



# कोकण रेलवे कॉर्पोरेशन लिमिटेड KONKAN RAILWAY CORPORATION LTD.

(भारत सरकार का उपक्रम / A Government of India Undertaking)  
कॉर्पोरेट पहचान संख्या/Corporate Identity Number: U35201MH1990GOI223738



No. KR/CO/S/BONDS/NSE

13/08/2024

To,  
The Manager (Compliance Section)  
National Stock Exchange of India Ltd.,  
Exchange Plaza  
Bandra Kurla Complex, Bandra  
Mumbai – 400 051.

Sub: Disclosure under Regulation 54 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2024.

Ref: ISIN - INE139F07048, INE139F07055, INE139F07063, INE139F07089,  
INE139F07097, INE139F07105, INE139F07113.

Dear Sir / Madam,

Pursuant to the provisions of Regulation 54 (3) of SEBI (LODR) Regulations, 2015, please find enclosed herewith Security Cover Certificate for the quarter ended June 30, 2024, duly certified by the statutory auditor of the Company with respect to the listed Non-Convertible Debentures issued by the Company from time to time.

It is kindly requested to take the above document on record.

Thanking you,

Yours faithfully,  
For Konkan Railway Corporation Ltd.

(Rajendra C. Parab)  
Company Secretary & Compliance Officer

Encl: As stated

Copy to:  
Shri Prasad Tilve,  
Asst. Vice President,  
IDBI Trusteeship Services Ltd.,  
Universal Insurance Building,  
Ground Floor, Sir P. M. Road,  
Fort, Mumbai - 400 001





S&P/CER/2024-25/12099/235

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

1. 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

2. 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.
3. 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.

#### Auditor's Responsibility

4. Pursuant to requirements as referred to in paragraph 2 above, it is our responsibility to provide limited assurance in the form of a conclusion based on our examination of relevant records maintained by the Company as to whether anything has come to our attention that causes us to believe that the details included in the accompanying Statement regarding maintenance of prescribed security coverage ration as stated in Annexure I and 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 30<sup>th</sup> June 2024 are not in agreement with the standalone unaudited financial results of the Company, underlying books of accounts and other relevant records and documents maintained by the Company for the quarter and there months ended 30<sup>th</sup> June 2024, and that the calculation thereof is arithmetically inaccurate.
5. The unaudited standalone financial results, referred to in paragraph 4 above, have been reviewed by us on which we have expressed an unmodified conclusion vide our report dated 13<sup>th</sup> August 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 and audit opinion.





6. 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.
7. 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.
8. 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 30<sup>th</sup> June 2024;
  - b. Enquired and understood managements 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 6 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 ended and three months ended 30<sup>th</sup> June 2024;
  - d. Recomputed the security coverage ration based on information as obtained in the point (a) and (c) above;
  - e. Recomputed the financial covenants as mentioned in Annexure II of the Statement as at 30<sup>th</sup> June 2024 and ensured that the amounts used in such computation have been accurately extracted from unaudited standalone financial results, underlying books of account and other relevant records and documents maintained by the Company for the quarter and three months ended 30<sup>th</sup> June 2024.
  - f. Verified the arithmetical accuracy of the Statement;
  - g. Performed necessary inquiries with the management and obtained necessary representations;
  - h. Based on the procedures performed in (a) to (g) 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

9. Based on our examination and the procedures performed as per paragraph 8 above, evidences obtained, and the information and explanation given to us, along with the representations provided by the management, nothing has come to our attention that causes us to believe that the Statement regarding maintenance of security cover as stated in Annexure I and compliance with financial covenants as stated in Annexure II, except Debt Service coverage ratio, as per the terms of Offer Document/Information Memorandum and/or DTDs in respect of listed NCDs of the Company outstanding as at 30<sup>th</sup> June 2024, nothing has come to our attention that causes us to believe that 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 the Offer Document/ Information Memorandum and/or DTDs in respect of NCDs of the company outstanding as at 30<sup>th</sup> June 2024, are not in agreement with the unaudited standalone financial results of the Company, its underlying books of account and other relevant records and documents maintained by the Company for the quarter and three months ended 30<sup>th</sup> June 2024 and the calculation thereof is arithmetically inaccurate.

**Restriction on Use**

10. Our work is 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 in no way changed by, any other role we may have (or have had) as the statutory auditors of the Company other otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the company.
11. This certificate is address 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 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 save where expressly agreed by our prior consent in writing.

For SARDA & PAREEK LLP  
Chartered Accountants  
Firm Registration Number 109262W/W100673

  
CA Niranjan Joshi  
Partner  
Membership No. 102789



UDIN: 24102789BKCOTT1026

Place: Navi Mumbai  
Date: 13.08.2024



Statement of Company's Security cover and Financial covenants as at 30th June 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 30th June 2024

(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 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	Carrying/Book Value for exclusive charge assets where market value is not ascertainbale or applicable	Market Value for Pari-Passu charge Assets	Carrying/Book Value for pari-passu charge assets where market value is not ascertainbale 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	5,19,462.18					5,19,462.18				5,19,462.18	5,19,462.18
Right of Use Assets				No			2,119.25			2,119.25					
Capital work-in-progress				YES	28,922.09					28,922.09				28,922.09	28,922.09
Intangible Assets				YES	31.13					31.13				31.13	31.13



*Jheda*

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 Book Value	Other Secured Debt Book Value	Debt for which this certificate is being issued YES/NO	Assest shared by pari-passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge) Book Value	Other assets on which there is pari-passu charge Book Value
Intangible Assets under development				YES	61.31					61.31				61.31	61.31
Investments				YES	2,31,181.85					2,31,181.85				2,31,181.85	2,31,181.85
Loans				YES	1,537.44					1,537.44				1,537.44	1,537.44
Inventories				YES	9,958.63					9,958.63				9,958.63	9,958.63
Trade Receivables				NO			26,438.79			26,438.79					
Cash & Cash equivalents				YES	37,341.91					37,341.91				37,341.91	37,341.91
Bank Balance other than cash & cash equivalents				YES	9,035.45					9,035.45				9,035.45	9,035.45
Others	other non-current asstes, other financial asstes,current tax asstes, asstes held for sale, other current assets			YES	56,952.80					56,952.80				56,952.80	56,952.80
<b>TOTAL</b>					<b>8,94,484.79</b>		<b>28,558.04</b>			<b>9,23,042.32</b>				<b>8,94,484.79</b>	<b>8,94,484.79</b>
<b>Liabilities</b>															
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	1,71,993.40					1,71,993.40				1,71,993.40	1,71,993.40
Borrowings				NO											
Others	interest Accured on Bond And RTL			Yes	9,256.25					9,256.25				9,256.25	9,256.25
Other debt				NO			37,058.48			37,058.48					
Trade Payables				NO			1,20,784.73			1,20,784.73					
Lease Liabilities				NO			2,149.51			2,149.51					
Provisions				NO			1,18,880.26			1,18,880.26					



*Handwritten signature*



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	Carrying/Book Value for exclusive charge assets where market value is not ascertainbale or applicable	Market Value for Pari-Passu charge Assets
		Book Value	Book Value	YES/NO	Book Value	Book Value													
Other	other non-current liability, other current liability, other financial liability			NO			1,09,658.76			1,09,658.76									
<b>TOTAL</b>		-	-	-	3,31,249.65	-	3,88,531.74			7,19,781.39	-	-	-	3,31,249.65	3,31,249.65				
Cover on Book Value					2.70														
Cover on Market Value																			2.70

\*Value of Fixed Assets have been provided in Book value. Fixed Assests are located throughout the 740K.M (appx.) stretches of Konkan Railway route & are unique in nature. Obtaining the Market value of such unique Fixed asstes & 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

*[Handwritten Signature]*

Authorised Signatory  
Place: Navi Mumbai  
Date: 13/08/2024



**Annexure 2- Statements of Compliance of Covenants for Non- Convertible debt securities as at 30th June 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	Not Complied
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.

\*\*\* Debt Service Coverage Ratio for June 2024 quarter ended is 0.97. The same Ratio has been affected due to Repayment of Long term loan of Rs. 625 lakhs on 1st Apr 2024 & Rs 1500 Lakhs on 30th June 2024 to SBI & EXIM Bank. Further maximum limit of Retirement Gratuity and Death Gratuity has been increased as per recommendation of 7th CPC from Rs.20 Lakhs to Rs. 25 Lakhs w.e.f 01st January 2024. Accordingly, one time additional provision amounting to Rs.4622.07 Lakhs has been made during the quarter.

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

For and Behalf of Konkan Railway Corporation Limited

*[Signature]*

Authorised Signatory  
Place: Navi Mumbai  
Date : 13/08/2024

