

2nd May, 2023

The BSE Limited
BSE Limited Registered Office: Floor 25,
P J Towers, Dalal Street,
Mumbai – 400 001

Sub: Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Security Cover Certificate as at 31st March 2023

In compliance with Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19th May 2022, please find enclosed the Security Cover Certificate as at 31st March 2023, certified by M/s. Nangia & Co, LLP, Chartered Accountants, Statutory Auditors of the Company.

We request you to take the same on record.

Thanking you

For Auxilo Finserve Private Limited

Deepika Thakur Chauhan
Company Secretary & Head – Legal

Encl: A/a

Independent Auditor's Certificate on Asset Cover and Compliance with all Covenants as at March 31, 2023 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

To,
The Board of Directors
Auxilo Finserve Private Limited
Office No. 63, 6th floor,
Kalpataru Square, Kondivita Road,
Andheri East, Mumbai 400059.

1. This certificate is issued in accordance with the terms of the engagement letter dated June 28, 2022 with Auxilo Finserve Private Limited (the "Company").
2. We Nangia & Co. LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Asset Cover' for listed non-convertible debt securities as at March 31, 2023 (the "Statement") which has been prepared by the Company from the audited financial results and other relevant records and documents maintained by the Company as at and for the year ended March 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, (hereinafter the "SEBI Regulations"), and has been initialled by us for identification purpose only.

This Report is required by the Company for the purpose of submission with Debenture Trustee of the Company to ensure compliance with the SEBI Regulations in respect of its listed non-convertible debt securities as at March 31, 2023. The Company has entered into an agreement with the Debenture Trustee ("Debenture Trust Deed") in respect of such Debentures, as indicated in the Statement.

Management's Responsibility

3. The preparation and completeness of the accompanying 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 preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for ensuring that the Company complies with the requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustee and for complying with all the covenants as prescribed in the Debenture Trust Deeds entered into between the Company and the Debenture Trustee.

Auditor's Responsibility

5. Pursuant to the requirements as mentioned in paragraph 2 above, it is our responsibility to provide a limited assurance as to whether the Company has maintained asset cover as per the terms of the Debenture Trust Deed and the Company is in compliance with all the covenants as mentioned in the Debenture Trust Deed as on March 31, 2023.
6. We have audited the financial statements of the Company for the year ended March 31, 2023 and issued an unmodified audit opinion vide our report dated May 02, 2023. Our audit of such financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

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7. 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 (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. 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.
9. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance and Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
 - a. Obtained audited financial statements of the Company for the period ended March 31, 2023;
 - b. Obtained and read the Debenture Trust Deed in respect of secured debenture and noted the asset security cover required to be maintained by the Company in respect of such Debentures, as indicated in the Statement;
 - c. Traced and agreed the principal amount of the listed non-convertible debt securities outstanding as on March 31, 2023 to the audited financial statements and other records as maintained by the Company.
 - d. Obtained and read the particulars of asset cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the audited financial statements.
 - e. Obtained the particulars of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA'). Traced the value of charge created against Assets to the Asset Cover indicated in the Statement.
 - f. Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of listed non-convertible debt security.
 - g. Verified the arithmetical accuracy of the Statement;
 - h. With respect to compliance with financial covenants included in the attached Statement, we have performed following procedures:
 - i. Obtained the copies of email communication of the quarterly reports required to be furnished by the Company to the Debenture Trustee during the period April 01, 2022 to March 31, 2023 pursuant to the requirements of the Debenture Trust Deed.
 - ii. We have verified the compliance of debt covenants as per the Debenture Trust Deed till date of this certificate. With respect to the covenants for the quarter ended March 31, 2023 for which due date is after the date of this certificate, management has represented to us that the same shall be duly complied with within the due date; and
 - iii. Performed necessary inquiries with the management regarding any instances of non-compliance of covenants during the period ended March 31, 2023.

- i. With respect to covenants other than those mentioned in paragraph 9(h) above, 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 Debenture Trust Deed, as at March 31, 2023. We have relied on the same and not performed any independent procedure in this regard.
- j. Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

- 10. Based on the procedures performed by us, as referred to in paragraph 9 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:
 - a. The Company has not maintained asset cover as per the terms of the Debenture Trust Deed; and
 - b. The Company is not in compliance with all the covenants as mentioned in the Debenture Trust Deed as on March 31, 2023.

Restriction on Use

- 11. 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 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 report for events and circumstances occurring after March 31, 2023.

For Nangia & Co. LLP

Chartered Accountants

Firm Registration Number: 002391C/N500069

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Jaspreet Singh Bedi

Partner

Membership No. 601788

UDIN: 23601788BGLHT9521

Place: Mumbai

Date: May 02, 2023

Annexure- I

Statement showing Asset Cover for the listed non-convertible debt securities as at March 31, 2023

(Amount in Lakh)

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		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	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		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 Pari passu charge Assets	Carrying /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)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value								
ASSETS								-						
Property, Plant and Equipment		-	-	No	-	-	325.81	-	325.81	-	-	-	-	-
Capital Work-in-Progress		-	-	No	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	No	-	-	1,317.57	-	1,317.57	-	-	-	-	-
Goodwill		-	-	No	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	No	-	-	163.27	-	163.27	-	-	-	-	-
Intangible Assets Under Development		-	-	No	-	-	153.47	-	153.47	-	-	-	-	-
Investments		-	-	No	-	-	-	-	-	-	-	-	-	-
Loans		34,103.17	1,11,620.37	No	-	-	21,931.39	-	1,67,654.93	-	34,103.17	-	-	34,103.17
Inventories		-	-	No	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	No	-	-	183.80	-	183.80	-	-	-	-	-
Cash and Cash Equivalents		-	-	No	-	-	23,409.91	-	23,409.91	-	-	-	-	-
Bank balance other than Cash and Cash Equivalents		-	-	No	-	-	1,318.66	-	1,318.66	-	-	-	-	-
Others (Includes Trusts Fees as per DTD)		-	-	No	-	-	882.41	-	882.41	-	-	-	-	-
Total	-	34,103.17	1,11,620.37	-	-	-	49,686.29	-	1,95,409.83	-	34,103.17	-	-	34,103.17

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Auxilo Finserve Private Limited

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T: +91 22 6246 3333 E: support@auxilo.com W: www.auxilo.com CIN No: U65990MH2016PTC286516

Liabilities														
Debt securities to which this certificate pertains	Listed NCD	27,204.17	-	No	-	-	1,014.49	-	28,218.66	-	27,204.17	-	-	27,204.17
Other debt sharing Pari-Passu Charge with above debt		-	-	No	-	-	-	-	-	-	-	-	-	-
Other debt		-	-	No	-	-	-	-	-	-	-	-	-	-
Subordinated Debt		-	-	No	-	-	-	-	-	-	-	-	-	-
Borrowings		-	90,735.34	No	-	-	20,774.98	-	1,11,510.32	-	-	-	-	-
Bank		-	-	No	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	No	-	-	1,490.63	-	1,490.63	-	-	-	-	-
Others		-	4,768.66	No	-	-	4.43	-	4,773.09	-	-	-	-	-
Trade Payables		-	-	No	-	-	-	-	-	-	-	-	-	-
Lease Liabilities		-	-	No	-	-	1,393.79	-	1,393.79	-	-	-	-	-
Provisions		-	-	No	-	-	173.44	-	173.44	-	-	-	-	-
Others		-	-	No	-	-	2,016.05	-	2,016.05	-	-	-	-	-
Total	-	27,204.17	95,504.00	-	-	-	26,867.81	-	1,49,575.98	-	27,204.17	-	-	27,204.17
Cover on Book Value		1.25	1.17											
Cover on Market Value														

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The Company has vide its Board/Committee Resolution and information memorandum/ offer document and under various Debenture Trust Deeds, has issued the following listed debt securities as at March 31, 2023:

(Amount in Lakhs)

S.No	ISIN	Private Placement / Public Issue	Facility	Secured / Unsecured	Type of Charge	Sanctioned Amount	Outstanding Amount as on 31-03-2023 (A)	Cover Required (times) (B)	Asset Required in Amt C = (A)*(B)	Assets Available (D)	Assets Cover (D/A)
1	INE605Y07015	Private Placement	NCD	Secured	Exclusive Charges	1,000.00	1,000.00	1.25	1,250.00	1,456.84	1.46
2	INE605Y07023	Private Placement	NCD	Secured	Exclusive Charges	2,500.00	416.67	1.15	479.17	482.74	1.16
3	INE605Y07031	Private Placement	NCD	Secured	Exclusive Charges	3,500.00	3,500.00	1.25	4,375.00	5,028.59	1.44
4	INE605Y07049	Private Placement	NCD	Secured	Exclusive Charges	2,500.00	2,500.00	1.25	3,125.00	3,540.74	1.42
5	INE605Y07080	Private Placement	NCD	Secured	Exclusive Charges	3,300.00	3,300.00	1.20	3,960.00	3,978.74	1.21
6	INE605Y07098	Private Placement	NCD	Secured	Exclusive Charges	5,000.00	5,000.00	1.15	5,750.00	5,795.67	1.16
7	INE605Y07072	Private Placement	MLD - NCD	Secured	Exclusive Charges	2,200.00	800.00	1.01	808.00	1,310.44	1.64
8	INE605Y07106	Private Placement	NCD	Secured	Exclusive Charges	3,500.00	3,500.00	1.15	4,025.00	4,058.89	1.16
9	INE605Y07114	Private Placement	MLD - NCD	Secured	Exclusive Charges	5,000.00	5,000.00	1.05	5,250.00	5,787.11	1.16
10	INE605Y07122	Private Placement	NCD	Secured	Exclusive Charges	2,500.00	2,187.50	1.20	2,625.00	2,663.40	1.22
						31,000.00	27,204.17		31,647.17	34,103.17	1.25

Annexure-II Compliance with Financial covenants of non-convertible debt securities for March 31, 2023

Lender Name	Covenant Requirement	Status of Compliance for 31-Mar-2023
A U Small Finance Bank	Total Debt / NOF < 5	Complied
	GNPA <5%	Complied
	NNPA <3.5%	Complied
	CRAR >15%	Complied
Unifi	CAR >= 17% ,	Complied
	PAR 90 < 3% of AUM ,	Complied
	Cumulative ALM upto 1 buckets to be positive to the extent of 10%	Complied
A K Capital – NCD	CAR >=20%; Tier-1 CAR >=18%	Complied
	Debt to equity ratio <=4x	Complied
	Gross NPA <=3%	Complied
	Net NPA to Tangible Net Worth <= 8%	Complied
AK Capital -NCD – MLD	Total Debt / NOF < 4	Complied
	CAR >=20%; Tier-1 CAR >=18%	Complied
	GNPA <3%	Complied
	Net NPA to Tangible Net Worth <= 8%	Complied
	Net Worth of the Company >= 370 crore	Complied
	the after-tax Net Income (excluding extra-ordinary income) of the Company shall remain positive	Complied
	(g) the Company shall not extend any debt / loan to any single individual or entity and/or undertake any guarantee obligations on behalf of any third party, amounting to greater than 5% (Five Percent) of its Net Worth.	Complied
Indian Overseas Bank / Bank of India / Indian Bank	Debt Equity Ratio < 5.00x	Complied
	CAR > 20%	Complied
	Net NPA < 2.5% of AUM	Complied
Aditya Birla Finance Limited – NCD	(a) the ratio of Total Debt divided by Equity should not be more than 4 (Four) times;	Complied
	(b) 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. ;	Complied
	(c) the Gross NPA or Stage 3 Assets of the Company, whichever is higher, expressed as a percentage, shall not exceed 3% (Three Percent) of the Gross Loan Portfolio;	Complied
	(d) the ratio of Net NPA to Net Loan Book shall not exceed 2% (Two Percent);	Complied