



NASHIK MUNICIPAL CORPORATION

INVESTMENT RATIONALE:

- PUBLIC ISSUE BY NASHIK MUNICIPAL CORPORATION ("ISSUER"/ "CORPORATION"/ "NMC") OF UP TO 20,00,000 (TWENTY LAKHS) UNSECURED, RATED, LISTED, TAXABLE, REDEEMABLE, NON-CONVERTIBLE GREEN MUNICIPAL BONDS IN THE NATURE OF DEBENTURES, OF FACE VALUE OF ₹ 1,000/- (RUPEES ONE THOUSAND ONLY) ("GREEN BONDS"/ "BONDS"/ "NCDS"/ "DEBENTURES") COMPRISING OF 8 (EIGHT) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS ("STRPPS") OF FACE VALUE OF RS 125 (RUPEES ONE HUNDRED TWENTY-FIVE) EACH, NAMELY STRPP A, STRPP B, STRPP C, STRPP D, STRPP E, STRPP F, STRPP G AND STRPP H FOR CASH FOR THE BASE ISSUE OF RS. 100 CRORES (RUPEES ONE HUNDRED CRORES ONLY) ("BASE ISSUE SIZE") WITH A GREEN SHOE OPTION OF UP TO RS 100 CRORES (RUPEES ONE HUNDRED CRORES ONLY) ("GREEN SHOE OPTION") FOR AN AMOUNT AGGREGATING UP TO RS 200 CRORES (RUPEES TWO HUNDRED CRORES ONLY) ("TOTAL ISSUE SIZE") ("ISSUE").
- Credit Rating of 'Provisional IND AA+/Stable' by India Ratings & Research Private Limited and 'Provisional CRISIL AA+/Stable', by CRISIL Ratings Limited.
- The Green Bonds are proposed to be listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). For the purposes of the Issue, the Designated Stock Exchange is National Stock Exchange of India Limited.

ISSUER'S PROFILE:

- Nashik Municipal Corporation was constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established on November 07, 1982 under the Bombay Provincial Municipal Corporations Act, 1949 then applicable act in Nashik, Maharashtra vide notification dated October 22, 1982 bearing reference NCC.-1082/211(i)-UD-21.
- Presently, Smt. Manisha Khatri (I.A.S.) is the Commissioner and Administrator of the Issuer.
- The Corporation is the governing body responsible for the administration and development of Nashik city in Maharashtra. It oversees urban planning, public services and infrastructure management. The Corporation ensures essential services such as water supply, waste management, healthcare and road maintenance.

ACHIEVEMENTS:

NMC has been the recipient of various awards/appreciations some of which are enlisted below:

- Awarded 3rd position under the category "Best Urban Local Bodies Among Million Plus Cities", organized by the Ministry of Housing and Urban Affairs, Government of India.
- Achieved National Rank 22nd and State Rank 12th in Swachh Survekshan 2024-25, conducted by the Ministry of Housing and Urban Affairs, Government of India.

Source: Draft Offer Document dated January 14, 2026

Disclaimer: The Corporation is proposing a public issue of Unsecured, Rated, Listed, Redeemable Non –Convertible Green Municipal Bonds and has filed the Draft Offer Document with Stock Exchanges and SEBI. Investors should invest only based on information contained in the Offer Document proposed to be filed with the Stock Exchanges and SEBI ("Offer Documents"). Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment. Read all the offer related documents carefully and refer the section on "Risk Factors" in the Offer Documents for risk in relation to the Issue.

STRENGTHS:**• *Adequacy of Escrowed Revenue Stream***

The Issuer shall set up the separate no-lien Escrow Account and the funds lying in account(s) in which the own revenues gets collected and/or pooled by the Issuer shall be transferred to the Escrow Account for debt servicing on daily basis.

• *Structured Debt Servicing Mechanism*

For ensuring maintenance of the Required DSRA Amount, the Interest Payment Account-II shall be funded 1 (One) day prior to the Pay-In Date with an amount equal to the 2 (Two) succeeding coupon payments (i.e. one year interest obligation) required to be paid by the Issuer in respect of the Debentures.

• *Sufficient Revenue Generation*

Sufficient revenue generation/collection from Own Revenues is approximately ₹846.70 Crores (Financial Year 2024-2025), ₹670.29 Crores (Financial Year 2023-2024) and ₹781.12 Crores (Financial Year 2022-2023).

**Own Revenues/cash flows' here shall mean the revenues/cash flows being directly levied and collected/recovered by the Issuer and not being the revenues/cash flows received from the Government in the form of Grants, contributions & subsidies, assigned revenues & compensations or others. The revenues/cash flows being directly levied and collected/recovered by the Issuer include Tax Revenue, Fees, User Charges and Fines, Income from Investments, Interest Earned, Other Income, Rental Income from Municipal Properties, Sale & Hire Charges and such other Incomes.*

• *Trustee Monitoring*

The Debenture Trustee, on behalf of the Debenture Holder(s), shall have an first pari passu charge by way of hypothecation over present and future receivables pertaining to Own Revenues / cash flows, over Escrow Account and the account(s) where the Own Revenues gets collected and/ or pooled by Nashik Municipal Corporation in each case to the extent of the Own Revenues gets collected and/ or pooled in each of such accounts, first and exclusive charge over the Interest Payment Account-II (including the DSRA Amount) and Sinking Fund Account-II, Upfront FD-2 and any Permitted Investment(s) made from these account(s) for the exclusive benefit of the Debenture Holders(s). The amount deposited in the Interest Payment Account-II (including the DSRA Amount) and Sinking Fund Account-II shall be used solely for meeting the dues to the Debenture Holders.

Source: Draft Offer Document dated January 14, 2026

Disclaimer: The Corporation is proposing a public issue of Unsecured, Rated, Listed, Redeemable Non -Convertible Green Municipal Bonds and has filed the Draft Offer Document with Stock Exchanges and SEBI. Investors should invest only based on information contained in the Offer Document proposed to be filed with the Stock Exchanges and SEBI ("Offer Documents"). Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment. Read all the offer related documents carefully and refer the section on "Risk Factors" in the Offer Documents for risk in relation to the Issue.

ISSUE STRUCTURE:

Particulars	Details
Security Name	NMC GREEN BONDS - SERIES- II
Issuer	Nashik Municipal Corporation ("NMC")
Lead Manager	A. K. Capital Services Limited
Debenture Trustee	Beacon Trusteeship Limited
Registrar to the Issue	Purva Sharegistry (India) Private Limited
Type and nature of instrument	Rated, listed, taxable, unsecured, redeemable, non-convertible green municipal bonds in the nature of debentures (hereinafter referred to as "Green Bonds"/ "Debentures"/ "NCDs")
Seniority	Senior (to clarify, the claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements)
Base Issue Size	Rs. 100 Crores
Option to retain Oversubscription	Upto Rs. 100 Crores
Total Issue Size	Upto Rs 200 Crore (including Green Shoe option)
Market Lot / Trading Lot	1 STRPP having face value of ₹ 125 (Rupees One Hundred Twenty-Five only)
Credit Ratings	The Bonds proposed to be issued by the Nashik Municipal Corporation have been rated by CRISIL and India Ratings. CRISIL has assigned a rating of 'Provisional CRISIL AA+/Stable' vide its letter dated January 14, 2026, and has issued a rating rationale dated January 13, 2026, India Ratings has assigned a rating of 'Provisional IND AA-/Stable' vide its letter January 14, 2026, in respect of the Bonds and has issued a rating rationale dated January 14, 2026.
Record Date	The record date for payment of coupon/interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) Calendar Days prior to the date on which coupon/interest payment is due and payable, and/or in case of redemption, the relevant Redemption Date/ Maturity Date for each relevant STRPP or such other date as may be determined by the Bond Issuance Committee / authorised officer(s) of the Bond Issuance Committee of the Corporation (as permitted under applicable law) thereof from time to time in accordance with the applicable law. In case the record date falls on a day when the Stock Exchange is having a trading holiday, the immediate preceding trading day or a date notified by the Bond Issuance Committee of the Corporation to the Stock Exchange, will be deemed as the record date. In case of Redemption Date/ Maturity Date of any STRPP, the trading in the respective STRPP shall remain suspended between the record date and the Maturity Date/Redemption Date.
Financial Covenants	<p>1. The Issuer shall, at all times till the Debentures are outstanding, ensure that the total amounts collected in the Escrow Account in any financial year shall be at least 1.25 times of the Annual Payments Amount. For the purpose of this term sheet, the term 'Annual Payments Amount' shall, in respect of any financial year, mean the aggregate of: (a) the Coupon payable in such year (in relation to the present Green Bond Issue (Series II), Bond issue (Series I) and any further borrowings); and (b) the portion of principal amount of the Debentures which are required to be deposited by the Issuer into the Sinking Fund Account-II in such financial year (in relation to the present Green Bond Issue (Series II), Bond issue (Series I) and any further borrowings); (c) Principal Repayment amount (where sinking fund is not created) in relation to any further borrowings, in terms hereof.</p> <p>2. The Issuer shall maintain the following ratios on an ongoing basis and the same should be tested at least at the end of each financial year: DSCR: Debt Service Coverage Ratio ("DSCR") for the NMC shall not be less than 1.25 times as the below: DSCR = operating surplus / total debt service</p> <p>i. Operating surplus calculated as the below: Operating Surplus = Total Income – Adjusted Expenditure Total Income = Total income of the corporation as per the audited Income and Expenditure statement. Adjusted Expenditure = Total expenditure as per the audited Income and Expenditure statement –Depreciation – Finance charges - Other non-cash expenditures.</p> <p>ii. Total debt service = Interest payment of loans and bonds + principal repayment deposited in the sinking fund or installment of principal repayment (where sinking fund is not created)</p> <p>3. So long as the Eligibility Conditions are met, the Issuer shall be entitled to raise further financial indebtedness based on its cash flows including the cash flows through the Escrow Account, provided that nothing in this provision should be construed to permit the creation of any encumbrance over the hypothecated property (except for Series I and Series II bond holders) without the express prior written consent of the debenture trustee subject to the Applicable Law. For the purpose of this term sheet, the term 'Eligibility Conditions' shall mean the following conditions: (a) The Annual Payments Ratio is maintained by the Issuer; (b) The debt service coverage ratio of 1.25 times is maintained (c) there is no shortfall in the contribution to the Escrow Account, the Interest Payment Account-II (including towards maintenance of the Required DSCR Amount), Upfront FD-2 and/or the Sinking Fund Account-II which has not been made good by the Issuer in terms of the Transaction Documents; (d) no Event of Default has occurred. 4. Other financial covenants as defined in the Transaction Documents</p>
Objects of the Issue/ Purpose for which there is requirement of funds	The Net proceeds of the Green bonds will be utilized for funding the capital expenditure to be incurred towards Augmentation of Mukane Water Supply Scheme, Water Treatment Plant (WTP), Construction of Gravity Main from Vilholi to Gandhinagar, Sadhugram & Nilgiri Baug WTP for Sinhastha Kumbh ("Project").
Step up/ Step down interest rates	Not applicable
Coupon payment frequency	On a half yearly basis
Tenor	STRPP A of an NCD – 3 years from Deemed Date of Allotment; STRPP B of an NCD – 4 years from Deemed Date of Allotment; STRPP C of an NCD – 5 years from Deemed Date of Allotment; STRPP D of an NCD – 6 years from Deemed Date of Allotment; STRPP E of an NCD – 7 years from Deemed Date of Allotment; STRPP F of an NCD – 8 years from Deemed Date of Allotment; STRPP G of an NCD – 9 years from Deemed Date of Allotment; STRPP H of an NCD – 10 years from Deemed Date of Allotment
Redemption Date/Maturity Date	The redemption dates/ maturity dates ("Redemption Date(s)"/ "Maturity Date(s)") for each of the STRPPs are as follows: STRPP A – at the end of the 3rd anniversary of the Deemed Date of Allotment for STRPP A; STRPP B – at the end of the 4th anniversary of the Deemed Date of Allotment for STRPP B; STRPP C – at the end of the 5th anniversary of the Deemed Date of Allotment for STRPP C; STRPP D – at the end of the 6th anniversary of the Deemed Date of Allotment for STRPP D; STRPP E – at the end of the 7th anniversary of the Deemed Date of Allotment for STRPP E; STRPP F – at the end of the 8th anniversary of the Deemed Date of Allotment for STRPP F; STRPP G – at the end of the 9th anniversary of the Deemed Date of Allotment for STRPP G; STRPP H – at the end of the 10th anniversary of the Deemed Date of Allotment for STRPP H;
Redemption Amount	Principal repayment to happen annually, from the expiry of 3(Third) year from the Deemed Date of Allotment, in 8 (Eight) annual installments of: STRPP A – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 3rd anniversary of the Deemed Date of Allotment; STRPP B – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 4th anniversary of the Deemed Date of Allotment; STRPP C – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 5th anniversary of the Deemed Date of Allotment; STRPP D – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 6th anniversary of the Deemed Date of Allotment; STRPP E – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 7th anniversary of the Deemed Date of Allotment; STRPP F – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 8th anniversary of the Deemed Date of Allotment; STRPP G – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 9th anniversary of the Deemed Date of Allotment; STRPP H – aggregate principal amount of ₹ 25 crore (rupees Twenty Five Crore) to be repaid at the end of the 10th anniversary of the Deemed Date of Allotment;
Redemption Premium / Discount	Each STRPP will be redeemed at face value on the respective Redemption Dates. Together with the principal amount as set out hereinabove, the Issuer shall also be required to make payment of accrued Coupon and all other costs, charges and expenses which are due and payable in terms of the Transaction Documents
Face Value	Not applicable Each NCD shall have a face value aggregating to ₹ 1,000/- (Rupees One Thousand only).
Issue Price	Each NCD would comprise of 8 (Eight) STRPPs having different ISINs (i.e. 1 STRPP A & 1 STRPP B, 1 STRPP C, 1 STRPP D, 1 STRPP E, 1 STRPP F, 1 STRPP G, 1 STRPP H) with face value of each STRPP being ₹ 125/- (Rupees One Hundred Twenty Five) each.
Issue Opening Date	Face Value of Rs. 1,000/- per NCD consisting of 8 (Eight) STRPPs having different ISINs (i.e. 1 STRPP A & 1 STRPP B, 1 STRPP C, 1 STRPP D, 1 STRPP E, 1 STRPP F, 1 STRPP G, 1 STRPP H) with face value of each STRPP being ₹ 125/- (Rupees One Hundred Twenty Five) each.
Issue Closing Date	As will be specified in the Offer Document
Pay-in Date	As will be specified in the Offer Document
Deemed Date of Allotment	The date on which the Bond Issue Committee approves the Allotment of the NCDs for this Issue or such date as may be determined by the Bond Issue Committee and notified to the Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs/ any STRPP forming part of the NCD shall be available to the NCD Holders from the Deemed Date of Allotment.
Put Option Date	Not applicable
Put Option Price	Not applicable
Call Option Date	Not applicable
Call Option Price	Not applicable
Security	<p>The Debentures are Unsecured in nature.</p> <p>The value of assets being offered may be less than one hundred per cent of the amounts payable towards the principal amount of the NCDs together with all the interest/coupon due and payable on the NCDs, as well as costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof. However, under the Structured Payment Mechanism stated in the Term Sheet, the Debenture Trustee on behalf of the Debenture Holders shall have a charge over the following:</p> <p>(a) First pari passu charge by way of hypothecation over present and future receivables pertaining to entire own revenues/cash flows of the Corporation;</p> <p>(b) First pari passu charge over the Escrow Account and the account(s) where the entire own revenues/cash flows are collected and/ or pooled by Nashik Municipal Corporation (collection account(s)), in each case to the extent of the own revenues/cash flows gets collected and/ or pooled in each of such accounts;</p> <p>'Own Revenues/Cash flows' here shall mean the revenues/cash flows being directly levied and collected/recovered by the Issuer and not being the revenues/cash flows received from the Government in the form of Grants, contributions & subsidies, assigned revenues & compensations or others. The revenues/cash flows being directly levied and collected/recovered by the Issuer include Tax Revenue, Fees, User Charges and Fines, Income from Investments, Interest Earned, Other Income, Rental Income from Municipal Properties, Sale & Hire Charges and such other incomes.</p> <p>(c) First and exclusive charge over the Interest Payment Account-II (including the DSCR Amount), Upfront FD-2, Sinking Fund Account-II being opened for the issue, the funds lying in each such account and any investment(s) made from these account(s);</p> <p>(d) Exclusive charge over the investments made in terms of paragraph 10 and paragraph 11 under the head of term 'Structured Payment Mechanism' below ("Permitted Investment(s)").</p> <p>The security interest/security documents stipulated above shall be collectively referred to as the "Security".</p> <p>The creation of such security by the Issuer shall be sufficient compliance of the Issuer's obligation to create security.</p> <p>Security Creation Timelines</p> <p>(a) The Security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s).</p> <p>(b) In the event the above stipulated Security is not created and/ or perfected within the timelines as mentioned above the NCDs shall carry additional interest, over and above the Coupon Rate, at the rate of 2.0% (two percent) per annum, if any, on the NCDs, computed from the date falling after the expiry of the time period provided above, till creation and perfection of the relevant Security and/ or till the execution of the relevant Security Documents.</p>

Source: Draft Offer Document dated January 14, 2026

Disclaimer: The Corporation is proposing a public issue of Unsecured, Rated, Listed, Redeemable Non –Convertible Green Municipal Bonds and has filed the Draft Offer Document with Stock Exchanges and SEBI. Investors should invest only based on information contained in the Offer Document proposed to be filed with the Stock Exchanges and SEBI ("Offer Documents"). Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment. Read all the offer related documents carefully and refer the section on "Risk Factors" in the Offer Documents for risk in relation to the Issue.

Particulars	Details
Structured Payment Mechanism	<p>1. The Issuer shall open the following accounts for servicing the Coupon and principal amount of the Debentures for the exclusive benefit of the Debenture Holders:</p> <ul style="list-style-type: none"> a. Escrow Account (For Both Series – I & II) b. Interest Payment Account – Interest Payment Account-II. c. Sinking Fund Account – Sinking Fund Account-II. <p>Amounts required to be transferred to the Interest Payment Account- II and the Sinking Fund Account-II from the Escrow Account every year on first priority basis along with Series I:</p> <ul style="list-style-type: none"> a. Interest payment Account (IPA) – Half yearly interest amount shall be divided into five equal parts and each part shall be transferred to IPA-II every month for 5 months. b. Accordingly, 20% of the half yearly coupon payment (along with any further interest payable (by whatsoever name called) as per the terms of the issuance and any shortfall in earlier contribution) shall be transferred to IPA-II each month as follows:- <ul style="list-style-type: none"> (i) 1st half yearly - from 1st to 5th Month (ii) 2nd half yearly – from 6th to 10th Month c. Sinking Fund Account (SFA) – Total issue size of the Debentures (Rs 200 Crore) shall be divided into 8 parts and each part (Rs. 25 Crore) shall be transferred to SFA-II in each of the 1st to 8th year. <p>Further, this one part to be transferred to SFA-II in each of the first seven years shall be sub-divided into 10 sub-parts and each sub-part (Rs. 2.5 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA-II each month for first 10 months.</p> <p>Accordingly, 12.5% of total issue size shall be transferred each year for the first 7 years out of which 1.25% each month for first 10 months of each year. Out of the remaining Rs 25 Crore (12.5% of the total issue size) to be transferred in the 8th year (i) Rs 5 Crore shall be sub-divided into 2 sub-parts and each sub-part (Rs. 2.5 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA-II each month for first 2 months, and (ii) Rs 20 Crore shall be transferred to the Sinking Fund Account-II in lumpsum from Upfront Fixed Deposit-2 at the end of 86th months from deemed date of allotment.</p> <p>The Debenture Trustee, on behalf of the Debenture Holder(s), shall have an exclusive first charge on the Interest Payment Account-II (including the DSRA Amount), Sinking Fund Account-II, Upfront FD-2 and any Permitted Investment(s) made from these account(s) for the exclusive benefit of the Debenture Holders(s).</p> <p>Interest Payment Mechanism (‘T’ Interest Payment Date)</p> <p>T-25 Days: Debenture Trustee (DT) to check the amount lying in the Interest Payment Account-II (which is over and above the Required DSRA Amount). In case of any shortfall, DT to ask the Nashik Municipal Corporation (NMC) to fund the shortfall by T-10. Further, the amounts from escrow account will also flow into the IPA-II.</p> <p>T-9 Days: Shortfall to be funded by NMC.</p> <p>T-8 Days: Utilization of DSRA in case of any shortfall on T-9.</p> <p>T-7 Days: In case the DSRA Amount (or part thereof) is utilized to fund the shortfall in the amount required to make payment of the Coupon in respect of any Coupon Payment Date, immediately after the Debenture Trustee has instructed the Bank to utilise the DSRA Amount as above and in any event prior to 7 (Seven) days prior to the relevant Coupon Payment Date (T-7), the Debenture Trustee would issue a final notice in writing to the Issuer. On the issuance of such notice, the Issuer shall make good the DSRA Amount Shortfall within next 15 (Fifteen) days (T+8).</p> <p>T+8: Final date to replenish DSRA by NMC.</p> <p>Principal Repayment (Sinking Fund) Mechanism (‘T’- end of each 12-month block)</p> <p>T-45 Days: Debenture Trustee (DT) to check the amount lying in Sinking Fund Account-II and in case of shortfall, DT to ask NMC to fund the shortfall by T-15. Further, the amounts from escrow account will also flow into the SFA-II.</p> <p>T-15 Days: Shortfall to be funded by NMC.</p> <p>T-14 Days: In case of shortfall still persists, DT to trigger the payment mechanism and instruct the Bank to utilize the Upfront FD-2 by T-13. DT to issue a final notice to NMC to fund the shortfall/replenish by “T”.</p> <p>T: Final date to fund the shortfall/replenish by NMC</p>

Source: Draft Offer Document dated January 14, 2026

Disclaimer: The Corporation is proposing a public issue of Unsecured, Rated, Listed, Redeemable Non –Convertible Green Municipal Bonds and has filed the Draft Offer Document with Stock Exchanges and SEBI. Investors should invest only based on information contained in the Offer Document proposed to be filed with the Stock Exchanges and SEBI (“Offer Documents”). Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment. Read all the offer related documents carefully and refer the section on “Risk Factors” in the Offer Documents for risk in relation to the Issue.

INVESTOR CATEGORIES AND ALLOTMENT:

Category I	Category II	Category III	Category IV
Institutional Investors	Non Institutional Investors	High Net Worth Individual Investors	Retail Individual Investors
<ul style="list-style-type: none"> Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; Provident funds and pension funds each with a minimum corpus of Rs. 25 Crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; Resident venture capital funds registered with SEBI; Insurance companies registered with the IRDAI; State Industrial Development Corporations; Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India; Insurance funds set up and managed by the Department of Posts, Union of India; Systemically Important NBFCs registered with the RBI and having a net-worth of more than Rs. 500 Crore as per the last audited financial statements; National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India; and Mutual funds registered with SEBI 	<ul style="list-style-type: none"> Companies within the meaning of Section 2(20) of the Companies Act 2013; Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; Co-operative banks and regional rural banks; Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs; Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; Partnership firms in the name of the partners; Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); Association of persons; and Any other incorporated and/ or unincorporated body of persons. 	<ul style="list-style-type: none"> Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all NCDs in this Issue. 	<ul style="list-style-type: none"> Resident Indian Individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 1,000,000 in the Issue and shall include Retail Individual Investors who have submitted bid for an amount not more than UPI Application Limit (i.e. up to Rs. 5,00,000 for issues of debt securities) in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.

Investors are advised to check the laws and regulations applicable to them to determine eligibility to invest in Green Bonds.

APPLICATIONS CANNOT BE MADE BY:

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

- Minors without a guardian name*(A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
- Foreign nationals, NRI inter-alia including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- Persons resident outside India and other foreign entities;
- Foreign Institutional Investors;
- Foreign Portfolio Investors;
- Non-Resident Indians;
- Foreign Venture Capital Funds;
- Qualified Foreign Investors;
- Overseas Corporate Bodies**, and
- Persons ineligible to contract under applicable statutory/regulatory requirements.
- Other foreign entities; and
- Any other category of Applicants not provided for under "Issue Procedure - Who can apply?"

Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872.

**The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in this Issue.

Source: Draft Offer Document dated January 14, 2026

Disclaimer: The Corporation is proposing a public issue of Unsecured, Rated, Listed, Redeemable Non –Convertible Green Municipal Bonds and has filed the Draft Offer Document with Stock Exchanges and SEBI. Investors should invest only based on information contained in the Offer Document proposed to be filed with the Stock Exchanges and SEBI ("Offer Documents"). Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment. Read all the offer related documents carefully and refer the section on "Risk Factors" in the Offer Documents for risk in relation to the Issue.

Key Operational and Financial Parameters:

Key operating and financial metrics are as follows:

Particulars	(₹ in crores unless otherwise stated)		
	2022-23	2023-24	2024-25
Balance Sheet			
Total Fixed Assets	8,719.99	9,052.56	9,507.33
Total Investments	1,636.03	1,901.71	2,271.01
Total Current Assets, Loans & Advances	1,440.08	1,508.24	1,652.77
Total assets	11,799.12	12,465.99	13,434.20
Municipal Funds	8,326.55	8,807.11	9,440.94
Earmarked Funds	210.94	232.38	258.43
Secured Loans	-	-	-
Unsecured Loans	-	-	-
Deposits Received	153.24	159.34	169.23
Provisions	847.84	929.41	1,112.26
Total Current Liabilities and Provisions	1,001.70	1,088.75	1,281.49
Other Liabilities	0.62	-	-
Total Liabilities	11,799.12	12,465.99	13,434.20
Income & Expenditure			
Tax Revenue	348.81	195.26	215.21
Assigned Revenues & Compensation	1,189.08	1,351.83	1,466.03
Fees & User Charges	355.67	374.25	526.40
Revenue, Grants, Contributions & Subsidies	4.81	3.23	0.01
Income from Investments	48.94	71.41	78.94
Other Income	8.51	12.51	12.23
Establishment Expenses	592.74	634.11	668.93
Repair & Maintenance	138.18	219.30	175.34
Revenue, Govt. Grants, Contributions & subsidies	128.78	179.05	203.42
Depreciation	187.33	159.01	143.41
Cash Flow			
Net cash generated from/(used in) operating activities (A)	908.23	780.58	879.00
Net cash generated from/ (used in) investing activities (B)	-805.37	-751.43	-960.91
Net cash generated from/(used in) financing activities (C)	112.25	106.42	128.96

Details of top 5 revenue sources for the previous three years:

The details of the top 5 revenue sources for Financial Year 2022-2023, Financial Year 2023-2024 and Financial Year 2024-2025 based on the Restated Audited Financial Statements.

Revenue Receipts Type	Actual	Actual	Actual
	FY 2024-25	FY 2023-24	FY 2022-23
Assigned Revenue & Compensation	1,466.03	1,351.83	1,189.08
Fees User Charges & Fines	526.40	374.25	355.67
Tax Revenue	215.21	195.26	348.81
Income From Investment	78.94	71.41	48.94
Rental Income	-	-	11.51
Other Income	12.23	12.50	-

Source: Draft Offer Document dated January 14, 2026

Disclaimer: The Corporation is proposing a public issue of Unsecured, Rated, Listed, Redeemable Non –Convertible Green Municipal Bonds and has filed the Draft Offer Document with Stock Exchanges and SEBI. Investors should invest only based on information contained in the Offer Document proposed to be filed with the Stock Exchanges and SEBI ("Offer Documents"). Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment. Read all the offer related documents carefully and refer the section on "Risk Factors" in the Offer Documents for risk in relation to the Issue.

DISCLAIMER:**Investments in debt securities/ municipal debt securities/ securitised debt instruments are subject to risks including delay and/ or default in payment.**

This document has been prepared by A. K. STOCKMART (P) LTD. and/or its affiliate/ group/ associate company(ies) (together referred to as "A.K. Group") and the contents of this disclaimer are applicable to this document and to any and all written or oral communication(s) made by A.K. Group or its directors, employees, associates, representatives and agents.

The information contained in this document is strictly confidential and solely for the information of the recipients. The information should not be reproduced or redistributed or passed on, directly or indirectly in any form, to any other person/ entity or published, in whole or in part, for any purpose whatsoever. This document is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject A.K. Group to any registration or licensing requirements within such jurisdiction.

This document is meant for assistance purpose only and does not constitute an offer or advice or recommendation to buy or sell any products or services of A.K. Group or any of its third party client(s). Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment is suitable or appropriate to the recipient's specific circumstances.

The recipients should act and rely on the information/ data contained in this document only after understanding all associated risk parameters. Any action/ decision taken by the recipients on the basis of the information contained in this document shall be the sole responsibility of the recipients and neither A.K. Group nor its directors, employees, associates, representatives or agents shall be liable for any damages whether direct, indirect, special or consequential including lost revenue or lost profits that may arise to the recipients from or in connection with the use of the information/ data contained in this document. A.K. Group and its affiliates (including any entities under common control or management) may hold, or have other business, financial, or personal interests, in the securities or issuer referenced herein. A.K. Group may have acted as a manager or co-manager in public offerings of securities for the subject company or companies, or may have been engaged by the subject company or companies for other assignments. Additionally, A.K. Group may have received compensation from the issuer in connection with managing or co-managing public offerings, corporate finance, investment banking, merchant banking, brokerage services, or other services related to a merger or specific transaction. The information in this document is subject to change. A.K. Group reserves the right to add, modify, alter and delete any content of this document at its sole and absolute discretion without any prior notice and without assigning any reason whatsoever. The information/ data contained in this document is as of the date hereof. A.K. Group does not undertake any obligation to update such information/ data for any subsequent event(s) that may occur thereafter, and does not explicitly or implicitly guarantee that such information/ data is complete and accurate in all respects as of date hereof or that it will continue to be complete and accurate in future.

The copyright and other intellectual property rights of this document vests exclusively with A.K. Group.

This disclaimer is to be regarded as part of this document. If sections or individual terms of this statement are not legal or correct, the content or validity of the other parts remain uninfluenced by this fact. as part of this document. If sections or individual terms of this statement are not legal or correct, the content or validity of the other parts remain uninfluenced by this fact.