



PATANJALI

PATANJALI AYURVED LIMITED

(CIN : U24237DL2006PLC144789)

An ISO 9001 : 2015, 14001 : 2015, 22000 : 2018, 45001 : 2018 / Ayush Premium Mark / Agmark / EIA / GMP Certified Company



**Date:** 13.08.2022

To,  
The Manager,  
Listing Department  
BSE Limited,  
P.J. Towers, Dalal Street, Mumbai - 400 001

Sub: Disclosure under Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Ma'am,

Pursuant to Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please note that all the listed secured Non-Convertible Debentures (face value of Rs 425 Crore) issued by the Company and outstanding as on 30<sup>th</sup> June, 2022 are secured by way of second ranking Pari-Passu Charge on all fixed assets and immovable property of Tezpur plant of the Company.

Further we submit herewith the Asset Coverage Certificate which has been certified by the Statutory Auditor of the Company for the quarter ended as on 30<sup>th</sup> June, 2022

Yours Sincerely,  
**For Patanjali Ayurved Limited**

*Vineet Pant*  
**(Vineet Pant)**  
**Company Secretary**

Regd. Office : D-26, Pushpanjali, Bijwasan Enclave, New Delhi - 110061 (INDIA)

Corporate Office : Patanjali Food & Herbal Park, Vill.-Padartha, Haridwar-Laksar Road, Haridwar-249404, Uttarakhand, (INDIA)

Contact : +91-1334-265370, E-mail : [feedback@patanjaliayurved.org](mailto:feedback@patanjaliayurved.org), Web. : [www.patanjaliayurved.org](http://www.patanjaliayurved.org)

# B. M. CHATURVEDI & Co.

CHARTERED ACCOUNTANTS

32, Jolly Maker Chambers II, Nariman Point, Mumbai - 400021. Tel. : 91 22 22854274 / 75, 91 22 22836075 | Email : office@bmchaturvedi.in

**Independent Auditor's Report on asset cover and compliance with all covenants as at 30<sup>th</sup> June, 2022 under regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to IDBI Trusteeship Services Limited (the 'Debenture Trustees')**

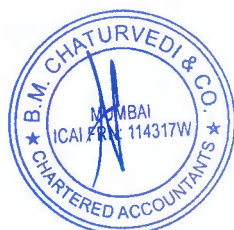
**To**

**The Board of Directors**

**Patanjali Ayurved Limited**

1. We M/s B.M. Chaturvedi & Co., Chartered Accountants, are the statutory auditors of the **Patanjali Ayurved Limited** having its registered office at **D-26, Pushpanjali, Bijwasan Enclave, New Delhi - 110061** and have been requested by the Company to examine the accompanying Statement showing Asset Cover, in terms of debenture trust deed, executed between company & trustee as per **Annexure 1** as at **30<sup>th</sup> June, 2022** (hereinafter the "Statement") which has been prepared by the company and for arriving at the secured Fixed Assets Coverage Ratio (FACR). Certain immovable assets offered are considered at their fair market value as per latest available valuation report as below and movable fixed assets at their book value from the unaudited standalone Ind AS Quarterly financial results and other relevant records including valuation report dated 5<sup>th</sup> May 2021, of its land & building of Tezpur plant done by Govt. approved Valuer **M/s LBM Valuers & Engineers** and documents maintained by the Company as at and for the quarter ended 30<sup>th</sup> June, 2022 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, (hereinafter the "SEBI Regulations") and annexed to this report.

This Report is required by the Company for the purpose of submission with the Debenture Trustees of the Company to ensure compliance with the SEBI Regulations in respect of listed non-convertible debt securities ('Debentures'). The Company has entered into an agreement with the Debenture Trustees vide agreements mentioned in Annexure 1 in respect of such Debentures.

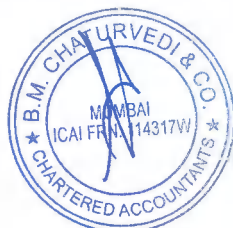


## **Management's Responsibility**

2. The preparation of the Statement 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 applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust deed mentioned in **Annexure 1** entered into between the Company and the Debenture Trustees ("Trust Deed")

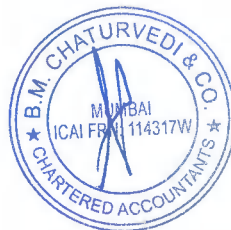
## **Auditor's Responsibility**

4. It is our responsibility is to provide reasonable assurance as to whether:
  - i) the Company has maintained asset cover as per the terms of the Debenture Trust Deed; and
  - ii) the Company is in compliance with all the covenants as mentioned in the Debenture Trust Deed as at 30th June, 2022.
5. We have performed limited review of the standalone Ind AS financial results of the Company for the quarter ended 30th June, 2022 prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI Regulations, and issued an unmodified opinion dated 13<sup>th</sup> August, 2022. Our limited review of those standalone Ind AS financial results were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial results are free of material misstatement.



6. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria, mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement:

- i) Obtained and read the debenture Trust Deed and noted that as per such debenture Trust Deed the Company is required to maintain certain asset cover in respect of the debenture mentioned in the Statement.
- ii) We have been informed that there has been no amendment to the debenture Trust Deed. We have relied on the same and not performed any independent procedure in this regard.
- iii) Traced and agreed the principal amount of the Debentures outstanding as at 30th June, 2022 to the unaudited standalone Ind AS financial results of the Company and books of account maintained by the Company as at 30th June, 2022.
- iv) Obtained and read the list of asset cover in respect of Debentures outstanding as per the Statement. Traced the assets from the Statement to the unaudited standalone Ind AS financial results of the Company and fair market value of said assets as per report issued by government approved valuer, M/s LBM Valuers & Engineers, which has not been modified and relied by us as at 30th June, 2022.
- v) Examined and verified the arithmetical accuracy of the computation of asset cover in the accompanying Statement.
- vi) Compared the Asset Cover with the Asset Cover required to be maintained as per debenture Trust Deed.
- vii) With respect to covenants, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the Debenture Trust Deed, as at 30th June, 2022. We have relied on the same and have not performed any independent procedure in this regard.
- viii) Performed necessary inquiries with the Management and obtained necessary representations.



## Opinion

7. Based on the procedures performed by us, as referred to in paragraph 6 above and according to the information and explanations received and management representations obtained in our opinion:

- i) The Company has maintained asset cover as per the terms of the Debenture Trust Deed; and
- ii) The Company is in compliance with all the covenants as mentioned in the Debenture Trust Deed and stated in the Statement to this report as at 30th June, 2022.

## 8. Restrictions on use

The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 1 above and to be submitted with the accompanying Statement 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 certificate for events and circumstances occurring after the date of this report.

**For B.M. Chaturvedi & Co.**

Chartered Accountants

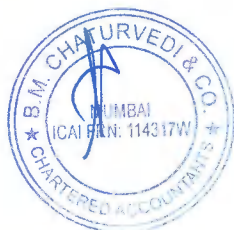
ICAI FRN: 114317W

*A.M. Sonawane*

**Anmol Sonawane**

Partner

ICAI M.N.: 603614



Place: Mumbai

Date: 13<sup>th</sup> August, 2022

UDIN: 22603614AOYZQD9361



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### Annexure-1

#### Statement of Management Certificate of Assets Cover as per the terms of debenture trust deed and compliance with covenants

Computation of Assets Cover Ratio as on 30th June, 2022 (Asset cover ratio as per the Debenture Trust Deed)

#### Secured Non-Convertible-Debentures (NCD) – Face value Rs 42,500 Lakh

	Particulars	Amount (In Lakh)
A	Secured Assets (as per details attached)	99,593
B	Secured Loans (NCD)	42,500
	<b>Assets Cover Ratio(A/B) (Refer note 1 below)</b>	<b>2.34 times</b>

#### Notes:

#### 1 Assets Cover Ratio: Secured Assets/Secured Loans

- (a) **Secured Assets:** Written down value of secured movable fixed assets comprise of other assets and Capital Work in progress of Tezpur plant and fair market value of the immovable assets being land & building of the plant.

Secured Assets for above NCD are arrived at after deducting from the gross amount of fixed assets as above, the outstanding amount of secured loan of bank having first ranking Pari-Passu charge other than NCD as on 30th June, 2022.

- (b) **Secured Loans:** Outstanding amount of Rs 42,500 lakhs of the secured Non- Convertible debentures. Debentures are secured by way of second ranking Pari-passu charge on all fixed assets and immovable property of Tezpur plant of the company and 28th May 2023 for NCD-face value Rs. 250 crores and 17<sup>th</sup> May 2024 for NCD – face value Rs. 175 crores .

- 2 The company has complied with all covenants as prescribed in the Debenture Trust Deeds for its listed Non-convertible debentures mentioned below:

Particulars	Debenture Trustee	Debenture trust deed date
10.1% Non-convertible debenture- Face Value Rs 25,000 lakh	IDBI Trusteeship Services Limited	27 <sup>th</sup> August 2020
9.25% Non-convertible debenture- Face Value Rs 17,500 lakh	IDBI Trusteeship Services Limited	13 <sup>th</sup> May 2021

- 3 There has been no amendment to the Debenture Trust Deed.

For and on behalf of Patanjali Ayurved Limited

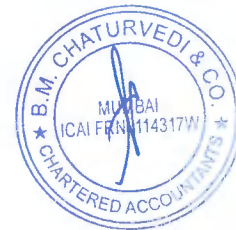
Y D Arya

(Chief Financial Officer)

Encl. – Detail working note

Vineet Pant

(Company Secretary)



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Patanjali Ayurved Limited

Tezpur Plant

Assets Cover Ratio	Working Note	(Rs in lakh)
Total Secured Fixed Assets of Tezpur Plant as on 30/06/2022	A	44,412
Add: Surplus of Fair value of Industrial Land & Building as per Valuation report ( Dated 5th May 2021) of Govt. approved Valuer LBM Valuers & Engineers over its book value Fair Value of Land & Building as per valuation report	B	57,431
		85,223
Less: WDV of above land & building		<u>(27,792)</u>
Surplus on fair valuation		<u>57,431</u>
Total Value of fixed assets available for security cover as per Term Sheet	A+B	1,01,843
(-) Assets offered to other secured loans other than NCD	C	(2,250)
Secured Assets available for NCD	D	99,593
Total NCD	E	42,500
Assets Cover Ratio ( In times )	(D/E)	2.34

Detail working note on Assets Cover Certificate on NCD as on 30.06.2022 as per Annexure



**Patanjali Ayurved Limited**

**Tezpur Plant**

**Annexures to the working of Assets Cover Certificate**

Working Notes			
<b>A Total Secured Assets At Tezpur Plant at Book valued</b>			<b>(Rs. In Lakhs)</b>
Land : Leasehold			1,592
Land : Freehold			58
Buildings			26,142
	Total Immovable Assets	i	<u>27,792</u>
Plant & Equipment			9,795
Electrical Equipments			2,119
Lab Equipments			34
Office Equipments			3
Furniture & Fixtures			202
Computers			26
Vehicles			82
	Total Movable Assets	ii	<u>12,261</u>
		i+ii	<u>40,053</u>
<b>CWIP</b>			<u>4,359</u>
<b>Total Book Value of Tezpur Plant</b>			<u><u>44,412</u></u>
<b>B Other Secured Loans in addition to NCD issued under debenture trust deed.</b>			
<b>Particulars</b>			
Long Term Loan-Axis			2,250
<b>Total Secured Loans other than NCD</b>			<u>2,250</u>
<b>C Secured Assets available for NCD</b>			
a. Secured Assets As per Un-audited Balance sheet as on 30/06/2022		a	44,412
b. Add: Fair value portion of Industrial Land & Building as per Valuation report of Govt. Reg. Valuer LBM Valuers & Engineers		b	85,223
c. Less: book value of Industrial Land & Building as considered in b		c	(27,792)
d. Total Value of assets aggregate for security cover as per Term Sheet		d=a+b-c	<u>1,01,843</u>
e. Less :Total secured loans other than NCD		e	(2,250)
Total Value of Secured Assets meant for asset coverage over NCD( d-e)		Total	<u>99,593</u>
<b>D Total NCD covered under the term sheet</b>			<b>42,500</b>

For and on behalf of Patanjali Ayurved Limited

Y D Arya  
(Chief Financial Officer)



Vineet Pant  
(Company Secretary)