



कोंकण रेलवे कॉर्पोरेशन लिमिटेड

KONKAN RAILWAY CORPORATION LTD.

(भारत सरकार का उपक्रम / A Government of India Undertaking)



केआर/सीओ/एस/बांड/एनएसई

दिनांक: 29/05/2024

सेवा में,

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

विषय: 31 मार्च, 2024 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 मार्च, 2024 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



May 29, 2024

S&P/CER/2024-25/11856/083

To,
Board of Directors
Konkan Railway Corporation Limited

Independent Auditors Certificate on the Statement of maintenance of security cover and compliance with covenants Coverage in respect of listed non convertible debentures issued by Konkan Railway Corporation Limited as at 31st March 2024

This certificate is issued in accordance with the terms of our engagement letter dated 31.10.2023 with Konkan Railway Corporation Limited ('the Company') having its registered office at 2nd Floor, Belapur Bhavan, Plot No.6, Sector No. 11, C.B.D. Belapur, Navi Mumbai 400 614 and pursuant to requirements of Regulation 54 read with clause (d) of sub regulation (1) of Regulation 56 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('the Regulations'). We SARDA & PAREEK LLP, statutory auditors of the Company have examined the details given in the attached Annexure 1 & 2 ('the Statement') prepared by the Company, stamped by us for identification purpose.

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

Our responsibility for the purpose of this certificate is to express limited assurance as to whether anything has come to our attention that causes us to believe that the financial information contained in the Statement have not been accurately extracted from the audited financial information as at/for the quarter and year ended 31st March 2024, other relevant records and documents maintained by the Company or that the computation thereof is arithmetically inaccurate. 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 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.

For the purpose of our examination of the accompanying statement, we have performed the following procedures:

- Obtained audited financial information of the Company as at and for the year ended 31st March 2024. 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;
- Traced the amounts in the Statement, in relation to the computation of security cover, to the audited financial information of the company as at and for the year ended 31st March 2024.
 - Verified the arithmetical accuracy of computation of security cover in the Statement;
 - On test check basis, verified the compliance with covenants stated in Debenture Trust Deed. Performed necessary inquiries with the management regarding any instances of non-compliance with covenants or communications received from the Trustee indicating any breach of covenants during the year ended 31st March 2024.
 - Obtained necessary representation from management.

Conclusion

Based on our examination and the aforementioned procedures and according to the information and explanations given to us, along with the representations provided by the management, nothing has come to our attention that causes us to believe that:

- The financial and other information contained in the Statement have not been accurately extracted from the audited financial information as at and for the year ended 31st March 2024 or that the computation thereof is arithmetically inaccurate.
- The Company, during the financial year ended 31st March 2024 has not complied, in all material respects, with the covenants as per the terms of Offer Document/Information Memorandum and/or DTDs in respect of listed NCDs of the Company as at 31st March 2024 as mentioned in the Statement.

Restriction on Use

This certificate is issued for the purpose of submission by the company to the Debenture Trustees pursuant to the Regulations and should not be used, referred to or distributed for any other purpose or by any person other than the addressee of this report. 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 Niranjn Joshi
Partner
Membership No. 102789



UDIN: 24102789BKCOTL8896

Place: Navi Mumbai
Date: 29.05.2024

Statement of Company's Security cover and Financial covenants as at 31st March 2024, 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 March 2024

(Amount in Lakhs)

| Column A | Column B | Column C i | Column D ii | Column E iii | Column F iv | Column G v | Column H i 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 relate | 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) | Related to only those items covered by this certificate | | | | |
| | | Debt for which this certificate is being issued | Other Secured Debt | Debt for which this certificate is being issued | Asset 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) | | 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 |
| | | Book Value | Book Value | YES/NO | Book Value | Book Value | | | | | | | | | |
| Assets | | | | | | | | | | | | | | | |
| Property, Plant and Equipment | Freehold Land, Earthwork, Building, Plant & equipment, Furniture & fixtures, Vehicles, Office Equipments, P-Way Track, Bridges & Tunnels, ROB, RUB and FC, LOCOS and other Rolling stock | | | YES | 5,21,597.79 | | | | | 5,21,597.79 | | | | 5,21,597.79 | 5,21,597.79 |
| Right of Use Assets | | | | No | | | 2,378.34 | | | 2,378.34 | | | | | |
| Capital work-in-progress | | | | YES | 28,214.00 | | | | | 28,214.00 | | | | 28,214.00 | 28,214.00 |
| Intangible Assets | | | | YES | 32.04 | | | | | 32.04 | | | | 32.04 | 32.04 |



| Particulars | Description of assets for which this certificate relate | 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) | Related to only those items covered by this certificate | | | | | | |
|--|---|------------------|------------------|-------------------|--------------------|-------------------|--------------------------------|----------------------------------|----------------------------------|--------------------|---|--------------------|---|---|--|--|---|
| | | | | | | | | | | | Debt for which this certificate is being issued | Other Secured Debt | Debt for which this certificate is being issued | Assest 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] | Market Value for Asset charged on exclusive basis |
| | | Book Value | Book Value | YES/NO | Book Value | Book Value | | | | | | | | | | | |
| Intangible Assets under development | | | | YES | 61.31 | | | | | 61.31 | | | | 61.31 | 61.31 | | |
| Investments | | | | YES | 2,67,981.85 | | | | | 2,67,981.85 | | | | 2,67,981.85 | 2,67,981.85 | | |
| Loans | | | | YES | 1,538.18 | | | | | 1,538.18 | | | | 1,538.18 | 1,538.18 | | |
| Inventories | | | | YES | 6,549.19 | | | | | 6,549.19 | | | | 6,549.19 | 6,549.19 | | |
| Trade Receivables | | | | NO | | | 24,518.30 | | | 24,518.30 | | | | | | | |
| Cash & Cash equivalents | | | | YES | 30,669.44 | | | | | 30,669.44 | | | | 30,669.44 | 30,669.44 | | |
| Bank Balance other than cash & cash equivalents | | | | YES | 6,021.39 | | | | | 6,021.39 | | | | 6,021.39 | 6,021.39 | | |
| Others | other non-current asstes, other financial asstes,current tax asstes, asstes held for safe, other current assets | | | YES | 46,455.17 | | | | | 46,455.17 | | | | 46,455.17 | 46,455.17 | | |
| TOTAL | | | | | 9,09,120.35 | | 26,896.64 | | | 9,36,016.99 | | | | 9,09,120.35 | 9,09,120.35 | | |
| 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 | | |
| Other debt sharing pari-passu charge with above debt | | | | YES | 1,74,118.40 | | | | | 1,74,118.40 | | | | 1,74,118.40 | 1,74,118.40 | | |
| Borrowings | | | | NO | | | 30,000.00 | | | 30,000.00 | | | | | | | |
| Others | Interest Accured on Bond And RTL | | | Yes | 6,500.49 | | | | | 6,500.49 | | | | 6,500.49 | 6,500.49 | | |
| Other debt | | | | NO | | | 36,519.37 | | | 36,519.37 | | | | | | | |
| Trade Payables | | | | NO | | | 1,18,132.55 | | | 1,18,132.55 | | | | | | | |
| Lease Liabilities | | | | NO | | | 2,419.76 | | | 2,419.76 | | | | | | | |
| Provisions | | | | NO | | | 1,14,760.65 | | | 1,14,760.65 | | | | | | | |



| Particulars | Description of assets for which this certificate relate | 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) | Related to only those items covered by this certificate | | | | | | | |
|-----------------------|---|------------------|------------------|-------------------|-------------------|-------------------|--------------------------------|----------------------------------|----------------------------------|------------------|---|--------------------|---|--|--|--|---|---|
| | | | | | | | | | | | Debt for which this certificate is being issued | Other Secured Debt | Debt for which this certificate is being issued | Asset 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) | Market Value for Asset charged on exclusive basis | Carrying/Book Value for exclusive charge assets where market value is not ascertainable or applicable |
| | | Book Value | Book Value | YES/NO | Book Value | Book Value | | | | | | | | | | | | |
| Other | other non-current liability, other current liability, other financial liability | | | NO | | | 1,01,384.32 | | | 1,01,384.32 | | | | | | | | |
| TOTAL | | - | - | - | 3,30,618.89 | - | 4,03,216.64 | | | 7,33,835.53 | - | - | - | - | 3,30,618.89 | 3,30,618.89 | | |
| Cover on Book Value | | | | | 2.75 | | | | | | | | | | | | | |
| Cover on Market Value | | | | | | | | | | | | | | | | | | 2.75 |

*Value of Fixed Assets have been provided in Book value. Fixed Assets are located throughout the 740K.M (appx.) stretches of Konkan Railway route & are unique in nature. Obtaining the Market value of such unique Fixed assets & of such a long stretch is not practically possible, Hence the market value of Assets has not been obtained.

For and Behalf of Konkan Railway Corporation Limited

Authorised Signatory
Place: Navi Mumbai
Date: 29/05/2024



Annexure 2- Statements of Compliance of Covenants for Non- Convertible debt securities as at 31st March 2024

| 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 | Debt Equity Ratio | DE ratio minimum 4:1 | 3rd | 7A | |
| 4 | INE139F07089 | 17-II | 250 | | | | | |
| 5 | INE139F07097 | 17-III | 50 | Debt Service Coverage Ratio | DSC ratio 1.25:1 | 3rd | 7B | |
| 6 | INE139F07105 | 18-I | 300 | | | | | |
| 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(j) | 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: 29/05/2024

