T. P. Ariwala
Chief Accountant

Surat Municipal Corporation
Muglisara, Surat-395003

No.ACT/SR/7365
Dated15/02/2020

To,
SBICAP Trustee Company Ltd.,
Apeejay House, 6th Floor,
3, Dinshaw Wachha Road,
Churchgate,
Mumbai – 400020

Sub: - Submission of Quarterly Compliance for the period from 1st October 2019 to 31st December 2019 with regard to the NCDs aggregating to Rs.200 Crores

Ref: - Your Letter no.3771/SBICTCL/DT/2019-20 dated 09/01/2020

Respected Sir,

With reference to above subject matter, please find following information regarding to the NCD's aggregating to Rs.200 Crores.

Sr.No.	Particular	Submission
1.	Updated list of the names and addresses of the Debenture holders with respective ISIN	Gujarat State Financial Services Limited, Wing "B", 3rd Floor, Khanij Bhavan, 132 ft. Ring Road, Nr. University Ground, Vastrapur, Ahmedabad - 380052 ISIN : INE05NX24015
2.	A confirmation that interest/ principal due during the quarter ended 31st December 2019 has been paid. If not, reasons thereof including Company's plan for payment of interest/principal.	As Security has been allotted on 01.03.2019, the 1st half yearly interest payment had been made on dated 03.09.2019 and 2nd half yearly interest payment will due on 01.03.2020 thus Not Applicable.
3.	Information regarding Debenture holder's complaints/grievances in following format :	
	a. Complaints pending at the end of the previous quarter;	Nil
	b. Complaints received during the quarter;	Nil
	c. Nature of the Complaint;	Nil
	d. Complaints resolved during the quarter;	Nil
	e. Reasons for pending/ unresolved complaints;	Nil
	f. Average time taken to resolve the each complaint.	Nil
4.	A confirmation that the properties secured are adequate for discharging the due repayment for the Debentures i.e. interest and redemption amount.	Structured Payment Mechanism has been sanctioned by the General Board of Surat Municipal Corporation as well as State Government and the same is functioning accordingly.
5.	Updated credit rating letter (if any)	Not Applicable

6.	A confirmation that the insurance policies obtained for the company's assets/property are adequate and properly assigned in favor of Trustee.	Not Applicable
7.	Whether there is any change in composition of Board members and management during the quarter, giving details thereof.	Not Applicable
8.	A Certificate from the Chartered Accountant of the company certifying that Security Cover, Debt Equity ratio and Debenture Redemption Reserve are maintained in accordance with the terms of issue of Debentures and applicable laws.	Attached as Annexure - 1.
9.	Utilization Certificate from Statutory Auditor	Attached as Annexure – 2.
10.	Annual Report for the year ended 2018-19	Attached as Annexure – 3.

15/1/20

Chief Accountant
Surat Municipal Corporation

o/c

NATVARLAL VEPARI & CO.
Chartered Accountants
PAN : AADFN5448E
1st Floor, River Palace-II, Near Navdi Ovara, Nanpura, Surat 395 001 | www.vepari.com
Tel. : +91 261 246 3636 | +91 261 246 3634 | E-mail : vepari@youtele.com

CERTIFICATE

The **SURAT MUNICIPAL CORPORATION** has issued unsecured, taxable, non-convertible, redeemable bonds in the nature of **Debentures ("Bonds")** of face value of Rs.10 lakhs each at par aggregating to **Rs.200 crores** during **Financial Year 2018-19** for utilization of the proceeds of the Bonds towards five major capex projects of Surat Municipal Corporation under **ATAL MISSION FOR REJUVENATION AND URBAN TRANSFORMATION ("AMRUT") Scheme.**

On the basis of Unaudited Books of Accounts, Documents, Records, Registers and Bank Statements produced before us and information and explanations provided to us in relation to the compliance issue of Bonds in the nature of Debentures, we state that during the quarter ending 31-12-2019, the Surat Municipal Corporation has maintained Debt Service Coverage ratio, Equity ratio and Debenture Redemption Reserve in accordance with terms of issue of Debentures and applicable laws.

This certificate is provided on the basis of unaudited Financial Statements of the Corporation produced before us. We have not carried out any audit or review of the Books of Accounts.

Date: 15-02-2020
Place: Surat

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration Number: 123626W

NATVARLAL VEPARI & CO. SURAT CHARTERED ACCOUNTANTS

K. J. Panthaki

Partner
Kayomarz J. Panthaki
Membership No. 125943
UDIN: 20125943AAAAAM4283

This certificate is issued, for compliance with the requirement of Debenture Trustees towards obligation of compliance with the terms of issue of Debentures, as agreed upon in Debenture Trust Deed of the Bonds issued. This Certificate has been issued at the request of the Surat Municipal Corporation. It should not be used for any other purpose and is solely for information and/or for use by the concerned Department, its Authorities and Debenture Trustees. 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.

NATVARLAL VEPARI & CO.
Chartered Accountants
PAN : AADFN5448E
1st Floor, River Palace-II, Near Navdi Ovara, Nanpura, Surat 395 001 | www.vepari.com
Tel. : +91 261 246 3636 | +91 261 246 3634 | E-mail : vepari@youtele.com

UTILISATION CERTIFICATE

The **SURAT MUNICIPAL CORPORATION** has issued unsecured, taxable, non-convertible, redeemable bonds in the nature of **Debentures ("Bonds")** of face value of Rs. 10 lakhs each at par aggregating to **Rs 200 crores** during **Financial Year 2018-19** for utilization of the proceeds of the Bonds towards five major capex projects of Surat Municipal Corporation under **ATAL MISSION FOR REJUVENATION AND URBAN TRANSFORMATION ("AMRUT") Scheme.**

The proceeds of Rs 200 Crores have been received by the Corporation in Saving Bank Account No. 38254222285 with State Bank of India and the same has been held in Fixed Deposits with the Bank.

The Corporation has spent Rs 1,38,17,21,216/- towards defined project from own fund through Escrow Account, which is due for payback from the proceeds of Fixed Deposit. Considering the same the amount of Bond proceeds is deemed to have been utilized to the extent of Rs 1,38,17,21,216/- as on 31st December 2019.

Further, it is to state that the corporation had received an amount of Rs 26 Crores as incentive from Central Government on 10th July, 2019 which has been utilized completely by December, 2019.

Furthermore, the Corporation has also received Grant sanctioned by Central and State government amounting to Rs. 184.41Crores as on 31st December, 2019.

This certified is issued on the basis of Books of Accounts, Documents, Vouchers, Bills, Records, Registers and Bank Statements produced before us and information and explanations provided to us in relation to the captioned projects and utilization of funds.

For Natvarlal Vepari & Co.

Date: 13/02/2020
Place: Surat

NATVARLAL VEPARI & CO. SURAT CHARTERED ACCOUNTANTS

Chartered Accountants
Firm Registration Number: 123626W
K. J. Panthaki
Partner
Kayomarz J. Panthaki
Membership No. 125943
UDIN:20125943AAAAAL2303

This certificate is issued, for compliance with the requirement of SEBI Regulations and Debenture Trust Deed of the Bonds issued. This Certificate has been issued at the request of the Surat Municipal Corporation. It should not be used for any other purpose and is solely for information and/or for use by the concerned Department, its Authorities and Debenture Trustees. 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.