

Fermi Solarfarms Private Limited

CIN: U40106DL2013FTC248848

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Date: August 9, 2023

To,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

Ref: BSE Scrip Code: 973829, ISIN: INE404X07015

Sub: Compliance of Regulations 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir /Ma'am,

Pursuant to the provisions of Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed the Auditors Certificate along with statement containing details of security cover and financial covenants for listed NCDs of the Company for the quarter ended June 30, 2023.

Request to kindly take the same on record.

For Fermi Solarfarms Private Limited

Shweta Mankar
Company Secretary & Compliance Officer

CC:

Catalyst Trusteeship Limited

Address: 810, 8th Floor, Kailash Building 26, Kasturba Gandhi Marg, New Delhi - 110001

Enclosure: as above

To The Board of Directors
Fermi Solarfarms Private Limited
910/19, Suryakiran, Kasturba Gandhi Marg,
New Delhi 110001

Independent Auditor's Certificate on Book Value of Assets of the Company and Compliance Status of Financial Covenants in respect of Listed Non-Convertible Debentures of the Company for period ended and as at June 30, 2023

1. This certificate is issued in accordance with the terms of our engagement letter dated November 9, 2022.
2. We, Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 015125N), are the Statutory Auditors of **Fermi Solarfarms Private Limited** ("the Company"), have been requested by the Management of the Company to certify Book Value of Assets of the Company contained in Columns A to J of Part I and Financial Covenants disclosed under Part II of the accompanying statement comprising of (i) Part I containing details of security cover and (ii) Part II containing compliance of financial covenants as per Debenture trust deed dated February 18, 2022 for listed Non-Convertible Debentures ("Listed NCDs") for period ended and as at June 30, 2023 (hereinafter referred together as "the Statement").

The accompanying Statement is prepared by the Company from the unaudited books of accounts and other relevant records and documents maintained by the Company as at June 30, 2023 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD _ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of regulation 54 read with regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of submission to Catalyst Trusteeship Limited, Debenture Trustee of the above mentioned Listed Debt Securities (hereinafter referred to as "the Debenture Trustee"). The responsibility for compiling the information contained in the Statement is of the Management of the Company.

The aforesaid Statement is initialed by us for identification purpose only.

Management's Responsibility

3. The Company's management is responsible for the preparation of the Statement on the basis of unaudited books of account and other relevant records of the Company as at June 30, 2023. The preparation and maintenance of all accounting and other relevant supporting records and documents is the responsibility of the management. 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. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance with the terms and conditions under the guidelines, to the extent applicable.
4. The management of the Company is also responsible for compliance with all the relevant requirement of SEBI Regulations. The management of the Company is also responsible for adherence to the terms of Debenture trust deed as mentioned in para 2 above, entered with Debenture Trustee and is also responsible for providing all relevant information to the Trustee.

Auditor's Responsibility

5. Pursuant to the requirement of Circular no. SEBI / HO / MIRSD / MIRSD _ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance whether the Book Value of Assets of the Company contained in Columns A to J of Part I of the Statement and Financial Covenants disclosed under Part II of the Statement furnished by the Company in respect of Listed Non-Convertible Debentures have been accurately extracted by the management from the unaudited books of account and other relevant records and documents maintained by the Company for the period ended and as at June 30, 2023. This did not include the evaluation of adherence by the Company with terms of Debenture Trust Deed and all the applicable SEBI Regulations.
6. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. We have performed the following procedures to give limited assurance on the particulars contained in the Statement:
 - a) Read the debenture trust deed mentioned in para 2 above, in respect to listed NCDs to determine the requirement relating to security cover and for compliance with applicable financial covenant as at June 30, 2023, to the extent disclosed in the Statement.
 - b) Verified the information related to book value of the assets of the Company contained in Columns A to J of Part I of the Statement have been accurately extracted by the management from the unaudited books of accounts for the period ended and as at June 30, 2023 and other relevant records and documents maintained by the Company.
 - c) Verified the arithmetical accuracy of book value of total assets as per Part I of the Statement.
8. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (ICAI). This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
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.

Conclusion

10. Based on our examination, as mentioned in paragraph 8 above, the procedures performed by us as mentioned in paragraph 7 above and according to the information and explanations and representations provided to us by the management of the Company, nothing has come to our attention that causes us to believe that the particulars relating to the Book Value of Assets of the Company contained in Columns A to J of Part I of the Statement furnished by the Company in respect of Listed Non-Convertible Debentures, read with and subject to the notes thereon have not been accurately extracted by the management from the unaudited books of account and other relevant records and documents maintained by the Company for the period ended and as at June 30, 2023. Further, according to the information and explanations and representations provided to us by the management of the Company in respect of financial covenants, the Company is not required to monitor the financial covenants as on June 30, 2023 (Refer Part II of the statement).

Restriction on Use

11. This certificate has been issued for the sole use of the Board of Directors of the Company, to whom it is addressed, for submission to Debenture Trustee in terms of the SEBI Regulations, as amended and should not be used by any other person or for any other purpose without our prior consent. We neither accept nor assume any liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

ROBIN
JOSEPH Digitally signed
by ROBIN JOSEPH
Date: 2023.08.09
16:44:37 +05'30'

Robin Joseph

Partner

(Membership No.512029)

(UDIN:23512029BHAKIF8366)

Place: Gurugram

Date: August 09, 2023

Statement containing details of security cover and compliance with financial covenants for listed NCDs as at June 30, 2023 by Fermi Solarfarms Private Limited in connection with Regulations 54(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company, under the Debenture trust deed dated February 18, 2022 (“Debenture trust deed”) entered with Catalyst Trusteeship Ltd, the Debenture Trustee, has issued the following secured, redeemable, rated, listed and interest bearing non-convertible debentures securities (“NCD”)

ISIN	Private Placement	Facility	Secured/Unsecured	Sanctioned Amount (INR Million)	Face value outstanding as on June 30, 2023 (INR Million)	Net Outstanding as on June 30, 2023 (INR Million)
INE404X07015	Yes	Non Convertible Debenture (NCD)	Secured	3,370.00	3,184.65	3,182.21

Part I

Statement for Security cover available for listed non-convertible debentures

(INR Million)

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 (Refer note 5)	Elimination (amount in negative) debt amount considered more than once (due to exclusive plus pari passu charge)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate 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)				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 applicable) (refer note 4)	Market Value for Pari passu charge Assets	Carrying /book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+ N)
		Book Value	Book Value	Yes/No	Book Value	Book Value				Book Value	Book Value	Book Value	Book Value	Relating to Column F
ASSETS														
Property, Plant and Equipment	Refer note 5	4,108.97	-	-	-	-	18.37	-	4,127.34	-	4,108.97	-	-	4,108.97
Capital Work-in- Progress		-	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	Refer note 5	465.98	-	-	-	-	-	-	465.98	-	465.98	-	-	465.98
Loans	Refer note 5	10.00	-	-	-	-	-	-	10.00	-	10.00	-	-	10.00
Inventories	Refer note 5	8.09	-	-	-	-	-	-	8.09	-	8.09	-	-	8.09
Trade Receivables	Refer note 5	233.32	-	-	-	-	-	-	233.32	-	233.32	-	-	233.32
Cash and Cash Equivalents	Refer note 5	6.69	-	-	-	-	-	-	6.69	-	6.69	-	-	6.69
Bank Balances other than Cash and Cash Equivalents	Refer note 5	339.68	-	-	-	-	-	-	339.68	-	339.68	-	-	339.68
Others	Refer note 5	169.54	-	-	-	-	-	-	169.54	-	169.54	-	-	169.54
Total Assets		5,342.27	-	-	-	-	18.37	-	5,360.64	-	5,342.27	-	-	5,342.27

Part II:**Statement of compliance with financial covenants for listed Non- Convertible Debentures (NCDs) as at June 30, 2023**

As per debenture trust deed, the Company is required to monitor certain financial covenants (i.e. Debt Service Coverage Ratio, Project Life Coverage Ratio, Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) ratio and Security cover ratio) on semi annual basis . Accordingly, as at June 30, 2023, the Company is not required to monitor the aforesaid financial covenants.

Notes:

1. The above financial information has been extracted from the unaudited books of account as at June 30, 2023.
2. The Company has determined the security cover as per Regulations 54(1) of SEBI(LODR) Regulations, 2015, as amended.
3. We represent that there is no charge created in favour of any other secured lenders except mentioned in note 5 below.
4. As on June 30, 2023, the Company has considered book value of assets as market value.
5. On March 2, 2022 the Company has issued 3,370 secured, redeemable, rated, listed non-convertible debentures "NCD" having face value of INR 1,000,000 each at fixed coupon rate of 6.75% per annum payable quarterly, at par aggregating to INR 3,370 million on private placement basis. These NCDs will be due for maturity on February 28, 2025.

These NCDs are secured by:

- a. First ranking charge on both present and future comprising of moveable fixed assets, immovable properties (including project land except mentioned below), current assets, all receivables, bank accounts, all reserves maintained by the Company in relation to the Debentures.
- b. First ranking security (by way of assignment / charge) over all the rights, title, interest, benefits, claims and demands under project documents,
- c. Exclusive pledge over up to 99.99% of the total issued and paid-up share capital of the Company and 100% of the compulsory convertible debentures approved by its shareholders,
- d. Unconditional and irrevocable corporate guarantee from Avaada Solarise Energy Private Limited, Avaada SataraMH Private Limited, Clean Sustainable Energy Private Limited (on a joint and several basis) in favour of the Debenture Trustee, in accordance with the terms of the Deed of Guarantee

All the above asset are also covered by second ranking charge by the offtaker in relation to Viability Gap Funding support.

As per Debenture trust deed, NCDs are also secured by first ranking charge on immovable properties of the Company including project land, further security on the Immoveable property should be created and perfected within 6 months from deemed date of allotment of NCDs. However as on June 30, 2023, security not created on a land parcel measuring 14.65 acres. The Company has received waiver from debenture holders holding 41.54% of the outstanding debentures and waivers from other debenture holders are awaited.

For and on behalf of board of directors of Fermi Solarfarms Private Limited

**Prashant
Choubey** Digitally signed by
Prashant Choubey
Date: 2023.08.09
16:33:49 +05'30'

Prashant Choubey
Director
DIN: 08072225
Date: August 09, 2023
Place: Noida

**Ravi Kant
Verma** Digitally signed by Ravi
Kant Verma
Date: 2023.08.09 16:38:10
+05'30'

Ravi Kant Verma
Director
DIN: 07299159
Date: August 09, 2023
Place: Noida