



कोंकण रेलवे कॉर्पोरेशन लिमिटेड
KONKAN RAILWAY CORPORATION LTD.
(भारत सरकार का उपक्रम / A Government of India Undertaking)



केआर/सीओ/एस/बांड/एनएसई

दिनांक: 13/02/2024

सेवा में,

प्रबंधक (अनुपालन अनुभाग)
नेशनल स्टॉक एक्सचेंज इंडिया लिमिटेड,
पंजीकृत कार्यालय: एक्सचेंज प्लाजा,
बांद्रा कुर्ला कॉम्प्लेक्स, मुंबई - 400 051

विषय: 31 दिसंबर, 2023 को समाप्त तिमाही के लिए सेबी (एलओडीआर)
विनियम, 2015 के विनियम 54 के तहत प्रकटीकरण

संदर्भ: आईएसआईएन-आईएनई 139 एफ 07048, आईएनई 139 एफ 07055,
आईएनई 139 एफ 07063, आईएनई 139 एफ 07089, आईएनई 139 एफ 07097,
आईएनई 139 एफ 07105, आईएनई 139 एफ 07113

सेबी (एलओडीआर) विनियम, 2015 के विनियम 54 (3) के प्रावधानों के अनुसार, सूचीबद्ध गैर-परिवर्तनीय डिबेंचर के संबंध में कंपनी के सांविधिक लेखापरीक्षक द्वारा 31 दिसंबर, 2023 को समाप्त तिमाही के साथ कंपनी द्वारा समय-समय पर सुरक्षा कवर प्रमाणपत्र जारी किए गए हैं।

आपसे अनुरोध है कि इसे रिकॉर्ड में लेने की कृपा करें।

धन्यवाद,

भवदीय
कृते कोंकण रेलवे कॉर्पोरेशन लिमिटेड

हस्ताक्षर

(राजेंद्र सी परब)
कंपनी सचिव

संलग्न : यथोपरि



पंजीकृत कार्यालय: बेलापुर भवन, सेक्टर 11, सी.बी.डी. बेलापुर, नवी मुंबई - 400614

Regd. Office: Belapur Bhavan, Sector 11, C.B.D. Belapur, Navi Mumbai 400614. Tel: 91-22-27572015; Fax: 022-27572420

ई-मेल (E-mail): general@krcl.co.in • वेबसाइट (Website): www.konkanrailway.com

LEI No.335800CK2UZ7PG7WLL79



February 13, 2024

S&P/CER/2023-24/11588/354

To,
Konkan Railway Corporation Limited
Corporate Office,
2nd Floor, Belapur Bhavan,
Plot No.6, Sector No. 11, C.B.D. Belapur,
Navi Mumbai 400 614.

Independent Auditors Certificate on the Statement of Asset Coverage in terms of Regulation 54 read with clause (d) of sub-regulation (1) of Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) in respect of listed non-convertible debentures issued by company, as at 31st December 2023

This certificate is issued in accordance with the terms of our engagement.

The accompanying statement containing details of listed Non-Convertible Debentures ('NCDs') of the Company outstanding as at 31st December 2023 along with security cover maintained against such NCD's of the company (As mentioned in Annexure I of the accompanying statement) and the company's compliance with the financial covenants criteria as per the terms of the Offer Document/Information Memorandum and/or Debenture Trust Deed ('DTD') (As mentioned in Annexure II of the accompanying statement) (Collectively referred to as 'the statement') has been prepared by the Company's management pursuant to the requirements of Regulation 54 read with clause (d) of sub regulation (1) of Regulation 56 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended) ('the Regulations'), for the purpose of submission of the Statement along with this certificate to the Debenture Trustee which we have initialed for identification purpose only.

Management's Responsibility

The preparation of the Statement, including the creation and maintenance of all accounting and other records supporting its contents, 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 Statement and applying an appropriate basis of preparation and presentation to the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Company's Management is also responsible for ensuring that the Company complies with the requirements of the Regulations, the Information Memorandum and the DTD's along with the covenants as prescribed the DTD for the purpose of furnishing this Statement and for providing all relevant information to the Debenture Trustee.

Our Responsibility

Pursuant to the requirements of the Regulation, our responsibility is to provide a limited assurance as to whether the particulars contained in the accompanying Statement regarding maintenance of prescribed security coverage ratio as stated in Annexure I are in compliance with the financial covenants as stated in Annexure II as per the terms of the offer document/information memorandum and/or debenture trust deed in respect of listed NCDs of the Company outstanding as at 31st December 2023 are 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 and whether Asset Cover is correctly computed as per the terms of the debenture deeds. This did not include the evaluation of adherence by the Company with all the applicable terms of the Offer Document / Information Memorandum, Debenture Trust Deed and guidelines of the Regulations.

The unaudited standalone financial results, referred to in paragraph above, have been reviewed by us on which we have expressed an unmodified conclusion vide our report dated 13th February 2024. Our review of these unaudited standalone 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.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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 ICAI.

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 procedure selected depend on the auditor's judgment, including the assessment of the area 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 details of security cover, financial covenants criteria from the terms of Offer Document / Information Memorandum and/or DTD in respect of the listed NCDs outstanding as at 31st December 2023;
- b. Enquired and understood management's assessment of compliance with details of security cover and the financial covenants as obtained in point (a) above and corroborated the responses from the understanding obtained by us during the review of the unaudited standalone financial results as referred to in paragraph above, as such further inspection of supporting and other documents as deemed necessary;
- c. Traced the value of assets forming part of security cover details from the unaudited standalone financial results, underlying books of account and other relevant records and documents maintained by the Company for the quarter and nine months ended 31st December 2023;
- d. Verified the arithmetical accuracy of the Statement;
- e. Performed necessary inquiries with the management and obtained necessary representations; and



- f. Based on the procedures performed in (a) to (e) above, evaluated whether the Company has complied with the financial covenants including maintenance of adequate security cover and also the appropriateness of declaration made by the management in Annexure II of the Statement.

Conclusion

Based on our examination and the aforementioned procedures and according to the information and explanations given to us, we certify that the financial and other information contained in the Statement regarding maintenance of security cover as stated in Annexure I and compliance with financial covenants as stated in Annexure II as per the terms of Offer Document/Information Memorandum and/or DTDs in respect of listed NCDs of the Company outstanding as at 31st December 2023 are in agreement with the unaudited books of account and relevant records and documents of the Company and the calculation thereof is arithmetically accurate.

Restriction on Use

This 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, requires it to submit this certificate along with the accompanying Statement to the Debenture Trustee of the Company, and therefore this certificate should not to 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. We have no responsibility to update this report for events and circumstances occurring after the date of this report

For SARDA & PAREEK LLP
Chartered Accountants
Firm Registration No. 109262W/W100673


CA Niranjan Joshi
Partner
Membership No. 102789



UDIN: 24102789 BKCOTB 3801

Place: Navi Mumbai
Date: 13.02.2024

Statement of Company's Security cover and Financial covenants as at 31st December 2023, in respect of its listed non-convertible debt securities (NCDs) issued pursuant to transaction documents.

Annexure 1 - Computation of Security cover ratio as at 31st December 2023

(Amount in Lakhs)															
Column A	Column B	Column C i	Column D ii	Column E iii	Column F iv	Column G v	Column H1 vi	Column H2 vii	Column I viii	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of assets for which this certificate is issued	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as security	Unsecured debt & other liability	Elimination (amount in negative)	Total (C to H)	Market Value for Asset charged on exclusive basis	Carrying/Book Value for exclusive charge assets where market value is not ascertainable or applicable	Market Value for Pari-Passu charge Assets	Carrying/Book Value for pari-passu charge assets where market value is not ascertainable or applicable	Total
Assets															
Property, Plant and Equipment	Freehold Land, Earthwork, Building, Plant & equipment, Furniture & fixtures, Vehicles, Office Equipments, F-Way Track, Bridges & Tunnels, RDB, TUB and FC, LOCOS and other Rolling stock	Debt for which this certificate is being issued	Other Secured Debt	Debt for which this certificate is 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			debt amount considered more than once (due to exclusive plus pari-passu charges)	5,11,118.34				5,11,118.34	5,11,118.34
Right of Use Assets				No	2655.56					2,655.56					
Capital work-in-progress				YES	24,558.34					24,558.34				24,558.34	24,558.34
Intangible Assets				YES	157.80					157.80				157.80	157.80



Particulars	Description of assets for which this certificate relate	Exclusive Charge		Pari-Passu Charge	Pari-Passu Charge	Assets not offered as security	Unsecured debt & other liability	Elimination (amount in negative)	Total (C to H)	Related to only those items covered by this certificate							
		Debt for which this certificate is being issued	Other Secured Debt							Market Value for Asset charged on exclusive basis	Carrying/Book Value for charge assets where market value is not ascertainable or applicable	Market Value for Pari-Passu charge Assets	Carrying/Book Value for pari-passu charge assets where market value is not ascertainable or applicable	Total			
Intangible Assets under development									61.31				61.31				61.31
Loans				YES	2,16,816.10	61.31			2,16,816.10				2,16,816.10				2,16,816.10
Inventories				YES	1,538.90	1,538.90			1,538.90				1,538.90				1,538.90
Trade Receivables				YES	7,602.87	7,602.87			7,602.87				7,602.87				7,602.87
Cash & Cash equivalents				NO					21,828.52								
Bank Balance other than cash & cash equivalents				YES	27,131.41	27,131.41			27,131.41				27,131.41				27,131.41
				YES	7,272.25	7,272.25			7,272.25				7,272.25				7,272.25
Others	other non-current assets, other financial assets, current tax assets, assets held for sale, other current assets			YES	55,361.16	55,361.16			55,361.16				55,361.16				55,361.16
TOTAL					8,54,274.04	8,54,274.04			8,76,102.56				8,51,618.48				8,51,618.48
Liabilities																	
Debt securities to which this certificate pertains				YES	1,50,000.00	1,50,000.00			1,50,000.00				1,50,000.00				1,50,000.00
Other debt sharing pari-passu charge with above debt				YES	1,19,993.40	1,19,993.40			1,19,993.40				1,19,993.40				1,19,993.40
Borrowings				NO					30,000.00								
Others	Interest Accrued on Bond And RTL			YES	7,974.24	7,974.24			7,974.24				7,974.24				7,974.24
Other debt				NO					35,825.64								
Trade Payables				NO					1,35,476.74								
Lease Liabilities				NO					2,700.67								
Provisions				NO					1,06,053.59								



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Annexure 2- Statements of Compliance of Covenants for Non- Convertible debt securities as at 31st December 2023

Sr. No.	ISIN	Series	Issue Size (In Crs)	Parameters	Details	Schedule	Paragraph No.	Complied / Non Complied
1	INE139F07048	16-II	170	Security Cover	Security Cover minimum 1.25 maintained at all times	3rd	7	Complied
2	INE139F07055	16-III	110					
3	INE139F07063	16-IV	500					
4	INE139F07089	17-II	250	Debt Equity Ratio	DE ratio minimum 4:1	3rd	7A	
5	INE139F07097	17-III	50					
6	INE139F07105	18-I	300	Debt Service Coverage Ratio	DSC ratio 1.25:1	3rd	7B	
7	INE139F07113	19-I	120					

Other Financial Covenants

Sr. No.	Particulars	Parameters	Details	Schedule	Paragraph No.	Complied / Non Complied
8	Financial	Further Borrowing	NOC for crating further change on Assets	3rd	8	Complied
9	Financial	Monetary Benefits	Enhancement of Redemption premium *	3rd	9	Not Applicable
10	Financial	Dividend	Default in Interest **	3rd	10	Not Applicable
11	Financial	Listing of Debenture	All Bonds are listed in NSE	3rd	11	Complied
12	Financial	Statutory Dues	Regular payment of Fee,taxes, all dues for mortgages premises	-	28 B(i)	Complied
13	Financial	Debenture Redemption Reserve	Creation of Debenture Redemption Reserve(DRR) #	-	28 B(ii)	Complied

* No Govt. guidelines during the quarter, hence this covenant is not applicable.

** Company has never defaulted for payment of Interest to the Bond holders, hence the same covenants is not applicable.

In terms of Section 71 of the Companies Act, 2013 the Corporation is required to create a Debenture Redemption Reserve of an adequate amount in respect of bonds issued. However, due to accumulated losses no Debenture Redemption Reserve has been created by the Corporation.

Note: Schedule and Paragraph as mentioned above are pertinent to the Debenture trust deed (Debenture Deed).

For and Behalf of Konkan Railway Corporation Limited

Authorised Signatory
Place: Navi Mumbai
Date: 13/02/2024

