

Independent Auditor's Certificate on the Statement of books values of the assets offered as security against listed debt securities pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023

To
The Board of Directors
Mac Charles (India) Limited
1st Floor Embassy Point
150 Infantry Road
Bangalore- 560001

1. This certificate is issued in accordance with the terms of our engagement letter dated 28 July 2023 with Mac Charles (India) Limited ('the Company').
2. The accompanying statements comprising of 1) Statement for security cover on standalone basis and 2) Statement on net summary basis on consolidated level in order to provide the overall/ holistic picture (together referred as 'Statements') containing details of book values of the assets offered as security against listed debt securities of the Company outstanding as at 30 September 2023 (hereinafter referred to as 'the Statements') has been prepared by the Company's management for the purpose of submission of the Statements along with this certificate to the Debenture Trustee of the Company, pursuant to the requirements of Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) ('Debenture Trustees Regulations') read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 (collectively referred to as 'the Regulations'). We have initialled the Statement for identification purposes only.
3. The Company has entered into following agreements/ Debenture Trust Deeds (collectively referred to as 'Debenture Trust Deeds') with the Debenture Trustee for the below securities (collectively referred to as "listed debt securities"):
 - a. Debenture Trust Deed dated 19 July 2021 as amended and restated on 11 May 2023, entered between the Company and Catalyst Trusteeship Limited in relation to senior, secured, redeemable, listed, rated Non Convertible Debentures ("NCDs") of 1,499 NCDs of a nominal value of ₹ 1 million each and 15,010 NCDs of a nominal value of ₹ 0.1 million, in aggregate amounting to ₹ 3,000 million out of which the Company has issued 6,499 senior, secured, redeemable, listed, rated NCDs, in aggregate amounting to ₹ 1,999 million until 30 September 2023.
 - b. Debenture Trust Deed dated 23 August 2022 as amended and restated on 24 March 2023, entered between the Company and Catalyst Trusteeship Limited in relation to 3,200 senior, secured, redeemable, listed, rated NCDs of a nominal value of ₹ 1 million each amounting to ₹ 3,200 million out of which the Company has issued 3,200 senior, secured, redeemable, listed, rated NCD until 30 September 2023.

Management's Responsibility for the Statement

4. The preparation of the Statements, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statements and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

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5. The management is also responsible for ensuring the compliance with the requirements of the Regulations and the debenture trust deeds for the purpose of furnishing these Statements and for providing all relevant information to the Debenture Trustee.

Auditor's Responsibility

6. Pursuant to requirement of the Regulations as referred to in paragraph 2 above, it is our responsibility to express limited assurance in the form of a conclusion as to whether anything has come to our attention that cause us believe that the details included in the accompanying Statements regarding book values of the assets offered as security against listed debt securities of the Company outstanding as at 30 September 2023 are, in all material respects, not in agreement with the unaudited standalone financial results of the Company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended 30 September 2023, which have been subjected to limited review pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').
7. The unaudited standalone financial results, referred to in paragraph 6 above, have been reviewed by us, on which we have expressed an unmodified conclusion vide our report dated 09 November 2023. Our review of financial results was conducted 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 ('the ICAI'). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to the financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we did not express an audit opinion.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
10. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the accompanying Statement:
 - a) Obtained the list and value of assets offered as security against listed debt securities of the Company outstanding as at 30 September 2023, as mentioned in paragraph 3(a) and 3(b) above;
 - b) Traced the book values of assets from Section II the Statements to the unaudited standalone financial results, underlying books of account and other relevant records and documents maintained by the Company for the period ended 30 September 2023 which have been subject to limited review as mentioned in paragraph 7 above;
 - c) Obtained the list 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 of the Company to the details included in Section II the accompanying Statement;
 - d) Obtained a certificate from the statutory auditors of Squadron Developers Private Limited (SDPL) with respect to book values of assets being offered as security;
 - e) Obtained necessary representations from the management.

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Conclusion

11. Based on our examination and the procedures performed as per paragraph 10 above, evidences obtained, and the information and explanations given to us, along with the representations provided by the management, nothing has come to our attention that cause us to believe that the details included in the accompanying Statements regarding book values of the assets offered as security against listed debt securities of the Company outstanding as at 30 September 2023 are, in all material respects, not in agreement with the unaudited standalone financial results of the Company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended 30 September 2023, which have been subjected to limited review pursuant to the Regulation 52 of the SEBI LODR.

Other matter

12. The book value of secured assets of SDPL which are given as security as per the amended and restated Debenture trust deed dated 24 March 2023 as mentioned in paragraph 10(d) above has been certified by H R A & Co vide their certificate dated 16 October 2023, the Statutory Auditors of SDPL, which has been provided to us by the management and relied upon by us for the purpose of our examination of the Statement. Our opinion is not modified in respect of this matter.

Restriction on distribution or use

13. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have or have had as the statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.

14. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of the Regulations, which inter alia, require it to submit this certificate along with the Statement to the Debenture Trustee of the Company, and therefore, this certificate should not be used, referred to or distributed for any other purpose or to any other party 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 **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Hemant Maheshwari

Partner

Membership No.: 096537

UDIN: 23096537BGVEWA3661

Place: Bengaluru

Date: 09 November 2023

Statement containing details of secured, listed, rated, redeemable non-convertible debentures ('NCDs') of the Company outstanding as at 30 September 2023 and security cover maintained against such securities pursuant to Operational circular SEBI/HO/DDHS/P/CIR/2023/50 dated 31 March 2023.

I. Details of secured, listed, rated, redeemable NCDs' of the Company outstanding as at 30 September 2023

S.No	ISIN	Series	Outstanding as on 30 September 2023 including interest (Amount in millions)
1	INE435D07011	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 11 May 2023)	999.00
2	INE435D07037	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 11 May 2023)	250.00
3	INE435D07060	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 11 May 2023)	250.00
4	INE435D07086	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 11 May 2023)	500.00
5	NA	Accrued redemption premium on points 1 to 4 above (DTD as amended on 11 May 2023)	486.19
6	INE435D07045	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 24 March 2023)	1,350.00
7	INE435D07052	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 24 March 2023)	1,350.00
8	INE435D07078	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 24 March 2023)	500.00
9	NA	Accrued redemption premium on points 6 to 8 above (DTD as amended on 24 March 2023)	645.56

II. Computation of Security Cover Ratio as on 30 September 2023 pursuant to SEBI circular dated 31 March 2023 - Table for security cover on standalone basis for the Issuer

Column A	Column B	Column C ⁱ	Column D ⁱⁱ	Column E ⁱⁱⁱ	Column F
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Assets not offered as Security	(Total C to E)
		Debt for which this certificate being issued	Other Secured Debt		
		Book Value	Book Value		
ASSETS					
Property, Plant and Equipment	Land, Plant and machinery and Computers	211.98		0.32	212.30
Capital Work-in-Progress	IPUD (Project Zenith)	1,692.65		-	1,692.65
Investments	Investment in subsidiaries, equity shares and mutual funds	2,035.10		1,502.14	3,537.24
Loans	Loans given to subsidiaries and other inter-corporate loans	-		1,566.44	1,566.44

Advances	Advance paid for purchase of investment property	53.23		-	1,005.40
	Advance paid to turnkey contractor for Project Zenith	952.17			
Trade Receivables	Trade receivables	-		38.36	38.36
Cash and Cash Equivalents	Cash and Cash Equivalents (Project Zenith)	14.20		0.93	20.27
	Cash and Cash Equivalents (Project Embassy Business Hub)	5.13			
Bank Balances other than Cash and Cash Equivalents	Bank Balances other than Cash and Cash Equivalents (Project Zenith)	303.69		16.61	2,548.51
	Bank Balances other than Cash and Cash Equivalents (Project Embassy Business Hub)	2,228.21			
Asset Held for sale	Assets classified as held for sale	25.57		-	25.57
Others	Accrued interest and other assets	41.36		394.08	435.44
Total		7,563.28	-	3,518.89	11,082.17
LIABILITIES					
Debt securities to which this certificate pertains	Debentures issued	6,003.01	321.09		6,324.10
Others	Deferred tax liabilities	not to be filled		-	-
Trade payables	Trade payables			19.94	19.94
Others	Other current financial liabilities, Current provisions, Other current liabilities, Current tax liabilities, net, Disposal group - liabilities directly associated with assets held for sale, Liabilities classified as held for sale			119.32	119.32
Total		6,003.01	321.09	139.26	6,463.36
Cover on Book Value		1.26			

For Mac Charles (India) Limited.

Name : Harish Anand
Designation : Director

Place : Bengaluru

Statement containing details of secured, listed, rated, redeemable non-convertible debentures ('NCDs') of the Company outstanding as at 30 September 2023 and security cover maintained against such securities pursuant to Operational circular SEBI/HO/DDHS/P/CIR/2023/50 dated 31 March 2023.

I. Details of secured, listed, rated, redeemable NCDs' of the Company outstanding as at 30 September 2023

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3	INE435D07060	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 11 May 2023)	250.00
4	INE435D07086	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 11 May 2023)	500.00
5	NA	Accrued redemption premium on points 1 to 4 above (DTD as amended on 11 May 2023)	486.19
6	INE435D07045	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 24 March 2023)	1,350.00
7	INE435D07052	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 24 March 2023)	1,350.00
8	INE435D07078	Zero Coupon, Senior, secured, rated, redeemable and listed NCDs (DTD as amended on 24 March 2023)	500.00
9	NA	Accrued redemption premium on points 6 to 8 above (DTD as amended on 24 March 2023)	645.56

II. Computation of Security Cover Ratio as on 30 September 2023 pursuant to SEBI circular dated 31 March 2023 - Table on net summary basis on consolidated level in order to provide the overall/ holistic picture of the borrowings and security cover provided by the Issuer.

Column A	Column B	Column C ⁱ	Column D ⁱⁱ	Column E ⁱⁱⁱ	Column F
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Assets not offered as Security	(Total C to E)
		Debt for which this certificate being issued	Other Secured Debt		
		Book Value	Book Value		
ASSETS					
Property, Plant and Equipment	Land, Plant and machinery and Computers	211.98		0.32	212.30
Investment Property *	Land	1,594.30		-	1,594.30
Capital Work-in-Progress	IPUD (Project Zenith)	1,692.65		-	1,692.65
Investments	Investment in subsidiaries, equity shares and mutual funds	2,035.10		1,502.14	3,537.24
Loans	Loans given to subsidiaries and other inter-corporate loans	-		1,566.44	1,566.44

Advances *	Advance paid for purchase of investment property	53.23		-	1,284.41
	Advance paid to turnkey contractor for Project Zenith	1,231.18			
Trade Receivables	Trade receivables	-		38.36	38.36
Cash and Cash Equivalents	Cash and Cash Equivalents (Project Zenith)	14.20		0.93	20.70
	Cash and Cash Equivalents (Project Embassy Business Hub)	5.56			
Bank Balances other than Cash and Cash Equivalents*	Bank Balances other than Cash and Cash Equivalents (Project Zenith)	303.69		16.61	3,417.61
	Bank Balances other than Cash and Cash Equivalents (Project Embassy Business Hub)	3,097.31			
Asset Held for sale	Assets classified as held for sale	25.57		-	25.57
Others *	Accrued interest, Non refundable security deposit and other assets	76.46		394.08	470.54
Total		10,341.21	-	3,518.89	13,860.10
LIABILITIES					
Debt securities to which this certificate pertains	Debentures issued	6,003.01	321.09		6,324.10
Others	Deferred tax liabilities	not to be filled		-	-
Trade payables	Trade payables			19.94	19.94
Others	Other current financial liabilities, Current provisions, Other current liabilities, Current tax liabilities, net, Disposal group - liabilities directly associated with assets held for sale, Liabilities classified as held for sale			119.32	119.32
Total		6,003.01	321.09	139.26	6,463.36
Cover on Book Value		1.72			

* The assets given as security also include the assets of Squadron Developers Private Limited and Mac Charles Hub Projects Private Limited. Assets of Squadron Developers Private limited include a deposit in term deposit amounting to ₹ 800 million included in 'Bank Balances other than Cash and Cash Equivalents'. Assets of Mac Charles Hub Projects Private Limited include land amounting to ₹ 1594.30 million included in 'Investment Property', advance paid for acquisition of land amounting to ₹ 279.01 million included in 'Advances', deposit in escrow account amounting to ₹ 0.43 million included in 'Cash and Cash Equivalents', deposit in term deposit account amounting to ₹ 69.10 million included in 'Bank Balances other than Cash and Cash Equivalents', Interest accrued but not due on designated FDs amounting to ₹ 0.51 million and refundable security deposit and its Ind AS adjustment amounting to ₹ 34.59 million included in 'Others'.

For Mac Charles (India) Limited.

Name : Harish Anand
Designation : Director

Place : Bengaluru