



K. GOPAL RAO & CO.,
Chartered Accountants
GSTIN: 33AAGFK3782M1ZZ

To The Board of Directors
Rashtriya Chemicals and Fertilizers Limited
Priyadarshini,
Eastern Express Highway,
Sion,
Mumbai - 400022

RE:

Independent Statutory Auditors' Certificate on the statement with respect to maintenance of Security Cover and compliance with all financial covenants in respect of Listed Non-Convertible Debt Securities of Rashtriya Chemicals and Fertilizers Limited as on September 30, 2024.

CERTIFICATE

1. The **Rashtriya Chemicals and Fertilizers Limited** ("the Company") has raised money through issue of Non-Convertible Debentures ("Debentures"), which have been listed on the recognized Stock Exchange(s). SBICAP Trustee Company Limited has been appointed as Trustee (the "Debenture Trustees") for the subscribers to the Debentures.
2. Pursuant to Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide circular no. SEBI / HO / MIRSD / MIRSD_CRADT/COR/P/2022/67 dated May 19, 2022, and Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time, (together referred to as the "Regulations"), the Company is required to submit to Debenture Trustees a certificate regarding maintenance of Security Cover and compliance with all the financial covenants in respect of listed Debentures.
3. We have been requested by the Company to examine the accompanying "Statement of Security Cover as on September 30, 2024 from column A to J" (the "Statement") and compliance with all the financial covenants in respect of listed debt securities of the Company as mentioned in the accompanying "Statement of compliance with financial covenants as on September 30, 2024" ("Annexure A"). The accompanying Statement and Annexure A has been prepared by the Management of the Company from the audited financial results, audited books of accounts and other relevant records maintained by the Company.

Branches :

- ❖ Bengaluru ❖ Mumbai
- ❖ Coimbatore ❖ Tiruchirappalli
- ❖ Hyderabad ❖ Tiruvallur
- ❖ Madurai

Registered Office :

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Management's Responsibility for the Statement

4. The preparation of the Statement and Annexure A 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 the preparation and presentation of the Statement and Annexure A and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the financial covenants as prescribed in the Debenture Trust Deed ("DTD") dated 02nd November, 2020 entered into between the Company and the Debenture Trustees ("together referred as Trust Deeds").

Auditor's Responsibility

6. It is our responsibility to provide reasonable assurance that the details as referred to in "Annexure I" have been correctly extracted from the Books of Account and other records which we have verified as produced before us
7. We conducted our examination of the Statement and Annexure A, on test basis, in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) 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. Our scope of work did not include verification of compliance with any other requirement of other circulars and notifications issued by any regulatory authorities from time to time and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the unaudited financial information or the financial statements of the Company, taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, of specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such an opinion.
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.

Opinion

10. Based on the information and explanations provided to us and examination of records of the Company including Books of Account and other relevant documents, we hereby conclude that book value of assets and relevant debts given in Column 'A' to 7" of Annexure- A and other details provided are true and correct.



Other Matter

11. As per para 3.1 (a) of the circular no. SEBI / HO / MIRSD / MIRSD_CRADT/COR/P/ 2022/67 dated 19th May, 2022, we are required to certify the book value of the assets, hence, we have not verified market value provided in the Statement of Security Cover (i.e. from Column K to Column O of Annexure A). The market value is based on valuation report provided by M/s. SJACE Valuetech Consultants Pvt. Ltd. accordingly, we do not express any conclusion on the same.

Restriction on Distribution

12. 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 report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care in connection with the statutory audit and other attest function carried out by us in our capacity as statutory auditors of the Company.
13. 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 and Annexure A to the Debenture Trustees 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 the date of this report.

For K. Gopal Rao & Co
Chartered Accountants
(Firm Reg. No.: 000956S)



Gopal Krishna Raju
Partner

Membership No. 205929

UDIN: 24205929BKGVDC5931



Place: Mumbai

Date: 13/11/2024

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	Description of asset for which this certificate is issued	Book Value	Book Value	Net Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value
Assets														
Property, Plant and Equipment	The Borrower's moveable PPE, i.e. plant & machinery, located at Trombay, Mumbai and Thal, Alibaug, existing plant and machinery of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay			YES	2,177.23			423.91						
Capital Works-in-Progress				YES	532.46			36.41						
Right of Use Assets								9.72						
Goodwill								0.31						
Intangible Assets														
Investments														
Loans														
Trade Receivables	All the present and future Book Debts i.e. subsidy receivables from the Government of India			YES	2,377.77			425.10						
Other and Cash Equivalents								1,753.55						
Bank Balances other than Cash and Cash Equivalents								87.35						
Others								867.04						
Total					3,601.03			5,087.46						
LIABILITIES														
Debt securities to which this certificate pertains	6.59% Lined Secured Non-Convertible Debentures (NCF Series 1-2020) *			YES	532.95									
Other debt security part-pass change with above debt \$								483.92						
Other Debt								670.00						
Subordinated debt														
Borrowings														
Bank														
Debt Securities #														
Others														
Trading payables														
Leases Liabilities														
Provisions														
Others														
Total					532.95			1,153.92						
Cover on Book Value					3.02									
Cover on Market Value					3.14									

* Includes IND AS adjustment for effective interest rate on secured Debt Securities Rs. 0.08 Crore and interest thereon of Rs 32.95 Crore for 1 years

Includes IND AS adjustment for transaction cost of Rs. 1.29 crore for Foreign Currency loans availed by Company

** As per valuation report dated 05.06.2024 given by SIAJCF VALUETECH CONSULTANTS PVT. LTD. It excludes HP and NP Nitric Acid Plant located at Trombay.

The Company issued 6.59% Unsecured Non-Convertible Debentures (SERIES 1-2022) (ISIN - INE027A08011) face value of Rs. 300 crore on 31st January, 2022, redeemable on 31st January, 2025 and 7.99 % Unsecured Non-Convertible Debenture (SERIES 1-2023) (ISIN - INE027A08028) face value of Rs. 300 crore on 07th August 2024, redeemable on 07th August 2027 for which this certificate is not applicable.

Security cover for NCD holders comprises of part pass change on moveable plant and machinery and subsidy receivables from GOI. Subsidy receivables in addition to inventories and book debts are also offered for cash credit facilities and WCGL. Owing to Decrease in subsidy receivables from GOI over the previous quarter the ratio stands decreased.



Part B

Covenant Compliance Certificate from the statutory Auditor of the company as per Regulation 56(1)(d)

To,

Board Of Directors of
Rashtriya Chemicals and Fertilizers Limited &
SBICAP Trustee Company Limited,
Debenture Trustee

Information under SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) Regulation, 2015 in terms of the provision of regulation 56(1)(d) as amended from time to time - Covenant Compliance Certificate as on 30.09.2024.

Based on the examination of the books of accounts and other relevant records/documents, we hereby certify that:

The listed entity has vide its Board Resolution and information memorandum/ offer document and under various Debenture Trust Deeds, has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured/ Unsecured	Sanctioned Amount
INE027A07012	Private Placement	Secured	Rs. 500 Crore
INE027A08010	Private Placement	Unsecured	Rs. 300 Crore
INE027A08028	Private Placement	Unsecured	Rs. 300 Crore

We certify that the company has complied with all the covenant/terms of the issue mentioned in the offer document/ Information Memorandum and/or Debenture Trust Deed for the above mentioned Non-convertible debt securities.



Further, please find below list of the covenant which the company has failed to comply for the quarter:

Covenant	Document reference	Date of breach	Cure period (if any)
NIL			

For K. Gopal Rao & Co
Chartered Accountants
(Firm Reg. No.: 000956S)


Gopal Krishna Raju
Partner

Membership No. 205929

UDIN: 24205929BK4V0C5931



Place: Mumbai

Date: 13/11/2024