

जय भगवान शर्मा
कार्यपालक निदेशक
(विधी एवं कंपनी सचिव)

Jai Bhagwan Sharma
Executive Director
(Legal & Company Secretary)

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड
(भारत सरकार का उपक्रम)
साथ बढ़ें समृद्धि करी ओर
"प्रियदर्शिनी",
ईस्टर्न एक्सप्रेस हाइवे,
सायन, मुंबई 400 022.



**Rashtriya Chemicals and
Fertilizers Limited**

(A Government of India Undertaking)

Let us grow together

"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai - 400 022.

CIN - L24110MH1978GOI020185

दूरध्वनी/Tel.:(Off.): (022) 2404 5024 • ई-मेल/E-mail : jbsharma@rcfltd.com • वेबसाईट/Website : www.rcfltd.com

RCF/CS/Stock Exchanges /2023

August 11, 2023

The Corporate Relations Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	The Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai- 400 051.
Script Code: 524230 / 959872 / 973742	Script Code: RCF EQ ISIN: INE027A07012 / INE027A08010

Dear Sir/Madam,

Sub: Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Security Cover Certificate as on June 30,2023

As per provisions of Regulation 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015), please find enclosed herewith Report in respect of Security Cover as per the prescribed format.

This is for your kind information and record.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

J. B. Sharma
Executive Director
Legal & Company Secretary

Encl: a./a.

gokhale & sathe (regd.)

chartered accountants
304/308/309, Udyog Mandir No.1,
Bhagoji Keer Marg, Mahim,
Mumbai - 400016, India
+91 22 43484242

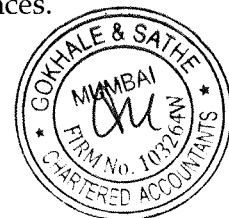
To The Board of Directors
Rashtriya Chemicals and Fertilizers Limited
Priyadarshini,
Eastern Express Highway,
Sion,
Mumbai - 400022

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 June 30, 2023.

CERTIFICATE

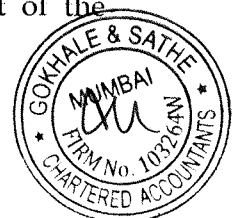
1. The Rashtriya Chemicals and Fertilizers Limited ("the Company") has raised money through issue of Non-Convertible Debentures ("Debentures"), which have been listed on the recognised Stock Exchange(s). SBICAP Trustee Company Limited has been appointed as Trustee (the "Debenture Trustees") for the subscribers 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 June 30, 2023 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 June 30, 2023" ("Annexure I"). The accompanying Statement and Annexure I has been prepared by the Management of the Company from the unaudited financial results, unaudited books of accounts and other relevant records maintained by the Company.
Management's Responsibility for the Statement
4. The preparation of the Statement and Annexure I 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 I 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. Our responsibility is to provide limited assurance as to whether anything has come to our attention that causes us to believe that:
- a) the particulars contained in the aforesaid Statement with respect to book value of asset charged against listed Debentures issued by the Company are not in agreement with the unaudited financial results, unaudited books of accounts and other relevant records as at June 30, 2023 maintained by the Company; and
 - b) the Company has not complied with all the financial covenants stipulated in the Trust Deed as on June 30, 2023.
7. We conducted our examination of the Statement and Annexure I, 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.
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. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained 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 judgement, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. For the purpose of this engagement, we have performed the following procedures:
- a) Obtained and read the relevant clauses of Trust Deeds in respect of the listed Debentures and noted the Security Cover required to be maintained by the Company in respect of such Debentures, as indicated in the Statement.
 - b) Traced the principal amount of the Debentures outstanding as at June 30, 2023, to the unaudited financial results, the books of account and other relevant records maintained by the Company.
 - c) Obtained and read the list of book debts charged as security in respect of the Debentures outstanding.



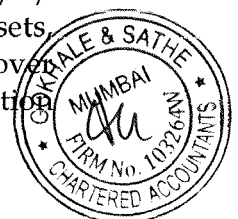
- d) Traced the value of book debts from the Statement to the unaudited financial results, books of accounts and other relevant records maintained by the Company as at June 30, 2023.
- e) Traced the security charged with register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA').
- f) Traced the value of charge created against the book debts to the Security Cover indicated in the Statement.
- g) Performed on test check basis the arithmetical accuracy of the computation of Security Cover indicated in the Statement.
- h) Compared the Security Cover with the requirements as per Trust Deed.
- i) With respect to compliance with covenants included in the Annexure A, we have performed following procedures:
 - i. Obtained list of applicable financials covenants, the computation of the financial covenants as at June 30, 2023 and traced the figures included in such computation to the unaudited financial results, unaudited books of accounts and other relevant records maintained by the Company.
 - ii. Compared the financial covenants referred above with the requirements stipulated in the Trust Deeds to verify whether such covenants comply with the requirements of the Trust Deeds.
 - iii. Performed necessary inquiries with the management regarding any instance of non-compliance with covenants or communications received from the Debenture Trustees indicating any breach of covenants during the year June 30, 2023.
- j) Performed necessary inquiries with the Management and obtained necessary representations.

Opinion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
- a. the particulars contained in the aforesaid Statement with respect to book value of asset charged against listed Debentures issued by the Company are not in agreement with the unaudited financial results, unaudited books of accounts and other relevant records as at June 30, 2023 maintained by the Company; and
 - b. the Company has not complied with all the financial covenants stipulated in the Trust Deed as on June 30, 2023.

Other Matter

12. 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 I). The market value is based on valuation



report provided by M/s. SJACE Valuetech Consultants Pvt. Limited. Accordingly we do not express any conclusion on the same.

Restriction on Distribution

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 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.
14. 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.

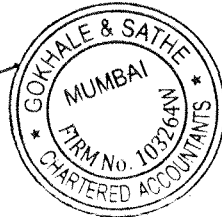
For GOKHALE & SATHE
Chartered Accountants
(Firm Reg. No.: 103264W)

(Atul Kale)

Partner

Membership No. 109947

UDIN: 23109947BGNVSR1928



Place: Mumbai

Date: 11th August 2023.

Part A

Rs. Crore

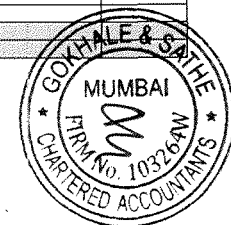
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Debt not backed by any assets offered as security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				Total Value (K+L+M+N)
		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 (excluding items covered in column F)	debt amount considered if more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis		Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Relating to Column J	
		Book Value	Book Value	Yes/ No	Book Value	Book Value									
ASSETS															
Property, Plant and Equipment	The Borrower's movable PPE i.e plant & machinery, located at Trombay, Mumbai and Thal, Alibaug, excluding plant and machinery of the Medium Pressure (MP) and High Pressure (HP) Nitric Acid Plant situated at Trombay	-	-	YES	2,180.31	-	392.23			2,572.54			2,219.96	2,219.96	
Capital Work-in- Progress		-	-	YES	140.09	-	17.17			157.26					
Right of Use Assets							17.54			17.54					
Goodwill							-			-					
Intangible Assets							0.30			0.30					
Intangible Assets under Development							-			-					
Investments							964.65			964.65					
Loans							10.23			10.23					
Inventories							2,470.24			2,470.24					
Trade Receivables	All the present and future Book Debts i.e subsidy receivables from the Government of India	-	-	YES	1,866.88	572.74				2,439.62			1,866.88	1,866.88	
Cash and Cash Equivalents							735.02			735.02					
Bank Balances other than Cash and Cash Equivalents								222.38		222.38					
Others								917.96		917.96					
Total		-	-	-	4,187.28	3,778.00	2,542.46	-	-	10,507.74	-	-	2,219.96	1,866.88	
LIABILITIES															
Debt securities to which this certificate pertains	6.59% Listed Secured Non Convertible Debentures (RCF Series I -2020) *			YES	598.85					598.85					
Other debt sharing pari-passu charge with above debt							656.74			656.74					
Other Debt							670.00			670.00					
Subordinated debt		not to be filled													
Borrowings															
Bank								299.91		299.91					
Debt Securities #								200.00		200.00					
Others								2,286.54		2,286.54					
Trade payables								16.56		16.56					
Lease Liabilities								360.24		360.24					
Provisions								852.40		852.40					
Others								598.85		598.85					
Total					598.85	1,326.74	4,015.65	-	-	5,941.24					
Cover on Book Value					2.17										
Cover on Market Value**					2.12										

* Includes IND AS adjustment for effective interest rate on secured Debt Securities Rs.0.19 Crore and interest thereon of Rs 98.85 Crore for 3 years.

** As per valuation report dated 19.05.2023 given by MACK & ASSOCIATES. It excludes HP and MF Nitric Acid Plant located at Trombay and CWIP other than Trombay GT

The Company issued 6.59% Secured Non-Convertible Debenture (SERIES I-2022) (ISIN - INE027708011) face value of Rs. 300 crore on 31st January, 2022, redeemable on 31st January, 2025 for which this certificate is not applicable. During the current quarter, Company availed fresh loans from UCO bank and CTBC Bank. Creation of pari passu charge against Plant and Machinery is under process.

gokhale & sathe (regd.)
Chartered accountants



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

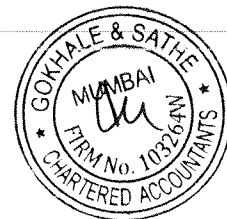
Information under SEBI (LISTING OBLIGATION & DISCLOSURE
REQUIREMENTS) Regulation, 2015 in terms of the provision of regulation 56(1)(d)
as amended from time to time - Covenant Compliance Certificate as on 30.06.2023.

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

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			

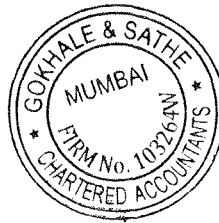
For GOKHALE & SATHE
Chartered Accountants
(Firm Reg. No : 103264W)



(Atul Kale)
Partner

Membership No. 109947

UDIN: 23109947B4VVSR1928



Place: Mumbai

Date: 11th August 2023.