) - 1.50% for FY 27 onwards (April 2026 onwards)	Not Complied



**Note:**

- i. This Statement is prepared in accordance with Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide circular no. SEBI / HO / MIRSD / MIRSD\_CRADT/COR/P/2022/67 dated May 19, 2022, and to Debenture Trustees of the listed debt securities pursuant to Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time, (together referred to as the "Regulations").
- ii. Other than that stated above, there is no financial covenant specified in the Offer Document / Information memorandum of the listed non-convertible debt securities that the Company needs to comply with.

**For Muthoot Microfin Limited**

PRAVEEN  
THOROPPADY

Digitally signed by  
PRAVEEN THOROPPADY  
Date: 2025.05.15  
14:31:13 +05'30'



**Praveen T**  
**Chief Financial Officer**  
**Place : Ernakulam**  
**Date : 15/05/2025**