



Nag & Associates
Chartered Accountants

Head Office:

C/52. Ground Floor,
Baramunda Housing Board Colony (HIG)
Bhubaneswar, Pin-751 003, Odisha, India
Tele/fax : + 91 – 674 – 2355022
E-mail: nagandassociates@gmail.com

Dhanbad Branch Office:

Gali No. 11, Jai Prakash Nagar,
P.O.: C.M.R.I., Dhanbad, Pin: 826001

To,

The Board of Directors
Bharat Coking Coal Limited
Koyla Bhawan, Koyla Nagar,
Dhanbad, Jharkhand – 826005
India

(the “Company”)

IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower,
WTC Complex
Cuffe Parade, Mumbai 400 005,
Maharashtra, India

ICICI Securities Limited
ICICI Securities,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai- 400025,
Maharashtra, India

(‘IDBI Capital Markets and Securities Limited’ and ‘ICICI Securities Limited’ collectively referred to as “**Book Running Lead Managers**” or “**BRLMs**”)

Dear Sirs / Madams,

Re: Proposed initial public offering of equity shares of face value of ₹ 10 each (the “Equity Shares”) by Bharat Coking Coal Limited (the “Company”) by way of an offer for sale by Selling Shareholder (“Offer”).

Subject: Certificate on Financial Indebtedness

We, Nag & Associates, Chartered Accountants, are the Statutory Auditors of the Company and we have been informed that the Company proposes to file the Red Herring Prospectus (“RHP”) and the Prospectus with Registrar of Companies, Jharkhand at Ranchi (“RoC”), the Securities and Exchange Board of India (“SEBI”), BSE Limited and National Stock Exchange of India Limited (collectively, the “Stock Exchanges”) and any other documents or materials to be issued in relation to the Offer (collectively with the RHP and Prospectus, the “Offer Documents”) in accordance with the provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) and applicable laws.

We have received a request from the Company to certify information in relation to financial indebtedness of the Company.

Management responsibility

The preparation of the statement annexed to this certificate is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation 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.

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The Company is responsible for preparation of the restated financial information of the Company for the six months period ended September 30, 2025, September 30, 2024 and for the Financial year ended March 31, 2025, March 31, 2024 and March 31, 2023, in accordance with the Companies Act, 2013, as amended and Indian Accounting Standards prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 and restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Auditor's Responsibility

We have examined and verified, on test basis: the restated financial information of the Company for the six months period ended September 30, 2025, September 30, 2024 and for the Financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with the Companies Act, 2013, as amended (the “**Companies Act**”) and Indian Accounting Standards (“**Ind AS**”) prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 and restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) and the reports issued thereon and also in accordance with the *Guidance Note* issued by the ICAI from time to time (the “**Restated Financial Information**”), (ii) documents pertaining to the financial indebtedness of the Company, including, *inter alia*, sanction letters issued by the banks/ financial institutions, loan agreements, deeds of hypothecation, memoranda of deposit, other letters and correspondence between the lenders and the Company, confirmations on outstanding loan amount from group companies, bank statements, relevant registers and the books of accounts as prepared and provided by the management of the Company, and balance confirmations on outstanding loan amount received from relevant lenders, (iii) balance confirmations received from the banks and financial institutions; and (iv) other relevant records, representations and documents produced before us.

We have conducted our examination in accordance with the ‘Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016)’ issued by the Institute of Chartered Accountants of India.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and 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 Institute of Chartered Accountants of India.

Opinion

On the basis of such verification and according to information and explanations given to us, we confirm the following:

The summary of the borrowings sanctioned to the Company, and outstanding, as of 15.11.2025 is stated in **Annexure A**.

The principal terms of the loans and assets charged as security by the Company are stated in **Annexure B**.

We confirm that the Company has not provided any guarantees for the repayment of any loans availed by other entities.

We confirm that neither the promoter nor director of the Company is interested in any loans or advances availed by the Company.

We confirm that the Company has not provided or received any loans or advances to any of the Promoters, Directors,

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KMPs and SMPs.

Further, we confirm that the Company have not defaulted, at any point of time, in the repayment of any installment or interest due on any of the loans outstanding as on date or rescheduled any of these loans.

Further, we confirm that, no rescheduling/restructuring have occurred in relation to any borrowings availed by the Company from any financial institutions or banks.

We also confirm that, as on the date of this certificate, none of the banks or institutions from whom the Company have availed of debt facilities, have accelerated payment of the facility in full or in part on account of default in the repayment in any installment or interest due or for violation of any other terms of any of the outstanding loans/ debt facilities granted to the Company.

We confirm that the information in this certificate is true and correct, and is in accordance with the requirements of the Companies Act, ICDR Regulations and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in any material aspect. We confirm that the information in this certificate is adequate to enable investors to make a well-informed decision, to the extent that such information with respect to us is relevant to the prospective investor to make a well-informed decision.

We, the Statutory Auditors, assume full responsibility for the veracity and adequacy of the information contained in this certificate and confirm that, to the best of our knowledge and belief, this certificate has been prepared in accordance with the applicable laws as amended and the rules made thereunder, as well as the regulations and guidelines issued by SEBI and other regulatory authorities.

Restriction on use

This certificate (including annexures) is for information and for inclusion (in part or full) in the RHP and the Prospectus and any other document filed in relation to the Offer (collectively, the “Offer Documents”) or any other Offer-related material, and may be relied upon by the Company, the Book Running Lead Managers and their affiliates and the legal advisors appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to the submission of this certificate as may be necessary to SEBI, the RoC, the relevant stock exchanges, repositories of Stock Exchanges and any other regulatory authority and/or for the records to be maintained by the Book Running Lead Managers and their affiliates and in accordance with applicable law.

We hereby consent to this certificate being disclosed by the Book Running Lead Managers, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to inform the Book Running Lead Managers promptly, in writing of any changes, intimated to us by the management of the Company in writing, to the above information until the Equity Shares commence trading on the relevant stock exchanges, pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the stock exchanges, pursuant to the Offer.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

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For Nag & Associates
Chartered Accountants
Firm Registration No. 312063E

CA Indranath Nag
Partner

Membership No.: 050531

UDIN: 26050531K&TCR03150

Place: Dhanbad

Date: ~~21.12.2025~~ 02.01.2026

Cc:

Legal Counsel to the Company as to Indian Law

J. Sagar Associates

One Lodha Place, 27th Floor,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400013,
Maharashtra, India

Legal Counsel to the Book Running Lead Managers as to Indian Law

Dentons Link Legal

5 Link Road, Block M,
Jangpura Extension – 110014,
New Delhi, India

Legal Counsel as to International Laws

Hogan Lovells Lee & Lee

50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049 321

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ANNEXURE A

Category of borrowings	Name of the lender	Secured/ Unsecured	Sanctioned amount as on November 15, 2025 (₹ in million)	Outstanding amount as on November 15, 2025 (₹ in million)
Overdraft against FD	Canara Bank	Secured	78.47	-
Overdraft against FD	Punjab National Bank	Secured	553.09	-
Overdraft against FD	Union Bank of India	Secured	878.46	-
Overdraft against FD	Indian Bank	Secured	950.00	-
Overdraft against FD	Bank of Maharashtra	Secured	1,160.70	-
Overdraft against FD	Union Bank of India	Secured	1,140.00	-
Overdraft against FD	Bank of Maharashtra	Secured	899.30	-
Short term loan	ICICI Bank	Unsecured	500.00	-
Working capital demand loan	Axis Bank	Unsecured	2,000.00	-
Working capital demand loan	HDFC Bank	Unsecured	3,500.00	-
Working capital demand loan	Bank of Baroda	Unsecured	2000.00	-
Working capital demand loan	Punjab National Bank	Unsecured	15000.00***	15000.00
Working capital facility	State Bank of India Consortium*#	Secured	4,300.00	-
Working capital facility	State Bank of India*	Unsecured	63,700.00***	12365.64**
Total			96,660.02	27365.64

Notes:

*Working capital facility from State Bank of India is issued to Coal India Limited and all its subsidiaries and utilised as per requirement of subsidiaries on recommendation of Coal India Limited.

** Amount outstanding of ₹ 12365.64 million is including Rs.4550.00 million as WCDL and Rs.7815.64 million relates to the issue of Bank Guarantees (BGs) / Letter of Credits (LCs) on



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behalf of the company.

**** Working Capital Facility amounting of Rs.15000.00 million from Punjab National Bank is sub-allocated from overall facility availed by CIL from SBI.*

Working Capital Facility under consortium of 17 banks, State Bank of India being the lead banker has following facility amount]

Name of the Bank	Fund based Sanctioned amount (₹ in million)	Non Fund based Sanctioned amount (₹ in million)	Total sanctioned amount (₹ in million)	Outstanding amount (₹ in million)
State Bank of India	600.00	1950.00	2550.00	0.00
Bank of Baroda	50.00	50.00	100.00	0.00
Bank of India	50.00	50.00	100.00	0.00
Canara Bank	50.00	50.00	100.00	0.00
Punjab National Bank	50.00	50.00	100.00	0.00
Union Bank of India	50.00	50.00	100.00	0.00
HDFC Bank Limited	50.00	50.00	100.00	0.00
ICICI Bank Limited	50.00	100.00	150.00	0.00
Axis Bank	50.00	100.00	150.00	0.00
Bank of Maharashtra	50.00	50.00	100.00	0.00
Indian Bank	50.00	50.00	100.00	0.00
Kotak Mahindra Bank Limited	50.00	100.00	150.00	0.00
UCO Bank	50.00	50.00	100.00	0.00
Central Bank of India	50.00	50.00	100.00	0.00
Indian Overseas Bank	50.00	50.00	100.00	0.00
Punjab & Sind Bank	50.00	50.00	100.00	0.00
Indusind Bank	50.00	50.00	100.00	0.00
TOTAL	1400.00	2900.00	4300.00	0.00



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ANNEXURE B

The principal terms of the loans and assets charged as security by the Company

Tenor: The tenor of the facilities availed by the Company typically ranges from 30 days to 1 year subject to maturity of Fixed Deposits in case of overdraft facilities.

Interest: The applicable rate of interest for the overdraft facilities availed by the Company are typically linked to interest rate on respective Fixed deposits which are ranging from 7.40% to 8.48%. Interest rate for other facilities is being decided at the time of drawl of funds, which are currently ranging from 5.78% to 6.00%.

Security: All overdraft facilities are backed by respective Fixed Deposits and other secured facilities are secured by first charge by way of hypothecation of raw material, stock in progress, finished goods, spares, stores, consumables, other inventory and receivables of the company.

Prepayment: Overdraft facilities availed by the Company typically have pre-payment provisions which allow us for pre-payment of the outstanding overdraft amount. Other facilities have prepayment option without any prepayment penalty only after 7 days from the date of drawl.

Repayment: Company is required to repay overdraft borrowings on or before the maturity date of respective Fixed Deposits. Other facilities are generally repayable on demand.

Restrictive covenants: Borrower shall not, without the prior written intimation to the banks;

- i) enter into any merger/amalgamation etc or do a buyback;
- ii) wind-up/ liquidate its affair or agree/authorise to settle any litigation/ arbitration having a material adverse effect;
- iii) change the general nature of its business;
- iv) permit any change in its ownership/control/management;
- v) make any amendments to its constitutional documents.

Events of Default: In terms of the borrowing arrangements entered into by our Company, non-payment of any payable amount, non-compliance of any obligation under agreement, repudiation of agreement, providing misleading information and other material adverse effect will constitute an event of default.

Consequences of events of default: In terms of the borrowing arrangements of the Company, the consequences of occurrence of events of default may include cancellation of the undrawn portion of facility, declaring all or part of the amount together with accrued interest due/payable immediately, right to enforce the security created, review of existing credit limits and report to take all necessary steps including recalling of the credit limit etc.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by the Company with its respective lenders, and the same may lead to consequences other than those stated above.

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