

PRIVATE & CONFIDENTIAL – FOR PRIVATE CIRCULATION ONLY

Serial No.:

Addressed to:

Dated: October 16, 2024

This Placement Memorandum is neither a prospectus nor a statement in lieu of prospectus. This Placement Memorandum is prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, and as amended from time to time.

Note: This Placement Memorandum is strictly for a private placement issue. Nothing in this Placement Memorandum shall constitute and/or deem to constitute an offer or an invitation to offer to the public or any section thereof to subscribe for or otherwise acquire the Debentures in general under any law for the time being in force. This Placement Memorandum should not be construed to be a prospectus or a statement in lieu of prospectus. This Placement Memorandum and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipient(s) are eligible to apply for the Bonds. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

PLACEMENT MEMORANDUM**RAJKOT MUNICIPAL CORPORATION**

A municipal corporation constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established under the Bombay Provincial Municipal Corporations Act, 1949 then applicable act in Gujarat vide notification dated November 16, 1973 bearing reference no. KP_231_73_RMC_1071_11756_P1;

Head Office: Dr. Ambedkar Bhavan, Dhebar Road, Rajkot – 360001, Gujarat, India

Contact Person cum Compliance Officer: Amitkumar Lalitbhai Savajiyani;

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PLACEMENT MEMORANDUM FOR PRIVATE PLACEMENT OF UPTO 5,000 (FIVE THOUSAND) RATED, LISTED, TAXABLE, SECURED, REDEEMABLE, NON-CONVERTIBLE MUNICIPAL BONDS IN THE NATURE OF DEBENTURES, OF FACE VALUE OF ₹ 2,00,000/- EACH COMPRISING OF 2 (TWO) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS (“STRPP”) NAMELY 1 STRPP A OF FACE VALUE OF ₹ 1,00,000 AND 1 STRPP B OF FACE VALUE OF ₹ 1,00,000 (“BONDS”/ “NCDS”/“DEBENTURES”) FOR CASH, FOR AN AMOUNT AGGREGATING UP TO ₹ 100 CRORES (RUPEES ONE HUNDRED CRORES ONLY) (“ISSUE”) BY RAJKOT MUNICIPAL CORPORATION (THE “ISSUER”).

BACKGROUND

This Placement Memorandum is related to the Bonds to be issued by Rajkot Municipal Corporation on a private placement basis and contains relevant information and disclosures required for the purpose of issuance of the Bonds in terms of the Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, as amended from time to time.

GENERAL RISK

Investment in Bonds involve a degree of risk, and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the Placement Memorandum including Risk Factors carefully before taking an investment decision in relation to this Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer, the Placement Memorandum to be issued and the Issue including the risks involved. Specific attention of investors is invited to the section titled Risk Factors on page no. 19 of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Bonds or investor's decision to purchase the Bonds. The Issue of Bonds has not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all information that is material in the context of the Issue and sale of the Bonds and is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading in any material respect.

CREDIT RATING

The Bonds proposed to be issued by the Rajkot Municipal Corporation have been rated by CRISIL Ratings Limited (“CRISIL”) and India Ratings Research Limited (“India Ratings”) (collectively the “Rating Agencies”). CRISIL has vide its letter dated December 18, 2023 as revalidated vide rating letters dated January 29, 2024, March 05, 2024 July 30, 2024 and October 07, 2024 assigned a rating of Provisional CRISIL AA/Stable and has issued a rating rationale dated December 15, 2023 and May 21, 2024, India Rating has vide its letter dated February 06, 2024 as revalidated vide rating letters dated March 06, 2024, July 29, 2024 and October 07, 2024, assigned a rating of Provisional IND AA/Stable and has issued a rating rationale dated February 06, 2024. The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision regarding investment in the present Bonds. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. For credit rating of Bonds and detailed rationale of the ratings, please refer to Annexure- II.

MERCHANT BANKER

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SEBI Registration No.: INM000010411
CIN: L74899MH1993PLC274881

DEBENTURE TRUSTEE

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Compliance Officer: Mr. Rajiv Ranjan
SEBI Registration No.: IND000000536
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REGISTRAR

KFIN TECHNOLOGIES LIMITED
(earlier KFin Technologies Private Limited)
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CIN: L72400TG2017PLC117649

ISSUE SCHEDULE**ISSUE / BID OPENING DATE**

October 16, 2024

ISSUE / BID CLOSING DATE

October 16, 2024

**PAY-IN DATE /
DEEMED DATE OF ALLOTMENT**

October 18, 2024

The Bonds are proposed to be listed on National Stock Exchange of India Limited.

The Issuer reserves its sole and absolute right to modify (pre-poned/postpone) the above Issue schedule, including the deemed date of allotment, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

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SECTION-I: DISCLAIMERS

1. GENERAL DISCLAIMER AND DISCLAIMER OF RAJKOT MUNICIPAL CORPORATION (“RMC” OR “CORPORATION” OR “ISSUER”):

THIS PLACEMENT MEMORANDUM IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS AND IS PREPARED IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF MUNICIPAL DEBT SECURITIES) REGULATIONS, 2015 ISSUED VIDE NOTIFICATION NO. SEBI/LAD-NRO/GN/2015-16/006 DATED JULY 15, 2015, AS AMENDED FROM TIME TO TIME (**SEBI MUNICIPAL DEBT REGULATIONS**). THIS PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC IN GENERAL TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE BONDS TO BE ISSUED BY RAJKOT MUNICIPAL CORPORATION. THIS PLACEMENT MEMORANDUM HAS NOT BEEN APPROVED BY SEBI. THIS ISSUE OF BONDS IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. THIS PLACEMENT MEMORANDUM IS FOR THE EXCLUSIVE USE OF THE ADDRESSEES TO WHOM IT HAS BEEN ADDRESSED AND IT SHOULD NOT BE CIRCULATED OR DISTRIBUTED TO THIRD PARTY(IES). APART FROM THIS PLACEMENT MEMORANDUM, NO OTHER OFFER DOCUMENT HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE BONDS.

THIS PLACEMENT MEMORANDUM IS NOT INTENDED TO FORM THE BASIS OF EVALUATION FOR THE PROSPECTIVE SUBSCRIBERS TO WHOM IT IS ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE BONDS ISSUED BY THE ISSUER. THIS PLACEMENT MEMORANDUM HAS BEEN PREPARED TO GIVE GENERAL INFORMATION REGARDING RAJKOT MUNICIPAL CORPORATION TO PARTIES PROPOSING TO INVEST IN THIS ISSUE OF BONDS AND IT DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY SUCH PARTY MAY REQUIRE. RAJKOT MUNICIPAL CORPORATION BELIEVES THAT THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM IS TRUE AND CORRECT AS OF THE DATE HEREOF.

ALL POTENTIAL INVESTORS ARE REQUIRED TO COMPLY WITH THE RELEVANT REGULATIONS/ GUIDELINES APPLICABLE TO THEM FOR INVESTING IN THIS ISSUE. IT IS NOT INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT OR MADE PUBLIC OR ITS CONTENTS BE DISCLOSED TO A THIRD PERSON. NO INVITATION IS BEING MADE TO ANY PERSON OTHER THAN THE INVESTOR TO WHOM THE PLACEMENT MEMORANDUM HAS BEEN SENT. ANY APPLICATION BY A PERSON TO WHOM THE PLACEMENT MEMORANDUM HAS NOT BEEN SENT BY THE ISSUER MAY BE REJECTED WITHOUT ASSIGNING ANY REASON.

YOU SHALL NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THE PLACEMENT MEMORANDUM TO ANY OTHER PERSON; OR (2) REPRODUCE THE PLACEMENT MEMORANDUM, IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OR COPYING OF THE PLACEMENT MEMORANDUM IN WHOLE OR IN PART OR ANY PUBLIC ANNOUNCEMENT OR ANY ANNOUNCEMENT TO THIRD PARTIES REGARDING THE CONTENTS OF THE PLACEMENT MEMORANDUM IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF APPLICABLE LAWS OF INDIA AND/OR OTHER JURISDICTIONS. THE PLACEMENT MEMORANDUM HAS BEEN PREPARED BY THE ISSUER FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUER DOES NOT UNDERTAKE TO UPDATE THE PLACEMENT MEMORANDUM TO REFLECT SUBSEQUENT EVENTS AFTER THE ALLOTMENT AND THUS IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE ISSUER. HOWEVER, THE ISSUER SHALL INTIMATE THE INVESTORS ABOUT MATERIAL CHANGES, IF ANY, IN THE INFORMATION IN THIS PM, FROM THE DATE OF PM TILL LISTING DATE.

NEITHER THE DELIVERY OF THE PLACEMENT MEMORANDUM NOR THE ISSUE OF ANY BONDS MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE

A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE THEREOF.

THIS ISSUE IS A DOMESTIC ISSUE RESTRICTED TO INDIA AND NO STEPS HAVE BEEN TAKEN OR WILL BE TAKEN TO FACILITATE THE ISSUE IN ANY JURISDICTIONS OTHER THAN INDIA. HENCE, THE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORISED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE BONDS OR THE DISTRIBUTION OF THE PLACEMENT MEMORANDUM IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE PLACEMENT MEMORANDUM IS NOT INTENDED FOR DISTRIBUTION TO, OR USE BY, ANY PERSON OR ENTITY IN ANY JURISDICTION OR COUNTRY WHERE DISTRIBUTION OR USE OF SUCH INFORMATION WOULD BE CONTRARY TO LAW OR REGULATION. PERSONS INTO WHOSE POSSESSION THE PLACEMENT MEMORANDUM COME ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THE PLACEMENT MEMORANDUM IS MADE AVAILABLE TO POTENTIAL INVESTORS IN THE ISSUE ON THE STRICT UNDERSTANDING THAT IT IS CONFIDENTIAL AND MAY NOT BE TRANSMITTED TO OTHERS, WHETHER IN ELECTRONIC FORM OR OTHERWISE.

PROSPECTIVE SUBSCRIBERS MUST MAKE THEIR OWN INDEPENDENT EVALUATION AND JUDGMENT BEFORE MAKING THE INVESTMENT AND ARE BELIEVED TO BE EXPERIENCED IN INVESTING IN DEBT MARKETS AND ARE ABLE TO BEAR THE ECONOMIC RISK OF INVESTING IN BONDS. IT IS THE RESPONSIBILITY OF THE PROSPECTIVE SUBSCRIBERS TO HAVE OBTAINED ALL CONSENTS, APPROVALS OR AUTHORIZATIONS REQUIRED BY THEM TO APPLY FOR AND PURCHASE THE BONDS. NOTHING IN THIS PLACEMENT MEMORANDUM SHOULD BE CONSTRUED AS ADVICE OR RECOMMENDATION BY THE ISSUER OR BY THE MERCHANT BANKER/ARRANGER TO THE ISSUE TO SUBSCRIBERS TO THE BONDS. THE PROSPECTIVE SUBSCRIBERS ALSO ACKNOWLEDGE THAT THE MERCHANT BANKER/ ARRANGER TO THE ISSUE DO NOT OWE THE SUBSCRIBERS ANY DUTY OF CARE IN RESPECT OF THIS PRIVATE PLACEMENT OFFER TO SUBSCRIBE FOR THE BONDS. PROSPECTIVE SUBSCRIBERS SHOULD ALSO CONSULT THEIR OWN ADVISORS ON THE IMPLICATIONS OF APPLICATION, ALLOTMENT, SALE, HOLDING, OWNERSHIP AND REDEMPTION OF THESE BONDS AND MATTERS INCIDENTAL THERETO.

THE ISSUER RESERVES THE RIGHT TO WITHDRAW THE PRIVATE PLACEMENT OF THE BONDS ISSUE PRIOR TO THE ISSUE CLOSING DATE(S) IN THE EVENT OF ANY UNFORESEEN DEVELOPMENT ADVERSELY AFFECTING THE ECONOMIC AND REGULATORY ENVIRONMENT OR ANY OTHER FORCE MAJEURE CONDITION INCLUDING ANY CHANGE IN APPLICABLE LAW. IN SUCH AN EVENT, THE ISSUER WILL REFUND THE APPLICATION MONEY, IF ANY, ALONG WITH INTEREST PAYABLE ON SUCH APPLICATION MONEY, IF ANY.

IT IS THE RESPONSIBILITY OF ALLOTTEES OF THESE BONDS TO ALSO ENSURE THAT IF THEY/ IT CHOOSES TO TRANSFER THESE BONDS IT SHALL BE IN STRICT ACCORDANCE WITH THIS PLACEMENT MEMORANDUM AND OTHER APPLICABLE LAWS AND ENSURE THAT THE SAME DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC.

WE BELIEVE OUR INTERNAL ESTIMATES FOR THE PROJECT COST AND SCHEDULE OF IMPLEMENTATION TO BE REASONABLE FOR ALL THE PROJECTS AND THAT WE HAVE RELIED UPON THE REPORTS AND CERTIFICATES OF TECHNICAL CONSULTANTS INCLUDING FOR COSTS AND SCHEDULE OF IMPLEMENTATION. IN ACCORDANCE WITH THE SEBI (ISSUE AND LISTING OF MUNICIPAL DEBT SECURITIES) REGULATIONS, 2015, THE ISSUER, THE MERCHANT BANKER WILL ENSURE THAT INVESTORS ARE INFORMED OF MATERIAL DEVELOPMENTS BETWEEN THE DATE OF

FILING THE PLACEMENT MEMORANDUM WITH SEBI AND THE ALLOTMENT. THE ISSUER HEREBY DECLARES THAT IT HAS EXERCISED DUE DILIGENCE TO ENSURE COMPLETE COMPLIANCE WITH PRESCRIBED DISCLOSURE NORMS IN THE PLACEMENT MEMORANDUM.

2. DISCLAIMER CLAUSE

ONLY THOSE PERSONS TO WHOM THIS PLACEMENT MEMORANDUM HAS BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. APPLICATION FORMS SHOULD BE DULY COMPLETED, IN ALL RESPECTS AND APPLICATIONS NOT COMPLETED IN THE SAID MANNER ARE, LIABLE TO BE REJECTED. THE LIST OF DOCUMENTS PROVIDED BELOW IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS/ AUTHORISATIONS/ INFORMATION WHICH ARE LIKELY TO BE REQUIRED BY THE ISSUER. THE ISSUER MAY REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS REQUIRED TO ACCEPT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY ELIGIBLE INVESTORS ARE MERELY INDICATIVE AND THE ISSUER DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ELIGIBLE INVESTORS ARE REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE ISSUER IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE ISSUER REQUIRED TO CHECK OR CONFIRM THE SAME.

3. DISCLAIMER CLAUSE OF THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE PLACEMENT MEMORANDUM OR ANY OTHER MATERIAL ISSUED EXCEPT BY THE BOND ISSUE COMMITTEE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

4. DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA (“SEBI”):

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS PLACEMENT MEMORANDUM SHOULD NOT IN ANYWAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED BY SEBI AND THAT THIS ISSUE IS NOT RECOMMENDED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PLACEMENT MEMORANDUM.

5. DISCLAIMER CLAUSE OF GOVERNMENT OF GUJARAT

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS PLACEMENT MEMORANDUM SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED BY GOVERNMENT OF GUJARAT. GOVERNMENT OF GUJARAT DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PLACEMENT MEMORANDUM.

6. DISCLAIMER OF THE STOCK EXCHANGE

AS REQUIRED, A COPY OF THIS PLACEMENT MEMORANDUM HAS BEEN FILED WITH NSE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF MUNICIPAL DEBT SECURITIES) REGULATIONS, 2015, ISSUED VIDE NOTIFICATION NO. SEBI/LAD-NRO/GN/2015-16/006 (DATED JULY 15, 2015) AS AMENDED FROM TIME TO TIME. IT IS TO BE DISTINCTLY UNDERSTOOD THAT

SUBMISSION OF THE PLACEMENT MEMORANDUM TO THE STOCK EXCHANGES SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE PLACEMENT MEMORANDUM HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER. THIS DOCUMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

7. DISCLAIMER OF THE RATING AGENCIES:

DISCLAIMER OF INDIA RATING AND RESEARCH PRIVATE LIMITED

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8. DISCLAIMER OF THE DEBENTURE TRUSTEE:

INVESTORS SHOULD CAREFULLY READ AND NOTE THE CONTENTS OF THE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR SHOULD MAKE ITS OWN INDEPENDENT ASSESSMENT OF THE MERIT OF THE INVESTMENT IN BONDS AND THE ISSUER. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE BONDS AND SHOULD POSSESS THE APPROPRIATE RESOURCES TO ANALYZE SUCH INVESTMENT AND SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCE. PROSPECTIVE INVESTORS ARE REQUIRED TO MAKE THEIR OWN INDEPENDENT EVALUATION AND JUDGMENT BEFORE MAKING THE INVESTMENT AND ARE BELIEVED TO BE EXPERIENCED IN INVESTING IN DEBT MARKETS AND ARE ABLE TO BEAR THE ECONOMIC RISK OF INVESTING IN SUCH INSTRUMENTS. THE TRUSTEE WOULD ACT AS PER THE PREVALENT SEBI GUIDELINES.

9. DISCLAIMER OF THE MERCHANT BANKER/ARRANGER:

THE ISSUER HAS AUTHORISED THE MERCHANT BANKER/ ARRANGER TO DISTRIBUTE THIS PLACEMENT MEMORANDUM IN CONNECTION WITH THE PLACEMENT OF THE BONDS PROPOSED TO BE ISSUED UNDER THIS ISSUE. NOTHING IN THIS PLACEMENT MEMORANDUM CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE SUCH OFFER OR PLACEMENT WOULD BE IN VIOLATION OF ANY LAW, RULE OR REGULATION. EACH PERSON RECEIVING THIS PLACEMENT MEMORANDUM ACKNOWLEDGES THAT SUCH PERSON MUST READ THE ENTIRE PLACEMENT MEMORANDUM AND THE RISK FACTORS STATED IN SECTION IV RISK FACTORS ON PAGE NO. 19 OF THIS PLACEMENT MEMORANDUM AND RELY ON ITS OWN EXAMINATION OF THE ISSUER AND THE MERITS AND RISKS INVOLVED IN INVESTING IN THE BONDS. THE MERCHANT BANKER/ ARRANGER: (A) ARE NOT ACTING AS TRUSTEE OR FIDUCIARY FOR THE POTENTIAL INVESTOR; AND (B) ARE UNDER NO OBLIGATION TO CONDUCT ANY "KNOW YOUR CUSTOMER" OR OTHER PROCEDURES IN RELATION TO ANY PERSON ON BEHALF OF ANY POTENTIAL INVESTOR. NEITHER THE MERCHANT BANKER/ ARRANGER NOR ITS RESPECTIVE AFFILIATES OR THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, EMPLOYEES, AGENTS, ADVISORS OR REPRESENTATIVES ARE RESPONSIBLE FOR ANY DETERMINATION AS TO WHETHER ANY INFORMATION PROVIDED OR TO BE PROVIDED TO ANY FINANCE PARTY IS NON-PUBLIC INFORMATION THE USE OF WHICH MAY BE REGULATED OR PROHIBITED BY APPLICABLE LAW OR REGULATION OR OTHERWISE.

THE MERCHANT BANKER/ARRANGER IS NOT ACTING AND HAVE NOT BEEN ENGAGED TO ACT AS AN UNDERWRITER WITH RESPECT TO THE BONDS. THE MERCHANT BANKER/ ARRANGER IS AUTHORISED TO DELIVER COPIES OF THIS PLACEMENT MEMORANDUM

ON BEHALF OF THE ISSUER TO POTENTIAL INVESTORS WHICH ARE CONSIDERING PARTICIPATION IN THE ISSUE.

THE ISSUER HAS PREPARED THIS PLACEMENT MEMORANDUM AND THE ISSUER IS SOLELY RESPONSIBLE AND LIABLE FOR ITS CONTENTS. THE ISSUER CONFIRMS THAT ALL THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM HAS BEEN PROVIDED BY THE ISSUER OR IS FROM PUBLICLY AVAILABLE INFORMATION, THE USE OF WHICH ISN'T REGULATED OR PROHIBITED BY APPLICABLE LAW OR REGULATION RELATING TO INSIDER DEALING OR OTHERWISE AND NOT BEEN INDEPENDENTLY VERIFIED BY THE MERCHANT BANKER/ARRANGER.

THE POTENTIAL INVESTOR SHOULD CAREFULLY READ AND RETAIN THIS PLACEMENT MEMORANDUM. HOWEVER, THE POTENTIAL INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS PLACEMENT MEMORANDUM AS INVESTMENT, LEGAL, ACCOUNTING, REGULATORY OR TAX ADVICE, AND THE POTENTIAL INVESTORS SHOULD CONSULT WITH THEIR OWN ADVISORS AS TO ALL LEGAL, ACCOUNTING, REGULATORY, TAX, FINANCIAL AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE BONDS. THIS PLACEMENT MEMORANDUM IS NOT INTENDED TO BE (AND SHOULD NOT BE USED AS) THE BASIS OF ANY CREDIT ANALYSIS OR OTHER EVALUATION AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE MERCHANT BANKER/ ARRANGER THAT ANY RECIPIENT PARTICIPATES IN THE ISSUE OR ADVICE OF ANY SORT. IT IS UNDERSTOOD THAT EACH RECIPIENT OF THIS PLACEMENT MEMORANDUM WILL PERFORM ITS OWN INDEPENDENT INVESTIGATION AND CREDIT ANALYSIS OF THE PROPOSED FINANCING AND THE BUSINESS, OPERATIONS, FINANCIAL CONDITION, PROSPECTS, CREDITWORTHINESS, STATUS AND AFFAIRS OF THE ISSUER, BASED ON SUCH INFORMATION AND INDEPENDENT INVESTIGATION AS IT DEEMS RELEVANT OR APPROPRIATE AND WITHOUT RELIANCE ON THE MERCHANT BANKER/ARRANGER OR ON THIS PLACEMENT MEMORANDUM.

THE MERCHANT BANKER/ARRANGER ARE ACTING FOR THE ISSUER IN RELATION TO THE ISSUE OF THE BONDS AND NOT ON BEHALF OF THE RECIPIENTS OF THE PLACEMENT MEMORANDUM. THE RECEIPT OF THE PLACEMENT MEMORANDUM BY ANY RECIPIENT IS NOT TO BE CONSTITUTED AS THE GIVING OF INVESTMENT ADVICE BY THE MERCHANT BANKER/ ARRANGER TO THAT RECIPIENT, NOR TO CONSTITUTE SUCH A RECIPIENT A CUSTOMER OF THE MERCHANT BANKER/ ARRANGER. THE MERCHANT BANKER/ ARRANGER IS NOT RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTION AFFORDED TO THE CUSTOMERS OF THE MERCHANT BANKER/ARRANGER NOR FOR PROVIDING ADVICE IN RELATION TO THE BONDS.

EACH RECIPIENT OF THE PLACEMENT MEMORANDUM ACKNOWLEDGES THAT EACH RECIPIENT HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST FROM THE ISSUER AND TO REVIEW AND HAS RECEIVED FROM THE ISSUER ALL ADDITIONAL INFORMATION CONSIDERED BY THE RECIPIENT TO BE NECESSARY TO VERIFY THE ACCURACY AND THE MERCHANT BANKER/ ARRANGER SHALL NOT BE RESPONSIBLE FOR ANY INFORMATION RECEIVED BY THE RECIPIENT OF THE PLACEMENT MEMORANDUM OTHER THAN THE INFORMATION SET OUT HEREIN.

THIS PLACEMENT MEMORANDUM IS FOR GENERAL INFORMATION PURPOSE ONLY, WITHOUT REGARD TO SPECIFIC OBJECTIVES, SUITABILITY, FINANCIAL SITUATIONS AND NEEDS OF ANY PARTICULAR PERSON. THIS PLACEMENT MEMORANDUM SHOULD NOT BE CONSTRUED AS AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, PURCHASE OR SUBSCRIBE TO ANY SECURITIES MENTIONED HEREIN.

THIS PLACEMENT MEMORANDUM IS CONFIDENTIAL AND IS MADE AVAILABLE TO POTENTIAL INVESTORS IN THE BONDS ON THE UNDERSTANDING THAT IT IS CONFIDENTIAL. RECIPIENTS ARE NOT ENTITLED TO USE ANY OF THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM FOR ANY PURPOSE OTHER THAN IN ASSISTING TO DECIDE WHETHER OR NOT TO PARTICIPATE IN THE BONDS. THIS DOCUMENT AND INFORMATION CONTAINED HEREIN OR ANY PART OF IT DOES NOT

CONSTITUTE OR PURPORT TO CONSTITUTE INVESTMENT ADVICE IN PUBLICLY ACCESSIBLE MEDIA AND SHOULD NOT BE PRINTED, REPRODUCED, TRANSMITTED, SOLD, DISTRIBUTED OR PUBLISHED BY THE RECIPIENT WITHOUT THE PRIOR WRITTEN APPROVAL FROM THE MERCHANT BANKER/ARRANGER AND THE ISSUER. THIS PLACEMENT MEMORANDUM HAS NOT BEEN APPROVED AND WILL OR MAY NOT APPROVED BY ANY STATUTORY OR REGULATORY AUTHORITIES IN INDIA.

PLEASE NOTE THAT:

A A.K. CAPITAL SERVICES LIMITED HAS BEEN APPOINTED AS MERCHANT BANKER/ ARRANGER TO THE ISSUE VIDE ENGAGEMENT LETTER DATED OCTOBER 17, 2023 AND ISSUE AGREEMENT DATED MARCH 22, 2024 AND AMENDED AGREEMENT DATED AUGUST 05, 2024. THE MERCHANT BANKER/ ARRANGER AND/ OR ITS AFFILIATES MAY INVEST, PURCHASE AND HOLD THE SECURITIES OF THE ISSUER AND/ OR OTHER ENTITIES RELATED TO THE ISSUER FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNTS OF THEIR CUSTOMERS AND MAY EXERCISE VOTING RIGHTS OVER SUCH SECURITIES AS AVAILABLE UNDER THE RESPECTIVE TRANSACTION DOCUMENTS.

10. DISCLAIMER CLAUSE OF THE TRANSACTION ADVISOR

A.K. CAPITAL SERVICES LIMITED HAS BEEN APPOINTED AS THE TRANSACTION ADVISOR IN RESPECT OF THE ISSUE. THE ROLE OF THE TRANSACTION ADVISOR IS LIMITED TO ASSISTING THE ISSUER IN PREPARING THE CAPITAL INVESTMENT PLAN, ADVISING THE ISSUER IN RELATION TO MARKET SCENARIOS, CO-ORDINATION WITH EXTERNAL AGENCIES, LIAISONING WITH CREDIT RATING AGENCIES ETC., IN RESPECT OF THE DEBENTURES. IT IS THE RESPONSIBILITY OF THE ISSUER TO OBTAIN ALL NECESSARY APPROVALS FOR THE ISSUANCE OF THE DEBENTURES. THE INVESTORS SHOULD READ THE PLACEMENT MEMORANDUM AND TAKE THEIR OWN INFORMED DECISION FOR INVESTMENT IN THE DEBENTURES AND IN NO WAY IS THE TRANSACTION ADVISOR OR ANY OF ITS DIRECTORS, EMPLOYEES AND OFFICERS RESPONSIBLE FOR ANY INVESTMENT DECISION BY PROSPECTIVE INVESTORS.

11. DISCLAIMER IN RESPECT OF JURISDICTION

ISSUE OF THESE BONDS HAVE BEEN/ WILL BE MADE IN INDIA TO INVESTORS AS SPECIFIED UNDER PARAGRAPH J(a) (ELIGIBLE INVESTORS) OF SECTION IX: ISSUE SPECIFIC INFORMATION ON PAGE NO. 94 OF THIS PLACEMENT MEMORANDUM, WHO HAVE BEEN/ SHALL BE SPECIFICALLY APPROACHED BY THE ISSUER. THE PLACEMENT MEMORANDUM IS NOT TO BE CONSTRUED OR CONSTITUTED AS AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE TO BONDS OFFERED HEREBY TO ANY PERSON TO WHOM IT IS NOT SPECIFICALLY ADDRESSED. ANY DISPUTES ARISING OUT OF THE BONDS SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE COURTS AND TRIBUNALS AT RAJKOT THE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE TO THE BONDS HEREIN, IN ANY OTHER JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION.

FORCE MAJEURE

THE ISSUER RESERVES THE RIGHT TO WITHDRAW THE ISSUE AT ANY TIME PRIOR TO THE ISSUE CLOSING DATE IN THE EVENT OF ANY UNFORESEEN DEVELOPMENT ADVERSELY AFFECTING THE ECONOMIC AND/ OR REGULATORY ENVIRONMENT OR OTHERWISE. IN SUCH AN EVENT, THE ISSUER WILL REFUND THE APPLICATION MONEY, IF ANY, COLLECTED IN RESPECT OF THE ISSUE WITHOUT ASSIGNING ANY REASON.

ISSUE OF DEBENTURES IN DEMATERIALISED FORM

THE DEBENTURES WILL BE ISSUED IN DEMATERIALISED FORM. THE ISSUER HAS MADE ARRANGEMENTS WITH THE DEPOSITORIES FOR THE ISSUE OF THE DEBENTURES IN DEMATERIALISED FORM. THE INVESTOR WILL HAVE TO HOLD THE DEBENTURES IN DEMATERIALISED FORM AS PER THE PROVISIONS OF THE

DEPOSITORIES ACT. THE ISSUER SHALL TAKE NECESSARY STEPS TO CREDIT THE DEBENTURES ALLOTTED TO THE BENEFICIARY ACCOUNT MAINTAINED BY THE INVESTOR WITH ITS DEPOSITORY PARTICIPANT. THE ISSUER WILL MAKE THE ALLOTMENT TO INVESTORS ON THE DEEMED DATE OF ALLOTMENT AFTER VERIFICATION OF THE APPLICATION FORM AND THE ACCOMPANYING DOCUMENTS.

SECTION-II: FORWARD LOOKING STATEMENTS

Certain statements in this Placement Memorandum that are not statements of historical facts constitute “forward looking statements”. Readers can generally identify forward-looking statements by terminology like “aim”, “anticipate”, “intend”, “believe”, “continue”, “estimate”, “expect”, “may”, “objective”, “plan”, “potential”, “projects”, “pursue”, “shall”, “should”, “will”, “would” or other words or phrases of similar import. Similarly, statements regarding the Issuer’s expected financial condition and results of operations, business, strategies, plans and prospects are also forward looking statements. However, these are not the exclusive means of identifying forward-looking statements.

These forward looking statements and any other projections contained in this Placement Memorandum (whether made by the Issuer or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the Issuer’s actual results, performance and achievements to be materially different from any future results, performance or achievements, expressed or implied, by such forward looking statements or other projections.

The forward-looking statements contained in this Placement Memorandum are based on the beliefs of the Bond Issue Committee of the Issuer, as well as the assumptions made by and information available to Bond Issue Committee as at the date of this Placement Memorandum. There can be no assurance that the expectations will prove to be correct. The Issuer expressly disclaims any obligation or undertaking to release any updated information or revisions to any forward looking statements contained herein to reflect any changes in the expectations or assumptions with regard thereto or any change in the events, conditions or circumstances on which such statements are based. Given these uncertainties, recipients are cautioned not to place undue reliance on such forward-looking statements. All subsequent, written and oral, forward looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements.

SECTION-III: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Placement Memorandum.

General Terms

TERM	DESCRIPTION
“RMC” or “Issuer” or “Corporation”	Rajkot Municipal Corporation, constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established under Section 5 of the Gujarat Provincial Municipal Corporations Act, 1949 (“GPMC Act”), erstwhile the Bombay Provincial Municipal Corporations Act, 1949 (“BPMC Act”) vide Notification dated November 16, 1973 bearing reference number KP_231_73_RMC_1071_11756_P1. The BPMC Act (now GPMC Act) has been amended vide Section 3 read with Schedule (Serial No. 36) of The Gujarat Short Titles (Amendment) Act, 2011 to be renamed as The Gujarat Provincial Municipal Corporations Act, 1949.
“we”, “us”, “our”	Unless the context otherwise requires, the Corporation or RMC.

Issuer related Terms

TERM	DESCRIPTION
GPMC Act	Gujarat Provincial Municipal Corporations Act, 1949, as amended from time to time which replaced the Bombay Provincial Municipal Corporation Act, 1949 vide Section 3 read with Schedule (Serial No. 36) of The Gujarat Short Titles (Amendment) Act, 2011 to be renamed as The Gujarat Provincial Municipal Corporations Act, 1949.
AMRUT	Atal Mission for Rejuvenation and Urban Transformation.
AMRUT 2.0	Atal Mission for Rejuvenation and Urban Transformation 2.0 launched by the Hon’ble Prime Minister of India on October 1, 2021 with the aim of making cities ‘Aatma Nirbhar’ and ‘Water Secure’.
AMRUT Incentive	Pursuant to notification dated May 31, 2024, issued by the MoHUA, Government of India bearing notification no. D.O. No. K-14012/01/2022-AMRUT-IIB, urban local bodies claiming incentive for the first time, incentive amount of Rs. 13,00,00,000/- (Rs. Thirteen Crores) will be given for every Rs. 100,00,00,000/- (Rupees One Hundred Crores) of bonds issued subject to a maximum of Rs. 26,00,00,000 (Rupees Twenty-Six Crores) per urban local body.

TERM	DESCRIPTION
Applicable Law	It shall mean all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof
BPMC Act	Bombay Provincial Municipal Corporations Act, 1949
GSTA Act	Gujarat Short Titles (Amendment) Act, 2011
Bond Issue Committee/Committee	Committee duly formed on January 08th, 2024 by Standing Committee vide its resolution dated January 08th, 2024 and as approved by General Board of the Issuer vide its resolution dated January 19th, 2024.
Municipal Commissioner/Commissioner	Municipal Commissioner, Rajkot Municipal Corporation, appointed in terms of the Gujarat Provincial Municipal Corporations Act, 1949, as amended from time to time which replaced the Bombay Provincial Municipal Corporation Act, 1949.
Committee Member	Member of the Bond Issue Committee of the Corporation as mentioned in this Placement Memorandum.
GoG	Government of Gujarat/State Government
GoI	Government of India/ Central Government.
Head Office	Head Office of RMC at Dr. Ambedkar Bhavan, Dhebar Road, Rajkot – 360001, Gujarat, India
HRMS	Human Resources Management System.
MoHUA	Ministry of Housing and Urban Affairs.
MoUD	Ministry of Urban Development
MLD	Millions Liters Per Day

Issue Related Terms

TERMS	DESCRIPTION
Allotment/Allot/Allotted	The issuance and allotment of the Bonds to the successful Applicants in the Issue.
Allottee	A successful Applicant to whom the Bonds are allotted pursuant to the Issue, either in full or in part.
Applicant/Investor	A person who makes an offer to subscribe to the Bonds pursuant to the terms of the Placement Memorandum and the Application Form.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for allotment of Bonds in the Issue.
Auditors	M.M. Thakkar & Co., being the current auditors of the Issuer
Audited Financial Statements	Refers to audited balance sheet, the income and expenditure statement and the cash flow statement of the Issuer for the Financial Years ending March 31, 2022, March 31, 2023 and March 31, 2024 audited by M.M. Thakkar & Co., Chartered Accountants.

TERMS	DESCRIPTION
AY	Assessment Year
Banker to the Issue	ICICI Bank Limited
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996).
Bid Closing Date/ Issue Closing Date	As is set out in the Issue Schedule above.
Bid Opening Date/ Issue Opening Date	As is set out in the Issue Schedule above.
Bonds/ NCDs/ Debentures	Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds in the nature of debentures, of face value of ₹ 2,00,000/- each, (comprising of 2 (two) Separately Transferable And Redeemable Principal Parts (“STRPP”) namely 1 STRPP A of face value of ₹ 1,00,000 and 1 STRPP B of face value of ₹ 1,00,000), proposed to be listed on NSE as mentioned in Section VII: <i>Objects of the Issue</i> on page no. 49 of this Placement Memorandum.
BOD	Biochemical Oxygen Demand
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories.
Calendar Year	Each period of twelve (12) months commencing on January 1 and ending on December 31.
CDSL	Central Depository Services (India) Limited.
COD	Chemical Oxygen Demand
Continuous disclosures and compliances by listed entities	Continuous disclosures and compliances by listed entities in accordance with circular dated June 19, 2017 and bearing reference no. CIR/IMD/DF1/60/2017 read with the circular dated November 13, 2019 bearing reference No. SEBI/HO/DDHS/CIR/P/134/2019 and as amended from time to time.
CPHEEO	Central Public Health & Environmental Engineering Organisation
Coupon/ Interest Payment Date	As mentioned in the Summary Term Sheet.
CRISIL	CRISIL Ratings Limited
Debenture Trust Deed	Deed executed on August 20, 2024 by and between the Debenture Trustee and the Issuer in respect of the Bonds.
Debenture Trustee	Trustee for the Bond Holders, in this case being SBICAP Trustee Company Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai- 400020, India.
Debenture Trustee Agreement	Agreement dated March 22, 2024 executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as the debenture trustee in connection with the issuance of the Bonds.
Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time.
Debt Securities	Non-convertible debt securities which create or acknowledge indebtedness and include debentures, bonds and such other securities of a body corporate or any

TERMS	DESCRIPTION
	statutory body constituted by virtue of a legislation, whether constituting a charge on the assets of the Issuer or not but excludes security bonds issued by the Government or such other bodies as may be specified by SEBI, security receipts and securitized debt instruments.
Deemed Date of Allotment	The date of allotment of the Bonds with effect from which all benefits under the Bonds including interest on the Bonds shall be available to the Bond holder(s) in this case being October 18, 2024. The actual allotment of Bonds (i.e., approval from the General Board or a Committee thereof) may take place on a date other than the Deemed Date of Allotment.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A Depository Participant as defined under the Depositories Act.
Depository(ies)	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time, in present case, being NSDL & CDSL.
DI	Ductile Iron
DP	Depository Participant.
DSRA Amount	The amounts lying in, or credited into, the Interest Payment Account from time to time towards maintenance of the Required DSRA Amount.
DSRA Amount Shortfall	The amounts utilised from the Interest Payment Account (being the whole or a portion of the Required DSRA Amount) to fund the shortfall in the Interest Payment Account for the discharge of the Coupon payable on any Coupon Payment Date.
DTAA	Double Taxation Avoidance Agreement
Due Date	Any date or dates on which the Debenture Holder(s) are entitled to any payments in relation to the Bonds, which shall include, without limitation, the Coupon Payment Date(s) and the Maturity Date.
EBP	Electronic Bidding Platform as provided by the Stock Exchange(s) for bidding by Eligible Investors. NSE's electronic book platform is being used for participating in electronic book building mechanism.
Escrow Account	The bank account opened by the Issuer with the Escrow Bank for the deposit of, inter alia, Own Revenues collected by the Issuer in the Collection Accounts for onward transfer to the Interest Payment Account and the Sinking Fund Account and for servicing of the Bonds, as per the requirements of (a) the SEBI circular in relation to 'Continuous disclosures and compliances by listed entities under SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015' dated November 13, 2019 bearing reference no. SEBI/HO/DDHS/CIR/P/134/2019, as amended/modified and supplemented from time to time, which account is operated in the manner and upon the terms and conditions provided for in the Escrow Agreement.
Escrow Agreement	Escrow Agreement entered on August 20, 2024 by and between Rajkot Municipal Corporation, SBICAP Trustee Company Limited and ICICI Bank Limited (in its capacity as the Escrow Bank) with respect to the Escrow Account, the Interest Payment Account and the Sinking Fund Account.

TERMS	DESCRIPTION
Escrow Bank	ICICI Bank Limited, being the bank where the Escrow Account, the Interest Payment Account and the Sinking Fund Account will be opened.
EWS	Economically Weaker Section
Financial Year/ FY	Period of twelve months beginning from April 1 of a calendar year and ending on March 31 of the subsequent calendar year.
GIR	General Index Registration Number.
GIS	Geographic Information System
GPS	Global Positioning System
GSFS	Gujarat State Finance Services
GSR	Ground Service Reservoir
GST	Goods and Service Tax
GWSSB	Gujarat water supply and sewerage board
HDD	Horizontal Directional Drilling
I.T. Act	The Income Tax Act, 1961, as amended from time to time.
Interest Payment Account /IPA	The bank account to be opened by the Issuer with the Escrow Bank which shall be (i) the account from which the interest payments on the Bonds will be serviced and (ii) the account in which the Required DSRA Amount will also be maintained, as per the requirements of (a) the SEBI circular in relation to ‘Continuous disclosures and compliances by listed entities under SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015’ dated November 13, 2019 bearing reference no. SEBI/HO/DDHS/CIR/P/134/2019, as amended/modified and supplemented from time to time, and operated by the Debenture Trustee in the manner and upon the terms and conditions provided for in the Escrow Agreement.
Issue Agreement	Agreement dated March 22, 2024 and Amended Issue Agreement dated August 05, 2024 entered between the Issuer and the Merchant Banker/Arranger to the Issue in relation to the Issue.
Issue Proceeds Account	The bank account to be opened by the Issuer with the Banker to the Issue for proceeds received from the Issue, in the manner and upon the terms and conditions provided for in the Issue Proceeds Agreement.
Issue Proceeds Agreement	The Agreement entered on September 03, 2024 amongst the Issuer, the Banker to the Issue, Registrar and the Merchant Banker in relation to the operation of the Issue Proceeds Account.
IT	Information Technology
Majority Debenture Holders	The Debenture Holders holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the Bonds for the time being outstanding. It is however clarified that, if a resolution is required to be passed in relation to a matter concerning a particular STRPP, the term “Majority Debenture Holders” shall mean the Debenture/Bond Holder(s) holding an aggregate amount representing not less than 75% (Seventy Five

TERMS	DESCRIPTION
	Percent) of the value of the nominal amount of that STRPP for the time being outstanding.
Merchant Banker/ Arranger to the Issue	A.K. Capital Services Limited
Minimum Balance	In any period expiring on the Transfer Date, it shall mean the amount required to be transferred to the Interest Payment Account and Sinking Fund Account at the end of such month on the terms as particularly set out in the Debenture Trust Deed.
O&M	Operation and Maintenance
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE EBP Guidelines	Operational guidelines for issuance of Securities on private placement basis through the electronic book mechanism issued by SEBI vide its circular number SEBI/HO/DDHS_Div1/P/CIR/2022/00139 dated October 10, 2022, as amended/modified.
Objects of the Issue	The objects for which the proceeds of the Issue shall be used by the Issuer, i.e., incurring capital expenditure in respect of the Projects more particularly described in Section VII: Objects of the Issue on page no. 49 of this Placement Memorandum.
‘Own Revenues’	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 GoI/GoG in the form of Grants, contributions & subsidies, assigned revenue & compensations or others. The revenues/cash flows being directly levied. and collected/recovered by the Issuer including tax revenues, rental income from municipal properties, fees and user charges, sale and hire charges.
PAN	Permanent Account Number
Pay-In Date	The date on which the Bond Holders have remitted the subscription monies for the Bonds, as per the terms of this Placement Memorandum in this case being October 18, 2024.
Permitted Investments	Shall mean: (a) With respect to the funds lying credited in the Escrow Account (to the extent of the minimum balance), Interest Payment Account (including the DSRA Amount) and Sinking Fund FD can be kept in fixed deposits with any scheduled commercial bank with a dual rating of AA+ or above. However, the conditions of the fixed deposits shall not restrict premature withdrawal from the fixed deposit. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof. The Issuer shall ensure that funds lying in the escrow accounts shall be invested in accordance with the SEBI ILMDS Regulations and SEBI circulars issued thereunder and Gujarat Provincial Municipal Corporation Act, 1949, to the extent applicable.; (b) With respect to the funds lying to the credit of Sinking Fund Account can be deposited in such instruments which may be permitted both in terms of the SEBI Circulars and also Gujarat Provincial Municipal Corporation Act, 1949. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof;

TERMS	DESCRIPTION
Placement Memorandum/ PM	This placement memorandum dated October 16, 2024 filed with SEBI and NSE through which this proposed Issue is made.
PMAY	Pradhan Mantri Awas Yojana
PPP	Public Private Partnership
Preliminary Placement Memorandum/PPM	The preliminary placement memorandum dated March 22, 2024 filed with SEBI and NSE.
Projects	i. Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka (“Project I”); ii. Implementation of DI pipeline distribution network in Ward No. 12 (“Project II”); iii. Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1 (“Project III”); iv. Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1 (“Project IV”); v. Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipeline Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18) (“Project V”); vi. Implementation of DI Pipeline Distribution Network in Ward No. 11 (“Project VI”); vii. DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection (“Project VII”); viii. Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR (“Project VIII”);
Record Date	As mentioned in the Summary Term Sheet.
Registrar	Registrar to the Issue, in this case being, KFin Technologies Limited (formerly known as KFin Technologies Private Limited) a company incorporated under the Companies Act, 2013 having registered office at Selenium, Tower B, Plot No. 31-32, Financial District, Nanakramguda, Serilingapally, Hyderabad, Rangareddi, Telangana-500 032.
Required DSRA Amount	An amount equal to annual interest payments for bonds which is required to be paid by the Issuer in respect of the Bonds to be maintained throughout the tenure of the Bonds in the Interest Payment Account which also complies with the requirements of the debt service reserve amount to be maintained as per the SEBI circular in relation to ‘Continuous disclosures and compliances by listed entities under SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015’ dated November 13, 2019 bearing reference No. SEBI/HO/DDHS/CIR/P/134/2019 as amended from time to time.
Rs./INR	Indian National Rupee
RTGS	Real Time Gross Settlement
SBR	Sequential Batch Reaction
SCADA	Supervisory Control and Data Acquisition
SCORES	SEBI Complaints Redress System

TERMS	DESCRIPTION
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Electronic Book Mechanism Guidelines	The guidelines issued by SEBI and pertaining to the EBP Platform set out in Chapter VI by SEBI in its Master Circular dated May 22, 2024 bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 titled Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper as may be amended, clarified or updated from time to time.
SEBI Master Circular for Debenture Trustees	SEBI Master Circular for Debenture Trustees bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 as may be amended, clarified or updated from time to time.
SEBI Operational Circular/ Operational Circular/ Master Circular	SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024 bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 as may be amended, clarified or updated from time to time.
SEBI Municipal Debt Regulations/SEBI ILMDS Regulations	Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, as amended from time to time and related circulars, notifications, guidance notes as issued by the Securities and Exchange Board of India.
Sinking Fund Account	The bank account to be opened by the Issuer with the Escrow Bank and operated by the Debenture Trustee in the manner and upon the terms and conditions provided for in the Escrow Agreement.
SPS	Sewerage Pumping Station
STP	Sewage Treatment Plant
TDS	Tax Deducted at Source
TP	Town Planning
The Issue/the Offer/ Private Placement	Private Placement of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of debentures of face value of ₹ 2,00,000/- each, (comprising of 2 (two) Separately Transferable and Redeemable Principal Parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000 and 1 STRPP B of face value of ₹ 1,00,000) for an amount aggregating up to 100 crores (Rupees One Hundred Crores Only) by Rajkot Municipal Corporation, proposed to be listed on NSE.
Transaction Documents	The documents executed in relation to or which are relevant to the Issue including the Preliminary Placement Memorandum/Placement Memorandum along with all annexures, the Debenture Trustee Agreement, the Escrow Agreement, the Issue Proceeds Agreement, Deed of Hypothecation, Debenture Trust Deed, the Tripartite Agreements with NSDL and CDSL and any other agreement or document designated as such by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).
ULB	Urban Local Body

TERMS	DESCRIPTION
'Working Day'/'Business Day'	It shall mean all days on which commercial banks in Rajkot are open for business. Further, in respect of the time period between the bid/issue closing date and the listing of the NCDs on the Stock Exchange and with respect to the Record Date, working day shall mean all trading days of the Stock Exchange for NCDs, excluding Saturdays, Sundays, and bank holidays, as specified by SEBI.
WTP	Water Treatment Plant

SECTION-IV: RISK FACTORS

An investment in the Bonds involves a certain degree of risk. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with the Issuer's business or any decision to purchase, own or dispose of the Bonds. Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Placement Memorandum before making any investment decision relating to the Bonds.

The prospective Investors should consult their own tax, financial and legal advisors about the risks associated with investment and suitability of investment in such bonds. Investment in these Bonds include a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment in debentures. For taking an investment decision, investors must rely on their own examination of the Issue, the Issuer and this Placement Memorandum including the risks mentioned below. The Bonds have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum.

This Placement Memorandum contains statements that involve risk and uncertainties. The Issuer's actual results could differ materially from those anticipated as a result of several factors, including the considerations described below and elsewhere in this Placement Memorandum.

Unless otherwise indicated, the financial information included herein is based on the Issuer's audited financial statements as included in paragraph I (Abridged Balance Sheet, Income and Expenditure and Receipts and payments accounts for the last three years with major heads) of Section X: Financial Information on page no. 110 of this Placement Memorandum.

Investors are advised to read the following risk factors carefully before making an investment in the Bonds offered in this Issue. The order of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential investors must rely on their examination of the Issuer and this Issue, including the risks and uncertainties involved.

If any of the following stated risks or other risks that are not currently known or are now deemed immaterial actually occur, the Issuer's business, financial conditions, implementation of projects could suffer and, therefore, the value of the Issuer's Bonds could decline and/ or the Issuer's ability to meet its obligations in respect of the Bonds could be affected. Potential investors should perform their own independent investigation of the financial condition and affairs of the Issuer, and their own appraisal of the creditworthiness of the Issuer.

Please note that unless specified or quantified in the relevant risk factors, the Issuer is not in a position to quantify the financial or other implications of any risk mentioned herein below:

INTERNAL RISK FACTORS

Projects Risk and Internal Risks

- 1. We intend to utilize the Issue proceeds for the proposed Projects which are subject to the risk of unanticipated delays in implementation and cost overruns. Any such unanticipated delays in implementation and cost overruns of the Projects may have an adverse impact on our operations, reputation and cash flows.**

We intend to utilize the Issue proceeds for the Project-I- Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir (GSR), Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka; Project-II- Implementation of DI pipeline distribution network in Ward No. 12; Project-III-Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1; Project-IV-Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhpar, and Manharpar-1; Project-V- Implementation of D.I. Pipeline Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18); Project-VI- Implementation of DI Pipeline Distribution Network in Ward No. 11; Project-VII- DI Pipeline

Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection; Project-VIII- Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR ("**Projects**").

The Projects are proposed to be financed through Issue proceeds of this Issue and internal accruals/ grants received/to be received by the Corporation subject to conditions mentioned in the Scheme. In case of any non-receipt of grants the Issuer will have to arrange for alternative sources which may impact the Projects, timelines and the cost. There can be no assurance that we will be able to complete these Projects within estimated time and cost without any cost overruns. The cost of the work orders for the Projects issued in most of the cases is higher than the original approved cost and the cost as per tenders floated. The Issuer has obtained certificates from Multi Media Consultants Private Limited and Sapient Techno Consultants dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024 regarding the proposed Projects details, costs, schedule of implementation, benchmarks of the project etc. The costs of the Projects may escalate or vary based on external factors which may not be in our control.

The Projects are also susceptible to the policies of the State. Presently, there are no approvals required to be obtained by the Corporation for the implementation of the Projects, however in future there may be requirement of approvals/NOCs for the Project which may impact the timelines and we undertake to acquire all relevant regulatory approvals for the Project, as and when relevant, to ensure timely implementation and progress of the Project. There is also a possibility that the implementation of the Projects might get delayed due to various factors including workforce issues, non-availability of approvals/ no objection certificates, delays because of third party contractors etc

Further, out of all the Projects proposed to be funded by this Issue, work order has been issued for some of the Project and the details of the same are provided in Section-VII: Objects of the Issue on page no. 49 of this Placement Memorandum.

The proposed Schedule of Implementation of all the Projects along with the timelines stated therein are indicative and the Physical Target and Financial Target for activities shall be as per the work orders for implementation of each of the Projects. There can be no assurance that despite best efforts, the proposed Projects will be completed as planned or on schedule, and if it is not completed in a timely manner, or at all. The grants from government are also based on conditions, in case of any non-receipt of grant the gap will have to be contributed by RMC. There is no guarantee that Rajkot Municipal Corporation will have sufficient revenue due to unforeseen circumstances that are beyond Issuer's control. Further, there can be no assurance that despite best efforts we will be able to complete the aforementioned Projects in accordance with the proposed schedule of implementation and any delay due to unforeseen circumstances that are beyond Issuer's control could have an adverse impact on our operations, reputation and cash flows.

2. **Any inability to obtain renew or maintain the statutory and regulatory permits and approvals which are required for installation and operation of the Projects may have a material adverse effect on our ability to complete the projects on a timely basis or at all. Any failure to successfully complete the Projects on a timely basis may have an adverse impact on our reputation, operations and cash flow.**

Presently, there are no approvals required to be obtained by the Corporation as per the certificates received from Multi Media Consultants Private Limited and Sapient Techno Consultants dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024. In future in case there may be a requirement of approvals/NOCs for the Projects, the Issuer shall take all reasonable steps to obtain the said approvals/NOCs. However, the Issuer may be unable to obtain such approvals/consents (if so required) or renew such approvals within the stipulated time due to future events, unforeseen circumstances or reasons beyond the control of the Issuer. It may delay the installation of the Projects in accordance with the Schedule of Implementation which may in turn adversely impact our reputation, operations and cash flows.

3. **We are involved in large number of litigations & adverse decisions in the same may impact our working and operational efficiency.**

The Issuer is a party to various legal proceedings and has received notices from certain statutory authorities. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, statutory and regulatory authorities, and if determined against the Issuer, could have impact on the operations, implementation of projects, income and the financial condition of the Issuer. A summary of pending proceedings involving Issuer are as follows:

- **Matters related to Direct and Indirect Taxes against the Issuer**

S. No.	Nature	Number of Cases	Amount Involved (Rs. In Crores)
Direct Tax			
1)	E-proceedings	7	Not Ascertainable*
2)	Response to Outstanding Demand	2	0.0031
3)	TDS**	6	1.28
Indirect Tax			
4)	Property Tax** - Cases have been filed against the Issuer by the residents/ entities residing/ operating in Rajkot Municipal Corporation jurisdiction accusing Issuer of charging huge amount of property tax.	109	104.69

*Note:

- There is 1 proceeding for AY 12-13 wherein a sum of Rs. Nil was raised. However, the same is still pending on the Income Tax website.
- Income Tax Department has issued a notices u/s 139(9) of Income Tax Department for AY2014-2015, 2015-16, 2019-2020.
- Income tax department issued a notice for AY 2015-2016 for on-going limited scrutiny.
- Income Tax Department issued 2 notices for AY2017-18 under Section 143(3) of Income Tax Act, 1961.

**To the extent quantifiable excluding interest and penalty thereon.

1. **Criminal Litigations involving the Issuer**

The total number of cases involving pending cases against the Issuer and filed by the Issuer have been disclosed in the section Legal and Other Information. Since the nature of the case is criminal, there is no amount involved.

2. **Actions by Regulatory and Statutory Authorities**

The details of all the actions by Regulatory and Statutory Authorities have been disclosed in the "Section-XI- Legal and Other Information" on Page No. 120 of the PM.

3. **Other Civil Litigation**

The details of all the individual civil litigations above the materiality threshold have been disclosed in the "Section-XI- Legal and Other Information" on Page No. 120 of the PM.

No assurances can be given as to whether these legal proceedings will be decided in the Issuer's favour or have no adverse outcome, nor can any assurance be given that no further liability/ loss will arise out of such legal proceedings. The details of outstanding material litigations involving the Issuer which are based on the Materiality Policy of the Issuer are set out in "Pending Litigations and Material Developments" of Section XI Legal and Other Information on page no. 120 of this Placement Memorandum.

4. Leakage of tax collections may affect volume of collections and inflows which may have an adverse impact on the accumulation of funds for future development, and on the Issuer's future execution capabilities and revenue collections.

The tax collections are primarily dependent on the integrity of tax/ charges collection systems and any leakage in the same due to fraud or technical faults affects the Issuer's collections and inflows and may have an adverse impact on accumulation of funds for future development, resulting in reduction of the Issuer's future execution capabilities.

If the tax collection is not properly monitored, such tax leakages may reduce the Issuer's revenue. Although the Issuer has systems in place to minimise leakages due to fraud and pilferage, yet any significant failure by the Issuer to control leakage in the collection systems due to future events, unforeseen circumstances or reasons beyond the control of the Issuer, though not quantifiable monetarily, could have a material adverse effect on the Issuer's operations and prospects. Further, any leakage in the collections resulting in avoidance of payment of taxes/ charges, may also adversely affect the Issuer's operations. Further, there may be situations where the tax/ charges collection is disrupted or halted due to public agitation which may result in lesser revenue collection by the Issuer. Any such disruption or stoppage of tax/ charges collection will adversely affect the Issuer's revenue collections.

5. Our financing agreements impose certain restrictions on our operations, and our failure to comply with operational and financial covenants may adversely affect our operations and reputation.

Our financing arrangements impose restrictions including to obtain prior consent from one of our lender for creation of security interest over our assets and raising further indebtedness. For the purpose of the Issue, we have obtained the necessary consents from our lender, as required under the relevant facility documentations for undertaking the Issue including consequent actions, such as creation of security for the Issue etc.

Further, any breach under our financing agreements even after reasonable efforts due to any unforeseen future circumstances that are outside our control could result in acceleration of our loan repayments or trigger a cross-default under our other financing agreements. In some of our financing agreements, the lender may, at its discretion, terminate or cancel the facility with immediate effect if we default under any other material agreements with any other financing institution, adversely affecting our operations and financial condition. For further details, see Section titled "Financial Information" beginning on page no. 110 of this Placement Memorandum.

6. We are dependent on grants and support in the form of budgetary allocation from Central and State Government for Central and State Government projects. Failure to obtain grants or any reduction in funding in the form of grants or budgetary allocation from the government may adversely impact such projects.

The projects undertaken by the Issuer are very capital intensive and any reduction in budgetary allocation of capital, funding or non-receipt of grants by the GoI and GoG may materially affect the Issuer's performance and asset generation capacity. Since grants are one of the main sources of revenue for the Issuer, any irregularity in release of grants may affect the projects implementation schedules and affect the financial condition of the Issuer. After introduction of GST, the amount of grant received by us from GoG has been increased to compensate for the loss of revenue. Any delay in receipt of the grant may have an impact on our liquidity position. For details of grants received from the State Government please refer to Section VI: *About the Issuer and Capital Structure of the Issuer* on page no. 37 of this Placement Memorandum. Further, the growth plans of the Issuer are mainly determined by the amount of grants and support in the form of budgetary allocations and any adverse developments in the policy of the government in the manner in which it seeks to address the development of the infrastructure needs of India will have a material and adverse effect on the Issuer's operations. Moreover, if the funding from grants decreases or if there is any adverse change in the pattern of allocation of the tax collected by GoI or if there is a downturn in the macroeconomic environment in India or in the sectors which are directly dependent on the infrastructure projects that

the Issuer undertakes/ proposes to undertake, the Issuer's operations and future performance could be materially and adversely affected and may also have an adverse impact on the projects.

7. All our Projects for which funds are being raised have not been appraised by any bank or government or regulatory body or financial institution and are not insured for any losses.

All our Projects for which funds are proposed to be financed through Bonds, and internal accruals of RMC including grants from GoI/GoG and have not been appraised by any bank or government or regulatory body or financial institution. The cost of the Projects are based on the details, estimates and assumptions given in Details Project Reports received for each of the Projects and the related Project Cost approved by the Municipal Commissioner. Our budgeted costs for the Projects may be insufficient to meet our proposed capital expenditure requirements Further the estimated Project Cost are excluding amount payable towards GST. The amount payable towards GST obligations will be borne by RMC out of internal accruals. Although RMC would endeavor to complete the all the Projects on time and within the prescribed cost, a funding gap could develop due to cost overruns, which may pose a contingent budgetary risk for RMC, or result in a request to the Standing Committee/Corporation for additional borrowing authority for all the Projects Further, the Issuer does not have any insurance coverage for the Projects in case of any loss caused to the Projects due to fire, earthquake, flood or any other natural calamities etc. leading to cost and time overruns. The non-implementation of the Projects as per the schedule of implementation will affect the Issuer's performance and asset generation capacity, receipt of grants from GoI/GoG and thereby impacting the business, cashflow and financial conditions of the Issuer. The schedule of implementation has been provided under Objects of the Issue chapter on page no. 49 of this PM.

8. We are eligible for incentive from Government of India, Ministry of Housing and Urban Affairs under Atal Mission for Rejuvenation and Urban Transmission 2.0 ("AMRUT 2.0") for raising funds from Bonds. We cannot assure that we will be able to successfully raise the Bonds and any failure to raise funds through issuance of Bonds in a timely manner may impact our ability to receive incentive from Ministry of Housing and Urban Affairs, Government of India.

The Corporation will be eligible to receive incentive as per D.O. No. K-14012/01/2022-AMRUT-IIB dated May 31, 2024 from Ministry of Housing and Urban Affairs Government of India under Atal Mission for Rejuvenation and Urban Transmission 2.0 ("AMRUT 2.0") for raising of funds through the proposed Bonds.

AMRUT 2.0 was launched with the objective of making cities 'Aatma Nirbhar' and water secure. Under the said notification for AMRUT 2.0, the first 20 urban local bodies on 'first come, first serve' basis during the mission period to issue municipal bonds by urban local bodies for raising bonds for the first time shall be eligible for incentive of Rs. 13,00,00,000/- (Rupees Thirteen Crores) for every Rs. 100,00,00,000/- (Rupees One Hundred Crores) of bonds, subject to a maximum of Rs. 26,00,00,000 (Rupees Twenty Six Crores) per urban local body.

Any failure by us to complete the Issue in a timely manner due to future events, unforeseen circumstances or reasons beyond the control of the Issuer may impact our ability to claim incentives under AMRUT 2.0 from Government of India, Ministry of Housing and Urban Affairs.

Credit Risk

9. The credit rating assigned to Bonds may be downgraded.

India Rating and Research Private Limited has vide its letter dated February 06, 2024, and as revalidated vide its letters dated March 06, 2024, July 29, 2024 and October 07, 2024, assigned a rating of Provisional IND AA/Stable and has issued a rating rationale dated February 06, 2024, CRISIL Ratings Limited has vide its letter dated December 18, 2023, and as revalidated vide its letters dated January 29, 2024, March 05, 2024, July 30, 2024 and October 07, 2024 assigned a rating of Provisional CRISIL AA/Stable and has issued a rating rationale dated December 15, 2023 and May 21, 2024.

However, if there is a deterioration in our financial performance or position, accumulation of debt or if there are any statutory or regulatory restrictions detrimentally affecting our ability to collect revenues or manage expenditures due to future events, unforeseen circumstances or reasons beyond the control of the Issuer, our credit rating and credit rating assigned to the Bonds may be downgraded. Any downgrading in our credit rating or credit rating of instruments will result in an enhanced risk to the Bondholders.

The ratings provided by the Rating Agencies may be suspended, withdrawn or revised at any time including without limitation on financial deterioration of the Issuer. Any revision or downgrading in the above credit rating may lower the value of the Bonds and may also affect the Issuer's ability to raise further debt. In such cases where the value of the Bonds decreases, potential investors may incur losses on sale of their investment in the secondary market.

Financial Risk including Liquidity Risk

10. Collection ratios of Issuer may vary in the future that may impact the financial condition of the Issuer.

The total collection of Property Tax which is one of the main sources of revenue has increased from Rs. 180.12 crores in FY 2021-2022 to Rs. 215.62 crores in FY 2022-2023 to Rs. 233.85 crores in FY 2023-2024. Though the total collections have increased from the last three years, however, there can be no assurance that the total collection may not decrease in future which will have an impact on the financial condition of the Issuer. The portion of property tax due but not collected is shown as receivables in our financial statements. While the Issuer takes certain measures, from time to time, to collect such arrears, there can be no guarantee for timely collection of such arrears.

Any shortage in collections in any period may result in a mismatch in revenue and expenditure of the Issuer and the funds may be inadequate for transfer to the Escrow Account. For further details please refer to the "Details of Property Tax collection" of Section X: Financial Information on page no. 116 of this Placement Memorandum.

11. Financial Risk

The Issuer's ability to pay Coupon accrued on the Bonds and/or the principal amounts outstanding from time to time in connection therewith would be subject to various factors, including inter alia the Issuer's financial condition, profitability, revenue generation and general economic conditions prevailing in India and in the global financial markets. The Issuer shall create a structured payment mechanism through which the Own Revenues/Cash Flows or any other specified revenue/cashflow deposited in the account(s) where Own Revenues/Cash Flows shall be collected are being routed to ensure 100% (One Hundred percent) cover for the principle amount of Bonds and interest accrued thereon.

12. RMC may not be able to pay interest accrued on the Bonds and/ or the principal amount in timely manner as outstanding from time to time.

While the Issuer will take all reasonable steps to pay the accrued interest and/ or the principal amount in timely manner, the Bond Holders may not be able to recover, on a timely basis, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the Bonds, due to future events, unforeseen circumstances or reasons beyond the control of the Issuer.

RMC's ability to timely pay interest accrued on the Bonds and/ or the principal amount outstanding from time to time in connection therewith would be subject to various factors, including inter-alia timely on-time recovery of Own Revenues and the general economic conditions prevailing in India and in the global financial markets. Though Issuer has created a structured payment mechanism through which the Own Revenues, shall be collected for debt servicing in favor of the Debenture Trustee for the Bondholders to ensure sufficient funds for repayment of principal and interest accrued thereon, the realizable value of the Bonds may be lower than the outstanding principal and/ or interest accrued thereon and consequently, the potential investor may not be able to recover on a timely basis

or at all, the full value of the outstanding amounts and/ or the interest accrued thereon in connection with the Bonds.

13. Considering the nature of the Issuer and non-applicability of SARFAESI, recovery proceeding, if any, initiated in case of any default might take longer which may have a negative impact on the ability of the investor to recover the Investors' dues.

The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. However, the NCD Holders may themselves or through the Debenture Trustee, may have other available legal recourse in accordance with SEBI regulations and other Applicable Law.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 does not apply to the Issuer. Given the nature of the Issuer and the Bonds issuance being secured, in case of any default by the Issuer the process to be followed for recovery of Investor's monies might be longer.

Business Risk

14. The Issuer is dependent on information technology and any breach on information technology may affect the Issuer's activities.

The Issuer's operations are dependent on information technology. The Issuer has undertaken various reforms towards digitisation of payment of tax and other services. A failure, inadequacy or security breach in the information technology and telecommunication systems or an inability to adapt to rapid technological changes may adversely affect the Issuer's activities, timely collection of taxes and the Issuer's financial condition.

The Issuer's ability to maintain and upgrade its information technology systems and infrastructure on a timely and cost-effective basis, including the ability to process a large number of transactions on a daily basis may have an impact on the Issuer's business. The Issuer's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The Issuer has engaged various private sectors entities for enabling the digitalization. If any of these entities is unable to meet the desired objectives these services may fail to operate adequately or become disabled as a result of events that may be beyond the Issuer's control, including a disruption of electrical or communications services. Further, the computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other attacks that may compromise data integrity and security and result in information or identity theft, as a consequence of which the Issuer's operations and future performance could be materially and adversely affected.

15. Reliance on third-party intermediaries, contractors and service providers.

The Issuer while undertaking various projects relies on third-party intermediaries, contractors and service providers who may not perform their obligations satisfactorily or in compliance with Applicable Laws.

The Issuer enters into outsourcing arrangements/ contracts with civil contractors for undertaking various civil contracts and with third party vendors for providing various services. Any failure by the contractors or service providers to provide a specified service, develop the Projects and maintain it or a breach in security/ confidentiality or non-compliance with legal and regulatory requirements may result in financial loss, loss of reputation, delay in the Projects and have an adverse impact on the financial condition of the Issuer.

16. Labour Related Risks

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for discharge of employees and dispute resolution and imposes financial obligations on employers upon employee layoffs. As a result of such stringent labour regulations, it is difficult for the Issuer to maintain flexible human resource policies, discharge

employees or downsize, which may adversely affect our business, financial condition and results of operations. Additionally, some of the Issuer's employees are part of certain industry labour unions and such unions could result in labour unrest. Strikes or work stoppages or any mishaps/ accidents impacting the labour in future could have an adverse impact on the Issuer's operations. Recently, the Government of India has given its assent to enact (i) Code on Wages, 2019 (ii) Industrial Relations Code, 2020 (iii) Code on Occupational Safety, Health & Working Conditions Code, 2020 (iv) Code on Social Security, 2020 which has replaced some of the existing labour laws with the objective to simplify and modernize labour regulations. However, the rules under the abovementioned codes are yet to be notified by the Central Government and by the State Government.

The Issuer, from time to time, for certain activities, appoints independent contractors who in turn may engage on-site contract labour for performance of certain activities. The spread of the Covid-19 virus and the measures taken by the Government of India and Government of Gujarat including lockdown and curfew have had a negative impact on the movement and activities of contract labour. This has had a negative impact on the activities of execution agencies such as civil contractors and other vendors that have been engaged by the Issuer. Further, the Issuer may be held responsible for any payment of wages/ compensation for any accidents or losses relating to such contracted labourers in certain cases even though such labourers are not directly engaged by the Issuer. Such an event may have an adverse impact on the Issuer's financial position and operations due to future events, unforeseen circumstances or reasons beyond the control of the Issuer.

17. The Issuer has certain contingent liabilities, the materialisation of which may adversely affect the Issuer's financial condition.

The Issuer, in the ordinary course of its business, is involved in various claims, suits, investigations, and legal proceedings that arise from time to time. Although the Issuer does not expect that the outcome in any of these legal proceedings, individually or collectively, will have a material adverse effect on the Issuer's financial position or results of operations, yet litigation is inherently unpredictable. Therefore, the Issuer could incur judgments or enter into settlements of claims that could adversely affect the Issuer's operating results or cash flows in a particular period. As on the date of this Placement Memorandum, there are a number of ongoing civil and consumer claims against the Issuer. While for some cases, some deposits have already been done with the regulatory authorities however, there may be other cases wherein provision for contingent liabilities has not been recognized in the Issuer's financial statements. The outcomes of these cases are remote and the financial implications are not ascertainable. In the event, any of these contingent liabilities materialise, the Issuer's financial condition may be adversely affected. For details of non-payment of statutory dues of the Issuer, please refer to paragraph H "*Details of non-payment of statutory dues, if any*" of Section XI: *Legal and Other Information* on page no. 120 of this Placement Memorandum.

18. We are exposed to operational risks, including employee negligence, petty theft, burglary and embezzlement and fraud by employees or third parties, which could harm our results of operations and financial position.

We are exposed to operational risks, including employee negligence, petty theft, burglary and embezzlement and fraud by employees or third parties, which could harm our results of operations and financial position. We may do cash collections to recover our dues. Such cash transactions may expose us to the risk of theft, burglary and misappropriation or unauthorized transactions by our employees and fraud by employees or third parties. Our insurance policies, security systems and measures undertaken to detect and prevent these risks may turn out to be insufficient to prevent or deter such activities in all cases or due to future events, unforeseen circumstances or reasons beyond the control of the Issuer, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

EXTERNAL RISK FACTORS

General Risk

19. There may be less information available about the municipal corporations listed on the Indian securities markets compared with information that would be available if we were listed on securities markets in certain other countries.

There may be differences between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in India and that in the markets in the United States and certain other countries. SEBI is responsible for ensuring and improving disclosure and other regulatory standards for the Indian securities markets. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about a municipal corporation listed on an Indian stock exchange compared with information that would be available if that the said municipal corporation was listed on a securities market in certain other countries. As a result, investors may have access to less information about the operations, results of operations, cashflows and financial conditions than you may find in the case of municipal corporations listed on a securities market of other more developed countries.

20. Political Scenario prevailing in India might risk our business.

Periodic elections and/ or rotation of the officers might pose a risk to the operations of the Issuer since a change in the government might shift the policy focus for the municipal corporation which will impact the ongoing activities of the Issuer. Such changes in policy focus might affect the relative priority of capital expenditures for the Projects and other projects undertaken by the Issuer. The payment of interest and principal to the Bonds holders are backed by structured payment mechanism. For further details, please refer to Structured Payment Mechanism on page 136 of this PM.

21. Changes in Government Policies may affect the collection of revenue of the Issuer and may also affect the management of the expenditure.

The Issuer's operations are dependent on the policies of the government, central as well as state initiatives. Any changes in government policies detrimental to the Issuer may affect the collection of revenue of the Issuer and may also affect the management of the expenditure of the Issuer. Further, inconsistencies in our revenue collection and any lack of support in terms of regulatory initiatives will adversely affect the Issuer's operations, as will any delayed response in policy alteration or other regulatory impediments, which will adversely affect the Issuer's operations. Additionally, policies of central and state government which mandate urban local bodies to focus on development in certain specific sectors or areas or future events, unforeseen circumstances or reasons beyond the control of the Issuer may will affect the Issuer's projects and operations.

22. Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations.

The Issuer is subject to changes in Indian laws, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

23. Legality of purchase.

Potential investors of the Bonds will be responsible for the lawfulness of the acquisition of the Bonds, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

24. The secondary market for the Bonds may be less liquid.

The Bonds may be less liquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the Bonds, it is not likely to provide significant liquidity. Potential investors may have to hold the Bond until redemption to realise any value.

25. Tax/Accounting considerations and Legal considerations.

Special tax/accounting considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

Further, sale of Bonds by any Bonds Holder may give rise to tax liability. The returns received by the investors from Debentures issued by the Issuer in the form of interest and the gains on the sale/transfer of the Debentures may be subject to tax liabilities under the Income Tax Act, 1961. For details of possible tax benefits available to the Issuer and NCD Holders under the applicable laws in India, as discussed in section titled “*Tax Benefits*” on page no. 87 of this PM.

26. Accounting considerations.

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine the implications of this investment.

27. External factors like natural calamities, pandemics, protest, riots, terrorism etc. may affect our operations and may delay the implementation of proposed Projects.

Any occurrence of natural calamities like storm, flash floods, any instance of pandemics, protest, riots etc. could hamper the transportation facilities, impact mobility and functioning of the city and hence the implementation of proposed Projects. Though we are scaling up our internal systems to take care of any such sudden events, in case they occur in future, these conditions may result in hampering the functioning of RMC due to additional cost burden for retrieving the city back to normalcy.

28. Decentralization with respect to Municipal Corporations.

RMC has legislative and administrative control over its operating revenues, expenditures and capital plans, as permitted under the relevant Act. Nevertheless, changes in State and Central Government revenue sources and regulatory frameworks could have an effect on the credit profile of RMC (positive and negative), should those changes result in devolution of power, of revenues or of spending mandates.

Additionally, being a government organization, RMC is subject to regulations by Indian governmental authorities. There may be future changes in the regulatory system or in the enforcement of the laws and regulations that could adversely affect RMC.

29. The Issue may not be fully subscribed to by potential investors.

In case the Issue is not fully subscribed to by potential investors, the Issuer may be unable to meet the funding requirements of the Projects from the proceeds of the Issue to the full extent. The Issuer may be required to raise additional funds to meet the shortfall in funding the Projects through other sources which may lead to a delay in the completion of the Projects. The funding gap may develop due to such shortfall in full subscription to the Issue, in which the Issuer may utilize its internal accruals or obtain funding through other means for completion of the Projects. Please refer to paragraph J (Capital structure relating to Projects for which funds are proposed to be mobilised) of Section VI *About the Issuer and Capital Structure of the Issuer* on page no. 35 of this Placement Memorandum.

Risk in relation to the Bonds

30. The Issuer shall do all necessary actions for listing of the bond in timely manner, however there is no assurance that the Bonds issued pursuant to this Issue will be listed on NSE in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the Bonds issued pursuant to the Issue will not be granted until after the Bonds have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of

necessary procedures with the Stock Exchange. There could be a failure or delay in listing the Bonds on NSE for reasons unforeseen. While the Issuer shall ensure compliance with the provisions related to the timelines for listing of securities as specified in Chapter VII of Master Circular for issue and listing of Non-convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, however, if permission to deal in and if an official quotation of the Bonds is not granted by NSE, our Corporation shall refund the entire monies received within seven days of receipt of intimation from NSE rejecting the application for listing of Bonds, and if any such money is not repaid after the Issuer becomes liable to repay it, the Issuer shall be liable to repay that money with interest at the rate of 15% (fifteen percent) per annum till such refund is made.

31. Changes in interest rates may affect the price of the Bonds.

All securities where a fixed rate of interest is offered, such as the Bonds, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rate, i.e., when interest rates rise prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest which frequently accompany inflation and/ or a growing economy are likely to have a negative effect on the price of the Debentures.

The secondary market pricing of the Bonds is subject to factors affecting the general economic condition in India and in the domestic and global financial markets. All securities where a fixed rate of interest is offered, such as in the present case, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rate rises prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity, credit rating and the increase or decrease in the level of prevailing interest rates. Thus, the investor may face volatility in the price of the bond issued due to above mentioned factors.

32. There may be nil or partial allotment to investors in case of oversubscription of the Issue.

In case the Issue is oversubscribed the allotments will be made to the applicants on yield-time priority/ pro-rata basis in line with the SEBI EBP Guidelines and the investors may not receive allotment to the full extent of their application size or any allotment at all. Accordingly, the investors may get partial allotment case of oversubscription of the Issue, depending on their bids on the EBP Platform, in accordance with SEBI EBP Guidelines.

33. The Bonds shall be subject to continuous post listing compliances with applicable rules and regulations with respect to such listed non-convertible debentures.

The Bonds are proposed to be listed on NSE. Subsequently, we will be required to comply with various applicable rules and regulations, including the SEBI circulars issued on continuous disclosures and compliances for our Bonds.

34. The Issuer, post listing of the Bonds shall be subject to continuous listing compliances with applicable rules and regulations with respect to such listed non-convertible debentures.

The Bonds are proposed to be listed on the NSE. Subsequently, we will be required to comply with various applicable rules and regulations, including the SEBI circulars issued on continuous disclosures and compliances for our Bonds. Any instances of non-compliance, despite best efforts may lead to fines/ penalties or actions by the Stock Exchange

SECTION-V: GENERAL INFORMATION

A. Details of the Issuer

i) **Name of the Issuer: Rajkot Municipal Corporation**

ii) **Head Office of the Issuer:**

Dr. Ambedkar Bhavan, Dhebar Road,

Rajkot – 360001, Gujarat, India

Ph: 0281-2221622

Email id: rmcaccount@rmc.gov.in

Website: <https://rmc.gov.in/>

iii) **Other Offices of the Issuer:**

Zonal Offices:

a) **WEST ZONE OFFICE**

Deputy Municipal Commissioner,

RMC, West Zone Office,

Behind Big Bazar,

150Ft Ring Road,

Taluka: Rajkot

District: Rajkot

b) **CENTRAL ZONE OFFICE**

Dr. Ambedkar Bhavan,

Dhebar Road,

Village: Rajkot, Gujarat

Taluka: Rajkot

District: Rajkot

c) **EAST ZONE OFFICE**

Deputy Municipal Commissioner,

Rajkot Municipal Corporation E, East Zone, Near Krishnamam,

Village: Rajkot (M Corp. + OG),

Taluka: Rajkot

District: Rajkot

B. Details of the registered and corporate office of the Issuer

Not applicable, as the Issuer is a Municipal Corporation.

C. Details of Mayor/Deputy Mayor

Sl. No.	Particulars	Designation	Date of Appointment
1.	Mrs. Nayanaben Pedhadiya	Mayor	September 12, 2023
2.	Mr. Narendrasinh Jadeja,	Deputy Mayor	September 12, 2023

D. Details of Commissioner/Deputy Commissioners

Sl. No.	Designation	Name of the Officer	Date of Appointment for the Designation
1.	Municipal Commissioner	Shri D.P. Desai (I.A.S)	May 28, 2024
2.	Deputy Commissioner	Shri Chetanbhai Kiritbhai Nandani	October 17, 2015
3.	Deputy Commissioner	Shri. Swapnil Khare	February 01, 2024
4.	Deputy Commissioner	Shri H.R. Patel	May 03, 2024

E. Details of the members of the Committee approving the projects/ various Standing Committees relating to Taxation / Finance /Accounts/ Audit/ Infrastructure.

The Issuer has a Standing Committee and a Bond Issue Committee.

Details of the Standing Committee are given below:

Standing Committee

The Standing Committee comprises of members appointed by the corporation from amongst themselves at its first meeting after the general elections. The term of the members is for two and a half years from appointment and the members are eligible for re-appointment as well. Standing Committee comprises of 12 councilor members. The members of the Committee appoint one of its members to be the Chairman of the Committee. The Standing Committee via a resolution carrying votes in favour of by at least 2/3rd of the members present in meeting, delegate to any Special Committee any of its powers and duties in respect of any matter in which such Standing Committee is competent to deal. The Standing Committee may also by a specific resolution, delegate any of its powers and duties to a sub-committee consisting of at least three members of the Standing Committee.

Presently the constitution of the Standing Committee is as follows:

Name and Designation	Date of Appointment /Resignation	Member of the Committee since (in case of resignation)	Remarks
Chairman			
Jayminbhai Thaker	September 12, 2023	-	-
Members			
Dakshaben Vasani	September 12, 2023	-	-
Bhartiben Parsana	September 12, 2023	-	-
Manjuben Kugasiya	September 12, 2023	-	-
Hardikbhai Gohil	September 12, 2023	-	-
Varshaben Ranpara	September 12, 2023	-	-
Devangbhai Mankad	September 12, 2023	-	-
Narendrasinh Vaghela	September 12, 2023	-	-
Jyotsanaben Tilara	September 12, 2023	-	-
Bipinbhai Bera	September 12, 2023	-	-
Dr. Nehal Shukal	September 12, 2023	-	-
Ruchitaben Joshi	September 12, 2023	-	-

Bond Issue Committee

The Issuer has formed the Bond Issue Committee vide Standing Committee Resolution No. 416 dated January 08, 2024 and approved vide General Board Resolution No. 139 dated January 19, 2024. As per Order dated March 21, 2024 of the Commissioner and further reconstituted as per order dated August 05, 2024 and October 16, 2024. The reconstituted Bond Issue Committee currently consists of the following members:

Name and Designation	Date of Appointment/ Resignation	Member of the Committee since (in case of resignation)	Remarks
Chairman			
Shri D.P. Desai (I.A.S) Municipal Commissioner	August 05, 2024	-	-
Shri Anand Babulal Patel (I.A.S) Municipal Commissioner	May 27, 2024*	March 21, 2024**	

Name and Designation	Date of Appointment/ Resignation	Member of the Committee since (in case of resignation)	Remarks
Members			
Shri Chetanbhai Kiritbhai Nandani Deputy Commissioner	March 21, 2024	-	-
Amitkumar Lalitbhai Savajiyani Chief Accountant	March 21, 2024	-	-
Shri. Alpna Mehul Mitra Nodal Officer (Amrut Yojana)	July 31, 2024*	March 21, 2024**	-
Shri Yogendragiri Keshavgiri Goswami Nodal Officer (Amrut Yojana)	October 15, 2024*	August 05, 2024**	-
Shri. Paresh Dhirenkumar Adhiya Nodal Officer (Amrut Yojana)	October 16, 2024	-	-
Shri. Brijesh Mehta Chief Auditor	March 21, 2024	-	-

*Date of Resignation

**Date of appointment as Member of Bond Issue Committee

F. Name, designation, address and DIN of each member of the board of directors of the issuer if the issuer is a company.

Not Applicable, as the Issuer is a Municipal Corporation.

G. Name, address, telephone number and email address of the compliance officer of the Issuer/ Official In-charge of dealing with Investor Grievances related to Municipal Bonds and also the Chief Accounts and Finance Officer or equivalent of the Issuer

Mr. Amitkumar Lalitbhai Savajiyani,

Chief Accountant,
Account Department,
Dr. Ambedkar Bhavan, Dhebarbhai Road,
Rajkot – 360001, Gujarat, India.
Ph. No.: 0281-2221622,
Mobile: 9714968686
Email: amitsavajiyani@rmc.gov.in
Email (Investor Grievance): rmcaccount@rmc.gov.in

The responsibility of Mr. Amitkumar Lalitbhai Savajiyani as Compliance Officer and in-charge of investor grievances shall be till he has his designation as Chief Accountant in RMC and in case of his transfer/retirement/recuse, RMC shall immediately handover the responsibility of Compliance Officer to any other official of the same cadre holding his post.

H. Arranger

The Merchant Banker to the Issue is also the Arranger. The details are set out below:

A.K CAPITAL SERVICES LIMITED,

603, 6th floor, Windsor, Off CST Road, Kalina, Santacruz-(East), Mumbai- 400 098.

Tel: 022-67546500;

Fax: 022-66100594

Email: rajkotmunibonds@akgroup.co.in; varun.Kaushik@akgroup.co.in

Investor Grievance E-mail: investor.grievance@akgroup.co.in

Website: www.akgroup.co.in

Contact Person: Varun Kaushik

Compliance Officer: Tejas Davda

Tel (Compliance Officer): 022-67546546

Email (Compliance Officer): tejas.dawda@akgroup.co.in

SEBI Registration No.: INM000010411

CIN: L74899MH1993PLC274881

J. Debenture Trustee of the Issue

SBICAP Trustee Company Limited

4th Floor, Mistry Bhavan, 122,
Dinshaw Wachha Road,
Churchgate, Mumbai 400 020
Tel: +91-22-43025566
Contact Person: Mr. Ardhendu Mukhopadhyay
E-mail: corporate@sbicaptrustee.com/ dt@sbicaptrustee.com
Website: www.sbicaptrustee.com
Investor Grievance e-mail: investor.cell@sbicaptrustee.com
Compliance Officer: Mr. Rajiv Ranjan
Tel.(Compliance Officer): 022 43025547
Email (Compliance Officer): rajiv.ranjan@sbicaptrustee.com
SEBI Registration No.: IND000000536
CIN: U65991MH2005PLC158386

K. Registrar to the Issue:

KFin Technologies Limited

(earlier KFin Technologies Private Limited)

Selenium, Tower B, Plot No. 31 and 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana 500 032
Tel: +914067162222/7961 1000
Fax No.: +91 40 2343 1551
Email: srinivassudheer.venkatapuram@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. Srinivas Sudheer Venkatapuram.
E-mail (Investor Grievance): einward.ris@kfintech.com
SEBI Registración No.: INR000000221
CIN: L72400TG2017PLC117649

L. Credit Rating Agencies for the Issue:

India Ratings and Research Private Limited

Address: Wockhardt Towers, 4th Floor, West Wing,
Bandra Kurla Complex, Bandra (E) Mumbai-400 051
Tel: 022-40001700
Fax: 022-40001701
E-mail: infogrp@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Suyash Gangwal
SEBI Registration No.: IN/CRA/002/1999
CIN: U67100MH1995FTC140049

CRISIL Ratings Limited

Address: CRISIL House, Central Avenue, Hiranandani Business Park,
Powai, Mumbai - 400076
Tel: + 91 22 3342 3000
Fax: +91 22 3342 3001
E-mail: crisilratingsdesk@crisil.com
Website: <https://www.crisilratings.com/>
Contact Person: Aditya Jhaver
SEBI Registration No.: IN/CRA/001/1999
CIN: L67190MH1993PLC071691

M. Auditor of the Issuer:

M.M. Thakkar & Co.

1, Galaxy Commercial Centre,
1' Floor, Jawahar Road, Rajkot- 360001Tel: 0281-2224290
E-mail: dmthakkar@hotmail.com
Contact Person: CA. Darshak M. Thakkar
Website: N/A
Firm Registration No.: 110905W
Membership Number: 103762

N. Names, addresses, telephone numbers, contact person, website addresses and e-mail addresses of the lead manager(s), registrars to the issue, bankers to the issue, brokers to the issue and syndicate member(s); along with URL of SEBI website listing out the details of self-certified syndicate banks, registrar to the issue and depository participants, etc., if applicable.

Lead Manager	Not Applicable as the Issue is on a private placement basis.
Merchant Banker	A.K CAPITAL SERVICES LIMITED, 603, 6 th floor, Windsor, Off CST Road, Kalina, Santacruz-(East), Mumbai-400 098. Tel: 022-67546500; Fax: 022-66100594 Email: varun.kaushik@akgroup.co.in rajkotmunibonds@akgroup.co.in Investor Grievance E-mail: investor.grievance@akgroup.co.in Website: www.akgroup.co.in Contact Person: Varun Kaushik Compliance Officer: Tejas Davda Tel (Compliance Officer): 022-67546546 Email (Compliance Officer): tejas.davda@akgroup.co.in SEBI Registration No.: INM000010411 CIN: L74899MH1993PLC274881
Registrar to the Issue	KFin Technologies Limited (earlier Kfin Technologies Private Limited) Selenium, Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500 032 Tel: +914067162222/7961 1000 Fax No.: +91 40 2343 1551 Email: srinivassudheer.venkatapuram@kfintech.com Website: www.kfintech.com Contact Person: Mr. Srinivas Sudheer Venkatapuram. E-mail (Investor Grievance): einward.ris@kfintech.com SEBI Registration No.: INR000000221 CIN: L72400TG2017PLC117649
Banker to the Issue	ICICI Bank Limited Address: Capital Market Division, 5th Floor, HT Parekh Marg, Churchgate, Mumbai-400020 Tel: 022-68052182 E-mail: ipocmg@icicibank.com Website: www.icicibank.com Contact Person: Mr. Varun Badai SEBI Registration No.: INBI00000004 CIN: L65190GJ1994PLC021012
Escrow Bank	ICICI Bank Limited Address: Capital Market Division, 5th Floor,

	HT Parekh Marg, Churchgate, Mumbai-400020 Tel: 022-68052182 E-mail: ipocmg@icicibank.com Website: www.icicibank.com Contact Person: Mr. Varun Badai SEBI Registration No.: INBI00000004 CIN: L65190GJ1994PLC021012
Brokers to the Issue	Not applicable as the Issue is on a private placement basis.
Syndicate Members	Not applicable as the Issue is on a private placement basis.
URL of SEBI Website listing out details of recognised Intermediaries	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

O. Names, addresses, telephone numbers and e-mail addresses of the Company Secretary, legal advisor, underwriters and bankers to the issuer.

Company Secretary to the Issuer	Not Applicable
Legal Advisor to the Issuer	MV Kini, Law Firm Kini House, 6/39, Jangpura B New Delhi-110014 Ph: +91 11 2437 1038/39/40 Facsimile: +91 11 24379484 E-mail: corporatedelhi@mvkini.com
Underwriter to the Issuer	Not Applicable as the Issue is on a private placement basis.
Bankers to the Issuer*	Not Applicable

** As on September 30, 2024, the Issuer has outstanding loan from GSFS. The details of the same are given in Financial Information chapter on page no. 118.*

P. Debenture Trustee to the Issue

In accordance with the provisions of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, RMC has appointed SBICAP Trustee Company Limited to act as Debenture Trustee (“**Debenture Trustee**”) for and on behalf of the holder(s) of the Bonds.

A copy of letter from SBICAP Trustee Company Limited conveying their consent to act as Debenture Trustee for the current issue of Bonds and in all communications sent pursuant to the Issue as **Annexure IV**.

RMC hereby undertakes that the rights of the Bondholders will be protected as per the governing Act, agreement/deed executed/to be executed between RMC and the Debenture Trustee. The Debenture Trustee Agreement/Deed shall contain such clauses as may be prescribed under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, and various other circulars. Further the Debenture Trustee Agreement/Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Debenture Trustee or RMC in relation to any rights or interests of the holder(s) of the Bonds; (ii) limiting or restricting or waiving the provisions of the SEBI Act; SEBI Municipal Regulations and circulars or guidelines issued by SEBI; and (iii) indemnifying the Trustee or RMC for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and

things in respect of or relating to the Bonds as the Debenture Trustees may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Bonds.

The Debenture Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Debenture Trustees. The Debenture Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.

Q. Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer endeavors to resolve the investor's grievance within 30 days of its receipt. All grievances related to the issue may be addressed to the Compliance Officer at head office of the Issuer or emailed to rmcaccount@rmc.gov.in. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer and Officer In-Charge of dealing with investor grievances in relation to the municipal bonds are given at point G of this Chapter on *General Information* at page no. 30 in this Placement Memorandum. The Corporation has already got itself registered with the SCORES platform of SEBI (SCORES ID: COMR00746) for the convenience of the investors for filing of any complaint.

SECTION-VI: ABOUT THE ISSUER AND CAPITAL STRUCTURE OF THE ISSUER

A. About the Issuer

The Rajkot Municipal Corporation (RMC) is the chief municipal body of Rajkot city. Presently, Smt. Naynaben Pedhadiya is the Mayor and Shri D.P. Desai (I.A.S), is the Municipal Commissioner of Rajkot Municipal Corporation.

Rajkot Municipal Corporation is responsible for the civic infrastructure and administration of the city of Rajkot in Gujarat state of India. It has set goal for smart utilization of city's potential for enhancing quality of life for the citizens by providing equal access to the best quality physical infrastructure and social infrastructure with focus on enhancing economy, protecting the ecology and preserving the identity and culture of the city.

a. About Rajkot

Rajkot District is located at 22.3039° north latitude and 70.8022° east longitude. Rajkot district is situated in the centre of Saurashtra region of Gujarat state and is surrounded by Amreli and Botad districts in the North, Junagadh and Gir Somnath district in the West and Bhavnagar district in the East. Arabian sea touches the district boundary in South. The district has an area of 11203 sq. kms.

Rajkot city is considered the economic, industrial and educational hub of the region. Engineering, auto ancillary and textile industries provide for the growth of the city. Ajanta, the world's largest clock manufacturer is present in the Rajkot district. The occupational pattern in Rajkot is primarily based on the manufacturing and service sector.

b. Constitution of the Issuer

The Rajkot Municipal Corporation has been constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established under the Bombay Provincial Municipal Corporations Act, 1949("BPMC Act") then applicable act in Gujarat vide notification dated November 16, 1973 bearing reference KP_231_73_RMC_1071_11756_P1. The BPMC Act (now GPMC Act) has been amended vide Section 3 read with Schedule (Serial No. 36) of The Gujarat Short Titles (Amendment) Act, 2011 to be renamed as The Gujarat Provincial Municipal Corporations Act, 1949.

The Issuer, being a corporation established under the Act, which is a state act, is a public sector company for the purposes of the Income Tax Act, 1961, which defines the term 'public sector company' under Section 2(36A) to mean any corporation established by or under any central, state or provincial act or a government company as defined in the Section 2(45) of the Companies Act, 2013.

c. Composition of the Issuer

In accordance with Section 4 of the GPMC Act, the municipal authorities charged with carrying out the provisions of the Act for each city are:

- a) a Corporation;
- b) a Standing Committee; and
- c) a Municipal Commissioner

In accordance with the Act, the Corporation consists of councilors chosen by direct election and shall continue for five years. The term of the councilors shall be co-extensive with the duration of the corporation. The corporation shall at its first meeting elect a Mayor and a Deputy Mayor from amongst the councilors. The term of both the Mayor and deputy Mayor shall be of two and half years. The Corporation can appoint a special committee out of its own body to carry out specific works assigned to it. The Municipal Commissioner is to be appointed by the State Government and shall hold office for such period not exceeding three years.

d. Elected representatives in RMC

RMC area is divided into three zones (Central, East and West) for administrative purposes. The political wing is an elected body of Municipal Councilors headed by a Mayor. Rajkot has 18 administrative wards and 18 election wards. Each election ward is represented by 4 councilors. Thus, the total number of Municipal Councilors is 72. The general election is held once in five years and the Mayor's tenure is maximum of two and half years.

Under the GPMC Act, 1949 (erstwhile BPMC Act) the powers are vested with three distinct statutory authorities of the elected wing, viz. the General Board, the Standing Committee and other committees. The corporation has statutory and non-statutory functional committees for setting the obligatory and discretionary functions. The standing committee has 12 members and is headed by a chairman elected from amongst its Corporators. The General Board under the GPMC Act also enjoys sanctioning powers.

e. Administrative Cadre in RMC

The Administrative wing of RMC works under the command of the Municipal Commissioner who heads a team of officials comprising of Deputy Municipal Commissioners and other officials like city engineer, chief accountant and ward officers who administer their respective domains. Each administrative ward is headed by the ward officer who is responsible for efficient and smooth functioning of revenue collection, sanitation and implementation of certain government schemes and he is answerable to the Assistant Municipal Commissioner (Zone). There are Deputy Engineers in each ward who are looking after water supply and drainage functioning. These engineers are working under direct supervision of an Executive Engineer (Zone). The administrative wing is responsible for strategic and operational planning and management of the Corporation.

f. Roles and Responsibilities of the Issuer

Brief Summary of the Business/ Activities of the Issuer

The Act defines the scope and extent of responsibilities of the Issuer. The Issuer is mainly responsible for providing civic services to the Rajkot city.

The Corporation undertakes several works as provided in the Act, as enumerated below. However, this list is not an exhaustive list:

- (1) Erection of substantial boundary marks of such description and in such position as shall be approved by the State Government defining the limits or any alteration in the limits of the City;
- (2) Watering, scavenging and cleansing of all public streets and places in the city and the removal of all sweeping therefrom;
- (3) Collection, removal, treatment and disposal of sewage, offensive matter and rubbish and, if so required by the State Government, the preparation of compost manure from such sewage, offensive matter and rubbish and solid waste management;
- (4) Construction, maintenance and cleansing of drains and drainage works, and of public latrines, water-closets, urinals and similar conveniences;
- (5) Entertainment of a fire-brigade equipped with suitable appliances for the extinction of fires and the protection of life and property against fire;
- (6) Construction or acquisition and maintenance of public hospitals and dispensaries including hospitals for the isolation and treatment of persons suffering or suspected to be infected with a contagious or infectious disease and carrying out other measures necessary for public medical relief;
- (7) Lighting of public streets, municipal markets and public buildings vested in the Corporation;
- (8) The maintenance of a municipal office and of all public monuments and open spaces and other property vesting in the Corporation;

- (9) Naming or numbering of streets and of public places vesting in the Corporation and the numbering of premises;
- (10) Regulation and abatement of offensive and dangerous trades or practices;
- (11) Maintenance, change and regulation of places for the disposal of the dead and the provision of new places for the said purpose and disposing of unclaimed dead bodies;
- (12) Construction or acquisition, maintenance and regulation of public markets and slaughterhouses and tinneries and the regulation of all markets and slaughterhouses and tinneries;
- (13) the construction or acquisition and maintenance of cattle-pounds and prevention of cruelty to animal;
- (14) public vaccination in accordance with the provisions of the Bombay District Vaccination Act, 1892;
- (15) Maintaining, aiding and suitably accommodating schools for primary education;
- (16) Reclamation of unhealthy localities, the removal of noxious vegetation and generally the abatement of all nuisances;
- (17) Registration of births and deaths;
- (18) Construction, maintenance, alteration and improvement of public streets, bridges, sub-ways, culverts, cause-ways and the like;
- (19) Removal of obstructions and projections in or upon streets, bridges and other public places;
- (20) Management and maintenance of all municipal water works and the construction or acquisition of new works necessary for a sufficient supply of water for public and private purposes;
- (21) Preventing and checking the spread of dangerous diseases;
- (22) Securing or removal of dangerous buildings and places; Preparation of plans for economic development and social justice
- (23) the construction and maintenance of residential quarters for the municipal conservancy staff;
- (23A) The preparation of plans for economic development and social justice;
- (23B) The performance of functions and the implementation of schemes that may be entrusted by the State Government.
- (24) fulfilment of any obligation imposed by or under GPMC Act or any other law for the time being in force; and
- (25) subject to adequate provision being made for the matters specified above, the provision of relief to destitute persons in the City in times of famine and scarcity and the establishment and maintenance of relief works in such times.

g. Achievements

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

Sr. No.	Name of Award / Appreciation	Purpose Achievement	Year	Name of Institution
1.	Pradhan Mantri Awas Yojna & Mukhya Mantri Gruh Yojna	TPS 28, Mavdi F.P. 6A- Green building standards required for levels of certification	2023	Indian Green Building Council
2.	Pradhan Mantri Awas Yojna & Mukhya Mantri Gruh Yojna	TPS 27, Mavdi F.P. 48-A- Green building standards required for levels of certification	2022	Indian Green Building Council
3.	One Planet City Challenge	National Winner	2022	WorldWide Fund for Nature (WWF)

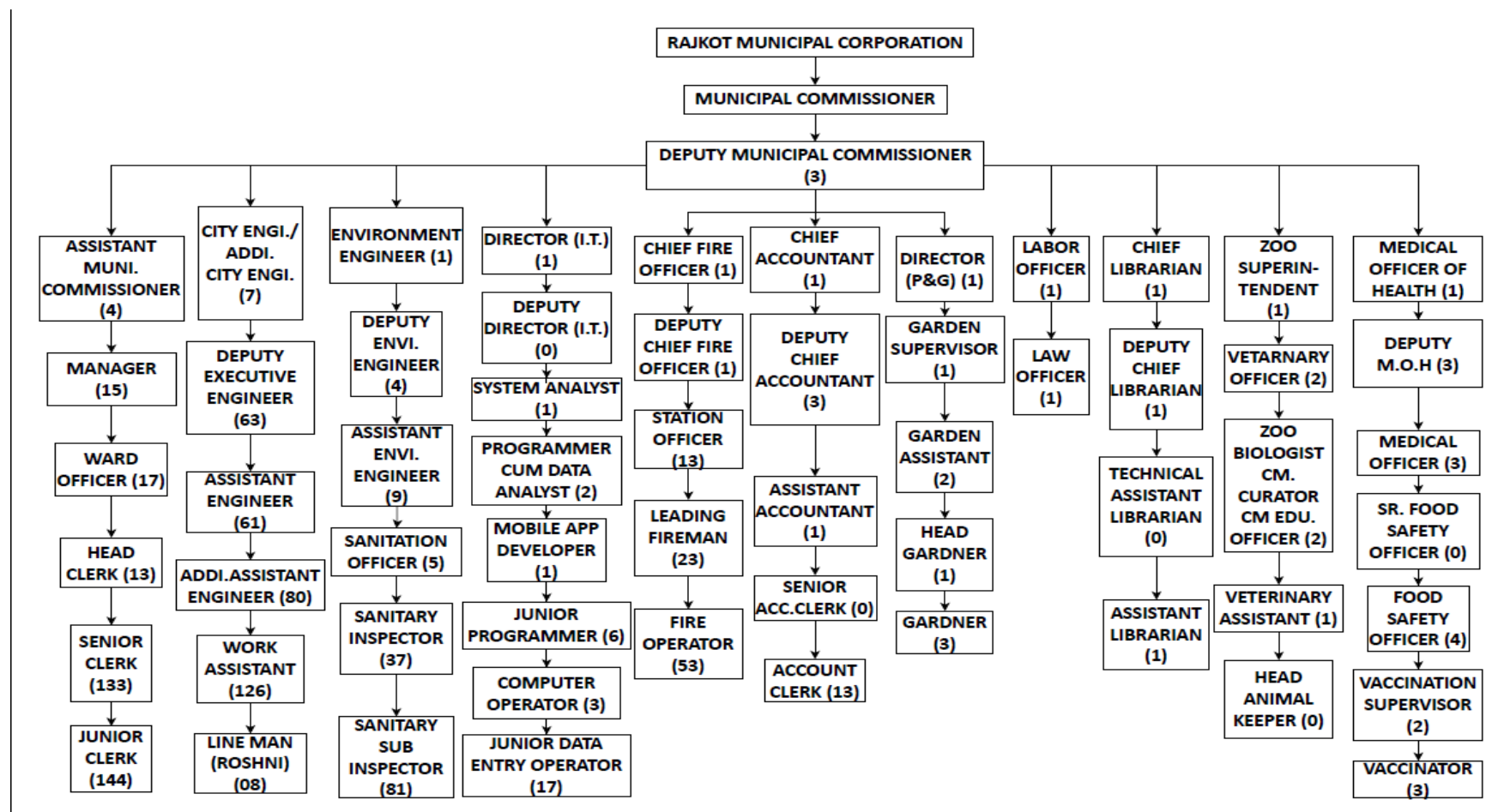
Sr. No.	Name of Award / Appreciation	Purpose Achievement	Year	Name of Institution
4.	GCoM Badge for Mitigation and Adaption.	Rajkot received Badges as below: Mitigation badges & Adaption badges	2022	Global Covenant of Mayors (GCoM) for Climate & Energy
5.	Platinum Certification	Green city standards including area-based development	2020	Indian Green Building Council
6.	World Record	Mega Cleaning Campaign by women lead groups – SWACHHTA GRAHI	2020	World Records India
7.	Platinum Emerging Technology	For Rajkot Eye-way Project	2018	Digital India Award
8.	Platinum Emerging Technology	For Rajkot Eye-way Project	2018	Digital India Award
9.	SKOCH Order of Merit Silver to Rajkot Rajpath Limited	For Rajkot BRTS	2018	SKOCH Group
10.	SKOCH Order of Merit to Rajkot Rajpath Limited for Rajkot BRTS	For Qualifying amongst Top-30 Mobility Projects in India	2017	SKOCH Group
11.	Guinness World Record	Largest House Cleaning Lesson consisting of 1890 people	2017	Guinness World Record
12.	11 th National Quality Conclave	Silver Award	2016	QCI
13.	Silver Award in QCI-D.L. Shah Quality Awards	For case study on “Implementation of Food Safety Standards Act: An Incessant Agenda”	2016	QCI
14.	Indo Swiss Building Energy Efficiency Project	Smart Ghar-3 has availed technical assistance for designing and construction an energy efficient building.	2016	Bureau of Energy Efficiency & Swiss Agency for Development and Corporation

B. Details of the capital structure of the Issuer, if applicable.

The Issuer is a Municipal Corporation and as per GPMC Act, constituted under Article 243Q (1)(c) of the Constitution of India, 1949 and there is no equity share capital in any municipal corporation.

B. Details of the management structure of the Issuer.

The management structure of the Issuer is as set out below:



D. Shareholding pattern of the issuer along with top 10 shareholders of the issuer, if applicable.

The Issuer is a Municipal Corporation and does not have any share capital or shareholders.

E. Resolution authorizing the borrowing and list of authorized signatories.

Approval for the Issue	
1.	The Urban Development and Urban Housing Department, Government of Gujarat vide its resolution no. UDUHD/SPP/e-file/18/2023/10076/P Section, dated March 15, 2024 had approved the bond issuance by Issuer for issuing Taxable Bonds in form of debenture up to Rs. 100 crores (One Hundred Crores Only) under section 109 of the Gujarat Provincial Municipal Corporation Act, 1949.
2.	Standing Committee Resolution No. 416 dated January 08, 2024 in relation to approval for the issuance of bonds and formation of Bond Issue Committee and authorizing the Bond Issue Committee jointly and severally to do all acts of the Issue.
3.	General Board Resolution No. 139 dated January 19, 2024 in relation to approvals for the issuance of bonds and formation of Bond Issue Committee and authorizing the Bond Issue Committee jointly and severally to do all acts of the Issue.
4.	Letter of Commissioner dated March 21, 2024 and August 05, 2024 confirming the members of Bonds Issue Committee.
5.	Resolution of the Bond Issue Committee dated March 22, 2024 and August 05, 2024 approving the Objects of the Issue.
6.	Resolution of the Bond Issue Committee dated March 22, 2024 approving the issuance of Bonds.
7.	Resolution of the Bond Issue Committee dated October 09, 2024 approving the Placement Memorandum.

F. Details of necessary Resolution(s) for the allotment of Municipal Debt Securities

The resolution for allotment of Bonds shall be passed after the bidding on EBP Platform of NSE.

G. Memorandum and Articles of Association in case the issuer is a body corporate incorporated under Companies Act, 2013

The Issuer is a Municipal Corporation constituted under BPMC Act (now GPMC Act) and hence does not have any Memorandum and Articles of Association.

H. Details of any Reorganization or Reconstruction of management in the last 1 year of the Issuer.

The Issuer has not undergone any reorganization or reconstruction in the last 1 (one) year. Save and except routine transfer of officials of the Issuer including change in Municipal Commissioner, the Issuer has not undergone any reorganization or reconstruction of management in the last 1 (one) year.

I. Details of all the projects undertaken or proposed in terms of cost and means of financing

The Issuer is presently engaged in undertaking the following key projects:

1. Central Zone Package-1 PMAY-1010 EWS-II:

RMC has successfully initiated the construction of 1,010 new dwelling houses under the Central government's affordable housing scheme "Pradhan Mantri Aavas Yojna (PMAY)", for the Economically Weaker Section-II (EWS-II) category. The PMAY mission seeks to address the housing requirement of urban poor including slum dwellers through following programme verticals: (1) slum rehabilitation of slum dwellers with participation of private developers using land as a resource; (2) promotion of affordable housing for weaker section through credit linked subsidy; (3) affordable housing in partnership with public & private sectors; and (4) subsidy for beneficiary-led individual house construction /enhancement.

2. Engineering, procurement, construction, commissioning and 5 years operation and maintenance of 50 MLD capacity water treatment plant at GETCO Chowkdi Mavdi Rajkot (ID-349093) (Amrut 1.0 Scheme):

Under this project RMC is under the process of constructing a water treatment plant with a capacity of 50 MLD at GETCO Chowkdi, Kankot. Emphasizing water conservation, the treatment facility will include the capability to treat and recycle wastewater from the 50 MLD treatment plant, aiming for zero liquid discharge and potential savings of 3-4% in raw water. To meet the growing needs of the Vavdi and Mavdi areas, RMC is building a new 50 MLD capacity Water Treatment Plant (WTP) at GETCO Chowkdi for the proposed water supply schemes in Vavdi Area (Rajkot City) Part-2 and the water supply schemes TPS-26, 27 & 28 in Rajkot City (Part-3).

3. Engineering, procurement, construction, commissioning and 5 years operation and maintenance of 50 MLD capacity water treatment plant at Raiyadhar, Rajkot (Amrut 1.0 Scheme):

Under this project, RMC is in the process of engineering, procuring, constructing, commissioning, and operating and will be maintaining for 5 years a water treatment plant having capacity of 50 MLD at Raiyadhar, Rajkot and with a view to conserve water. The plant will have a facility to treat & recycle the dirty water from 50 MLD proposed plant in order to have zero liquid discharge. The raw water will be treated by chemical coagulation, precipitation followed by filtration and disinfection to meet the drinking water standards.

4. Construction of international level sports complex in Ward No. 12 T.P. Scheme No. 27, F.P. No. 58/B, Near Mavdi Main Road, Rajkot:

Under this Project, RMC is constructing an international level sports complex in Ward No. 12 T.P. Scheme No. 27, F.P. No. 58/B, Near Mavdi Main Road, Rajkot. Through this Project, RMC is aiming towards cultivating a culture of sports aids in the production of athletes of international renown and inspire young people to undertake physical activities competitively. The complex will have a tennis court, a basketball court, volleyball court, skating rink, etc. as outdoor facilities and various indoor facilities as well. All materials, equipment and spare parts thereof shall be new, unused, and originally coming from the manufacturer's plant.

5. Processing of Legacy Waste (Old Dump) at Nakrawadi dumpsite at village Nakrawadi Sr. No.222/p, Taluka and District Rajkot.:

This Project is being undertaken with the objective to comply with the Municipal Solid Waste (Management and Handling) Rules, 2016 and to improve the existing standards of public health and environmental quality by establishing efficient solid waste management. Under this Project, RMC is in the process of providing appropriate technology for processing of legacy waste and necessary transportation of legacy waste from Old Dump Municipal Solid Waste at Nakrawadi Landfill Site to processing unit with least rejection Waste as suitable to the waste characteristic. Necessary infrastructure will be set up including plant and machinery with other necessary utilities with CCTV network for supervision at weighbridge and processing unit.

A summary of capital cost and sources of funds for the above projects are presented in the table below:

S. No.	Project Name	Project Cost (in Rs. Crores)		Project Cost share (Rs. in Crores)					Grants Received (Rs. in Crores)		
		Approved	Awarded	GoI	GoG	ULB (RMC)	Beneficiary Name	Total	GoI	GoG	Total
1.	Central Zone Package-1 PMAY-1010 EWS-II	101.93	119.06	15.15	15.15	33.21	55.55	119.06	6.06	6.06	12.12
2.	Engineering, procurement, construction, commissioning and 5 years operation and maintenance of 50 MLD capacity water treatment plant at GETCO chowkdi Mavdi Rajkot (ID-349093) (Amrut 1.0 Scheme)	32.75	42.50	12.46	13.98	16.06	0	42.50	12.46	13.97	26.43
3.	Engineering, procurement, construction, commissioning and 5 years operation and maintenance of 50 MLD capacity water treatment plant at Raiyadhar, Rajkot (Amrut 1.0 Scheme)	30.14	29.73	9.27	10.39	10.07	0	29.73	9.27	10.39	19.66
4.	Construction of international level sports complex in Ward No. 12 T.P. Scheme No. 27, F.P. No. 58/B, Near Mavdi Main Road, Rajkot	19.80	22.34	22.34	0	0	0	22.34	22.34*	0	22.34
5.	Processing of Legacy Waste (Old Dump) at Nakrawadi dumpsite at village Nakrawadi Sr. No.222/p, Taluka and District Rajkot	21.48	19.38	19.38	0	0	0	19.38	19.38**	0	19.38

Note: *The project is approved by GoI under the Scheme for Special Assistance to States for Capital investments, and the complete cost of the project will be borne through grants from GoI.

**The project is approved by 15th Financial Commission (GoI), and the complete cost of the project will be through grants from GoI.

J. CAPITAL STRUCTURE RELATING TO PROJECTS WHICH FUNDS ARE PROPOSED TO BE MOBILIZED:

The proceeds of the Issue are proposed to be utilized for the following Projects:

Sr. No	Project Name	Utilization from Issue Proceeds (Rs. in crores)
1	Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka; (“ Project I ”)	6.00
2	Implementation of DI pipeline distribution network in Ward No. 12 (“ Project II ”);	11.00
3	Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1 (“ Project III ”);	9.00
4	Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1 (“ Project IV ”);	22.00
5	Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipeline Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18) (“ Project V ”);	19.00
6	Implementation of DI Pipeline Distribution Network in Ward No. 11 (“ Project VI ”);	19.00
7	DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection (“ Project VII ”);	11.00
8	Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR (“ Project VIII ”);	3.00
Total		100.00

A summary of capital cost and sources of funds for the Projects are presented in the table below:

a. Project I- Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka.

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	16.11
2.	External Borrowing (Bonds)	6.00
	Total Project Cost	22.11

b. Project II- Implementation of DI pipeline distribution network in Ward No. 12.

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	33.54
2.	External Borrowing (Bonds)	11.00
	Total Project Cost	44.54

c. Project III- Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1.

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	20.95
2.	External Borrowing (Bonds)	9.00

	Total Outflow	29.95
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- d. **Project IV- Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1.**

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	52.05
2.	External Borrowing (Bonds)	22.00
	Total Outflow	74.05

- e. **Project V- Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipeline Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18).**

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	52.75
2.	External Borrowing (Bonds)	19.00
	Total Outflow	71.75

- f. **Project VI- Implementation of DI Pipeline Distribution Network in Ward No. 11;**

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	38.56
2.	External Borrowing (Bonds)	19.00
	Total Outflow	57.56

- g. **Project VII- DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection;**

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	21.53
2.	External Borrowing (Bonds)	11.00
	Total Outflow	32.53

- h. **Project VIII- Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR;**

S. No.	Description	Total Amount (Rs. in Crores)
1.	RMC Contribution (including GoI/GoG grants and internal accruals)	8.79
2.	External Borrowing (Bonds)	3.00
	Total Outflow	11.79

K. CAPITAL GRANT FOR THE PROPOSED PROJECTS AND THE AMOUNT RECEIVED IN THIS REGARD:

Name of the Project	GoI Grant (%)	GoG Grant (%)	RMC Contribution (%)
Project I- Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka	25%	40%	35%
Project II- Implementation of DI pipeline distribution network in Ward No. 12	25%	40%	35%
Project III- Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1	25%	40%	35%
Project IV- Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1	25%	40%	35%
Project V- Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipe Line Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18)	25%	40%	35%
Project VI- Implementation of DI Pipeline Distribution Network in Ward No. 11	25%	40%	35%
Project VII- DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection	25%	40%	35%
Project VIII- Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR	25%	40%	35%

Notes: 1. The above information is based on the Gujarat Urban Development Mission letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023

Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 has released first instalment (i.e. 20% of the GoI grant & 20% of GoG grant of the approved project cost) under operational guidelines of AMRUT 2.0 Mission to Rajkot Municipal Corporation.

Amount of grants received for the Project:

Name of the Project	GoI Grant (INR Cr)	GoG Grant (INR Cr)	Total (INR Cr)
Project I- Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka	0.675	1.080	1.755
Project II- Implementation of DI pipeline distribution network in Ward No. 12	1.804	2.887	4.691
Project III- Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1	1.00	1.60	2.60
Project IV- Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1	5.077	8.123	13.200

Project V- Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipe Line Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18)	0.412	0.811	1.223
Project VI- Implementation of DI Pipeline Distribution Network in Ward No. 11	2.831	4.529	7.360
Project VII- DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection	1.50	2.40	3.90
Project VIII- Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR	2.863	4.580	7.443

L. DETAILS OF STATE FINANCE COMMISSION GRANT RECEIVED ON ANNUAL BASIS:

Particulars	Grant Received (Rs. in Crores)
Financial Year 2021-2022	16.98
Financial Year 2022-2023	32.12
Financial Year 2023-24	66.07

In addition to State Finance Commission Grants received by the Issuer, as mentioned for the last three Financial years in table above, the revenue grants received and spent during the last three Financial years by the Issuer is set out below:

Particulars	Financial Year (Rs. in Crores)		
	2021-2022	2022-2023	2023-24
Revenue Grant Received	164.95	185.93	185.14
Revenue Grant Spent	67.68	60.40	62.88

SECTION-VII: OBJECTS OF THE ISSUE

PROJECT-I: Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka (hereinafter referred as “Project I”)

The details of Project I based on the Detailed Project Report dated December 01, 2022 prepared by Multi Media Consultants Private Limited, certificates dated March 22, 2024 August 05, 2024, October 09, 2024 and October 16, 2024 from Multi Media Consultants Private Limited are listed below:

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

The Rajkot Municipal Corporation (RMC) is strategically planning to implement a comprehensive Water Supply Scheme within the Munjka area, situated in Rajkot, as part of the ambitious Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 Scheme. This project is proposed to cover the areas under TP-9 (Part), TP-17, TP-18, TP-19, TP-20, TP-21, TP-42, and various Non-TP areas falling within the command area of the proposed water supply scheme. These Town Planning (TP) zones are part of Ward No. 9 in Rajkot. The cumulative command area targeted for this scheme extends over 779.85 hectares.

The following components are proposed for water supply Scheme:

1. Construction of 140 Lac litre Underground Sump and Pump house
 - Designed for water demand of intermediate year 2036 for one day storage.
 - Electro-mechanical component is also included in the cost estimate.
 - The details of pumping machinery: 600 mt³/hr – (6 W + 4 S) – 31 mt. head
2. Construction of 30 Lac litre capacity 22 mt. Staging height ESR
3. Water Supply distribution network from ESR with house connections

Project I only covers construction of 140 lac litre capacity RCC Underground sump and pump house with Civil, Electro Mechanical works and 30 Lac litre capacity 22 mt. staging height ESR under AMRUT 2.0.

Details of location, plant and machinery, technology, process etc for Project I as stated below:

Location	Munjka Area of Rajkot Municipal Corporation
Plant & Machinery/ Components	The construction of Elevated Service Reservoirs (ESR) and Ground Service Reservoirs (GSR) involves the utilization of a diverse range of plants and machinery to ensure efficient and precise execution. Here is a list of machinery used in the construction of ESR and GSR: 1. Excavators: These machines are essential for digging and excavating the foundation and trenches required for the reservoirs. 2. Concrete Batching Plants: These plants are used to produce large quantities of concrete with specified mix designs, ensuring the structural integrity of the reservoirs. 3. Tower Cranes: Tower cranes are employed for lifting and placing heavy components such as precast concrete panels and reinforcing steel. 4. Concrete Pump Trucks: Used to pump and place concrete in hard-to-reach areas, ensuring proper filling and consolidation. 5. Formwork Systems: To mold and shape the concrete during construction, formwork systems are employed for creating walls, slabs, and other structural elements. 6. Rebar Cutters and Benders: Essential for cutting and bending reinforcing steel bars to the required specifications for structural reinforcement. 7. Compactors: Vibratory compactors help in achieving proper compaction of soil and backfill materials around the foundation of the reservoirs. 8. Tower Crane Climbing Systems: Necessary for adjusting the height of tower cranes as construction progresses upward. 9. Concrete Mixers: Used to mix concrete batches on-site, ensuring a consistent and quality mix for construction. 10. Earthmoving Equipment (Bulldozers, Loaders): Used for moving and leveling earth during site preparation and construction.

	11. Cranes: Mobile and crawler cranes are employed for lifting and placing heavy components during various stages of construction. 12. Surveying Instruments: Precision instruments such as total stations and GPS systems are used for accurate layout and alignment of the reservoir structures. 13. Concrete Vibrators: Ensure proper consolidation of concrete to eliminate air voids and enhance structural strength. 14. Batching and Mixing Plants: For the preparation of various construction materials and ensuring consistency in the mix. 15. Water Pumps: Used for dewatering and managing water levels during construction. The use of these plants and machinery in a coordinated manner is crucial for the successful and timely completion of ESR and GSR construction projects.
Process and Technology	1. Site Selection and Surveying: • Process: Initial site selection involves evaluating factors such as elevation, topography, and proximity to water sources. Surveying is conducted to assess the geological and geotechnical conditions. • Technology: Surveying instruments such as total stations and GPS are used for accurate site measurements and data collection. 2. Design and Planning: • Process: Engineers develop detailed structural and architectural plans considering water demand, hydraulic calculations, and safety standards. • Technology: Computer-Aided Design (CAD) software is commonly used for creating detailed blueprints, and hydraulic modeling software aids in optimizing water distribution. 3. Excavation and Foundation Construction: • Process: Site preparation involves excavation for foundation pits and trenches. • Technology: Earthmoving equipment, including excavators and bulldozers, is utilized for efficient excavation. 4. Reinforcement and Formwork: • Process: Reinforcement bars are cut and bent according to design specifications. Formwork is erected to mold and shape the concrete. • Technology: Rebar cutters and benders, along with advanced formwork systems, enhance precision and efficiency. 5. Concrete Placement: • Process: High-quality concrete is mixed and poured into the formwork to create the structural components. • Technology: Concrete batching plants and transit mixers ensure consistent and quality concrete mixes, while concrete pumps facilitate precise placement. 6. Curing and Quality Control: • Process: Proper curing methods are employed to enhance concrete strength. Quality control measures are implemented throughout the construction process. • Technology: Temperature and moisture sensors, along with non-destructive testing methods, contribute to quality assurance. 7. Structural Monitoring: • Process: Continuous monitoring of structural elements during and after construction. • Technology: Structural health monitoring systems may include sensors to detect stresses, deformations, and other parameters affecting the reservoir's integrity. 8. Installation of Mechanical Components: • Process: Installation of inlet and outlet pipes, valves, and other mechanical components. • Technology: Advanced welding and jointing technologies may be employed for connecting pipes, and leak detection systems enhance overall functionality.

	9. Final Inspection and Commissioning: - Process: Comprehensive inspection is conducted to ensure adherence to design specifications and safety standards. - Technology: Inspection may involve the use of drones, cameras, and other technologies to assess the overall condition. 10. Automation and Control Systems: - Process: Implementation of automated control systems for water level monitoring and distribution. - Technology: SCADA (Supervisory Control and Data Acquisition) systems enable remote monitoring and control of reservoir operations. 11. Landscaping and Surrounding Infrastructure: - Process: Landscaping is performed around the reservoir, and surrounding infrastructure is developed. - Technology: Advanced landscaping techniques and civil engineering technologies contribute to the aesthetic and functional aspects of the project. The successful construction of ESR and GSR involves the integration of these processes and technologies, ensuring a robust and sustainable water supply infrastructure.
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- B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:**

The details of activity-wise project cost for Project I are given below:

Sr. No.	Item Description	Total Cost (Rs. in Lacs)
A	Project Cost	
1	Civil Work: Construction of 140 Lac Litre Underground Sump, Pump House (Civil Work) And Miscellaneous Work at Munjka in Rajkot Area	696.9
2	Mechanical	371.96
3	Electrical Work	369.66
4	Instrumentation Work including tools, equipment & office furniture	50.04
5	Construction of 30 Lac Litre Capacity 22 Mt. Staging Height ESR at Mujka in Rajkot Area	563.29
6	Construction of Compound Wall	105.01
	Total Capital Cost (A)	2156.86
B	Operation & Maintenance (O&M) Cost	
1	Year 1	27.53
2	Year 2	27.53
	Total O&M cost (B)	55.06
	Total Cost (A+B)	2211.92
	Total Cost in Rs crores	22.11

(Excludes amount payable towards GST which will be borne by the RMC)

- C. Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project I will be executed in a single phase only.

D. An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.

A summary of capital cost and sources of funds for the proposed project are presented in the table below:
(Rupees in Crores)

Project Cost*	Means of Finance of the Capital Cost	
	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	(Proposed Bond Issue)
22.11	16.11	6

Notes:

* The cost for Project I as approved by the Municipal Commissioner tender issued & work order awarded. Cost of project may vary during implementation. Any incremental cost and cost towards GST shall be borne by RMC.

** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.

2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project I shall not be less than 20% (Twenty percent) of the cost of the Project I, which shall be contributed from its internal resources or grants that may be in cash or kind.

E. Schedule of implementation of the Project

The following is the proposed schedule of implementation for Project I:

Activity	Indicative Period		Physical Target (%)	Financial Target (%)
Project Construction				
Civil Work:				
Excavation and Foundation	T*	T+120	15.98%	15.98%
Structural Construction	T+120	T+250	34.77%	34.77%
Finishing and Miscellaneous Work	T+200	T+250	43.01%	43.01%
Mechanical & Electrical Work				
Mechanical:				
Equipment Installation	T+250	T+300	53.43%	53.43%
Testing and Commissioning	T+300	T+350	57.52%	57.52%
Electrical				
Wiring and Installation	T+300	T+350	67.27%	67.27%
Testing and Commissioning	T+350	T+390	71.87%	71.87%
Instrumentation Work:				
Installation	T+300	T+400	72.49%	72.49%
Calibration and Testing	T+400	T+450	72.69%	72.69%
Construction of 30 Lac Litre Capacity ESR:				
Structural Construction	T+300	T+500	95.03%	95.03%
Finishing and Miscellaneous Work	T+500	T+540	96.96%	96.96%
Construction of Compound Wall:				
Foundation and Wall Construction	T+500	T+545	99.36%	99.36%

Finishing	T+510	T+545	100.00%	100.00%
Operation & Maintenance				
Year 1 (Post completion of the project)	365 Days		100%	100%
Year 2 (Post completion of the project)	365 Days		100%	100%

***Note:** The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project I.*

**T stands for the start date/work order date of the project i.e. March 14, 2024.*

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project I are as below:

Item Description	Duration (In Days)	Date of Start	Date of Completion
Civil Work:			
• Excavation and Foundation	120	T	T+120
• Structural Construction	130	T+120	T+250
• Finishing and Miscellaneous Work	50	T+200	T+250
Mechanical & Electrical Work:			
• Equipment Installation	50	T+250	T+300
• Testing and Commissioning	50	T+300	T+350
Electrical:			
• Wiring and Installation	50	T+300	T+350
• Testing and Commissioning	40	T+350	T+390
Instrumentation Work:			
• Installation	100	T+300	T+400
• Calibration and Testing	100	T+350	T+450
Construction of 30 Lac Litre Capacity ESR:			
• Structural Construction	200	T+300	T+500
• Finishing and Miscellaneous Work	40	T+500	T+540
Construction of Compound Wall:			
• Foundation and Wall Construction	45	T+500	T+545
• Finishing	35	T+510	T+545
Operation & Maintenance Cost:			
Year 1 (Post completion of the project)	365 Days		
Year 2 (Post completion of the project)	365 Days		

Current Status of Project I: Tendering process has been completed & work order has been awarded for Project I and the work is under progress. The current completion status of Project I as per certificate dated October 16, 2024 from Multi Media Consultants Private Limited is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	25%	8%*

*Payable upon clearance and receipt of invoices.

G. Details and status of the regulatory approval (if required):

Project I has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/909 dated April 10, 2023.

Based on the technical consultant certificate dated March 22, 2024, August 05, 2024 October 09, 2024 and October 16, 2024, other than the approval mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project I.

PROJECT-II: Implementation of DI pipeline distribution network in Ward No. 12 (hereinafter referred as “Project II”)

The details of Project II based on the Detailed Project Report dated February 01, 2023 prepared by Multi Media Consultants Private Limited, certificates dated March 22, 2024, August 05, 2024 October 09, 2024 and October 16, 2024 from Multi Media Consultants Private Limited are listed below:

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

The project is for the Implementation of DI pipeline distribution network in Ward No. 12 of the Rajkot city under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 Scheme, which will be executed by Rajkot Municipal Corporation.

Rajkot Municipal Corporation is proposing to implement water supply scheme in Ward No. 12. The total command area covered under water supply scheme is a total area of 138 hectares which is further divided into eight pockets (i.e., Pocket 3, 4, 6, 12, 13, 14, 15 & 16) to streamline water supply distribution effectively. The eight pockets have been bundled in four areas and four tenders have been floated accordingly.

Water distribution will be facilitated from the existing Punitnagar Elevated Service Reservoir (ESR) via mains and distribution lines.

Details of location, plant and machinery, technology, process etc for Project II as stated below:

Location	Starting from Punitnagar ESR to the following different parts of WARD NO.12 of Rajkot City: • Pocket 3, 4 • Pocket 6 • Pocket 12, 13, 14, 15 • Pocket 16
Plant & Machinery/ Components	Water supply distribution network design is carried out using Bentley Water Gem Software as per design criteria given in CPHEEO Manual. Design criteria are as under: • Type of Pipe – Ductile Iron (DI K-7) • Hazen William C value – 140 • Residual pressure – 0.6 Kg./cm² Following Components are proposed to be utilised to implement the referred project: • 100 mm dia. To 800 mm dia. DI Pipe with excavation, refilling etc. complete. • Sluice, Flush valve, Air valve with valve chambers etc. • Excavation of existing road with road restoration etc. • House connection of different sizes as per requirement.
Process and Technology	1. Survey Work: Surveying for laying a (DI) pipeline involves several critical steps. Initially, a topographical survey assesses the terrain for the optimal pipeline route. Following this, a geotechnical survey examines soil conditions to inform foundation and support structure design. A route alignment survey precisely defines the pipeline path, and environmental assessments identify and mitigate potential impacts. 2. Design And Engineering: The design and engineering of a Ductile Iron (DI) pipeline involves a systematic approach, beginning with a thorough assessment of project requirements and regulatory standards. Engineers conduct hydraulic and structural analyses to determine the optimal pipe specifications, layout, and alignment. Detailed engineering drawings are created, considering topographical features and potential obstacles, to ensure efficient construction and compliance with environmental regulations.

	3. Excavation for pipeline trenches for water supply, manhole etc.: Excavate trenches for water supply pipelines, manholes, etc., using necessary support structures for safety and stability, in line with specified gradients and alignment. Implement safety measures, including the use of site rails, for all lifts and strata. Manage the excavation material, including cleaning the site, in accordance with specified requirements. 4. Providing, supplying and Laying D. I. pipes. (100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, 800mm) – Supplying, delivering, and expertly installing a comprehensive range of ductile iron pipes with varying diameters, including 100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, and 800mm. 5. Providing & Supplying House Connection piping: Supplying and delivering all the necessary pipes and materials for connecting houses to the water system, making sure everything is provided for an effective and smooth water distribution setup in residential buildings. 6. Hydro Testing: Conducting hydrostatic testing on pipes to assess their structural integrity, durability, and leak resistance, a meticulous process involving pressurizing the pipes with water to verify their performance under various conditions. 7. Fixing of Valves and other Items: This process involves precise positioning and secure attachment of valves, hydrants, and other essential items at designated points along the pipeline. Firstly, the locations for valves and other components are determined based on the network design and hydraulic requirements. The valves are strategically placed to regulate the flow, control pressure, and facilitate maintenance activities. 8. Restoration Of Road Work: After laying the Ductile Iron (DI) pipeline network, the restoration of road work is a crucial step to ensure the infrastructure is returned to its original state. This process involves repairing and reinstating the road surface that was excavated during the pipeline installation.
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B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be:

The details of activity-wise project cost for Project II are given below:

Sr. No	Item Description	Project Cost (In Rs. Lacs)			
		Pocket 3,4	Pocket 6	Pocket 12, 13, 14, 15	Pocket 16
1	Excavation for pipeline trenches for water supply, manhole etc. all with shoring and strutting if required as per required gradient and line including safety provisions using site rails and stacking excavated stuff including up to all required lead cleaning the site etc. complete for all lifts and strata as specified & Refilling	66.74	44.61	139.32	27.43
2	Providing and supplying D. I. pipes (100mm to 800mm Dia) for following nominal bore diameter with internal cement mortar lining including all taxes, insurance, transportation, freight charges, octroi. Inspection charges, loading, unloading, conveyance to departmental stores, stocking etc. complete. (IS 8329-2000).	0	442.06	1,480.11	265.5
3	Supply of ISI marked 80 mm to 850 mm dia. K-7 class D.I.C.L. pipes (with rubber gasket) conforming to IS:8329/2000 bearing ISI mark and suitable for push on joints.	1099.46	-	-	-
4	Lowering, laying and jointing C. I. S & S Spun pipes suitable for Tyton joints / Mortar lined D. I. Pipes (100mm to 800 mm Dia) of various classes with CI/MS specials of following diameters in proper position,	37.08	23.77	78.34	14.19

	grade and alignment as directed by Engineer-in-charge including hydraulic testing etc. comp.				
5	Manufacture, Supply & Delivery of Ductile Iron Flange socket spigot bends, tees, reducers or any other specials as per BS-EN545/1995 Class-A series K12 suitable for use with D.I. Pipes manufactured as per IS:8329/1994 delivery of specials is to be made to GWSSB store or site of works anywhere in Gujarat including all taxes, loading, unloading, carting. Stacking, insurance, inspection charges, octroi etc. complete.	53.83	35.08	109.84	23.43
6	Providing and supplying ISI mark CI / D/F Sluice Valves as per IS:14846 (Latest Edition) of following class and diameter including all taxes. Insurance transportation, freight charges, octroi, inspection charges. Loading, unloading. Conveyance to departmental stores, stacking etc. complete.	0	10.36	16.59	2.99
7	Lowering, laying and jointing in position following C. I./ D/F Reflux valves, Butterfly valves, Sluice valves and Air valves including cost of all labour, jointing material, including nut bolts and giving satisfactory hydraulic testing, etc. complete.	0.18	0.35	0.64	0.12
8	Providing and supplying C. I. Temper proof Air valves with ss 304 Float gun metal- nozzle of approved make & quality of following class and diameter including all taxes insurance transportation, freight charges, octroi, Inspection charges, loading. Unloading, conveyance to departmental stores. Stacking etc. complete.	0	0.54	0.72	0.37
9	Lowering, laying and jointing in position following CI / D/F Reflux valves, Butterfly valves, Sluice valves and Air valves including cost of all labour, jointing material, including nut bolts and giving satisfactory hydraulic testing, etc. complete.	0	0.02	0.03	0.01
10	Construction of valves Chambers in brick masonry using common burnt clay building brick, locally available in C.M 1:6 foundation concrete 150 mm thick, cement Plaster 12 mm thick using cement: mortar in Proportion 1:3 with Niru finishing curing and 16 mm thick MS frame & cover with material. (With 16 mm thick M.S cover Plate) complete.	2.01	3.42	6.64	1.47
11	Providing and casting in situ C.C. in grade M-15 (pprox.. corresp. To prop. 1:2:4) (proportions as per mix design or as per Table 9 of IS456 2000 in masses by weigh batching) using granite, quartzite trap metal of size 6 mm to 20 mm for RCC work, including scaffolding centering, form work, needle vibrated consolidation, curing comp. up to 6 meter depth or height (excluding cost of reinforcement and neat finishing) with centering and shuttering / deshuttering etc. comp for structure for other than water retaining. (with form work)	8.54	7.59	15.95	7.67
12	House Connection- Providing & Supplying House Connection piping ASTM Providing & Supplying House service connection from distribution main to property limit	26.36	17.29	55.98	10.48
13	Labour for fixing PVC/ASTM Saddle, Tapping ferrule, fixing of u-PVC pipe HSC with fitting up to Consumer	12.34	8.09	26.2	4.9
14	Rent Hydro/crane, truck, tractor/matador	9.51	-	-	-
15	Restoration Of Road Work	64.84	41.38	124.42	25.34
	TOTAL	1380.89	634.56	2054.78	383.90
	Total Project Cost	4454.13			
	Total Cost in Rs crores	44.54			

Note: 1) Excludes amount payable towards GST which will be borne by the RMC

2) For pockets 3,4- RMC shall procure the supply of required materials for completion of the project through its stores. Work orders for the supply have been awarded. A separate tender for labor contract covering rest of the activities was floated. The work order for labor contract is yet to be awarded.

- C. Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.

Not Applicable, as the Project II including the work in all the four areas will be executed in a single phase only.

- D. An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.

A summary of capital cost and sources of funds for the proposed Projects are presented in the table below:
(Rupees in Crores)

Project Cost*	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	Proposed Bond Issue
44.54	33.54	11

Notes: ** The cost for Project II as approved by the Municipal Commissioner, resolution of the BIC, tenders floated & work orders awarded. Cost of project may vary during implementation. Any incremental cost and cost towards GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project II shall not be less than 20% (Twenty percent) of the cost of the Project II, which shall be contributed from its internal resources or grants that may be in cash or kind.

E. Schedule of implementation of the Project

The following is the proposed schedule of implementation for Project II:

Activity	Indicative Period		Physical Target (%)	Financial Target (%)
	Date of Start	Date of Completion		
Survey Work, Design & Engineering, Excavation for pipe line trenches for water supply, manhole etc.	T*	T+275	30	26.50
Providing and supplying D. I. pipes., Providing & Supplying House Connection piping, Hydro Testing, Fixing of Valves and other Items	T+60	T+496	95.00	86.00
Restoration Of Road Work	T+496	T+540	100.00	100.00

Note: The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project II.

*T stands for the estimated start date/work order date of the project as defined in the below table:

Start Date for pockets 3,4	Between 01 st October – 31 st October 2024*
Start Date for pockets 6	Work Order awarded dated March 12, 2024. Work is under progress.

Start Date for pockets 12,13,14,15	Work Order awarded dated March 14, 2024. Work is under progress.
Start Date for pockets 16	Work Order awarded dated March 15, 2024. Work is under progress.

**Work Order for supply awarded dated March 12, 2024. Work order for labour contract yet to be awarded.*

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project II are as below:

Activity	Duration	Period	
		Date of Start	Date of Completion
Survey Work	30	T	T+30
Design And Engineering	30	T+15	T+45
Excavation for pipe line trenches for water supply, manhole etc.	230	T+45	T+275
Providing and supplying D. I. pipes.	285	T+60	T+345
Providing & Supplying House Connection piping.	106	T+345	T+451
Hydro Testing	30	T+451	T+481
Fixing of Valves and other Items	15	T+481	T+496
Restoration Of Road Work	44	T+496	T+540

Current Status of Project II: Tendering process has been completed & the work order for the pockets 6, 12, 13, 14, 15 & 16 have been awarded & the work is under progress. Work Order for supply for pocket 3 & 4 has been awarded, the tender for appointment of labour Contractor for pocket 3 & 4 has been floated.

The current completion status of Project II for the pockets where the work order has been awarded as per certificate dated October 16, 2024 from Multi Media Consultants Private Limited is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	10%	12%

G. Details and status of the regulatory approval (if required):

Project II has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/2132 dated August 23, 2022.

Based on the technical consultant certificates dated March 22, 2024, August 05, 2024 October 09, 2024 and October 16, 2024, other than the approval mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project II.

PROJECT III – Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1 (hereinafter referred as “Project III”)

The details of Project III based on the Detailed Project Report dated August 01, 2022 prepared by Sapien Techo Consultant, certificates dated March 22, 2024, August 05, 2024 October 09, 2024 and October 16, 2024 from Sapien Techo Consultant.

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

RMC is planning to implement sewerage scheme in Mota Mauva and Mujka of RMC Area under AMRUT 2.0 Scheme. The Sewage Network in Mota Maya & Part of Mujka Area is connected to existing Mujka Sewerage Pumping Station (SPS). In remaining area, sewerage network will be laid & connected to proposed sewerage pumping station. The rising main of 500 mm dia DI K-9 pipe will be laid up to

SPS constructed, which is ultimately going to 56 MLD STP at Raiyadhar of Raiya area of RMC. The Project III only covers construction of the 23 MLD STP on Sequential Batch Reaction Technology (SBR) basis at Raiyadhar location.

Details of location, plant and machinery, technology, process etc for Project III as stated below:

Location	Raiyadhar Area of Raiya area under Rajkot Municipal Corporation.
Plant & Machinery/ Components	Sewerage network is Designed as per design criteria given in CPHEEO Manual in Bentley Sewergem Software. Following components shall be utilised for undertaking the project: • Stone ware pipe – 150 mm to 200 mm dia, n value – 0.015 • RCC Pipe – 250 mm to 900 mm dia, n value – 0.011 • Rider Line of 200 mm dia stoneware pipe
Process Technology and	Sequential Batch Reaction Technology (SBR) Sequencing batch reactors (SBR) or sequential batch reactors are a type of activated sludge process for the treatment of waste water. SBRs treat wastewater such as sewage or output from anaerobic digesters or mechanical biological treatment facilities in batches. Oxygen is bubbled through the mixture of wastewater and activated sludge to reduce the organic matter (measured as biochemical oxygen demand (BOD) and chemical oxygen demand (COD)). The treated effluent may be suitable for discharge to surface waters or possibly for use on land. Following steps are involved in undertaking the project: 1. Survey Work. 2. Design and Engineering. 3. Construction of 23 MLD STP 4. Laying and jointing of pipes 5. Hydro Testing 6. Fixing of valves and other items 7. Finishing works

- B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:**

The details of activity-wise project cost for the Project III are given below:

		(Rs. In lakhs)
Sr. No.	Item Description	Total Cost (Rs. In lakhs)
1.	Construction of 23 MLD capacity STP near existing 56 MLD STP Raiya Ward No.01 in Rajkot	2344.07
2.	Extra for turbo blower instead of twin lobe blower	182.77
3.	Extra for on-line treated sewage quality parameter analyzers (pH, TSS, BOD/COD & Tr. Outlet flow)	94.25
4.	Extra for Chlorine Leak Mitigation System / Chlorine Scrubbing System	40.41
	Total Capital Cost	2661.50
5.	O & M cost for Five years	334.32
	Total Cost	2995.82
	Total Cost in Rs crores	29.95

(Excludes amount payable towards GST which will be borne by the RMC)

- C. Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project III will be executed in a single phase only.

D. An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.

A summary of capital cost and sources of funds for the proposed Projects are presented in the table below:

(Rupees in Crores)		
Project Cost*	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	Proposed Bonds Issue
29.95	20.95	9

Notes: * The cost for Project III as approved by the Municipal Commissioner tender floated and work order awarded. Cost of project may vary during implementation. Any incremental cost and cost towards GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project III shall not be less than 20% (Twenty percent) of the cost of the Project III, which shall be contributed from its internal resources or grants that may be in cash or kind.

E. Schedule of implementation of the Project

The following is the proposed schedule of implementation for Project III:

Activity	Indicative Period		Physical Target (%)	Financial Target(%)
	Date of Start	Date of Completion		
Survey, Design and engineering work, Construction of 23 MLD capacity Sewage Treatment plant	T*	T+ 19 th Month	60.00	60.00
Laying and jointing of pipes, Hydro Testing, Fixing of valves and other items	T+20 th Month	T+23 rd Month	95	95
Finishing works	T+24 th Month	T+24 th Month	100	100

Note: The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project III.

*T stands for the start date/work order date of the project i.e. 15th February, 2024.

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project III are as below:

Activity	Duration (in Months)	Date of Start	Date of Completion
Survey work	1	T	T+ 1 st Month
Design and engineering	1	T	T+1 st Month

Activity	Duration (in Months)	Date of Start	Date of Completion
Construction of 23 MLD capacity Sewage Treatment	17	T+2 nd Month	T+ 19 th Month
Laying and jointing of pipes	2	T+20 th Month	T+21 st Month
Hydro Testing	2	T+22 nd Month	T+23 rd Month
Fixing of valves and other items	2	T+22 nd Month	T+23 rd Month
Finishing works	1	T+24 th Month	T+24 th Month

Current Status of Project III: Tendering process has been completed and work order has been awarded. The work is under progress.

The current completion status of Project III as per certificate dated October 16, 2024 from Sapient Techo Consultant is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	13%	0%

G. Details and status of the regulatory approval (if required):

Project III has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/909 dated 10th April 2023.

Based on the technical consultant certificates dated March 22, 2024, August 05, 2024 October 09, 2024 and October 16, 2024, other than the approval mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project III.

PROJECT IV – Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1 (hereinafter referred as “Project IV”)

The details of Project IV is based on the Detailed Project Report dated August 01, 2022 prepared by Sapient Techo Consultant, certificates dated March 22, 2024, August 05, 2024 October 09, 2024 and October 16, 2024 from Sapient Techno Consultant.

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

RMC is undertaking a comprehensive sewerage scheme in Ward No. 1 & 3, encompassing the areas of Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1 within the RMC jurisdiction. Comprehensive sewerage scheme covers Two sewerage pumping stations and 15 mld STP at Ghanteshwar. The scheme includes house connections and is designed to meet the per capita water demand and sewage generation calculated according to the Central Public Health & Environmental Engineering Organisation (CPHEEO) Manual.

For Madhapar, with a total area of 9.55 sqkm, the existing sewerage network covers 5.55 sq km, leaving 4.0 sq km for additional network development. In Madhapar, the sewerage scheme comprises a network design using Bentley Sewergem Software, incorporating stone ware and RCC pipes with varying diameters. The sewerage network will connect to the existing Sewage Pumping Station (SPS) at Madhapar, and the current pumping machinery’s capacity is deemed sufficient for the anticipated sewage flow.

In the Ghanteshwar and TP-33 (Raiya) areas, covering a total of 10.56 sq km under Ward No. 1. The scheme divides the total area into two parts, each served by proposed SPS-01 and SPS-02, taking into account low-density assumptions for residential development. The sewerage network in these areas will include stone ware and RCC pipes with specified diameters, and the network lengths are detailed for each component. The proposed scheme aims to address sewage generation needs in a systematic manner, ensuring effective and sustainable wastewater management for the specified areas.

Project IV only covers sewerage network in Ghanteshwar, Raiyadhar, Madhapar & Manharpar-1. The proposed sewerage network has been divided in ten areas and ten tenders have been floated accordingly.

Details of location, plant and machinery, technology, process etc for Project IV as stated below:

Location	Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1. • Area (1) – RMC Area (SPS-01/01, South Side of Vardhaman Nagar 24 mt. DP Road) in Ward no. 01 • Area (2) – RMC Area (SPS-01/02, North Side of Vardhaman Nagar 24 mt. DP Road) in Ward no. 01 • Area (3) – RMC Area (Part-03) (SPS-02/1, North Side of Jamnagar Highway Road and Pipe Pushing work under Railway Crossing and Rajkot Jamnagar Highway) in ward no 01 • Area (4) – RMC Area (SPS-02/2, SRP Campus to Area Near Green Leaf) Work in ward no 01 • Area (5) – RMC Area (SPS-02/3, Part of F.C.I Godown, Ghanteshwar Village and Area of TP-33) in ward no 01 • Area (6) – RMC Area (Part-1) (South-West portion of Madhapar Junction in ward no 3 • Area (7) – RMC Area (Part-2 A) (North-West portion of Madhapar Junction in ward no 3 • Area (8) – RMC Area (Part-2 B) (North-West portion of Madhapar Junction in ward no 3 • Area (9) – RMC Area (Part-3) (North-East portion of Madhapar Junction in ward no 3 • Area (10)- RMC Area (Part-4) (South-East portion of Madhapar Junction in ward no 3
Plant & Machinery/ Components	The development of a comprehensive sewerage network involves various plant and machinery to ensure the efficient construction, operation, and maintenance of the system. Here's a list of essential plant and machinery commonly required: • Excavators: For digging trenches, excavating areas for pipes, and creating manholes. • Chain Trenchers: Specifically designed for efficiently digging trenches for sewer pipes. • Vibratory Compactors: Used for compacting backfilled soil around sewer pipes to prevent settling. • Concrete Mixers: Batch Mixers: Prepare concrete for constructing manholes, pipe supports, and other structures. • Concrete Pumps: Truck-mounted Concrete Pumps: Transfer and place concrete at construction sites for sewer structures. • Surveying Equipment:Total Stations: Measure angles and distances for accurate alignment and grading. • GPS Equipment: Aids in geospatial positioning and mapping. • Manhole Formwork Systems: Used to create the structure of manholes during construction. • Manhole Installation Lifts/Cranes: Lift and position manhole components into place. • Compaction Equipment: Plate Compactors: Compact soil around sewer pipes. Roller Compactors: Larger machines for extensive compaction needs. • Grouting Equipment: Grout Pumps: Inject grout into the soil to stabilize and seal around sewer structures. • Dewatering Equipment: Dewatering Pumps: Remove excess water from construction sites, particularly during trenching. • Safety Equipment: Trench Boxes/Shields: Ensure worker safety in excavations and trenches. • Control and Monitoring Systems: SCADA Systems: Supervise and control the sewerage network, acquiring real-time data for efficient operation and maintenance.

Process Technology and	A. Survey and Planning: • Surveying Technology: Conduct a detailed survey of the area using Total Stations, GPS, and GIS to gather accurate topographical and geographical data. • Planning: Analyse the survey data to plan the layout of the sewerage network, considering factors such as population density, existing infrastructure, and environmental considerations. B. Design and Engineering: • CAD (Computer-Aided Design): Use CAD software for the detailed design of sewer lines, manholes, and treatment facilities, ensuring the system meets engineering standards. C. Excavation and Trenching: • Excavators and Trenchers: Employ mechanized equipment to dig trenches for sewer pipes. • Hydro Excavation Technology: Use high-pressure water and vacuum systems for precise and non-destructive digging, especially in sensitive areas. D. Pipe Installation: • Pipe Laying Machines: Utilize specialized machinery to accurately and efficiently lay sewer pipes in the trenches. • Trenchless Technologies: Employ methods like Horizontal Directional Drilling (HDD) or Microtunneling to minimize surface disruption. 5. Manhole Construction: • Formwork Systems: Construct the structure of manholes using formwork systems. • Installation Lifts/Cranes: Lift and position manhole components into place. 6. Compaction and Backfilling: • Compactors: Ensure proper compaction of backfilled soil around sewer pipes using vibratory compactors. 7. Concrete Works: • Concrete Mixers and Pumps: Prepare and place concrete for constructing manholes, pipe supports, and other structures. 8. Sewer Inspection: • CCTV Inspection Systems: Insert cameras into sewer lines for inspections, identifying issues and assessing maintenance needs. • Sonar and Laser Profilers: Measure pipe dimensions and detect irregularities. 9. Quality Control and Testing: • Pressure Testing Equipment: Verify the integrity of sewer pipes after installation. • Material Testing: Ensure pipes and structures meet design specifications. 10. Grouting and Sealing: • Grout Pumps: Inject grout into the soil to stabilize and seal around sewer structures. 11. Safety Measures: • Trench Boxes/Shields: Implement safety measures in excavations and trenches. • Gas Detectors: Monitor for hazardous gases in confined spaces. 12. Asphalt and Pavement Works: • Asphalt Cutters: Cut and remove pavement for trenching. • Pavers: Reinstall roads and pavements after sewer installation. 13. Control and Monitoring Systems: • SCADA Systems: Supervise and control the sewerage network, acquiring real-time data for efficient operation and maintenance. 14. Environmental Considerations: • Odor Control Systems: Use chemical dosing units to neutralize odors in sewerage systems. 15. Post-Construction Monitoring and Maintenance: • Asset Management Systems: Track the condition and maintenance needs of sewerage assets over time.
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- B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:**

The details of activity-wise project cost for the Project IV are given below:

Sr. No.	Item Description	Total Cost (Rs. In lakhs)									
		Area (1)	Area (2)	Area (3)	Area (4)	Area (5)	Area (6)	Area (7)	Area (8)	Area (9)	Area (10)
1	Excavation	264.15	256.97	197.15	224.40	465.30	199.84	175.77	124.64	214.52	130.04
2	Bedding for Pipe, Providing and Supplying Stoneware Pipes RCC NP, Hydro Testing	119.45	194.75	194.10	200.03	435.53	174.98	110.39	160.5	113.20	103.80
3	Construction of Pipe Chambers, House Chambers and Manholes	237.09	292.53	228.11	292.73	538.73	247.70	158.47	193.32	173.26	161.35
4	Filling Work with curing	39.18	43.18	189.87	34.97	43.40	98.17	26.35	21.82	39.43	28.00
5	Road restoration and resurfacing	25.68	31.95	23.50	29.80	54.39	25.38	16.14	17.4	17.47	15.99
Total		685.55	819.38	832.73	781.93	1537.35	746.07	487.12	517.68	557.88	439.18
Total Cost		404.87									
Total Cost in Rs crores		74.05									

(Excludes amount payable towards GST which will be borne by the RMC)

- C. **Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project IV will be executed in a single phase only.

- D. **An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.**

A summary of capital cost and sources of funds for the proposed Projects are presented in the table below:

(Rupees in Crores)		
Project Cost*	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	Proposed Bond Issue
74.05	52.05	22

Notes: * The cost for Project IV as approved by the Municipal Commissioner tenders floated and Work orders awarded. Cost of project may vary during implementation. Any incremental cost and cost towards GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23 August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project IV shall not be less than 20% (Twenty percent) of the cost of the Project IV, which shall be contributed from its internal resources or grants that may be in cash or kind.

E. Schedule of implementation of the Project

The following is the proposed schedule of implementation for Project IV:

Sr. No.	Activity	Indicative Period		Physical Target (%)	Financial Target %
		Date of Start	Date of Completion*		
1	Excavation, Bedding for Pipe, Providing and Supplying Stoneware Pipes RCC NP, Hydro Testing	T*	T+465	50%	50%
2	Construction of Pipe Chambers and Manholes, Construction of House Chambers and Providing House Connections	T+315	T+540	90%	90%
3	Filling Work with curing & Road restoration and resurfacing	T+500	T+540	100%	100%

Note: The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project IV.

**T stands for the estimated start date/work order date of the project as defined in the below table:*

Start Date for:	Estimated Start Date
Providing and Laying Proposed Sewerage Network to SPS-01 in RMC Area (SPS-01/01, North Side of Vardhaman Nagar 24 mt. DP Road) With Road Restoration Work in Ward no. 01	Work Order awarded dated January 17, 2024. Work in progress.

Providing and Laying Proposed Sewerage Network to SPS-01 in RMC Area (SPS-01/02, North Side of Vardhaman Nagar 24 mt. DP Road) With Road Restoration Work in Ward no. 01	Work Order awarded dated January 17, 2024. Work in progress.
Providing and Laying Proposed Sewerage Network to SPS-02 in RMC AREA (PART-03) (SPS-02/1, North Side of Jamnagar Highway Road and Pipe Pushing work under Railway Crossing and Rajkot Jamnagar Highway) with Road Restoration in ward no 01	Between October 01, 2024 – October 31, 2024.
Providing and Laying Proposed Sewerage Network to SPS-02 in RMC Area (SPS-02/2, SRP Campus to Area Near Green Leaf) With Road Restoration Work in ward no 01	Work Order awarded dated March 14 th 2024. Work in progress.
Providing and Laying Proposed Sewerage Network to SPS-02 in RMC Area (SPS-02/3, Part of F.C.I Godown, Ghanteshwar Village and Area of TP-33) with Road Restoration Work in ward no 01	Work Order awarded dated August 20, 2024. Work in progress.
Providing and Laying Proposed Sewerage Network to Existing Madhapar SPS in RMC Area (Part-1) in Ward No. 03 (South-West Portion of Madhapar Junction) with Road Restoration	Work Order awarded dated March 07, 2024. Work in progress.
Providing and Laying Proposed Sewerage Network to Existing Madhapar SPS in RMC Area (Part-2A) (North-West portion of Madhapar Junction) With Road Restoration in ward no 03	Work Order awarded dated March 07, 2024. Work in progress.
Providing and Laying Proposed Sewerage Network to Existing Madhapar SPS in RMC Area (Part-2B) (North-West portion of Madhapar Junction) With Road Restoration in ward no 03	Work Order awarded dated March 07, 2024. Work in progress.
Providing and Laying Proposed Sewerage Network to Existing Madhapar SPS in RMC Area (Part-3) (North-East portion of Madhapar Junction) With Road Restoration in Ward no 03	Work Order awarded dated October 10, 2023. Work in progress.
Providing and Laying Proposed Sewerage Network to Existing Madhapar SPS in RMC Area (Part-4) (South-East portion of Madhapar Junction) With Road Restoration in Ward no 03	Work Order awarded dated October 10, 2023. Work in progress.

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project IV are as below:

Activity	Duration (In Days)	Date of Start	Date of Completion*
Excavation	270	T*	T+270
Bedding for Pipe, Providing and Supplying Pipe RCC NP, Hydro Testing	345	T+120	T+465
Construction of Pipe Chambers and Manholes, Construction of House Chambers and Providing House Connections	225	T+315	T+540
Filling Work with curing	40	T+500	T+540
Road restoration and resurfacing	40	T+500	T+540

Current Status of Project IV: Tendering process has been completed and work order has been awarded for all other Areas except for Area (3) The tender for appointment of Contractor for Area (3) was floated.

The current completion status of Project IV for the areas where the work order has been awarded as per certificate dated October 16, 2024 from Sapient Techo Consultant is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	42%	23.70%

G. Details and status of the regulatory approval (if required):

Project IV has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTSFUND DISBURSEMENT/2023-24/2132, dated August 23, 2022

Based on the technical consultant certificate dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024, other than the approval mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project IV.

PROJECT-V: Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipe Line Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18) (hereinafter referred as “Project V”)

The details of Project V is based on the Detailed Project Report dated February 01, 2023 prepared by Multi Media Consultants Private Limited, certificates dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024 from Multi Media Consultants Private Limited

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

The project is for the Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipe Line Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18) of RMC Area under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 Scheme, which will be executed by Rajkot Municipal Corporation. The tenders under three areas have been floated accordingly.

Details of location, plant and machinery, technology, process etc for Project V as stated below:

Location	Ward no. – 11 (Motamava, Nyari Part & pocket 17, 18) Distribution Network in RMC Area • Ward No. 11 (Mota Mava Distribution Network) • Ward No. 11 (Nyari Part (Pocket 5,6,7 & 8)) • Ward No. 11 (Pocket 17 & 18)
Plant & Machinery/ Components	Water supply distribution network design is carried out using Bentley Water Gem Software as per design criteria given in CPHEEO Manual. Design criteria are as under: 1. Type of Pipe – Ductile Iron (DI K-7) 2. Hazen William C value – 140 3. Residual pressure – 0.6 Kg./cm² Following Components are proposed to be utilised to implement the referred project: 1. 100 mm dia. To 800 mm dia. DI Pipe with excavation, refilling etc. complete. 2. Sluice, Flush valve, Air valve with valve chambers etc. 3. Excavation of existing road with road restoration etc. 4. House connection of different sizes as per requirement.
Process and Technology	1. Survey Work – Surveying for laying a (DI) pipeline involves several critical steps. Initially, a topographical survey assesses the terrain for the optimal pipeline route. Following this, a geotechnical survey examines soil conditions to inform foundation and support structure design. A route alignment survey precisely defines the pipeline path, and environmental assessments identify and mitigate potential impacts. 2. Design And Engineering – The design and engineering of a Ductile Iron (DI) pipeline involves a systematic approach, beginning with a thorough assessment of project requirements and regulatory standards. Engineers conduct hydraulic and structural analyses to determine the optimal pipe specifications, layout, and alignment. Detailed engineering drawings are

	created, considering topographical features and potential obstacles, to ensure efficient construction and compliance with environmental regulations. 3. Excavation for pipeline trenches for water supply, manhole etc. – Excavate trenches for water supply pipelines, manholes, etc., using necessary support structures for safety and stability, in line with specified gradients and alignment. Implement safety measures, including the use of site rails, for all lifts and strata. Manage the excavation material, including cleaning the site, in accordance with specified requirements 4. Providing, supplying and Laying D. I. pipes. (100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, 800mm) – Supplying, delivering, and expertly installing a comprehensive range of ductile iron pipes with varying diameters, including 100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, and 800mm. 5. Providing & Supplying House Connection piping. – Supplying and delivering all the necessary pipes and materials for connecting houses to the water system, making sure everything is provided for an effective and smooth water distribution setup in residential buildings. 6. Hydro Testing – Conducting hydrostatic testing on pipes to assess their structural integrity, durability, and leak resistance, a meticulous process involving pressurizing the pipes with water to verify their performance under various conditions, 7. Fixing of Valves and other Items – This process involves precise positioning and secure attachment of valves, hydrants, and other essential items at designated points along the pipeline. Firstly, the locations for valves and other components are determined based on the network design and hydraulic requirements. The valves are strategically placed to regulate the flow, control pressure, and facilitate maintenance activities. 8. Restoration Of Road Work – After laying the Ductile Iron (DI) pipeline network, the restoration of road work is a crucial step to ensure the infrastructure is returned to its original state. This process involves repairing and reinstating the road surface that was excavated during the pipeline installation.
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B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:

The details of activity-wise project cost for the Project V are given below:

Sr. No.	Item Description	Total Cost (Rs. In Lakhs)		
		Ward No. 11 (Mota mava)	Ward No. 11 (Nyari Part (Pocket- 5,6,7,8))	Ward No. 11 Pocket:17,18
1	Excavation for pipe line trenches for water supply, manhole etc. all with shoring and struiling if required as per required gradient and line including safety provisions using site rails and stacking excavated stuff including up to all required lead cleaning the site etc. complete for all lifts and strata as specified & Refilling	379.59	38.22	56.80
2	Providing and supplying D. I. pipes (100mm to 800mm Dia) for following nominal bore diameter with internal cement mortar lining including all taxes, insurance, transportation, freight charges, octroi. Inspection charges, loading, unloading, conveyance to departmental stores, stocking etc. complete. (IS 8329-2000).	4743.27	323.04	571.85
3	Lowering, laying and jointing C. I. S & S Spun pipes suitable for Tyton joints / Mortar lined D. I. Pipes (100mm to 800 mmm Dia) of various classes with CI / MS specials of following diameters in proper position, grade and alignment as directed by Engineer-in-charge including hydraulic testing etc. comp.	245.45	17.73	30.01
4	Manufacture, Supply & Delivery of Ductile Iron Flange socket spigot bends, tees, reducers or any other specials as per BS-EN545/1995 Class-A series K12 suitable for use with D.I. Pipes manufactured as per IS:8329/1994 delivery of specials is to be made to GWSSB store or site of works anywhere in Gujarat including all taxes, loading, unloading, carting. Stacking, insurance, inspection charges, octroi etc. complete.	284.84	19.61	43.45
5	Providing and supplying ISI mark CI / D/F Sluice Valves as per IS:14846 (Latest Edition) of following class and diameter including all taxes. Insurance transportation, freight charges, octroi, inspection charges. Loading, unloading. Conveyance to departmental stores, stacking etc. complete	65.43	3.30	12.03
6	Providing and supplying C. I. Temper proof Air valves with ss 304 Float gun metal- nozzle of approved make & quality of following class and diameter including all taxes insurance transportation, freight charges, octroi, Inspection charges, loading. Unloading, conveyance to departmental stores. Stacking etc. complete.	2.17	0.75	0.41

Sr. No.	Item Description	Total Cost (Rs. In Lakhs)		
		Ward No. 11 (Mota mava)	Ward No. 11 (Nyari Part (Pocket- 5,6,7,8))	Ward No. 11 Pocket:17,18
7	Construction of valves Chambers in brick masonry using common burnt clay building brick, locally available in C.M 1:6 foundation concrete 150 mm thick, cement Plaster 12 mm thick using cement : mortar in Proportion 1:3 with Niru finishing curing and 16 mm thick MS frame & cover with material. (With 16 mm thick M.S cover Plate) complete.	30.05	4.46	5.81
8	Providing and casting in situ C.C. in grade M-15 (70pprox.. corresp. To prop. 1:2:4) (proportions as per mix design or as per Table 9 of IS456 2000 in masses by weigh batching) using granite, quartzite trap metal of size 6 mm to 20 mm for RCC work, including scaffolding centering, form work, needle vibrated consolidation, curing comp. up to 6 meter depth or height (excluding cost of reinforcement and neat finishing) with centering and shuttering / deshuttering etc. comp for structure for other than water retaining. (with form work)	22.67	0.79	1.41
9	Drilling of Horizontal bore hole for water main pipeline under the Railway / Road tracks in all strata with required length Including fixing of M.S.(or as specified by Railway / Road authority) casing pipe of suitable size and thickness.	53.87	-	-
10	House Connection – Providing & Supplying House Connection piping ASTM Providing & Supplying House service connection from distribution main to property limit including fixing	116.050	18.29	8.82
11	Restoration Of Road Work	63.26	4.58	7.15
	Total	6006.65	430.77	737.74
	Total Project Cost	7175.16		
	Total Cost in Rs crores	71.75		

(Excludes amount payable towards GST which will be borne by the RMC)

- C. **Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project V will be executed in a single phase only.

- D. **An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.**

A summary of capital cost and sources of funds for the proposed Projects are presented in the table below:

(Rupees in Crores)		
Project Cost*	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	External Borrowing (proposed bonds)
71.75	52.75	19

Notes: * The cost for Project V as approved by the Municipal Commissioner, tenders floated and work order awarded for three areas. Cost of project may vary during implementation. Any incremental cost & cost towards GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated August 23, 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project V shall not be less than 20% (Twenty percent) of the cost of the Project V, which shall be contributed from its internal resources or grants that may be in cash or kind.

- E. **Schedule of implementation of the Project**

The following is the proposed schedule of implementation for Project V:

Activity	Indicative Period		Physical Target (%)	Financial Target (%)
	Date of Start	Date of Completion		
Survey Work, Excavation for pipe line trenches for water supply, manhole etc.	T*	T+275	30	26.50
Providing and supplying D. I. pipes., Providing & Supplying House Connection piping, Hydro Testing, Fixing of Valves and other Items	T+60	T+496	95.00	86.00
Restoration Of Road Work	T+496	T+540	100.00	100.00

Note: The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project V.

*T stands for the estimated start date/work order date of the project as defined in the below table:

Start Date for Ward No. 11 (Mota Mava)	Work order awarded 08 th March, 2024. Work under progress.
Start Date for Ward no. 11 (Nyari Area (Pocket-5, 6, 7, 8))	Work order awarded 08 th March, 2024. Work under progress.
Start Date for Pocket-17, 18	Work order awarded 15 th March, 2024. Work under progress.

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project V are as below:

Activity	Duration	Period	
		Date of Start	Date of Completion
Survey Work	30	T	T+30
Design And Engineering	30	T+15	T+45
Excavation for pipe line trenches for water supply, manhole etc.	230	T+45	T+275
Providing and supplying D. I. pipes.	285	T+60	T+345
Providing & Supplying House Connection piping.	106	T+345	T+451
Hydro Testing	30	T+451	T+481
Fixing of Valves and other Items	15	T+481	T+496
Restoration Of Road Work	44	T+496	T+540

Current Status of Project V: Tendering process has been completed and work order has been awarded for all three areas of Project V. The work is under progress.

The current completion status of Project V as per certificates dated October 16, 2024 from Multi Media Consultants Private Limited is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	20%	8%

G. Details and status of the regulatory approval (if required):

Project V has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/2132 dated August 23, 2022.

Based on the technical consultant certificate dated March 22, 2024, August 05, 2024 and October 09, 2024 and October 16, 2024, other than the approval mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project V.

PROJECT VI- Implementation of DI Pipeline Distribution Network in Ward No. 11 (hereinafter referred as "Project VI")

The details of Project VI based on the Detailed Project Report dated February 01, 2023 prepared by Multi Media Consultants Private Limited, certificate dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024 from Multi Media Consultants Private Limited

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

The project is for the Implementation of DI Pipeline Distribution Network in seventeen pockets of Ward No. 11 (i.e. pockets 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16 & feeder main) of RMC Area under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 Scheme, which will be executed by Rajkot Municipal Corporation. These seventeen pockets are bundled in five areas and five tenders have been floated accordingly.

Details of location, plant and machinery, technology, process etc for Project VI as stated below:

Location	Ward No–11 Distribution Network in RMC Area • Pocket – 1, 2 (Area 1) • Pocket – 3,4, 5, 6, 7, 8, 9 (Area 2) • Pocket – 10,11,12,13 (Area 3) • Pocket – 14,15,16 (Area 4) • Feeder Main (Area 5)
Plant & Machinery/ Components	Water supply distribution network design is carried out using Bentley Water Gem Software as per design criteria given in CPHEEO Manual. Design criteria are as under: 1. Type of Pipe – Ductile Iron (DI K-7) 2. Hazen William C value – 140 3. Residual pressure – 0.6 Kg./cm² Following Components are proposed to be utilised to implement the referred project: 1. 100 mm dia. To 800 mm dia. DI Pipe with excavation, refilling etc., complete. 2. Sluice, Flush valve, Air valve with valve chambers etc. 3. Excavation of existing road with road restoration etc. 4. House connection of different sizes as per requirement.
Process and Technology	1. Survey Work – Surveying for laying a (DI) pipeline involves several critical steps. Initially, a topographical survey assesses the terrain for the optimal pipeline route. Following this, a geotechnical survey examines soil conditions to inform foundation and support structure design. A route alignment survey precisely defines the pipeline path, and environmental assessments identify and mitigate potential impacts. 2. Design And Engineering – The design and engineering of a Ductile Iron (DI) pipeline involves a systematic approach, beginning with a thorough assessment of project requirements and regulatory standards. Engineers conduct hydraulic and structural analyses to determine the optimal pipe specifications, layout, and alignment. Detailed engineering drawings are created, considering topographical features and potential obstacles, to ensure efficient construction and compliance with environmental regulations. 3. Excavation for pipe line trenches for water supply, manhole etc. – Excavate trenches for water supply pipelines, manholes, etc., using necessary support structures for safety and stability, in line with specified gradients and alignment. Implement safety measures, including the use of site rails, for all lifts and strata. Manage the excavation material, including cleaning the site, in accordance with specified requirements 4. Providing, supplying and Laying D. I. pipes. (100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, 800mm) – Supplying, delivering, and expertly installing a comprehensive range of ductile iron pipes with varying diameters, including 100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, and 800mm. 5. Providing & Supplying House Connection piping. – Supplying and delivering all the necessary pipes and materials for connecting houses to the water system, making sure everything is provided for an effective and smooth water distribution setup in residential buildings. 6. Hydro Testing – Conducting hydrostatic testing on pipes to assess their structural integrity, durability, and leak resistance, a meticulous process involving pressurizing the pipes with water to verify their performance under various conditions, 7. Fixing of Valves and other Items – This process involves precise positioning and secure attachment of valves, hydrants, and other essential items at designated points along the pipeline. Firstly, the locations for valves and other components are determined based on the network design and hydraulic requirements. The valves are strategically placed to regulate the flow, control pressure, and facilitate maintenance activities. 8. Restoration Of Road Work – After laying the Ductile Iron (DI) pipeline network, the restoration of road work is a crucial step to ensure the infrastructure is returned to its original state. This process involves repairing and reinstating the road surface that was excavated during the pipeline installation.

- B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:**

The details of activity-wise project cost for the Project VI are given below:

Sr. No.	Item Description	Total Cost (In Rs. Lacs)				
		Pocket 1, 2 (Area1)	Pocket 3, 4, 5, 6, 7, 8, 9 (Area 2)	Pocket 10, 11, 12, 13 (Area 3)	Pocket 14, 15, 16 (Area 4)	FEEDER MAIN (Area 5)
1	Excavation for pipeline trenches for water supply, manhole etc. all with shoring and strutting if required as per required gradient and line including safety provisions using site rails and stacking excavated stuff including up to all required lead cleaning the site etc. complete for all lifts and strata as specified & Refilling	48.47	48.95	101.94	49.20	60.42
2	Providing and supplying D. I. pipes (100mm to 800mm Dia) for following nominal bore diameter with internal cement mortar lining including all taxes, insurance, transportation, freight charges, octroi. Inspection charges, loading, unloading, conveyance to departmental stores, stocking etc. complete. (IS 8329-2000)		0	0	392.06	1238.82
3	Supply of ISI marked 80 mm to 850 mm dia. K-7 class D.I.C.L. pipes (with rubber gasket) confirming to IS:8329/2000 bearing ISI mark and suitable for push on joints.	393.87	1181.04	847.86	-	-
4	Lowering, laying and jointing C. I. S & S Spun pipes suitable for Tyton joints / Mortar lined D. I. Pipes (100mm to 800 mm Dia) of various classes with CI / MS specials of following diameters in proper position, grade and alignment as directed by Engineer-in-charge including hydraulic testing etc. comp.	21.86	64.70	46.49	21.51	60.08
5	Manufacture, Supply & Delivery of Ductile Iron Flange socket spigot bends, tees, reducers or any other specials as per BS-EN545/1995 Class-A series K12 suitable for use with D.I. Pipes manufactured as per IS:8329/1994 delivery of specials is to be made to GWSSB store or site of works anywhere in Gujarat including all taxes, loading, unloading, carting. Stacking, insurance, inspection charges, octroi etc. complete.	40.56	115.29	86.72	40.36	22.65
6	Providing and supplying ISI mark CI / D/F Sluice Valves as per IS:14846 (Latest Edition) of following class and diameter including all taxes. Insurance transportation, freight charges, octroi, inspection charges. Loading, unloading. Conveyance to departmental stores, stocking etc. complete				2.44	29.56

Sr. No.	Item Description	Total Cost (In Rs. Lacs)				
		Pocket 1, 2 (Area 1)	Pocket 3, 4, 5, 6, 7, 8, 9 (Area 2)	Pocket 10, 11, 12, 13 (Area 3)	Pocket 14, 15, 16 (Area 4)	FEEDER MAIN (Area 5)
7	Providing and supplying C. I. Temper proof Air valves with ss 304 Float gun metal- nozzle of approved make & quality of following class and diameter including all taxes insurance transportation, freight charges, octroi, Inspection charges, loading. Unloading, conveyance to departmental stores. Stacking etc. complete.				0.79	1.24
8	Lowering, laying and jointing in position following CI / D/F Reflux valves, Butterfly valves, Sluice valves and Air valves including cost of all labour, jointing material, including nut bolts and giving satisfactory hydraulic testing, etc. complete. (100 mm to 700 mm sluice valve & 80 mm, 100 mm Air valve.	0.11	0.36	0.21		
9	Rent Hydro/crane, truck, tractor / matador	7.51	20.04	15.02		
7	Construction of valves Chambers in brick masonry using common burnt clay building brick, locally available in C.M 1:6 foundation concrete 150 mm thick, cement Plaster 12 mm thick using cement: mortar in Proportion 1:3 with Niru finishing curing and 16 mm thick MS frame & cover with material. (With 16 mm thick M.S cover Plate) complete.	1.96	6.47	3.26	2.75	11.34
8	Providing and casting in situ C.C. in grade M-15 (75pprox.. corresp. To prop. 1:2:4) (proportions as per mix design or as per Table 9 of IS456 2000 in masses by weigh batching) using granite, quartzite trap metal of size 6 mm to 20 mm for RCC work, including scaffolding centering, form work, needle vibrated consolidation, curing comp. up to 6 meter depth or height (excluding cost of reinforcement and neat finishing) with centering and shuttering / deshuttering etc. comp for structure for other than water retaining (with form work).	8.78	13.45	6.08	10.79	30.22
9	HOUSE CONNECTION – Providing & Supplying House Connection piping ASTM Providing & Supplying House service connection from distribution main to property limit including fixing	6.62	18.75	12.80	10.83	-
10	Restoration Of Road Work	72.29	205.610	147.50	69.43	62.07
	Total	602.03	1769.65	1267.92	600.16	1516.40
	Total Project Cost	5756.16				
	Total Cost in Rs crores	57.56				

Note: 1) Excludes amount payable towards GST which will be borne by the RMC

2) Pocket 3, 4,5,6,7,8,9 have been bundled together under Area 2 for tendering purposes. For Area 1, Area 2 and Area 3, RMC has floated separate tender for labor contract and shall procure the supply of required materials for completion of the project through its stores. Work order for supply contract has been awarded. The work order for labor contract is yet to be awarded.

- C. **Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project VI will be executed in a single phase only.

- D. **An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.**

A summary of capital cost and sources of funds for the proposed project are presented in the table below:

(Rupees in Crores)		
Project Cost*	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	Proposed Bond Issue
57.56	38.56	19

Notes: * The cost for Project VI as approved by the Municipal Commissioner, resolution of BIC, tenders floated and Work orders awarded. Cost of project may vary during implementation. Any incremental cost & cost of GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project VI shall not be less than 20% (Twenty percent) of the cost of the Project VI, which shall be contributed from its internal resources or grants that may be in cash or kind.

- E. **Schedule of implementation of the Project**

The following is the proposed schedule of implementation for Project VI:

Activity	Indicative Period		Physical Target (%)	Financial Target (%)
	Date of Start	Date of Completion		
Survey Work, Design & Engineering, Excavation for pipe line trenches for water supply, manhole etc.	T*	T+275	30	26.50
Providing and supplying D. I. pipes., Providing & Supplying House Connection piping, Hydro Testing, Fixing of Valves and other Items	T+60	T+496	95.00	86.00
Restoration Of Road Work	T+496	T+540	100.00	100.00

Note: The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project VI.

*T stands for the estimated start date/work order date of the project as defined in the below table:

Start Date for Pocket – 1, 2	Between October 01 - October 31, 2024*
Start Date for Pocket – 3, 4, 5, 6, 7, 8, 9	Between October 01 - October 31, 2024*
Start Date for Pocket – 10, 11, 12, 13	Between 01 st October – 31 st October 2024*
Start Date for Pocket – 14, 15, 16	Work order awarded dated March 15, 2024. Work in progress.
Start Date for Feeder Main	Work order awarded dated July 17, 2023. Work in progress.

*Work Order for supply awarded dated March 12, 2024. Work order for labour contract yet to be awarded.

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project VI are as below:

Activity	Duration	Period	
		Date of Start	Date of Completion
Survey Work	30	T	T+30
Design And Engineering	30	T+15	T+45
Excavation for pipe line trenches for water supply, manhole etc.	230	T+45	T+275
Providing and supplying D. I. pipes.	285	T+60	T+345
Providing & Supplying House Connection piping.	106	T+345	T+451
Hydro Testing	30	T+451	T+481
Fixing of Valves and other Items	15	T+481	T+496
Restoration Of Road Work	44	T+496	T+540

Current Status of Project VI: Tenders for appointment of Contractor was floated for first three areas. RMC has floated separate tender for labor contract for Area 1, Area 2 and Area 3, and shall procure the supply of required materials for completion of the project through its stores. Work order for supply contract has been awarded. The work order for labor contract is yet to be awarded. For Area (4) & Area (5) work orders have been awarded on March 15, 2024 & July 17, 2023 respectively and the work is under progress.

The current completion status of Project VI for which work orders have been awarded as per certificate dated October 16, 2024 from Multi Media Consultants Private Limited is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	22%	17.8%

G. Details and status of the regulatory approval (if required):

Project VI has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/909 dated April 10, 2023.

Based on the technical consultant certificates dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024, other than the approval mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project VI.

PROJECT-VII: DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection (hereinafter referred as “Project VII”)

The details of Project VII is based on the Detailed Project Report dated 01st August, 2022 prepared by Media Consultants Private Limited, certificate dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024 from Multi Media Consultants Private Limited

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

RMC is undertaking a significant water supply scheme implementation in Gurukul, which falls within Ward No. 13 (Girl's Hostel, Gondal Road) of the RMC area. The designated command area for the water supply scheme spans 160 hectares and is intricately divided into 17 pockets to optimize water distribution. Currently, water is sourced from the Gurukul ESR located at Ribda filter plant, comprising two ESRs with a combined capacity of 54.0 lac litres and a staging height of 22m. However, challenges persist with the existing A.C. pressure pipelines, laid 30 to 35 years ago, leading to leakages and hindering the supply of water with adequate pressure and quantity in the area.

Population projections, considering the present demographics, have been projected using the Density method for the years 2037 (Intermediate) and 2052 (Ultimate). The proposed scheme strategically divides the command area into 18 pockets, and water will be supplied for a 20-minute duration per pocket from the existing Gurukul and Punitnagar ESRs throughout the area. At Punitnagar, the existing underground sump has a capacity of 8 million litres, complemented by an ESR with a capacity of 25 lac litres and a 20 mt. Staging Height.

In terms of water supply distribution, for both Intermediate and Ultimate years, water from the Gurukul ESR will cater to Pockets 1 to 5 and 12 to 17 up to Panchsheel Road, utilizing the existing 27 lac liter capacity ESRs at Gurukul. Similarly, for the same time frames, water from the Punitnagar ESR will serve Pockets 6 to 8 and 9 to 11 below Panchsheel Road, utilizing the existing ESR at Punitnagar (Mavdi) with a 20 m staging height. The distribution network will remain consistent for both Intermediate and Ultimate years, ensuring a well-structured and sustainable water supply system for the Gurukul area.

Details of location, plant and machinery, technology, process etc. for Project VII as stated below:

Location	Gurukul of RMC Area
Plant & Machinery/ Components	Water supply distribution network design is carried out using Bentley WaterGem Software as per design criteria given in CPHEEO Manual. Design criteria are as under: 1. Type of Pipe – Ductile Iron (DI K-7) 2. Hazen William C value – 140 3. Residual pressure – 0.6 Kg./cm² Following Components are proposed to be utilised to implement the referred project: 1. 100 mm dia. To 500 mm dia. DI Pipe with excavation, refilling etc. complete. 2. Sluice, Flush valve, Air valve with valve chambers etc. 3. Excavation of existing road with road restoration etc. 4. House connection of different sizes as per requirement.
Process and Technology	1. Survey Work – Surveying for laying a (DI) pipeline involves several critical steps. Initially, a topographical survey assesses the terrain for the optimal pipeline route. Following this, a geotechnical survey examines soil conditions to inform foundation and support structure design. A route alignment survey precisely defines the pipeline path, and environmental assessments identify and mitigate potential impacts. 2. Design And Engineering – The design and engineering of a Ductile Iron (DI) pipeline involves a systematic approach, beginning with a thorough assessment of project requirements and regulatory standards. Engineers conduct hydraulic and structural analyses to determine the optimal pipe specifications, layout, and alignment. Detailed engineering drawings are created, considering topographical features and potential obstacles, to ensure efficient construction and compliance with environmental regulations. 3. Excavation for pipe line trenches for water supply, manhole etc. – Excavate trenches for water supply pipelines, manholes, etc., using necessary support structures for safety and stability, in line with specified gradients and alignment. Implement safety measures, including the use of site rails, for all lifts and strata. Manage the excavation material, including cleaning the site, in accordance with specified requirements. 4. Providing, supplying and Laying D.I. pipes. (100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, 800mm) – Supplying, delivering, and expertly installing a comprehensive range of ductile iron pipes with varying diameters, including 100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, and 800mm.

	5. Providing & Supplying House Connection piping. – Supplying and delivering all the necessary pipes and materials for connecting houses to the water system, making sure everything is provided for an effective and smooth water distribution setup in residential buildings. 6. Hydro Testing – Conducting hydrostatic testing on pipes to assess their structural integrity, durability, and leak resistance, a meticulous process involving pressurizing the pipes with water to verify their performance under various conditions, 7. Fixing of Valves and other Items – This process involves precise positioning and secure attachment of valves, hydrants, and other essential items at designated points along the pipeline. Firstly, the locations for valves and other components are determined based on the network design and hydraulic requirements. The valves are strategically placed to regulate the flow, control pressure, and facilitate maintenance activities. 8. Restoration Of Road Work – After laying the Ductile Iron (DI) pipeline network, the restoration of road work is a crucial step to ensure the infrastructure is returned to its original state. This process involves repairing and reinstating the road surface that was excavated during the pipeline installation.
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B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:

The details of activity-wise project cost for the Project VII are given below:

Sr. No.	Item Description	Total Cost (In Rs. Lacs)
1	Excavation for pipeline trenches for water supply, manhole etc. all with shoring and strutting if required as per required gradient and line including safety provisions using site rails and stacking excavated stuff including up to all required lead cleaning the site etc. complete for all lifts and strata as specified & Refilling	191.55
2	Providing and supplying D. I. pipes (100mm to 800mm Dia) for following nominal bore diameter with internal cement mortar lining including all taxes, insurance, transportation, freight charges, octroi. Inspection charges, loading, unloading, conveyance to departmental stores, stocking etc. complete. (IS 8329-2000)	2053.93
3	Lowering, laying and jointing C. I. S & S Spun pipes suitable for Tyton joints / Mortar lined D. I. Pipes (100mm to 800 mm Dia) of various classes with CI / MS specials of following diameters in proper position, grade and alignment as directed by Engineer-in-charge including hydraulic testing etc.	112.49
4	Manufacture, Supply & Delivery of Ductile Iron Flange socket spigot bends, tees, reducers or any other specials as per BS-EN545/1995 Class-A series K12 suitable for use with D.I. Pipes manufactured as per IS:8329/1994 delivery of specials is to be made to GWSSB store or site of works anywhere in Gujarat including all taxes, loading, unloading, carting. Stacking, insurance, inspection charges, octroi etc. complete.	122.40
5	Providing and supplying ISI mark CI / D/F Sluice Valves as per IS:14846 (Latest Edition) of following class and diameter including all taxes. Insurance transportation, freight charges, octroi, inspection charges. Loading, unloading. Conveyance to departmental stores, stacking etc. complete	20.42
6	Lowering, laying and jointing in position following C. I./ D/F Reflux valves, Butterfly valves, Sluice valves and Air valves including cost of all labour, jointing material, including nut bolts and giving satisfactory hydraulic testing, etc. complete.	1.32
7	Providing and supplying C. I. Temper proof Air valves with ss 304 Float gun metal- nozzle of approved make & quality of following class and diameter including all taxes insurance transportation, freight charges, octroi, Inspection charges, loading. Unloading, conveyance to departmental stores. Stacking etc. complete.	2.36

Sr. No.	Item Description	Total Cost (In Rs. Lacs)
8	Construction of valves Chambers in brick masonry using common burnt clay building brick, locally available in C.M 1:6 foundation concrete 150 mm thick, cement Plaster 12 mm thick using cement : mortar in Proportion 1:3 with Niru finishing curing and 16 mm thick MS frame & cover with material. (With 16 mm thick M.S cover Plate) complete.	23.48
9	Providing and casting in situ C.C. in grade M-15 (80pprox.. corresp. To prop. 1:2:4) (proportions as per mix design or as per Table 9 of IS456 2000 in masses by weigh batching) using granite, quartzite trap metal of size 6 mm to 20 mm for RCC work, including scaffolding centering, form work, needle vibrated consolidation, curing comp. up to 6 meter depth or height (excluding cost of reinforcement and neat finishing) with centering and shuttering / deshuttering etc. comp for structure for other than water retaining. (with form work)	3.52
10	House Connection – Providing & Supplying House Connection piping ASTM Providing & Supplying House service connection from distribution main to property limit.	135.35
11	Restoration Of Road Work	585.89
	Total	3252.71
	Total Cost in Rs crores	32.53

(Excludes amount payable towards GST which will be borne by the RMC)

- C. **Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project VII will be executed in a single phase only.

- D. **An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.**

A summary of capital cost and sources of funds for the proposed Projects are presented in the table below:

(Rupees in Crores)		
Project Cost*	RMC Contribution (Internal accruals/ Grant of GoI/GoG)**	Proposed Bond Issue
32.53	21.53	11

Notes: * The cost for Project VII as approved by the Municipal Commissioner, tender floated and Work order issued. Cost of project may vary during implementation. Any incremental cost & cost towards GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23 August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project VII shall not be less than 20% (Twenty percent) of the cost of the Project VII, which shall be contributed from its internal resources or grants that may be in cash or kind.

E. Schedule of implementation of the Project

The following is the proposed schedule of implementation for Project VII:

Activity	Indicative Period		Physical Target (%)	Financial Target (%)
	Date of Start	Date of Completion		
Survey Work, Design & Engineering, Excavation for pipe line trenches for water supply, manhole etc.	T*	T+275	30	26.50
Providing and supplying D. I. pipes., Providing & Supplying House Connection piping, Hydro Testing, Fixing of Valves and other Items	T+60	T+496	95.00	86.00
Restoration Of Road Work	T+496	T+540	100.00	100.00

*T stands for the start date of the project i.e. December 09, 2023.

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project VII are as below:

Activity	Duration (In Days)	Date of Start	Date of Completion
Survey Work	30	T	T+30
Design And Engineering	30	T+15	T+45
Excavation for pipe line trenches for water supply, manhole etc.	230	T+45	T+275
Providing and supplying D. I. pipes.	285	T+60	T+345
Providing & Supplying House Connection piping.	106	T+345	T+451
Hydro Testing	30	T+451	T+481
Fixing of Valves and other Items	15	T+481	T+496
Restoration Of Road Work	44	T+496	T+540

Current Status of Project VII: Tendering process has been completed and work order has been awarded for the project and the work is under progress.

The current completion status of Project VII as per certificate dated October 16, 2024 from Multi Media Consultants Private Limited is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	30%	26%

G. Details and status of the regulatory approval (if required):

Project VII has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/909 dated 1 April 10, 2023.

Based on the technical consultant certificate dated March 22, 2024, August 05, 2024 October 09 2024 and October 16, 2024, other than the approval mentioned herein, there are no regulatory approvals required to be obtained by the Corporation for implementation of the Project VII.

PROJECT-VIII: Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR (hereinafter referred as “Project VIII”)

The details of Project VIII is based on the Detailed Project Report dated January 01, 2023 prepared by Multi Media Consultants Private Limited, certificate dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024 from Multi Media Consultants Private Limited

A. The proceeds of the proposed issue shall be clearly earmarked for a defined project or a set of projects along with the location of the project and plant and machinery, technology, process, etc.:

The project is for the Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR of RMC Area under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 Scheme, which will be executed by Rajkot Municipal Corporation.

Details of location, plant and machinery, technology, process etc. for Project VIII as stated below:

Location	Ward No. 10 (Part) From Kalawad Road ESR of RMC Area
Plant & Machinery/ Components	Water supply distribution network design is carried out using Bentley Water Gem Software as per design criteria given in CPHEEO Manual. Design criteria are as under: 1. Type of Pipe – Ductile Iron (DI K-7) 2. Hazen William C value – 140 3. Residual pressure – 0.6 Kg./cm² Following Components are proposed to be utilised to implement the referred project: 1. 100 mm dia. To 800 mm dia. DI Pipe with excavation, refilling etc. complete. 2. Sluice, Flush valve, Air valve with valve chambers etc. 3. Excavation of existing road with road restoration etc. 4. House connection of different sizes as per requirement.
Process and Technology	1. Survey Work - Surveying for laying a (DI) pipeline involves several critical steps. Initially, a topographical survey assesses the terrain for the optimal pipeline route. Following this, a geotechnical survey examines soil conditions to inform foundation and support structure design. A route alignment survey precisely defines the pipeline path, and environmental assessments identify and mitigate potential impacts. 2. Design And Engineering - The design and engineering of a Ductile Iron (DI) pipeline involves a systematic approach, beginning with a thorough assessment of project requirements and regulatory standards. Engineers conduct hydraulic and structural analyses to determine the optimal pipe specifications, layout, and alignment. Detailed engineering drawings are created, considering topographical features and potential obstacles, to ensure efficient construction and compliance with environmental regulations. 3. Excavation for pipeline trenches for water supply, manhole etc. - Excavate trenches for water supply pipelines, manholes, etc., using necessary support structures for safety and stability, in line with specified gradients and alignment. Implement safety measures, including the use of site rails, for all lifts and strata. Manage the excavation material, including cleaning the site, in accordance with specified requirements. 4. Providing, supplying and Laying D.I. pipes. (100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, 800mm) - Supplying, delivering, and expertly installing a comprehensive range of ductile iron pipes with varying diameters, including 100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, and 800mm. 5. Providing & Supplying House Connection piping. - Supplying and delivering all the necessary pipes and materials for connecting houses to the water system, making sure everything is provided for an effective and smooth water distribution setup in residential buildings. 6. Hydro Testing - Conducting hydrostatic testing on pipes to assess their structural integrity, durability, and leak resistance, a meticulous process involving pressurizing the pipes with water to verify their performance under various conditions.

	7. Fixing of Valves and other Items - This process involves precise positioning and secure attachment of valves, hydrants, and other essential items at designated points along the pipeline. Firstly, the locations for valves and other components are determined based on the network design and hydraulic requirements. The valves are strategically placed to regulate the flow, control pressure, and facilitate maintenance activities. Restoration Of Road Work - After laying the Ductile Iron (DI) pipeline network, the restoration of road work is a crucial step to ensure the infrastructure is returned to its original state. This process involves repairing and reinstating the road surface that was excavated during the pipeline installation.
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B. Where the issuer proposes to undertake more than one activity or project, such as diversification, modernization, or expansion, etc., the total project cost activity-wise or project wise as the case may be.:

The details of activity-wise project cost for the Project VIII are given below:

Sr. No.	Item Description	Total Cost (In Rs. Lacs)
1	Excavation for pipe line trenches for water supply, manhole etc. all with shoring and strutting if required as per required gradient and line including safety provisions using site rails and stacking excavated stuff including up to all required lead cleaning the site etc. complete for all lifts and strata as specified & Refilling	103.70
2	Providing and supplying D. I. pipes (100mm to 800mm Dia) for following nominal bore diameter with internal cement mortar lining including all taxes, insurance, transportation, freight charges, octroi, inspection charges, loading, unloading, conveyance to departmental stores, stocking etc. complete. (IS 8329-2000)	806.65
3	Lowering, laying and jointing C. I. S & S Spun pipes suitable for Tyton joints / Mortar lined D. I. Pipes (100mm to 800 mm Dia) of various classes with CI / MS specials of following diameters in proper position, grade and alignment as directed by Engineer-in-charge including hydraulic testing etc. comp.	43.75
4	Manufacture, Supply & Delivery of Ductile Iron Flange socket spigot bends, tees, reducers or any other specials as per BS-EN545/1995 Class-A series K12 suitable for use with D.I. Pipes manufactured as per IS:8329/1994 delivery of specials is to be made to GWSSB store or site of works anywhere in Gujarat including all taxes, loading, unloading, carting. Stacking, insurance, inspection charges, octroi etc. complete.	48.40
5	Providing and supplying ISI mark CI / D/F Sluice Valves as per IS:14846 (Latest Edition) of following class and diameter including all taxes. Insurance transportation, freight charges, octroi, inspection charges. Loading, unloading, conveyance to departmental stores, stacking etc. complete	8.86
6	Lowering, laying and jointing in position following C. I./ D/F Reflux valves, Butterfly valves, Sluice valves and Air valves including cost of all labour, jointing material, including nut bolts and giving satisfactory hydraulic testing, etc. complete.	0.53
7	Providing and supplying C. I. Temper proof Air valves with ss 304 Float gun metal- nozzle of approved make & quality of following class and diameter including all taxes insurance transportation, freight charges, octroi, Inspection charges, loading. Unloading, conveyance to departmental stores. Stacking etc., complete.	0.75

Sr. No.	Item Description	Total Cost (In Rs. Lacs)
8	Construction of valves Chambers in brick masonry using common burnt clay building brick, locally available in C.M 1:6 foundation concrete 150 mm thick, cement Plaster 12 mm thick using cement: mortar in Proportion 1:3 with Niru finishing curing and 16 mm thick MS frame & cover with material. (With 16 mm thick M.S cover Plate) complete.	9.63
9	Providing and casting in situ C.C. in grade M-15 (approx. corresp. to prop. 1:2:4) (proportions as per mix design or as per Table 9 of IS456 2000 in masses by weigh batching) using granite, quartzite trap metal of size 6 mm to 20 mm for RCC work, including scaffolding centering, form work, needle vibrated consolidation, curing comp. up to 6 meter depth or height (excluding cost of reinforcement and neat finishing) with centering and shuttering / deshuttering etc. comp for structure for other than water retaining. (with form work)	5.63
10	House Connection - Providing & Supplying House Connection piping ASTM Providing & Supplying House service connection from distribution main to property limit including fixing.	47.59
11	Restoration Of Road Work	104.21
	Total	1179.70
	Total Cost in Rs crores	11.79

(Excludes amount payable towards GST which will be borne by the RMC)

- C. **Issuer is implementing the project in a phased manner, the cost of each phase, including the phase, if any, which has already been implemented, shall be separately given.**

Not Applicable, as the Project VIII will be executed in a single phase only.

- D. **An investment plan for the project components as well as phases thereof as well as financing thereof as approved by the local authority or the agency as the case may be.**

A summary of capital cost and sources of funds for the proposed Project are presented in the table below:
(Rupees in Crores)

Project Cost*	RMC Contribution (Internal accruals/Grant of GoI/GoG)**	Proposed Bond Issue)
11.79	8.79	3

Notes: * The cost for Project VIII as approved by the Municipal Commissioner, tender floated & work order awarded. Cost of project may vary during implementation. Any incremental cost & cost towards GST shall be borne by RMC.

- ** 1. RMC Contribution (Internal accruals/Grant of GoI/GoG) based on approval received from Gujarat Urban Development Mission vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated 23rd August 2022 & vide letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated 10th April 2023 under AMRUT 2.0 scheme.
2. As per letter 'GUDM No./1741/AMRUT 2.0/Power Delegation/ Delegation of Powers for approving DPRs-DTPs-Tenders by various implementing agencies under AMRUT 2.0 Scheme the grant under AMRUT 2.0 Scheme shall be disbursed to the RMC based on the Approved cost, which will be lower of appraised cost [Appraised Cost = Minimum of three: (1) DPR cost (Excl. O&M Cost); (2) Work Order Amount (Excl. O&M Cost & Tender Premium); (3) Respective SWAP Allocation of respective sector & project) of respective and contract award cost (excluding O&M).

The Issuer confirms that its contribution for the Project VIII shall not be less than 20% (Twenty percent) of the cost of the Project VIII, which shall be contributed from its internal resources or grants that may be in cash or kind.

E. Schedule of implementation of the Project

The following is the proposed schedule of implementation for Project VIII:

Activity	Indicative Period		Physical Target (%)	Financial Target (%)
	Date of Start	Date of Completion		
Survey Work, Design & Engineering, Excavation for pipe line trenches for water supply, manhole etc.	T*	T+275	30	26.50
Providing and supplying D. I. pipes., Providing & Supplying House Connection piping, Hydro Testing, Fixing of Valves and other Items	T+60	T+496	95.00	86.00
Restoration Of Road Work	T+496	T+540	100.00	100.00

Note: The above timelines are indicative and the Physical Target and Financial Target for activity will commence after allotment of work order for implementation of the Project VIII.

*T stands for the start date/work order date of the project i.e. March 15, 2024

F. Benchmarks for commencement and completion of the Project including milestone dates for all components of the Project:

Based on the similar projects completed by the Corporation in past, the indicative milestone dates for the completion of activities of proposed Project VIII are as below:

Activity	Duration (In Days)	Date of Start	Date of Completion
Survey Work	30	T	T+30
Design And Engineering	30	T+15	T+45
Excavation for pipe line trenches for water supply, manhole etc.	230	T+45	T+275
Providing and supplying D. I. pipes. (100mm, 150mm, 200mm, 250mm, 300mm, 350mm, 400mm, 450mm, 500mm, 600mm, 700mm, 800mm)	285	T+60	T+345
Providing & Supplying House Connection piping.	106	T+345	T+451
Hydro Testing	30	T+451	T+481
Fixing of Valves and other Items	15	T+481	T+496
Restoration Of Road Work	44	T+496	T+540

Current Status of Project VIII: Tendering process has been completed and work order has been awarded for Project VIII and the work is under progress.

The current completion status of Project VIII as per certificate dated October 16, 2024 from Multi Media Consultants Private Limited is as follows:

	Physical Target Achieved %	Financial Target Achieved %
Project Construction	29%	25%

G. Details and status of the regulatory approval (if required):

Project VIII has been approved by GoG vide letter GUDM/AMRUT2.0/PROJECTS FUND DISBURSEMENT/2023-24/2132, dated August 23, 2022.

Based on the technical consultant certificates dated March 22, 2024, August 05, 2024 , October 09, 2024 and October 16, 2024, other than the approvals mentioned herein, there are no other regulatory approvals required to be obtained by the Corporation for implementation of the Project VIII

H. Expenses of the Issue

Expenses of the issue along with a break-up for each item of expense, including details of the fees payable to/for separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size)

Expenses Head	Amount (in Rs.) (Excluding Taxes)*	Percentage of total issue expenses	Percentage of total issue size
Fees to Merchant Banker(s) (including commissions, if any)	1	0.00%	0.00%
Brokerage, selling commission and upload fees	Nil	0.00%	0.00%
Fees to the Registrar to the Issue	53,000	1.99%	0.01%
Fees to the Legal Advisor to the Issue	3,60,000	13.49%	0.04%
Advertising and marketing expenses (including road shows and investors meet)	1,00,000	3.75%	0.01%
Regulators including stock exchange	5,000	0.19%	0.0005%
Printing and distribution of issue stationery	50,000	1.87%	0.01%
Others, if any (fees of Rating Agencies, Debenture Trustee, etc.)	21,00,000	78.71%	0.21%
Total (exclusive of taxes)	26,68,001	100.00%	0.27%

*Identified Indicative amounts

**Rounded of the second decimal point

The Issuer has not and any person who is connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue. The expenses in relation to the Issue are not being paid out of the proceeds of the Issue. The expenses in relation to the Issue are being met through the internal accruals of the Issuer.

SECTION-VIII: TAX BENEFITS

Any special tax benefits (under direct and indirect tax laws) for the issuer and its investors:

To,
Rajkot Municipal Corporation
Dr. Ambedkar Bhavan,
Rajkot Municipal Corporation Account Division,
Dhebarbhai Road, Rajkot, Gujrat – 360001, India

Dear Sirs,

Re: Statement of Tax Benefits available to the debenture holders of Rajkot Municipal Corporation in connection with the proposed private placement of 5,000 (Five Thousand) rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of Debentures, of face value of ₹ 2,00,000/- (Rupees Two Lakhs Only) (comprising of 2 (two) separately transferable and redeemable principal parts (“STRPP”) namely 1 STRPP A of face value of ₹ 1,00,000 and 1 STRPP B of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 100 crores (Rupees One Hundred Crores Only) (“Bonds”/ “NCDS”/ “Debentures”) (hereinafter referred to as the (“Issue”).

1. We, M.M. Thakkar & Co., refer to the proposed Issue by Rajkot Municipal Corporation (the “**Issuer**”) and enclose the statement of special tax benefits available to the Issuer and Investors under the Income Tax Act, 1961 (the “**Statement**”) showing the special tax benefits on issue of Municipal Bond applicable to the Issuer and Investors as per the provisions of the Income Tax Act, 1961 (the “**Act**”) and Income Tax Rules, 1962 including amendments made by Finance Act, 2024 and Taxation Laws (Amendment) Act, 2021 as applicable for the financial year 2024-2025, for inclusion in the Preliminary Placement Memorandum and Placement Memorandum which are proposed to be filed by the Issuer with the Stock Exchanges, the Securities and Exchange Board of India and any other regulatory authority in connection with the Issue. Several of these benefits are dependent on the Investors fulfilling the conditions prescribed under the relevant provisions of the Act. Hence the ability of the Investors to derive these tax benefits is dependent upon their fulfilling such conditions.
2. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Statement are based on the information and explanations obtained from the Issuer. This statement is only intended to provide general information to the Investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each debenture holder is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor are we advising the Investors to invest money based on this statement. We do not express any opinion or provide any assurance as to whether:
 - the Issuer or the Investors will continue to obtain these benefits in similar manner in future;
 - the conditions prescribed for availing the benefits have been / would be met with; and
 - the revenue authorities/courts will concur with the views expressed herein.
3. We hereby give our consent to include the Statement in the Preliminary Placement Memorandum and Placement Memorandum in connection with the Issue to be filed by the Issuer with the Stock Exchange(s), the Securities and Exchange Board of India and any other regulatory authority in relation to the Issue and such other documents as may be prepared in connection with the Issue.
4. **Limitations**

Our views expressed in the Statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its reasonable interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
5. This Statement is addressed to you solely for the use of the Issuer in relation to the Issue and, except with our prior written consent, is not to be transmitted or disclosed to, or used or relied upon by any

other person or used or relied upon by you for any other purpose, save that you may disclose this Statement to **AK Capital Services Limited** (the “**Merchant Banker**” or “**Permitted Recipient**”).

Sincerely,

M.M. Thakkar & Co.

Firm Registration No: 110905W

D.M. Thakkar

(Partner)

Membership No: 103762

UDIN: 24103762BKFXQF3775

Place: Rajkot

Date: August 05, 2024

STATEMENT OF SPECIAL TAX BENEFITS

Under the existing provisions of law, the following special tax benefits, *inter alia*, will be available to the Issuer and Debenture Holder(s). The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto.

The information given below lists out the special tax benefits available to the Issuer and Debenture Holder(s), in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the Debentures. The Debenture Holders are advised to consider in its own case, the tax implications in respect of subscription to the Debentures after consulting its tax advisor as alternate views are possible. We are not liable to the Debenture Holders in any manner for placing reliance upon the contents of this statement of special tax benefits.

We have also perused the relevant provisions of Income Tax Act, 1961, Central Goods and Service Tax Act (CGST), State Goods and Service Tax Act (SGST) and Integrated Goods and Service Tax Act (IGST) along with the notifications issued by the revenue authorities from time to time.

On the basis of such perusal/examination of the provisions and on the discussions held with the officials of Issuer, we are of the opinion that the following special tax benefits are available to the Issuer and the Debenture Holders:

DIRECT TAXES

IMPLICATIONS UNDER THE INCOME-TAX ACT, 1961 (“IT Act”)

We have perused various provisions of tax exemption / tax rebates specified under Chapter III and Chapter VI A of the IT Act. From the perusal of the said Chapters, our opinion is as under:

Benefits to the Issuer

The Income of the Issuer from specified sources are exempted under Section 10(20) of the IT Act. The provisions under Section 10(20) of the IT Act are as under:

“the income of a local authority which is chargeable under the head "Income from house property", "Capital gains" or "Income from other sources" or from a trade or business carried on by it which accrues or arises from the supply of a commodity or service (not being water or electricity) within its own jurisdictional area or from the supply of water or electricity within or outside its own jurisdictional area.

Explanation. —For the purposes of this clause, the expression "local authority" means—

- (i) Panchayat as referred to in clause (d) of article 243 of the Constitution; or*
- (ii) Municipality as referred to in clause (e) of article 243P of the Constitution; or*
- (iii) Municipal Committee and District Board, legally entitled to, or entrusted by the Government with, the control or management of a Municipal or local fund; or*
- (iv) Cantonment Board as defined in section 3 of the Cantonments Act, 1924 (2 of 1924);”*

As per the provisions of Section 10(20) of the IT Act read with the other relevant provisions of the IT Act and the Income Tax Rules, 1962 and as per the information and explanations given to us, any income arising to the Issuer on the issuance of the Debentures shall be assessed as “Income From Other Sources” which is exempted under Section 10(20) of the IT Act.

Apart from the above, there are no special tax benefits available under the IT Act.

Benefits to the Debenture holder(s)

The interest income earned on investment made in municipal bonds are not exempt under the provisions of Chapter III of the IT Act. Also, there are no special tax benefits available under any other provisions of the IT Act.

Also, the capital gains arising on transfer of municipal bond are not exempt under Chapter IV of IT Act.

Tax at source shall be deducted on interest as per the rate applicable under the IT Act.

Tax deduction at source concession to the Foreign Portfolio Investors (“FPIs”)

As per provisions of Section 194LD of the IT Act, it is proposed that foreign portfolio investors shall be eligible for concessional rate of tax deduction at source on the interest on bonds at 5%. Section 194LD of the IT Act reads as under:

“(1) Any person who is responsible for paying to a person being a Foreign Institutional Investor or a Qualified Foreign Investor, any income by way of interest referred to in sub-section (2), shall, at the time of credit of such income to the account of the payee or at the time of payment of such income in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rate of five per cent.

(2) The income by way of interest referred to in sub-section (1) shall be the interest payable in respect of investment made by the payee in—

- (i) a rupee-denominated bond of an Indian company; or*
- (ii) Government security:*

Provided that the rate of interest in respect of bond referred to in clause, (i) shall not exceed the rate as may be notified by the Central Government in this behalf.

Explained: –

- a) ‘Foreign Institutional Investor’ is a registered institution that invests in a country other than its own.*
- b) ‘Qualified Foreign Investor’ is a subcategory of FII who is a foreign individual, group or association restricted from those countries, which are the members of FATF.*
- c) ‘Rupee-denominated bond’ is a bond issued by an Indian entity in a foreign market where the buying, selling and repayment are expressed in rupees.*
- d) ‘Government security’ is a Government issued bond, which is of low risk.”*

A foreign institutional investor or a qualified foreign investor consider investing in securities to be gainful and thus, make investments claiming a security interest on the collateral. The interest payable by the Indian concern or entity to a foreign entity is deducted at 5% tax at source and disbursed in terms of rupees.

INDIRECT TAXES

Benefits to the Issuer

The Issuer is exempted from provisions of goods and service tax only on municipal services. There are no special tax benefits on the issuance of municipal bonds.

Benefits to the Debenture holder(s)

No special indirect tax benefits are available on issue of municipal bonds to the investors.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.

SECTION-IX: ISSUE SPECIFIC INFORMATION

A. Issue/instrument specific regulations

The Bonds are proposed to be issued in accordance with SEBI Municipal Debt Regulations and relevant circulars of SEBI, as amended from time to time.

The GPMC Act provides borrowing powers to RMC. The proposed issue is being made pursuant to Section 109 of the GPMC Act and is subject to the provisions of the GPMC Act, the terms of this Placement Memorandum and other terms and conditions as may be incorporated in the Transaction Documents. The Issuer has obtained approval for the Issue of bonds as mentioned under section titled “*About the Issuer and Capital Structure of the Issuer*” on page no. 37.

Section 109(1) provides that the Corporation with the previous sanction of the State Government, from time to time, may from time to time borrow or re-borrow and take up at interest by the issue of debentures or otherwise on the security of any immovable property vested in the Corporation on or proposed to be acquired by it under this Act or of all the taxes or of any tax which it is authorised to levy for the purposes of this Act or the Transport Undertaking, or of all or any of those securities any sum necessary for the purpose of:

- (a) defraying any costs, charges or expenses, incurred or to be incurred by it in the execution of this Act;
- (b) for discharging any loan contracted under this Act or any other loan or debt for the repayment of which the Corporation is liable;
- (c) generally for carrying out the purposes of this Act, including the advance of loans authorised thereunder

Further in accordance with Section 111, every loan raised by the Corporation under Section 109 shall be repaid by the following methods:

- (a) by payment from a sinking fund established in respect of the loan;
- (b) by equal payments of principal and interest;
- (c) by equal payments of principal;
- (d) in the case of a loan borrowed before the appointed day by annual drawings if such method was in operation for the repayment of such loan immediately before such day;
- (e) from any sum borrowed for the purpose under section 109 (1) (b); or
- (f) partly from a sinking fund established in respect of the loan and partly from money borrowed for the purpose under section 109(1)(b).

B. Rating and detailed Rating Rationale.

For rating rationale and credit rating letters of India Rating and Research Private Limited and CRISIL Ratings Limited, please refer to **Annexure II**.

C. Credit Enhancement Mechanisms, if any.

Please refer to **Annexure-I** for Structured Payment Mechanism.

C. Stock exchanges where the debt securities are proposed to be listed

The Bonds are proposed to be listed on National Stock Exchange of India Limited. National Stock Exchange of India Limited shall be the designated stock exchange. The in-principle approval of the NSE dated March 28, 2024 has been obtained in this regard.

E. Additional interest to be paid, above the Coupon Rate, in case of default in payment of Interest and/or principal redemption on due dates

In case of default in payment of interest and/or principal redemption on the due dates, the Issuer shall pay an additional interest at the rate of 2.00% p.a. over the respective Coupon Rates of the Bonds for the defaulting period.

F. Penal interest payable by the Corporation in case of delay in listing of Bonds from Deemed date of Allotment

1% per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.

G. DRR/Sinking Fund

As per SEBI Municipal Debt Regulations and the requirements of the SEBI circular in relation to 'Continuous disclosures and compliances by listed entities under SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 dated November 13, 2019 bearing reference no. SEBI/HO/DDHS/CIR/P/134/2019 and GPMC Act, the Issuer is required to create Sinking Fund for due repayment of principal. Accordingly, the Issuer shall create Sinking Fund as mentioned in the Structured Payment Mechanism for redemption of the Bonds. For further details of Structured Payment Mechanism, please refer to **Annexure-I** of this Placement Memorandum.

H. Mechanism adopted in compliance with Regulation 13 of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

1. We would like to disclose to all the stakeholders including but not limited to potential investors that, RMC has appointed A. K. Capital Services Limited as Merchant Bankers/ Arrangers to the Issue vide Engagement letters dated October 17, 2023 and Issue Agreement dated March 22, 2024 and Amended Issue Agreement August 05, 2024;
2. We further would like to disclose that lead managers/ merchant bankers/ arrangers either directly or through its affiliates or its associates or its subsidiaries may invest in the proposed issue through EBP mechanism in transparent manner;
3. EBP mechanism is adopted to ensure fair, objective, and unbiased opportunity to all investors.

I. Deduction of Tax at Source on interest on NCDs

1. Interest on NCDs issued pursuant to this Issue is subject to deduction of income tax under the provisions of the Income Tax Act, 1961 ("**IT Act**") or any other statutory modification or re-enactment thereof, as applicable. NCD Holders desirous of claiming non-deduction or lower deduction of tax at source under applicable laws, as the case may be, shall be required to submit the declaration/ certificates as per format prescribed under applicable laws with the Issuer and the RTA at the below mentioned address at least 15 (Fifteen) calendar days prior to the relevant Record Date for payment of interest on the NCDs:

Particulars	Contact Details of the Issuer	Contact Details of the RTA
Name	Rajkot Municipal Corporation	KFin Technologies Ltd.
Correspondence Address	Rajkot Municipal Corporation, account branch Room No. 4, 2nd floor, Dr.Ambedkar bhavan dhebar road, Rajkot, Gujarat - 360001	Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500032,
Contact Person	Mr. Amit Savajiyani	Mr. Srinivas Sudheer Venkatapuram Einward.ris@kfintech.com
Designation	Chief Accountant	VP – Corporate Registry
E-mail ID	rmcaccount@rmc.gov.in	srinivassudheer.venkatapuram@kfintech.com
Tel. No.	0281-2221622	040-67161667, 040- 67162222 , 040-23001153
Fax No.	-	040-23001153

Link for online submission	N.A.	https://ris.kfintech.com/form15/forms.aspx?q=0
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2. In case of non-receipt of such prescribed declaration/ certificate from the NCD Holders claiming non-deduction or lower deduction of tax at source under applicable laws, on or prior to the relevant Record Date, the Issuer shall make TDS deductions in accordance with the prescribed rates prior to credit of interest on NCDs.
3. Income Tax is deductible at source at the rate of 10% on interest on NCDs held by resident Indians in accordance with Section 193 of the IT Act. In cases where interest is to be paid to an Individual or hindu undivided family (“HUF”) (being the NCD Holder) is less than Rs. 5,000 and interest is to be paid by way of account payee cheque then the relevant NCD Holder may seek non deduction of tax at source on the interest on NCDs by submitting the prescribed declaration/certificates with the Issuer and the RTA at the aforesaid address on or prior to the relevant Record Date.
4. In case of NCD Holder who is a resident Individual or resident HUF claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by Individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all Debenture Holders (other than companies and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all Debenture Holders (including companies and firms) by making an application in the prescribed form i.e. Form No. 13.
5. Debenture Holders may seek/ may be granted, as the case may be, non-deduction or lower deduction of tax at source in following instances under the IT Act:
 - a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed by the NCD Holder with the Company before the Record Date for payment of interest;
 - b) When the resident Debenture Holder with Permanent Account Number (“PAN”) (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;
 - c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the IT Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL;
 - d) All mutual funds registered under Securities and Exchange Board of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it;

- e) For any NCDs held by Foreign Institutional Investors/ Foreign Portfolio Investors/ Qualified Foreign Investors, interest on NCDs may be eligible for concessional tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD applicable in respect of rupee denominated bonds of an Indian Company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government. Further, in case where section 194LD is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein;
 - f) Interest payable to Life Insurance Corporation, General Insurance Corporation and any other insurers are exempted from deductions of tax at source under Section 193 of the IT Act;
 - g) Interest payable to entities falling under the list of entities exempted from TDS by the circular no. 18/2017 by Central Board of Direct Taxes (whose income is unconditionally exempt under Section 10 of the IT Act and who are also statutorily not required to file return of income as per Section 139 of the IT Act);
 - h) Any other specific exemption available to any other category of investors under the IT Act.
6. In case(s) where the NCD Holder(s) do not submit the declaration/ certificates as per format prescribed under applicable laws with the Issuer and the RTA at the specified address on or prior to the relevant Record Date for payment of interest on the NCDs, the Issuer shall not be liable to refund the applicable amount of tax deducted at source and the NCD Holders would be required to directly take up with the tax authorities for refund, if any.

J. Issue Procedure

(a) Eligible Investors

The following categories of investors, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“**Eligible Investors**”):

1. All QIBs and / or;
2. any non-QIB Investors specifically mapped by the Issuer on NSE EBP Platform; and
3. Any other investor authorized to invest in these Bonds.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the NSE EBP Guidelines and SEBI EBP Guidelines) specifically mapped by the Issuer on the NSE EBP Platform are also eligible to bid/apply/invest for this Issue.

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breach by any investor, nor shall the Issuer be required to check or confirm the same.

The Placement Memorandum will be issued to the successful Eligible Investors, who are required to complete and submit the Application Form to the Issuer in order to accept the offer of Debentures. No person other than the successful Eligible Investors to whom the Placement Memorandum has been issued by the Issuer may apply for the Issue through the Application Forms received by them. Any application from a person other than those specifically addressed will be invalid.

Hosting of the Placement Memorandum on the websites of the NSE and SEBI should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated under the SEBI NCS Regulations read with the NSE EBP Guidelines.

(b) Application Process

Only Eligible Investors as mentioned hereinabove may apply for the Debentures. The minimum number of Bonds that can be applied for and the multiples thereof shall be as set out in this Placement Memorandum. No application can be made for a fraction of a Bond.

The Issue set up shall be done by the Issuer in accordance with the NSE EBP Guidelines and SEBI EBP Guidelines.

Eligible Investors are required to register on the EBP, the link for which shall be available at <https://www.nse-ebp.com/ebp/rest/login>. All the registered Eligible Investors are required to update the necessary bank account details and demat details before participating in the bidding process on the NSE EBP Platform.

In order to be able to bid under the NSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to the documentation related to 'know your customer') in accordance with the SEBI EBP Guidelines and NSE EBP Guidelines. Eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of NSE. The details of the Issue shall be entered on the NSE EBP Platform by the Issuer at least 5 (five) Working Days prior to the Issue Opening Date, in accordance with the SEBI EBP Guidelines. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the NSE EBP Platform, at least 1 (one) Working Day before the start of the Issue Opening Date.

The Issue will open on the 'Issue Opening Date' and close on the 'Issue Closing Date' as stated herein ("Issue Period"). The subscription to the Bonds shall be made by the Eligible Investors through the electronic book mechanism by placing bids on the NSE EBP Platform as prescribed by SEBI during the Issue Period. Bids need to be submitted by issue closing time or such extended time as decided by the Issuer on the NSE EBP Platform. Some of the key parameters in terms of the extant SEBI EBP Guidelines on issuance of debt securities on private placement basis through an electronic book mechanism are as follows:

Details of size of the Issue and green shoe portion, if any	Private Placement of up to 5,000 (Five Thousand) Rated, Listed, Taxable, Secured, Redeemable Non-Convertible Municipal Bonds in the nature of Debentures, of Face Value of ₹ 2,00,000/- each comprising of 2 (two) separately transferrable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000 and 1 STRPP B of face value of ₹ 1,00,000) ("Bonds"/ "NCDs"/"Debentures") for cash, for an amount aggregating up to ₹ 100 Crores (Rupees One Hundred Crores only)
Interest rate parameter	Fixed Coupon
Issue Opening Date	October 16, 2024
Issue Closing Date	October 16, 2024
Minimum Bid Lot	5 Debentures comprising of 5 STRPP A and 5 STRPP B
Manner of bidding in the Issue	Closed bidding on the NSE EBP Platform in line with the NSE EBP Guidelines
Manner of allotment in the Issue	Uniform yield basis in line with the NSE EBP Guidelines
Manner of settlement in the Issue	Settlement of the Issue will be done through the clearing corporation of NSE being National Securities Clearing Corporation Limited and the account details are given in the section on 'Allocation and Settlement' of this Placement Memorandum
Settlement Cycle	The process of pay-in of funds by investors and pay-out to Issuer will be done on T+2 day, where T is the Issue Closing Date

(c) Bids by the Arrangers

Only the Arrangers mapped by the Issuer on the NSE EBP Platform shall be entitled to bid on behalf of Eligible Investors in the capacity of an arranger. Multiple bids by the Arrangers are permitted provided that each bid is on behalf of different Investors.

The Arrangers are allowed to bid on a proprietary, client and consolidated basis. At the time of bidding, the Arrangers are required to disclose the following details to the NSE EBP Platform:

Whether the bid is proprietary bid or is being entered on behalf of an Eligible Investor or is a consolidated bid, i.e., an aggregate bid consisting of proprietary bid and bid(s) on behalf of Eligible Investors.

For consolidated bids, the Arrangers shall disclose breakup between proprietary bid and bid(s) made on behalf of Eligible Investors.

For bids entered on behalf of Eligible Investors, the Arrangers shall disclose the following:

- i. Names of such Eligible Investors;
- ii. Category of the Eligible Investors (i.e. QIB or non-QIB); and
- iii. Quantum of bid of each Eligible Investor

Provided that the Arrangers shall not be allowed to bid on behalf of any Eligible Investor if the bid amount for a series of the Debentures exceeds 5% (five percent) of the base issue size of the Debentures or Rs. 100 Crore, whichever is lower (or such revised limits as may be specified in the SEBI EBP Guidelines from time to time).

(d) Modification or cancellation of the bids

Modification or cancellation of the bids shall be allowed i.e. bidder can cancel or modify the bids made in an issue, subject to the following:

- a. such cancellation/ modification in the bids can be made only during the bidding period;
- b. no cancellation of bids shall be permitted in the last 10 minutes of the bidding period; and
- c. in the last 10 minutes of the bidding period, only revision allowed would be for:
 - i. downward revision of coupon/ spread or upward modification of price; and/ or
 - ii. Upward revision in terms of the bid size.

NSE reserves the right to cancel any bids placed by the Bidder or any transaction, if found in contravention of applicable law, or when requested/directed by any competent legal authority(ies), or if found that occurrence of material events have bearing on the performance/ operations of the Issuer or an informed appraisal of the status/position of the Issuer by Bidder/its client.

After the end of the bidding window, the Issuer has the option to:

- Withdraw the Issue; or
- Accept the Issue

In case the Issuer does not accept or withdraws the issue before the specified deadline, then the issue will be withdrawn by the system as per the NSE EBP guidelines.

(e) Allocation and Settlement:

The allotment of valid applications received on the latest by the time of close of bidding window shall be done on 'uniform yield allotment' basis in the following manner:

- (i) all bids shall be arranged in accordance with "yield time priority" basis and the allotment shall be done at the cut-off rate determined in the bidding process. The allotment and settlement value shall be based on the face value.

- (ii) where two or more bids have the same yield coupon and time, then allotment shall be done on “pro-rata” basis.

Post completion of the bidding process and closure of the Issue, the Issuer will accept and upload the provisional allocation on the NSE-EBP Platform. Post receipt of investor details, the Issuer may freeze the allocation on the NSE EBP Platform.

Eligible Investors whose bids have been accepted by the Issuer (“**Successful Bidders**”) shall make pay-in of subscription monies in respect of the Bonds towards the allocation made to them, into the bank account of NSE Clearing Limited, on the Pay-In Date and before the pay-in cut-off time in accordance with the NSE and SEBI EBP Guidelines, the details of which will be displayed on NSE EBP Platform.

The fund pay-in by the successful bidders will be made only from the bank account(s), which have been provided/updated on the NSE EBP Platform. All transfers/RTGS must be made payable to the designated bank accounts of NSE Clearing Limited, details of which accounts are as set out below:

Beneficiary Name	NSE Clearing Limited
Clearing House Bank	HDFC Bank Ltd
IFSC	HDFC0000060
Bank account number	Will be available on NSE EBP Platform post bidding and will be shared on mail post allocation for making the payment

It may be noted that payment by any other means shall not be accepted. The Issuer assumes no responsibility for any delayed receipts / non-receipt of RTGS payments or any applications lost in mail or in transit or any failure of electronic fund transfer.

Any amount received from third party accounts or from accounts not specified in the EBP may lead to cancellation of bid and no allotment will be made against such payments and the funds shall be refunded. Further, pay-in received from any other bank account may consequently lead to debarment of the bidder from accessing the NSE EBP Platform for 30 (thirty) days or as may be provided under NSE EBP Guidelines.

Upon the transfer of funds into the aforesaid account of NSE Clearing Limited by the Successful Bidders, the Issuer shall confirm its decision to proceed with the allotment of the Bonds in favour of the Successful Bidders to the clearing corporation(s), Depository(ies), Registrar and the NSE EBP Platform. The Issuer shall initiate the requisite corporate action for allotment of Debentures and credit of allocated Debentures into the relevant demat account of the Successful Bidders through the Registrar. The Registrar shall provide corporate action file along with all requisite documents to the Depositories and intimate the NSE EBP of the aforesaid actions.

Upon the Depositories confirming the allotment of the Bonds and the credit of allocated Debentures into the demat account of the Successful Bidders to NSE EBP, the subscription monies in respect of the Bonds from the aforesaid account of the clearing corporation shall be released into the Issue Proceeds Account, as intimated by the Issuer to NSE EBP in accordance with applicable regulations/notifications and guidelines issued by SEBI from time to time. The details of the Issuer’s bank account are as provided herein below:

Beneficiary Name	Rajkot Municipal Corporation Bond Issue Proceed Account
Bank Account No.	015305014355
IFSC Code	ICIC0000153
Bank Name	ICICI Bank
Branch Address	Jaihind Press, Rajkot

It must be noted that all pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties may be applicable as specified by the NSE and SEBI EBP Guidelines.

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, price quoted during bidding, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the SEBI Master Circular and SEBI & NSE EBP Guidelines. The NSE EBP shall upload such data, as provided by the Issuer, on its website to make it available to the eligible participants.

All benefits relating to Debentures will be available to the Investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date of Debentures is changed (preponed/ postponed), the Deemed Date of Allotment of Debentures may also be changed (preponed/ postponed) by the Issuer.

(f) Application Forms

Applications for the Bonds must be made in the Application Form and must be completed in block letters in English by the Eligible Investors. Application Forms must be accompanied by payment details. The full amount of the Face Value/ Issue Price allotted has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below. Application Forms should be duly completed in all respects. The name of the Applicant's bank, type of account and account number must be duly filled by the Applicant. All Application Forms duly completed should be scanned clearly and emailed to the Issuer along with all the relevant documents on or before the Pay-In Date and forthwith followed by the original Application Form shall be submitted at the Head Office of the Issuer which is located at Dr. Ambedkar Bhavan, Dhebar Road, Rajkot – 360001, Gujarat, India but no later than 10 (ten) days from the Issue Closing Date. The Issuer will not be responsible in any manner for any delayed receipts / non-receipt of Application Forms for any reason whatsoever.

Documents to be provided by successful bidders:

Investors need to submit the certified true copies of the following documents, along-with the application form, as applicable:

- a) Articles and Memorandum of Association/ Constitution/ Bye-laws;
- b) Board Resolution authorizing the investment and containing operating instructions;
- c) Power of Attorney/ relevant resolution/authority to make application;
- d) Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- e) Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- f) Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

(g) Withdrawal of Issue

The Issuer may, at its discretion, withdraw the issue process on the conditions set out under the NSE EBP Guidelines; provided that the Issuer shall accept or withdraw the issue on the NSE EBP Platform in accordance with NSE EBP Guidelines as prevailing on the date of the bid. If the Issuer has withdrawn the Issue, and the cut-off yield of the Issue is higher than the estimated cut-off yield disclosed to the NSE EBP Platform, the estimated cut off yield shall be mandatorily disclosed by the NSE EBP Platform to the Eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Issuer, prior to opening of issue on the NSE EBP Platform. The disclosure of estimated cut off yield by NSE EBP Platform to the Eligible Investors, pursuant to closure of the Issue, shall be at the discretion of the Issuer.

(h) Fictitious Application

Any person who makes, in fictitious name, any application to the Issuer for acquiring, or subscribing to, the Bonds, or otherwise induces the Issuer to allot, register any transfer of Bonds therein to him or any other person in a fictitious name, shall be punishable as per provisions of extant laws.

(i) Procedure for Applying for Dematerialised Facility

- A. The applicant must have at least one beneficiary account with any of the DP's of NSDL/ CDSL prior to making the application.

- B. The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form”.
- C. Debentures allotted to an applicant will be credited to the applicant’s respective beneficiary account(s) with the DP.
- D. For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- E. If incomplete/incorrect details are given under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form” in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- F. For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- G. The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as at the end of the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

(j) Depository Arrangements

The Issuer has appointed KFIN Technologies Limited (earlier Kfin Technologies Private Limited) as the Registrar to the present Bond Issue. The Issuer has entered into necessary depository arrangements with NSDL and CDSL for dematerialization of the Bonds offered under the present Issue, in accordance with the Depositories Act, 1996 and regulations made there under. In this context, the Issuer has entered two tripartite agreements as under:

Tripartite Agreement between the Issuer, National Securities Depository Limited (“NSDL”) and the Registrar for dematerialization of the Bonds offered under the present Issue.

Tripartite Agreement between the Issuer, Central Depository Services (India) Limited and the Registrar for dematerialization of the Bonds offered under the present Issue.

Investors can hold the Bonds only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

(k) List of Beneficiaries

The Issuer shall request the Depository(ies) to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

(l) Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorised signatories of the investor and the tax exemption certificate/document of the investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be

specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with the memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed Application Form.

(m) Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- A. SEBI registration certificate;
- B. Resolution authorising investment and containing operating instructions;
- C. Specimen signature of authorised signatories.

(n) Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s).

(o) Credit of Bonds

The allotment of Bonds will be in terms of the timelines stipulated under SEBI Master Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024. The Bonds will be credited in dematerialized form within 2 (two) Trading Days from the closure of the Issue.

(p) Refunds

In case the Issuer fails to obtain listing or trading permission from NSE where the Bonds are proposed to be listed, it shall refund the entire monies received within seven days of receipt of intimation from NSE rejecting the application for listing of Bonds, and if any such money is not repaid after the Issuer becomes liable to repay it, the Issuer shall be liable to repay that money with interest at the rate of 15% (fifteen percent) per annum till such refund is made.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the registrar shall upon receiving instructions in relation to the same from the Issuer repay the monies to the extent of such excess, if any.

(q) PAN Number

Every applicant should mention its Permanent Account Number (“**PAN**”) allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence.

(r) Alterations to the Issue

The Issuer reserves its sole and absolute right to modify the Issue Opening Date, Issue Closing Date, Pay-In Date and Deemed Date of Allotment in accordance with the regulatory provisions and EBP Guidelines. In the event of any change in the Issue Schedule including the Deemed Date of Allotment, the Issuer shall notify the Stock Exchange about such change. In such a case, recipients of this Disclosure Document shall be intimated the revised time schedule by the Issuer. In case the Issue Closing Date/ Pay-

In Date is/ are changed, the Deemed Date of Allotment and the Redemption Schedule may also be changes by the Issuer in accordance with the tenure of the Debentures at its sole and absolute discretion in accordance with the regulatory provisions and EBP Guidelines.

(s) Applications complete in all respects must be submitted before the last date indicated in the issue time table.

Applications should be for the number of Bonds applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. Application Forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the Application Form.

(t) Issue of Bond Certificate(s)

The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL from time to time and other applicable laws and rules notified in respect thereof. The Bonds shall be allotted in dematerialized form only.

(u) Market Lot

The market lot will be one STRPP ("Market Lot"). Since the Bonds are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds.

(v) Trading of Bonds

The marketable lot for the purpose of trading of Bonds shall be 1 (one) Debenture of face value of Rs.2 Lakh each (comprising of 2 (two) Separately Transferable And Redeemable Principal Parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000 and 1 STRPP B of face value of ₹ 1,00,000). Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.2 Lakh and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

(w) Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. Attention of the investors is drawn to para H (h) "*Eligible Investors*" of this Section on page no. 94 of this Placement Memorandum. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or the transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name

appears in the register of debenture holders maintained by the R&T Agent as at the end of the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

(x) Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/ ECS/ NEFT/ fund transfer/ RTGS to those Debenture Holder(s) whose names appear on the register of debenture holders maintained by the R&T Agent as at the end of the Record Date. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. If permitted, the Issuer may transfer payments required to be made in any relation by electronic fund transfer/ RTGS to the bank account of the Debenture Holder(s) for redemption payments.

(y) Sharing of Information

The Issuer may, at its option, but subject to Applicable Laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with statutory bodies, regulators, etc., as may be required and neither the Issuer nor its affiliates nor their agents shall be liable for use of the aforesaid information.

(z) Modification of Debentures

Any amendment to the terms and conditions of the Debentures or the Transaction Documents will require the consent of the Debenture Trustee and Majority Debenture Holders, either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holders in accordance with applicable SEBI regulations.

(aa) Right to accept or reject applications

The Issuer reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof, in accordance with the regulatory provisions and EBP Guidelines. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realization of the cheque(s)/ demand drafts(s)/RTGS credit into the designated account till one day prior to the date of refund. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- Number of debt security applied for is less than the minimum application size;
- Applications exceeding the issue size;
- Bank account details not given;
- Details for issue of Debt Securities in electronic/ dematerialized form not given;
- PAN/GIR and IT Circle/Ward/District not given;
- In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- In the event, if any Debt Securities applied for are not allotted in full, the excess application monies of such Debt Securities will be refunded, as may be permitted.

(bb) Trustee for the Debentures

The Issuer has appointed SBICAP Trustee Company Limited to act as the trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intend to enter into the debenture trust deed inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to timely payment of Coupon and repayment of principal and they will take necessary action, subject to and in accordance with the debenture trust deed,

at the cost of the Issuer. The Issuer shall not utilize the proceeds of the Issue till the debenture trust deed is executed. The Debenture Trust Deed shall more specifically set out rights and remedies of the Debenture Holders and the manner of enforcement thereof. The Debenture Trustee shall carry out its duties and perform its functions in terms of the SEBI Debt Listing Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trust Deed and the Placement Memorandum, with due care, diligence and loyalty. The debenture trustee shall monitor the Escrow Account and shall ensure disclosure of all material events on an ongoing basis. The Debenture Trustee shall supervise the implementation of the obligations cast in terms of provisions of the SEBI Debt Listing Regulations.

(cc) Interest on Application Money

Not Applicable

(dd) Interest on the Bonds

The face value of the Bonds outstanding shall carry interest at the coupon rate from Deemed Date of Allotment and the coupon rate & frequency of payment (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) are mentioned in the summary term sheet.

The interest payment shall be made through electronic mode to the Bondholders whose names appear on the list of Beneficial Owners given by the Depositories to the Registrar as on the record date fixed by Issuer in the bank account which is linked to the demat of the Bondholder. However, in absence of complete bank details i.e., correct/updated bank account number, IFSC/RTGS code /NEFT code etc., Issuer shall be required to make payment through cheque/DDs on the due date. Interest or other benefits with respect to the Bonds would be paid to those Bondholders whose names appear on the list of Beneficial Owners given by the Depositories to the Registrar as on the Record Date.

(ee) Computation of Interest

Interest for each of the interest periods shall be computed as per Actual/ Actual day count convention on the face value amount of Bonds outstanding at the respective Coupon Rate rounded off to the nearest Rupee. Where the interest period (start date to end date) includes February 29 (leap year), interest shall be computed on 366 days-a-year basis, on the face value amount of Bonds outstanding.

(ff) Record Date

The 'Record Date' for the Bonds shall be 15 days prior to each Coupon Payment Date and Redemption Date. In case of redemption of Bonds, the trading in the Bonds shall remain suspended between the Record Date and the Redemption Date. Interest payment and principal repayment shall be made to the person whose name appears as beneficiary with the Depositories as on Record Date. In the event of the Issuer not receiving any notice of transfer at least 15 days before the respective Coupon Payment Date and Redemption Date, the transferees for the Bonds shall not have any claim against the Issuer in respect of amount so paid to the registered Bondholders.

(gg) Put & Call Option

Neither the Bondholder(s) shall have any right to exercise Put Option nor the Issuer shall have right to exercise Call Option to redeem the Bonds, in whole or in part, prior to the respective Redemption Date.

(hh) Redemption

The face value of the Bonds shall be redeemed at par, on the respective Redemption Dates. The Bonds will not carry any obligation, for interest or otherwise, after the Redemption Date. The Bonds shall be taken as discharged on payment of the redemption amount by the Issuer on the Redemption Date to the registered Bondholders whose name appear in the Register of Bondholders on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders.

In case any Redemption Date falls on a day which is not a Working Day, the payment due shall be made on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.

(ii) Additional Covenants

Default in Payment: In case of default in payment of interest and/or principal redemption on the due dates, the Issuer shall pay an additional interest at the rate of 2% p.a. over the respective Coupon Rates of the Bonds for the defaulting period.

(jj) Settlement/ Payment on redemption

Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/demand draft(s)/credit through direct credit/ NECS/RTGS/NEFT mechanism in the name of the Bondholders whose name appear on the List of Beneficial Owners given by Depository to the Issuer as on the Record Date.

The Bonds shall be taken as discharged on payment of the redemption amount by the Issuer on the Redemption Date to the list of Beneficial Owners as provided by NSDL/CDSL as on Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders. On such payment being made, the Issuer shall inform NSDL/CDSL/Depository Participant and accordingly the account of the Bondholders with NSDL/CDSL shall be adjusted.

The Issuer's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Issuer will not be liable to pay any interest or compensation from the Redemption Date. On the Issuer's dispatching/crediting the amount to the Beneficiary(ies) as specified above in respect of the Bonds, the liability of the Issuer shall stand extinguished.

(kk) List of Beneficial Owners

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

(ll) Succession

In the event of the demise of the sole/first holder of the Bond(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bond(s), the Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bond(s) standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Bond by way of succession, the following steps have to be complied:

- i) Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Bond was acquired by the NRI as part of the legacy left by the deceased holder.
- ii) Proof that the NRI is an Indian National or is of Indian origin.
- iii) Such holding by the NRI will be on a non-repatriation basis.

(mm) Force Majeure

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment in accordance with the regulatory provisions and EBP Guidelines.

(nn) Acknowledgements

No separate receipts will be issued for the application money.

(oo) Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

(pp) Nomination Facility

Nomination facility will be provided to the Bondholders if provided under applicable law and in a manner provided under the applicable law.

(qq) Right of Bondholder(s)

Though the Corporation does not have any shareholders, it is clarified that at any point of time a bondholder is not a shareholder. The Bondholders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The principal amount and interest on the Bonds will be paid to the registered Bondholders only, and in case of Joint holders, to the one whose name stands first. Besides, the Bonds shall be subject to the terms of this Placement Memorandum and other terms and conditions as may be incorporated in the Debenture Trusteeship Agreement and other documents that may be executed in respect of these Bonds.

(rr) Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of the Debenture Trustee and also the consent those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders.

(ss) Notices

All notices required to be given by the Issuer or by the Trustee to the Bondholders shall be deemed to have been given if sent by registered post/speed or through email or other electronic media to the of Bondholders or as allowed under the applicable law.

(tt) Joint-Holders

Notwithstanding anything in Section 45 of the Indian Contract Act, 1872, when any debenture issued under the Act is payable to two or more persons jointly and either or any of them dies, the debenture shall be payable to the survivor or survivors of those persons.

Notwithstanding anything in Section 45 of the Indian Contract Act, 1872, when two or more persons are joint holders of any debenture issued under the Act, any one of those persons may give an effectual receipt for any interest or divided payable in respect of such debenture unless notice to the contrary has been given to the Commissioner by other holders.

(uu) Disputes & Governing Law

The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of the competent courts of Rajkot, India.

(vv) Procedure for deciding and adjusting payment dates.

If the interest payment date falls on a holiday, the payment may be made on the following working day. However, the calculation of payment of interest will be only till the day prior to that holiday. Also, the dates of the future coupon payments would be as per the schedule stipulated in the Placement Memorandum/ Term Sheet in line with applicable guidelines/regulations/circulars as issued by SEBI from time to time.

If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date. The interest/redemption payments shall be made only on the days when the commercial banks are open for business in Rajkot, Gujarat.

Please refer to **Annexure-V** for an illustration for guidance in respect of the day count convention and effect of holidays on payments. Investors should note that this example is solely for illustrative purposes. We have not considered the effect of public holidays as it is difficult to ascertain for future dates.

K. Details of change in terms and conditions of municipal debt securities issued in past 5 years (i.e., Change in coupon, maturity, call/put option etc.)

NIL, as the Issuer has not issued any municipal debt securities in past 5 years.

L. Procedure and time schedule for Allotment and Issue of Municipal Debt Securities

The allocation to the applicants and/or rejections of the applications shall be made in compliance with the provisions prescribed by SEBI and NSE being electronic book provider (EBP) platform. However, in case of successful accepted applications the Deemed Date of Allotment would be the Pay-In Date itself.

M. Details of Escrow Payment Mechanism for the repayment of The Interest/Principal.

The Bonds are backed by a structured payment mechanism to ensure timely payment of interest and principal. Please refer to Structured Payment Mechanism on page no. 136 of this Placement Memorandum.

N. Disclosures in accordance with SEBI Master Circular for Debenture Trustees SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024

Terms and Conditions of Debenture Trustee Agreement

1. Fees charged by Debenture Trustee

The Debenture Trustee has agreed for an acceptance fees amounting to Rs.50,000/- (plus the applicable taxes) and annual service charges of Rs. 50,000/- (plus the applicable taxes) for the services as agreed in terms of the offer.

Terms of carrying out Due Diligence

As per the SEBI Debenture Trustee Master Circular, as amended and/ or supplemented from time to time, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which the Issuer has consented to.

- a. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document and other applicable laws has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets

inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.

- b. The Issuer shall provide all assistance to the Debenture Trustee to enable verification from any authority as may be relevant, where the assets and/or encumbrances in relation to the assets of the Issuer or any third-party security provider are registered / disclosed.
- c. Without prejudice to the aforesaid, the Issuer shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ Applicable Law.
- d. In addition to the above terms of carrying out the due diligence, the Debenture Trustee Agreement provides for, inter alia, the following terms and conditions:
 - i. The Issuer undertakes to promptly furnish all and any information as may be required by the Debenture Trustee in terms of the SEBI ILMDS Regulations and the Debenture Trust Deed on a regular basis, including without limitation the documents, as may be applicable;
 - ii. The Debenture Trustee does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Bonds.
2. The Debenture Trustee shall have the power to independently appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out-of-pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Issuer.
3. The Debenture Trustee shall obtain the following certificates from an empaneled agency as a part of due diligence:
 - a. Security Cover Certificate
 - b. Valuation of Security
 - c. Any other document as may be required for concluding the due diligence
4. Pursuant to the Regulation 13 of the SEBI Debenture Trustee Regulations and other applicable rules and regulations: The Issuer undertakes to comply with all regulations, guidelines of other regulatory authorities in respect of allotment of debentures/bonds till redemption. The time limit within which the Security for debentures/bonds shall be created or the agreement shall be executed in accordance with provisions as prescribed by any regulatory authority as applicable.
5. The Debenture Trustee shall perform its duties and obligations with due care, diligence and in the best interest of the Debenture holders, and exercise its rights and discretions in accordance with the prior written instructions / directions from the Debenture Holders in accordance with the terms of the Debenture Trust Deed, and shall further conduct itself and comply with the provisions of all applicable law (including without limitation, the Debenture Trustee Regulations, SEBI ILMDS Regulations).
6. **Events of Default (including manner of voting/conditions of joining Inter Creditor Agreements)**

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee, at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the Bonds or with the sanction of a special resolution, passed at a meeting of the Debenture Holders, (subject to being indemnified and/or secured by the Debenture Holders to its satisfaction), give notice to our Issuer specifying that the Bonds and/or any particular options of Bonds, in whole but not in part are and have become due and repayable on such date as may be specified in such notice inter alia if any of the events listed below occurs. The description below is indicative and a complete list of events of

default including cross defaults, if any, and its consequences will be specified in the Debenture Trust Deed:

- a. In accordance with the Chapter X: Breach of Covenants, Default and Remedies of master circular for debenture trustees numbering SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 for post the occurrence of a “default”, the consent of the Debenture Holders for entering into an inter-creditor agreement (the “ICA”)/ shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the Bond Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.
- b. SEBI Master Circular for Debenture Trustees, defines ‘default’ as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.
- c. It is hereby confirmed, in case of an occurrence of a “default”, the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular (SEBI/HO/DDHS-PoD3/P/CIR/2024/46) dated May 16, 2024 issued by SEBI.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI ILMDS Regulations, the SEBI Debenture Trustee Master Circular and circulars issued by SEBI from time to time.

Other Information

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular.

SBICAP TRUSTEE COMPANY LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED OCTOBER 09, 2024 AS PER THE FORMAT SPECIFIED IN THE SEBI DEBENTURE TRUSTEE MASTER CIRCULAR WHICH READS AS FOLLOWS:

- (1) WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.
- (2) ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS:

WE CONFIRM THAT:

- a. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED AND LISTED.
- b. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).
- c. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.

- d. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT OR PLACEMENT MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PLACEMENT MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.
- e. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT OR PLACEMENT MEMORANDUM.
- f. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

SECTION-X: FINANCIAL INFORMATION

I. Following details as per the financial statements for past 3 years in tabular format:

EXAMINATION REPORT ON FINANCIAL INFORMATION

To,

Rajkot Municipal Corporation

Dr. Ambedkar Bhavan,

Rajkot Municipal Corporation Account Division,

Dhebarbhai Road, Rajkot, Gujrat – 360001 - India

Dear Sirs,

1. We have examined the Financial Information comprising the Abridged Balance Sheet, Income and Expenditure Statements and Receipts and Payments Accounts for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the **“Financial Information”**) of Rajkot Municipal Corporation (the **“Issuer”**) as annexed to this report for the purpose of inclusion in the Preliminary Placement Memorandum and the Placement Memorandum to be filed by the Issuer with the Securities and Exchange Board of India (**“SEBI”**) and the stock exchange(s) where the Debentures are proposed to be listed (**“Stock Exchange”**) for private placement by the Issuer of up to 5,000 (Five Thousand) rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of Debentures, of face value of ₹ 2,00,000/- (Rupees Two Lakhs Only) (comprising of 2 (two) separately transferable and redeemable principal parts (**“STRPP”**) namely 1 STRPP A of face value of ₹ 1,00,000 and 1 STRPP B of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 100 crores (Rupees One Hundred Crores Only) (**“Bonds”/ “NCDS” “Debentures”**) on private placement basis (**“Issue”**).

The Financial Information has been prepared by the Management of the Issuer in connection with its proposed Issue prepared in terms of the requirements of the proposed Issue and prepared in terms of the requirement of:

- a) Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, as amended from time to time (**“Regulations”**);
- b) The National Municipal Accounts Manual;
- c) The Gujarat Provincial Municipal Corporations Act, 1949 (**“Act”**) and the rules framed thereunder;
- d) The guidance notes issued from time to time by the Institute of Chartered Accountants of India (**“ICAI”**), as amended from time to time (the **“Guidance Notes”**).

The Financial Information have been sourced from the audited financial statements of the Issuer audited by us pursuant to the Auditor’s Reports issued by us dated May 29, 2024, July 26, 2023 and December 22, 2022 on the financial statements of the Issuer as on and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

Management Responsibility

2. The management of the Issuer is responsible for the preparation of the financial statements that gives a true and fair view of the financial position and financial performance of the Issuer. This responsibility includes the design, implementation, and maintenance of the internal control relevant to the preparation and presentations of the financial statements that gives a true and fair view and are free from material mis-statements, whether due to fraud or error.

Auditors Responsibility

3. We have examined such Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 24.12.2023 in connection with the proposed Issue of the Debentures by the Issuer;
- b) The Guidance Notes. We are required to comply with the ethical requirements of the code of ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Financial Information; and
- d) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the Regulations and the Guidance Notes in connection with the proposed Issue of Debentures.

Opinion

4. Based on our examination and according to the above-mentioned regulations of National Municipal Accounts Manual and the Regulations, we report that:

The Financial Information comprising the Abridged Balance Sheet, the Income and Expenditure Statements and Receipts and Payments Account for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the “**Financial Information**”) is accurately extracted from the audited financial statements of the corporation for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.

5. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. Our report is intended solely for use of the purpose set out in first paragraph and in connection with the proposed issue of Bonds. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. We hereby provide our consent for sharing of our report with SEBI, the stock exchanges or any other statutory/ regulatory authority, as may be required, and AK Capital Services Limited (being the Merchant Banker to the Issue).

For M.M Thakkar & Co.
Firm’s Registration No. 110905W

D.M. Thakkar
Partner
Membership No.:103762
UDIN: 24103762BKFXQE6907
Place: Rajkot
Date: August 05, 2024

A. **ABRIDGED BALANCE SHEET**

(In Crores)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Liabilities			
Reserved And Surplus			
Municipal Fund	605.87	457.33	442.46
Earmarked Funds	324.38	332.24	347.16
Reserves	346.44	770.83	1,171.97
Total Reserves & Surplus	1,276.69	1,560.40	1,961.59
Grants, Contributions For Specific Purposes	123.53	310.25	601.67
Loans			
Secured Loans	1.94	1.52	1.11
Unsecured Loans	-	10.00	-
Total Loans	1.94	11.52	1.11
Current Liabilities And Provisions			
Deposits Received	435.42	479.17	540.10
Deposit Works	-	-	-
Other Liabilities	177.94	176.24	174.13
Provisions	-	-	-
Total Current Liabilities And Provisions	613.36	655.40	714.23
Total Liabilities	2,015.52	2,537.57	3,278.59
Assets			
Fixed Assets			
Gross Block	917.59	1,381.11	1,759.79
Less: Depreciation	72.61	112.43	153.29
Net Block	844.97	1,268.69	1,606.50
Capital Work-In- Progress	-	-	-
Total Fixed Assets	844.97	1,268.69	1,606.50
Investments			
Investment - General Fund	183.61	163.28	325.41
Investment - Other Fund	177.46	182.20	208.70
Total Investments	361.06	345.48	534.11
Current Assets, Loans And Advances			
Stock In Hand (Inventories)	-	-	-
Sundry Debtors (Receivables)			
Gross Amount Outstanding	743.43	683.04	618.70
Less: Accumulated Provision Against Bad And Doubtful Receivables	271.80	315.53	307.21
Net Amount Outstanding	471.62	367.51	311.49
Prepaid Expenses	-	-	-
Cash And Bank Balances	288.29	508.16	781.93
Loans, Advances And Deposits	49.57	47.74	44.56
Less: Accumulated Provision Against Loans	-	-	-
Net Amount Outstanding	49.57	47.74	44.56
Total Current Assets, Loans & Advances	809.48	923.41	1,137.98
Other Assets	-	-	-
Total Assets	2,015.52	2,537.57	3,278.59
Contingent Liability	22.58	22.58	-

B. INCOME & EXPENDITURE ACCOUNT

(In Crores)

Particulars	Financial Years		
	2021-22	2022-23	2023-24
Income			
Tax Revenue*	240.89	302.42	217.04
Assigned Revenues & Compensation [#]	134.14	143.53	148.56
Rental Income from Municipal Properties ^{##}	56.94	99.87	96.04
Fees & User Charges**	194.73	234.65	329.18
Sale & Hire Charges	1.73	2.37	1.96
Revenue Grants, Contributions & Subsidies [#]	64.95	55.39	78.96
Income from Investments	14.13	16.22	33.60
Interest Earned	2.06	2.46	2.10
Other Income	6.34	10.30	30.01
Total – Income	715.89	867.21	937.46
Expenditure			
Establishment Expenses	313.68	360.42	388.76
Administrative Expenses	13.65	22.16	42.98
Operations & Maintenance	272.81	273.09	296.38
Interest & Finance Expenses	0.23	0.19	0.15
Programme Expenses	9.33	12.07	11.70
Revenue Grants, Contributions & subsidies ^{###}	77.25	185.41	51.55
Provisions & Write off	32.55	43.73	-5.67
Miscellaneous Expenses	-	-	-
Depreciation	72.61	112.43	153.31
Total – Expenditure	792.11	1,009.49	939.14
Gross surplus/(deficit) of income over expenditure before depreciation and Prior Period Items	-76.22	-142.28	-1.68
Add: Prior period Items (Net)	-	-	-
Gross Surplus/(deficit) of income over expenditure after Prior Period Items	-76.22	-142.28	-1.68
Less: Transfer to Reserve Funds	-	-	-
Net balance being surplus/deficit carried over to Municipal Fund	-76.22	-142.28	-1.68

[#]As per the audited balance of FY 22, FY 23 & FY 24 of RMC, up till FY 2021 Octroi Grant was used to be accounted under Revenue Grants, Contributions & Subsidies. However, since FY 22 & onwards Octroi Grant is accounted under Assigned Revenues & Compensation.

^{##}Exceptional amount of INR 44.37 Cr was received against land sale in FY 2022 & INR 82.49 Cr was received in FY 2023 by RMC.

^{###}The variation in expenditure is attributable to the contribution of Rs. 42.5 Cr in FY 2021-22 and Rs. 139.5 Cr in FY 2022-23 made to Smart City for RMC Express & Smart Goal transport as per audited financials of RMC.

* The decrease in Tax Revenues in FY 2024 is attributable to the decrease in debtors due to re-assessment of tax of INR 91.28 Cr.

** The increase in Fees & user charges from FY2022 to FY 2023 and FY 2023 to FY 2024 is attributable to the increases in demand due to reassessment of collection / addition of properties for collection of fees & user charges.

C. **RECEIPTS AND PAYMENTS ACCOUNT**

(Rupees in Crores)

Receipts	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2023- 24	Payments	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2023-24
Opening Bank Balance	342.34	288.29	508.16				
<u>Operating Receipts</u>				<u>Operating Payments</u>			
Tax Revenue	222.50	278.71	292.99	Establishment Expenses	313.68	360.42	388.76
Assigned Revenues & Compensation	134.14	154.71	148.56	Administrative Expenses	13.65	22.16	42.99
Rental Income from Municipal Properties	56.94	99.87	96.04	Operation & maintenance	272.81	273.09	296.38
Fees & User Charges	179.19	232.05	300.38	Interest and Finance Charges	0.23	0.19	0.15
Sale & hire Charges	1.73	2.37	1.96	Program Expenses	9.33	12.07	11.70
Revenue Grants, Contribution and Subsidies	20.86	28.95	50.68	Revenue Grants, Contributions and Subsidies	77.25	185.41	51.55
Interest Income	16.19	18.68	35.70		-	-	-
Other Income	6.34	9.55	30.76		-	-	-
					-	-	-
<u>Non-Operating Receipts</u>				<u>Non-Operating Payments</u>	-	-	-
					-	-	-
Loans Received	-	50.00	-		-	-	-
Deposits received	120.32	219.95	146.70	Repayment of Loans	0.41	40.41	10.41
Grants, Contribution for Specific Purposes	576.28	911.09	906.54	Grants, Contribution for Specific Purposes	78.16	10.00	76.34
Realisation of Investments	126.94	111.14	377.89	Refund of Deposits	58.15	176.20	122.14
Loans, Advance and Deposits to Employees	19.39	19.98	18.58	Acquisition / Purchase of Fixed Assets	647.37	724.62	560.86
Other Loans, Advance and Deposits	2.01	-	-	Investments	115.74	95.56	566.49
Other Liabilities	115.11	131.03	141.28	Loans, Advance and Deposits to Employees	16.26	-	18.05
Receipts related to Earmarked Fund	63.45	7.86	14.92	Loans, Advance and Deposits to Others	1.94	18.14	-
Reserve Fund	-	-	-	Other Liabilities	110.46	137.78	143.39
				Closing Bank Balance	288.29	508.16	781.93
Total	2,003.72	2,564.21	3,071.14	Total	2,003.72	2,564.22	3,071.14

D. LINK TO THE WEB PAGE FOR ACCESSING FINANCIALS OF THE MUNICIPAL BODY.

The financial information regarding the Corporation can be obtained from the following link:
<https://www.rmc.gov.in/budget>

E. COPY OF BUDGET DOCUMENTS FOR PREVIOUS THREE YEARS

The summary of budget of the Issuer for previous three financial years FY 2021-2022, FY 2022-2023 and FY 2023-2024 and for the current FY 2024-2025 are annexed herewith as **Annexure VI**.

For complete budget documents for previous three financial years (FY 2021-2022 FY 2022-2023 and FY 2023-2024) and for the current FY 2024-2025 please refer to the link below: <https://rmc.gov.in/Budget>

F. FINANCIAL PARAMETERS**(Rs. In Crores)**

Key Financial Figures	Financial Year		
	2021-22	2022-23	2023-24
	Audited	Audited	Audited
Revenue Income	715.89	867.21	937.46
Revenue expenditure (Excl. Interest)*	791.88	1009.31	938.99
Operating revenue Surplus	-75.99	-142.10	-1.53
Interest expense	0.23	0.19	0.15
Principal repayment (outside sinking Fund)	0.41	40.41	10.41
Contribution to Sinking fund	0.00	0.00	-
Revenue Surplus**	-76.22	-142.29	-1.68
Capital Income	688.96	1000.01	1221.61
Capital Expense	706.31	813.77	941.13
Capital Surplus	-17.35	186.24	280.48
Overall Surplus***	-93.57	43.95	278.80
Deposits and Advances (net)****	435.42	479.17	540.10
Initial Cash/Bank balance	342.34	288.29	508.16
Change in Cash/Bank balance	-54.05	219.87	273.77
Final Cash / Bank Balance	288.29	508.16	781.93
Loan repayment from sinking fund	0.00	0.00	0
Initial Sinking fund Balance	0.00	0.00	0
Change in sinking fund	0.00	0.00	0
Final sinking fund balance	0.00	0.00	0
Total Debt	0.02	11.52	1.11
Total Expenditure	1498.42	1823.27	1880.27
Total Revenue	1404.85	1867.22	2159.07
Ratio of Total Expenditure/Total Revenue	1.07	0.98	0.87
Cash Surplus / Total Revenue*****	-0.09	0.02	0.36
Ratio of Debt Service / Total Revenue	0.01	0.01	0.000

*Includes Depreciation.

**Surplus before making transfer to reserve fund excluding principal repayment.

***Total capital & revenue surplus before making transfer to reserve fund.

****Deposit and Advance as per Audited Financial Statements.

*****Cash Surplus = (Initial Cash/Bank Balance + Charge in Cash/Bank Balance)/Total Revenue

II. Details of top 5 revenue sources for the previous three years

The details of the top 5 revenue sources for Financial Year 2021-2022 Financial Year 2022-2023 and Financial Year 2023-2024 based on the Audited Financial Statements.

(Rs. in crore)

Revenue Receipts Type	Financial Year		
	2021-22	2022-23	2023-24
	Actual	Actual	Actual
Tax Revenue	222.50	278.71	292.99
Fees and user charges	179.19	232.05	300.38
Rental income from municipal properties	56.94	99.87	96.04
Revenue grants, contribution and subsidies	20.86	28.95	50.68
Assigned revenues and compensation	134.14	154.71	148.56
Interest Income	16.19	18.68	35.70

III. Details of property tax collection

The details of the property tax* collection for Financial Year 2021-2022 and Financial Year 2022-2023 and Financial Year 2023-2024 based on the Audited Financial Statements.

(Rs. in crore)

Particulars	Demand Raised			Collection			Overall Collection Ratio	Current Collection Ratio
	Arrears	Current	Total	Arrears	Current	Total		
2023-2024	295.15	249.18	544.33	61.92	171.94	233.85	43%	69%
2022-2023	451.05	239.47	690.52	68.38	147.25	215.62	31%	61%
2021-2022	418.11	198.48	616.59	60.53	119.59	180.12	29%	60%

*property tax includes House tax, Govt. Building Service Charges, Notice Fee, Interest on lead payment and Increase in demand due to Re-assessment of Tax.

IV. Status of reforms with respect to e-governance, cost recovery on water supply & Solid Waste Management (SWM), property tax, double entry accounting and others, as specified by MoUD and authorities concerned

(i) Reforms on E-Governance

- RMC has initiated an innovative One-Time -Password based grievance redressal mechanism offering diverse complaint registration channels, auto-escalation, OTP verification, robust feedback mechanisms, and multi-channel communication.
- RMC has transformed citizen access and engagement by shifting majority of its services to the whatsapp platform.
- RMC and Rajkot Smart City Development Limited have orchestrated groundbreaking Underground Utilities Survey, Geo-enabled door-to-door Properties Tagging Survey, and the cutting-edge Enterprise GIS Solution.
- RSCDL provided uninterrupted optical fibre network to RMC offices and other important establishments.
- RMC has implemented Adaptive Traffic Control System (ATCS) across 30 junctions using artificial intelligence for real time traffic management.
- Rajkot Smart City Development Limited's (RSCDL) Integrated Command & Control Centre (ICCC) stands as a pivotal hub for urban governance, equipped with cutting-edge Information, Communication, and Technology (ICT) solutions and sensors. This comprehensive system seamlessly integrates major projects like Sevottam, and Digital Highway (OFC), fostering cross-platform utilization for data-driven decision-making.

(ii) Water Supply Reforms

- A real time bulk water audit system project was started in the year 2015 by RMC which was implemented in 3 phases and all the projects were started and completed successfully within the stipulated deadline.
- RMC has successfully implemented Supervisory Control & Data Acquisition system for highly efficient water supply for the citizens of Rajkot city and has enabled better collection of water taxes as per the Audited financial Statements.

(iii) Solid waste management (SWM) reforms

- With the objective to comply with the Municipal Solid Waste (Management and Handling) Rules, 2016 and to improve the existing standards of public health and environmental quality by establishing efficient solid waste management, RMC has undertaken a project at Nakrawadi dumpsite at village Nakrawadi, providing appropriate technology for processing and transportation of legacy waste.
- RMC is handling the collection and transportation system of municipal solid waste in covered and closed body vehicles in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2016. For fast and efficient transportation of waste, RMC has initiated transfer station concept.
- RMC has door to door garbage collection system by hydraulic operated mini tipper has been implemented in Central, East and West zones in Ward Nos. 1 to 18.

(iv) Property Tax Reforms :

With the efforts made by the Issuer, the total collection of property tax which is one of the main sources of revenue has increased from Rs. 180.12 crores in FY 2021-2022 to Rs. 215.62 crores in FY 2022-2023 and to Rs.233.85 crores in FY 2023-2024.

The various initiative taken by the Issuer to increase the property tax are as under:

- **Digital New Assessment:** RMC has introduced an in-house developed application for assessment of new property for property tax. This will improve accuracy and overall coverage of new properties being built in Rajkot city.
- **Linking of Profession Tax and Shop License:** Apart from property tax, the subsidiary source of tax revenue is professional tax and shop license registration fees, currently, these activities are being run separately which results in a mismatch of figures. To eliminate these discrepancies RMC is taking steps to bring all three activities under one roof by linking property tax, professional tax and shop license registration. This activity will overall improve tax dues from the citizen.
- **Linking of building permission details:** The entire procedure of property tax assessment starts with the issuance of a building permission document by the town planning department. RMC is taking steps to integrate town planning department compliance and property tax department compliance via a common Digital Platform. This digital platform shall provide real-time information of newly built properties in Rajkot city to the property tax department which shall help the department to identify new avenues of revenue collection.
- **One time installment scheme:** Under this scheme, an assessee can make payment of their dues till registration day in five instalments along with current year dues. This shall facilitate citizen to clear their dues and in turn recovery percentage of overall dues also shall improve.
- **GIS tagging:** RMC has initiated GIS tagging of properties situated in Rajkot city helping locate properties over google maps and also improving compliance and recovery efforts of the organisation.

(v) Double Entry Accounting Reforms:

The following steps have been implemented towards double entry accounting system by way of improvements in the back-office system:

- The National Municipal Accounting Manual has been followed by the Issuer to provide adequate civic services on a timely basis to its citizens, with a view to providing better financial management, improved governance, accountability and transparency of management.

- All entry & payment are through in-house payment process software which stores all supporting documentation in digitized mode with OTP based e-signature of the respective branch head of the RMC.
- Movements of physical supporting documents of vendor's bill are eliminated and there is online tracking of vendor's bill on RMC Website and Mobile App.
- Recording, classifying and summarizing transactions on day-to-day basis to ensure timely preparation of financial information and reports for efficient analysis and decisions.
- RMC is maintaining accounting sheets/ ancillary documents/ vouchers etc. in digitized form. All vendor payments processes are digitalized as part of a paperless office and to increase administrative transparency.

V. DETAILS OF ISSUER'S OUTSTANDING BORROWING

a. Details of borrowings of the Issuer, as on the latest quarter end:

As on September 30, 2024 we had outstanding secured borrowings of approximately Rs. 0.94 Crores.

b. Details of Secured Loan Facilities:

Sr. No.	Lender's Name	Type of Facility	Loan Amount Sanctioned (Rs. in Crores)	Principal Amount Outstanding as on September 30, 2024 (Rs. In Crores)	Repayment Date/ Schedule	Security
1.	Gujarat State Disaster Management Authority	Long Term Loan	7.09 Crores	0.94 Crores	Repayment Date: November 15, 2024 Schedule: Yearly repayment of 41.37 Lacs; in 10 Equal Monthly instalments starting from June in each year	Funds or Grants received from State Government

c. Details of Unsecured Loan Facilities:

Nil

d. Details of NCDs/Bonds:

NIL. The Issuer has not issued any debentures or bonds prior to this proposed Issue.

e. List of Top 10 Debenture Holders

NIL

f. Details of Commercial Paper

NIL

g. Details of Rest of Borrowings

NIL

- h. Details of any outstanding borrowings and debt securities issued for consideration other than cash, whether in whole or part, at a premium or discount, or in pursuance of an option;**

NIL

VI. Sufficient revenue generation and resources for timely servicing and redemption

The Bonds issued under this Placement Memorandum are proposed for servicing through a structured payment mechanism. Under the structured payment mechanism all funds deposited whether on account of Own Revenues that shall be collected (Collection Accounts(s)) and any other specified revenue/cashflow shall be transferred to a separate no-lien Escrow Account for debt servicing. Please refer to detailed Structured Payment Mechanism on page no. 136 of this Placement Memorandum.

In order to ensure timely servicing and redemption, the Issuer shall establish 2 (Two) accounts solely for the purpose of servicing the debt. The Interest Payment Account shall be established with a deposit such that at any point of time the Interest Payment Account holds an amount equivalent to annual interest payments for bonds. To ensure adequacy of funds for redemption of the Bonds, a Sinking Fund Account shall be opened where amounts shall be deposited for redemption of the principal amounts of the Debentures. There is sufficient revenue generation/collection from Tax Income or any other specified revenue/cashflow deposited in the account(s) where Tax Income shall be collected for timely servicing and redemption. The total Revenue from Own Revenues during the last 3 (Three) Financial Years is approximately Rs.691.37 Crores (Financial Year 2023-2024), Rs.613 Crores (Financial Year 2022-2023) and Rs.460.36 Crores (Financial Year 2021-2022).

VII. Issue Estimated Scenarios of Asset Liability Mis-matches

The Issuer has sufficient Own Revenues. With respect to the repayment of bonds and revenue generation, the Bonds are to be paid from the collection of property tax of the RMC. The current Own Revenues collections are sufficient to ensure the redemption of the Debentures. The structured payment mechanism as provided in this Placement Memorandum shall ensure that the funds deposited over period will be sufficient to service the Debentures. Further, any short fall towards payments to be made in respect of Debentures will be transferred in terms of Transaction Documents.

SECTION-XI: LEGAL AND OTHER INFORMATION

The Bond Issue Committee in its meeting held on August 05, 2024 has adopted a materiality policy for disclosure of litigation in relation to the Issuer according to which other litigation involving the Issuer which may have an adverse impact on the position of the Issuer, the operations of the Issuer and the projects which are being funded by the proceeds of the Debentures, which litigation has been disclosed herein below.

Except as stated in this section, there are no:(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges against the Issuer in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; or (v) Material Litigation (as mentioned below), involving the Issuer.

For the purpose of (v) above, the Issuer has considered and adopted a policy of materiality for identification of material litigation in terms of the SEBI Municipal Regulations, as amended, for disclosure of all pending litigation involving the Issuer where:

- a. the potential financial liability/monetary claim by or against Municipal Corporation, in any such pending matter(s) is in excess of 0.051% of the Total Reserves & Surplus as per the financial statements for the FY 2023-24, as per the last audited financial statements, i.e., Rs. 1.00 Crore;
- b. any such litigation wherein the monetary liability is not quantifiable which is and/or which may have a material adverse effect from the perspective of the Municipal Corporation's operations, (i) the financial position, income and cash flows of our Corporation; (ii) the Project(s) proposed to be funded out of the proceeds of the Issue; (iii) the Issue; or the investor's decision to invest/continue to invest in the Bonds;
- c. notices received from third parties (excluding statutory/regulatory/tax authorities or notices threatening criminal action) shall, not be evaluated for materiality until such time that the Issuer or any of the any of the members of the Bonds Issue Committee of the Municipal Corporation is impleaded as defendants in litigation proceedings before any judicial forum.

Further, the Issuer has a policy for identification of material outstanding dues to creditors (“**Material Dues**”) for creditors where outstanding due to any one of them exceeds Rs. 10 Crores.

A. CONTINGENT LIABILITIES OF THE ISSUER

The following are details of contingent liabilities of the last three years:

Financial Years	Amount (Rs. in crores)
FY 2023-24	22.58
FY2022-2023	22.58
FY2021-2022	22.58

LITIGATIONS INVOLVING THE ISSUER

B. LITIGATIONS AGAINST THE ISSUER

a. CRIMINAL LITIGATIONS

NIL

i. WILLFUL DEFAULTER

The Issuer is not a willful defaulter.

ii. WILFUL DEFAULTER STATUS OF BOND ISSUE COMMITTEE MEMBERS

None of the members of the Bond Issue Committee have been declared as willful defaulters.

iii. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES

- Environment related Litigation

Sl. No.	Case No.	Authority	Applicant	Respondent	Brief Facts of the Case
1.	Original application No. 903 of 2022	NGT, Pune	Shailendra sinh R. Jadeja	State of Gujarat and other	An application was filed by the Applicant for violation of Municipal Solid Waste Rules against the State of Gujarat before the National Green Tribunal, Western Zone Bench at Pune (hereinafter referred to as “the Application”). The National Green Tribunal (hereinafter referred to as “the NGT”) has Suo Moto taken action for immediate prevention of water pollution due to discharge of millions of tons of waste and dirty water in the open and recovery of Environmental Damage Compensation from Rajkot Municipal Corporation. NGT had also constituted a joint committee for site inspection and collection of relevant information. As such the case is currently pending.

iv. DISCIPLINARY ACTIONS INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE(S) DURING THE PAST 5 (FIVE) FINANCIAL YEARS INCLUDING OUTSTANDING ACTION

NIL

v. DIRECT AND INDIRECT TAX

S. No.	Nature	Number of Cases	Amount Involved (Rs. in Crores)
Direct Tax			
5)	E-proceedings	7	Not Ascertainable*
6)	Response to Outstanding Demand	2	0.0031
7)	TDS**	6	1.28
Indirect Tax			
8)	Property Tax** - Cases have been filed against the Issuer by the residents/ entities residing/ operating in Rajkot Municipal Corporation jurisdiction accusing Issuer of charging huge amount of property tax.	109	104.69

*Note:

a. There is 1 proceeding for AY 12-13 wherein a sum of Rs. Nil was raised. However, the same is still pending on the Income Tax website.

b. Income Tax Department has issued a notices u/s 139(9) of Income Tax Department for AY2014-2015, 2015-16, 2019-2020.

c. Income tax department issued a notice for AY 2015-2016 for on-going limited scrutiny.

d. Income Tax Department issued 2 notices for AY2017-18 under Section 143(3) of Income Tax Act, 1961.

**To the extent quantifiable excluding interest and penalty thereon.

vi. OTHER MATTERS BASED ON MATERIALITY POLICY OF THE ISSUER:

Civil Matters

Sl. No.	Name of the Parties	Case Number	Authority	Brief Facts of the Case	Amount Involved (Rs. In Crores)	Present Status
1.	Mr. Sukhdevsinh Navalsing Zala and Another v. The State of Gujarat & Others	3629 of 2023	High Court of Gujarat at Ahmedabad	Mr. Sukhdevsinh Navalsinh Zala and Anr. ("Petitioner") has filed a writ petition against the state of Gujarat, Rajkot Municipal Corporation and Municipal Commissioner, Rajkot ("Respondents") under Article 226 of The Indian Constitution in the Hon'ble High Court of Gujarat, Ahmedabad. The Petitioner filed this petition claiming that his father went to school to pick up his granddaughter at around 12:00 P.M. and while returning from there, his father, when he was peacefully walking on the road, was suddenly hit by a raging cow who came running into him from behind and hit him by horns with considerable force causing severe injuries on the brain, on account of which currently he is in a limbo stage between life and death and admitted into hospital. Petitioner's grievance is that said incident occurred only on account of negligence of Respondent State and municipal corporation who have been ineffective in curing the cattle menace. Hence this Petition is filed praying before the hon'ble high court to issue a writ, order, or direction in the nature of Mandamus, commanding the Respondents to pay a sum of Rs. 1,00,00,000 (1 crore only) and/or any such amount as deem fit by this Hon'ble Court to the Petitioners as compensation and to pay for all the expenses for medical treatment.	1.00	Pending
2.	Kavitaben Kuldeepbhai Dhaval and Ors. v. The Commissioner (Rajkot Municipal Corporation) and Ors.	Special Civil Suit No. 142 of 2016	Principal Senior Civil Judge, Rajkot Civil Court	Kavitaben Kuldeepbhai Dhaval and Ors. ("Petitioners") has filed a special civil suit against the commissioner of Rajkot Municipal Corporation and Ors. ("Defendants"). This Special Suit Civil is filed based on the Principle of Law of Torts to recover Rs.1,50,00,000/- for damages/compensation as Mr. Kuldeep Dhaval and Vittalbhai had lost their life while working on a construction site where the material carrying lift malfunctioned in which the deceased were seated.	1.50	Pending
3.	Ranjit Buildcon limited v. Rajkot Municipal Corporation	COM CMA No. 34/2022	District Court	Ranjit Buildcon Limited (hereinafter referred to as "the Claimant") involved in the business of building infrastructures such as roads, bridges and overbridges. Rajkot Municipal Corporation floated a tender for construction of a road, the Claimant's bid for the same was accepted and owing to which they entered into a contract executed on November 3,	Rs. 10.03 crores	Pending

				2008. However, owing to certain breaches the Claimant filed an application under Arbitration cause GC-49 of the Contract for Recovery for an amount of Rs. 18,99,10,308/- before the Sole Arbitrator as per the order of Hon'ble High Court (hereinafter referred to as "the Petition"). The Sole Arbitrator passed an award against the Corporation to pay a sum of Rs. 10,03,71,594/- against the claim of Rs. 18,99,10,308/-.		
4.	Kunal Structure (India) Ltd v. The Municipal Commissioner, Rajkot	COM CMA No. 25/2022	District Court	Kunal Structure (India) Ltd (hereinafter referred to as "the Claimant") involved in the business of contracting and construction activities had entered into a contract with the Municipal Corporation (hereinafter referred to as "the Respondent") for construction of a road in Ward No. 13 of Rajkot City via an e-tendering process. However owing to certain breaches the Claimant filed an application under Arbitration cause GC-49 of the Contract for Recovery for an amount of Rs.19,10,80,220.95/- before the Sole Arbitrator as per the order of Hon'ble High Court (hereinafter referred to as "the Petition"). The Sole Arbitrator passed an award against the Corporation to pay a sum of Rs. 8,48,68,197/-. An appeal has been filed by the Respondent before the Commercial Court at Rajkot - Comm. civil misc. App No. 9/2018.	Rs. 8.48 crores	Pending
5.	Ranjit Buildcon Limited Vs The Municipal Commissioner, Rajkot	COM CMA No. 35/2022	District Court	Ranjit Buildcon Limited (hereinafter referred to as "the Claimant") involved in the business of building infrastructures such as roads, bridges and over bridges. The Claimant has entered into a contract with the Municipal Corporation (hereinafter referred to as "the Respondent") for Construction of Railway Overhead Bridge by agreement dated November 3, 2008. However owing to certain breaches the Claimant filed an application under Arbitration cause GC-49 of the Contract for Recovery for an amount of Rs. 23,42,99,485/- before the Sole Arbitrator as per the order of Hon'ble High Court (hereinafter referred to as "the Petition"). The Sole Arbitrator passed an award against the Corporation to pay a sum of Rs. 7,86,06,196/- against the claim of Rs.23,42,99,485/-. As such the matter is currently pending.	Rs. 7.86 crores	Pending
6.	Sambhav Media Ltd Vs The Municipal Commissioner, Rajkot	Commercial Civil Miscellaneous Appeal No. 28 of 2022	District Court	Sambhav Media Ltd. (hereinafter referred to as "the Claimant") entered into a licence agreement with the Municipal Commissioner (hereinafter referred to as "the Respondent") on February 21, 2008 to construct 100 bus pick up stands and queue. The Claimant filed an application under the arbitration for redressal to a tender floated and work order issued by the Respondent for recovery for an	Rs. 1 crore	Pending

				amount of Rs. 1,69,30,644 with a running interest of 18%. The Sole Arbitrator passed an award against the Respondent to pay an amounting of Rs.1,69,30,644/- at the rate of 9%. As such the matter is currently pending.		
7.	M/s Jaihind Projects Limited v Rajkot Municipal Corporation	Commercial Execution No. 381 of 2021.	District Court	In the matter before the Hon'ble Principal District Judge, Rajkot, M/s. Jaihind Projects Limited (hereinafter referred to as "the Applicant") has filed Execution Petition No. 26 of 2021 against Rajkot Municipal Corporation (hereinafter referred to as "the Defendant"). The petitioner seeks the enforcement of an Arbitration Award dated December 2, 2014. The total decree amount, including principal and interest up to January 31, 2021 at a rate of 12% per annum, stands at Rs. 3,85,23,267. The petitioner's execution claim encompasses various components, such as Rs. 1,07,75,000 and Rs. 83,65,001, with interest and additional costs. The petitioner requests the Hon'ble Court to issue a possession and seizure (jangam) warrant against the respondent, facilitating the execution of the Arbitration Award.	Rs. 1.914 crore	Pending
8.	Ashwinbhai Rameshbhai Thakkar v. Rajkot Municipal Corporation	Special suit No. 45/2024	Court of Learned Principal Senior Civil judge, Rajkot	A petition was filed against Rajkot Municipal Corporation and Ors. ("Defendants") in the Court of Learned Principal Senior Civil judge, Rajkot by Ashwinbhai Rameshbhai Thakkar ("Petitioner") under section 7 of the Special Relief Act, 1963 due to gross negligence on the part of the Defendants which caused the death of Harsh (son of the Petitioner). The Petitioner had prayed to receive a compensation amounting to Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lakhs only) for the loss of life of his son.	Rs. 2.5 crores	Pending
9.	Suo moto v. Rajkot Municipal Corporation & Ors.	Writ Petition No. 34 of 2024	High Court of Gujarat, Ahmedabad	A suo moto petition was filed against the Commissioner of Rajkot Municipal Corporation and Ors. ("Respondent") by the Hon'ble High Court of Gujarat, Ahmedabad ("Petitioner") under Articles 226 and 227 of the Indian Constitution for the incident of death of individuals on account of massive fire in a privately run gaming zone via TRP gaming zone whereby 27 people including 9 children were deceased on the eve of May 25, 2024. It was prayed in the Hon'ble High Court of Gujarat, Ahmedabad to pass the orders as deemed fit along with appropriate directions to every municipal commissioner to appoint a responsible team to undertake the task of inspection etc., along with a writ of mandamus to command necessary steps to be taken regarding this incident.	-	Pending
10.	Hardware Tools and Machinery Projects Private Limited v.	96 of 2024	High Court of Gujarat at Ahmedabad	Hardware Tools and Machinery Projects Private Limited ("Petitioner") was appointed to work relating to Emergency Water Express Feeder 900 mm dia BWSC Pipeline from Nyari 1 Dam to Raiyadhar WTP for Rajkot	Rs.4.23 Crores	Pending

	Rajkot Municipal Corporation			Municipal Corporation (herein after referred to as "Respondent "). However, owing to certain breaches the Petitioner filed an application under cause GC-47, GC-48 & GC-49 of the contract executed between Petitioner and Respondent and under Section 73 and 74 of Indian Contract Act for Rs. 4,23,73,386.96/- (Rupees Four Crore Twenty Three Lakhs Seventy Three Thousand Three Hundred Eighty Six and Ninety Six Paise only). The Petitioner claimed that the Respondent has not complied with the notices sent to them and did not appoint independent and impartial Judicial Arbitrator. As such the case is currently pending.	
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C. LITIGATIONS BY THE ISSUER

i. CRIMINAL LITIGATIONS

- The Issuer has filed about 32 cases that are pending under the Food Safety and Standards Authority Act, 2006 ("Act"). The Issuer while inspecting various samples of food found that the sample seized was unsafe within the meaning of Section 3(1)(zz)(viii) of the Act as it did not comply with the standards laid down under Regulation No. 2.12.1 of the Food Safety and Standards (Food Products Standards & Food Additives) Regulations, 2011 and the sample was declared to be of unsafe.
- The Issuer has filed about 17 appeals against the order of Food Safety Appellate Tribunal under the Food Safety and Standards Authority Act, 2006 ("Act") and the amount of the same is not ascertainable.

ii. DISCIPLINARY ACTIONS INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE(S) DURING THE PAST 5 (FIVE) FINANCIAL YEARS INCLUDING OUTSTANDING ACTION

NIL

iii. TAXATION MATTERS

NIL

iv. OTHER MATTERS BASED ON MATERIALITY POLICY OF THE ISSUER

NIL

D. OUTSTANDING DUES TO CREDITORS

Based on Materiality Policy of the Issuer, as on September 30, 2024, our Issuer does not have any material creditors. Further the Issuer does not categorize its creditors as SSU/MSME and the creditors also do not submit their SSU/MSME registrations.

Particulars	Outstanding (Rs. In Crore)
Total Outstanding dues to Material Creditors	Nil
Total Outstanding dues creditors other than Material Creditors	Nil
Grand Total	Nil

Since there are Nil Material Creditors, details are not uploaded on the website of the Issuer.

E. MATERIAL DEVELOPMENTS SINCE DATE OF THE LAST AUDITED BALANCE SHEET

The Issuer has not undergone any material development since date of the last audited balance sheet except routine transfer of officials of the Issuer including change in Municipal Commissioner, the Issuer has not undergone any reorganization or reconstruction of management in the last 1 (one) year.

F. ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER, RESULTING IN MATERIAL LIABILITIES, RESTRUCTURING EVENT, ETC.) AT THE TIME OF THE ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTORS' DECISION TO INVEST/ CONTINUE TO INVEST IN THE MUNICIPAL DEBT SECURITIES.

The Issuer hereby confirms that, except for any information disclosed in this Placement Memorandum, there has been no material event, development or change having implications on the financial condition or credit quality of the Issuer which may affect the issue of the Bonds or an investors' decision to invest or continue to invest in the Bonds to be issued by the Issuer.

G. DETAILS OF NON-PAYMENT OF STATUTORY DUES

Except for litigation matters as disclosed in this Section on '*Legal and Other Information*' there are no instances of Non-Payment of Statutory Dues.

H. DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INSTRUMENT ISSUED BY THE ISSUER, IN THE PAST 3 YEARS.

NIL

I. DISCIPLINARY ACTION, IF ANY, TAKEN BY SEBI OR ANY FINANCIAL SECTOR REGULATORY AUTHORITY AGAINST THE ISSUER, MERCHANT BANKER, DEBENTURE TRUSTEE ETC., DURING THE LAST 5(FIVE) YEARS

i. **Against the Issuer**
NIL

ii. **Against the Debenture Trustee**
NIL

iii. **Against the Merchant Banker**

NIL

iv. **Against the Credit Rating Agencies**

S. No.	Name of the Credit Rating Agencies	SEBI/Regulatory Authority	Details of disciplinary action similar to any enforcement action/ adjudication taken by SEBI/ Regulatory Authority
1.	India Ratings & Research Limited	SEBI	1. SEBI had passed an adjudication order dated December 26, 2019, imposing a penalty of Rs 25 lacs on India Ratings in respect of assigning ratings to Infrastructure Leasing & Financial Services Limited. India Ratings has filed an appeal to Securities Appellate Tribunal (SAT) on February 10, 2020, against the SEBI order imposing a penalty of Rs. 25 lacs on India Ratings. On September 22, 2020, the penalty was enhanced to Rs 1 crore. India Ratings has

			filed an appeal to SAT on November 6, 2020, against the SEBI order dated September 22, 2020 which enhanced the penalty to Rs. 1 crore. SAT at its hearing on May 2, 2024, directed the Appeals to be listed for hearing next on July 23, 2024 2. SEBI imposed a fine of Rs 3 lakhs on India Ratings vide its Order dated November 30, 2023, in respect of the delay in recognition of default by M/s Altico Capital India and the delay in recognition of material event in case of M/s Hindustan Cleanenergy Limited.
2.	CRISIL Ratings Limited	Nil	Nil

v. Against the Registrar

Nil

SECTION-XII: GOVERNMENT APPROVALS

The Issuer is a municipal corporation incorporated under the GPMC Act and have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for its operations and except as mentioned below, no further approvals are required for carrying on our present operations.

It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Placement Memorandum.

A. Investment approvals, letter of intent or industrial license from GoI, RBI, etc., as applicable and declaration of the Central Government, Reserve Bank of India or any regulatory authority about the non-responsibility for financial soundness or correctness of the statements:

As the Issuer is a municipal corporation, no such investment approvals, letter of intent or industrial license from GoI, RBI, etc. are required to be obtained by the Issuer.

B. All Government and other approvals which are material and necessary for carrying on the business and operations of the issuer and material subsidiaries:

There are no specific approvals which are material and necessary for carrying on the business of the Issuer. The Issuer has required registrations as listed below:

Sl. No.	Description	Registration Number	Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (“PAN”)	AAALR0138G	Income Tax Department, Government of India	November 19, 1973*	One Time Registration
2.	GST Registration Certificate (“GST”)	24AAALR0138G1ZD	Government of India	July 07, 2018	One Time Registration
3.	Tax deduction Account Number (“TAN”)	RKTR00533B	Income Tax Department, Government of India	Not Available	One Time Registration
5.	Registration under Employees’ Provident Fund	GJ/RJT/76447	Employees Provident Fund Organisation	May 31, 2011	One Time Registration
6.	Registration under Employees’ State Insurance Act, 1948	37001538720001099	Employees’ State Insurance Corporation	October 02, 2023	One Time Registration
8.	Legal Entity Identifier Number	335800EE6CEQ7DES VR05	Legal Entity Identifier India Limited	Not Available	May 19, 2024

**Date mentioned on the Pan Card*

The Issuer does not have any subsidiary.

The details of the approvals obtained/ required to be obtained by the Issuer for undertaking the proposed Projects are set out in paragraph G “Details and status of the regulatory approval (if required)” of Section *Objects of the Issue* “Details and status of the regulatory approval” on page no. 49 of this Placement Memorandum

SECTION-XIII: UNDERTAKINGS BY THE ISSUER



RAJKOT MUNICIPAL CORPORATION

UNDERTAKINGS BY THE ISSUER

The Issuer hereby agrees and undertakes:

1. that it shall submit the documents disclosed in the Placement Memorandum to the Debenture Trustee in electronic form (soft copy).
2. that the complaints received in respect of the Issue shall be attended by the Issuer expeditiously and satisfactorily.
3. that all steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the securities are to be listed would be taken within the period specified by the Board.
4. that the Placement Memorandum contains true, fair and adequate information to enable investor to make well informed decision regarding their investment in proposed Issue.
5. that the Placement Memorandum or term sheet or any advertisement issued by the Issuer in connection with the issue of Debt Securities shall not contain any false or misleading statement.
6. All monies received out of the Issue shall be transferred to a separate bank account.
7. That it shall comply with the applicable law including Securities and Exchange Board of India (issue and Listing of Municipal Debt Securities) Regulations, 2015.

For Rajkot Municipal Corporation


Name: Shri. D.P. Desai (I.A.S)
Designation: Municipal Commissioner
Place: Rajkot
Date: 16-10-2024



SECTION-XIV: TERM SHEET

SUMMARY OF OFFER

A. Primary business of the Issuer:

The Rajkot Municipal Corporation has been constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established under Section 5 of the Gujarat Provincial Municipal Corporations Act, 1949 (“GPMC Act”), erstwhile the Bombay Provincial Municipal Corporations Act, 1949 (“BPMC Act”) vide Notification dated November 16, 1973 bearing reference number KP_231_73_RMC_1071_11756_P1. The BPMC Act (now GPMC Act) has been amended vide Section 3 read with Schedule (Serial No. 36) of The Gujarat Short Titles (Amendment) Act, 2011 to be renamed as The Gujarat Provincial Municipal Corporations Act, 1949. In accordance with Section 5 of the GPMC Act, the Corporation shall consist of such number of elected members as may be notified from time to time.

Size of the Issue:

Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds in the nature of debentures Of Face Value Of ₹ 2,00,000/- Each (“Bonds”/“NCDs”/“Debentures”), (Comprising Of 2 (Two) Separately Transferable And Redeemable Principal Parts (“STRPP”) Namely 1 STRPP A Of Face Value Of ₹ 1,00,000 and 1 STRPP B Of Face Value Of ₹ 1,00,000) for an amount aggregating upto ₹ 100 crores.

B. Object of the Issue:

The proceeds of the Issue are to be deployed in the below mentioned projects and the total project cost is provided herein below:

(Rs. in Crores)

Sr. No.	Object	Total Project Cost	Amount to be funded from the proceeds of the Issue
1.	Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka;	22.11	6.00
2.	Implementation of DI pipeline distribution network in Ward No. 12;	44.54	11.00
3.	Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1;	29.95	9.00
4.	Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1;	74.05	22.00
5.	Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipeline Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18);	71.75	19.00
6.	Implementation of DI Pipeline Distribution Network in Ward No. 11;	57.56	19.00
7.	DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection;	32.53	11.00
8.	Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR;	11.79	3.00
	Total	344.28	100.00

C. Audit Qualifications along with the financial statements.

There are no audit qualifications for the audited financial statements for the last 3 Financial years i.e., FY 2021-22, FY 2022-23 and FY 2023-24.

D. Summary table of pending litigation

• **Matters related to Direct and Indirect Taxes against the Issuer**

S. No.	Nature	Number of Cases	Amount Involved (Rs. In Crores)
Direct Tax			
1)	E-proceedings	7	Not Ascertainable*
2)	Response to Outstanding Demand	2	0.0031
3)	TDS**	6	1.28
Indirect Tax			
4)	Property Tax** - Cases have been filed against the Issuer by the residents/ entities residing/ operating in Rajkot Municipal Corporation jurisdiction accusing Issuer of charging huge amount of property tax.	109	104.69

*Note:

- There is 1 proceeding for AY 12-13 wherein a sum of Rs. Nil was raised. However, the same is still pending on the Income Tax website.
- Income Tax Department has issued a notices u/s 139(9) of Income Tax Department for AY2014-2015, 2015-16, 2019-2020.
- Income tax department issued a notice for AY 2015-2016 for on-going limited scrutiny.
- Income Tax Department issued 2 notices for AY2017-18 under Section 143(3) of Income Tax Act, 1961.

**To the extent quantifiable excluding interest and penalty thereon.

i. Criminal Litigations involving the Issuer

The total number of cases involving pending cases against the Issuer and filed by the Issuer have been disclosed in the section Legal and Other Information. Since the nature of the case is criminal, there is no amount involved.

j. Actions by Regulatory and Statutory Authorities

The details of all the actions by Regulatory and Statutory Authorities have been disclosed in the “Section-IX- Legal and Other Information” on Page No. 120 of the PM.

k. Other Civil Litigation

The details of all the individual civil litigations above the materiality threshold have been disclosed in the “Section-IX- Legal and Other Information” on Page No. 120 of the PM.

For the details of litigation proceedings, please refer the Section titled Litigation and Other Information on page no. 120 of this Placement Memorandum.

E. Risk Factors

For Risk Factor please refer to section titled *Risk Factors* beginning on page no. 19 of this Placement Memorandum.

F. Summary of Contingent Liabilities

For details of Contingent Liabilities please refer to Section-XI titled Legal and Other Information beginning on page no. 120 of this Placement Memorandum.

G. Summary of Related Party Transactions

The Issuer is a Municipal Corporation and has no related party transactions.

H. Escrow payment mechanism for the repayment of the interest/principal.

Please refer to the row titled ‘*Structured Payment Mechanism*’ under *Summary of Term Sheet* of Section XIV (*Term Sheet*) on page no.136 of this Placement Memorandum.

SUMMARY OF TERM SHEET

Security Name	7.90% RMC BONDS STRPP A 2028 7.90% RMC BONDS STRPP B 2029
Issuer	Rajkot Municipal Corporation
Type of Instrument	Rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of debentures (hereinafter referred to as "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)
Mode of Issue	Private Placement of municipal bonds under Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, as amended from time to time.
Eligible investors	All QIBs and any non-QIB Investors specifically mapped by the Issuer on the NSE – EBP Platform are eligible to bid / invest / apply for this Issue. All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue.
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	The NCDs are proposed to be listed on National Stock Exchange. The NCDs shall be listed within 3 (three) Working Days from the Issue Closing Date.
Rating of the Instrument	CRISIL has assigned a rating of 'Provisional CRISIL AA/Stable' dated December 18, 2023 as revalidated vide its letter dated January 29, 2024 March 05, 2024 July 30, 2024 and October 07, 2024, in respect of the Bonds India Ratings has assigned a rating of 'Provisional IND AA/Stable' dated February 06, 2024 as revalidated vide its letter dated March 06, 2024, July 29, 2024 and October 07, 2024, in respect of the Bonds
Base Issue Size	Upto Rs 100 Crore
Option to retain over subscription	N.A.
Total Issue Size	Upto Rs 100 Crore
Objects of the issue	The proceeds of the bonds will be utilized for the following: 1. Construction Of 14 ML Capacity Reinforced Concrete Cement (RCC) Ground Service Reservoir, Pumping Station with all electrical mechanical work and 3 ML Capacity RCC Elevated Service Reservoir (ESR) at Munjka. 2. Implementation of DI pipeline distribution network in Ward No. 12. 3. Construction of 23 MLD capacity Sewage Treatment Plant (STP) near existing 56 MLD STP in Raiya in Ward No. 1. 4. Development of a comprehensive sewerage network in Ward No. 01 & 03, encompassing Ghanteshwar, Raiyadhar, Madhapar, and Manharpar-1. 5. Implementation of Supply, Lowering, Laying, Jointing, Testing and Commissioning of D.I. Pipeline Distribution Network with House Connection and Road Restoration in Ward No. 11 (Mota Mava), Ward No. 11 (Nyari Part (Pocket-5,6,7,8)) and Ward No. 11 (Pocket-17,18). 6. Implementation of DI Pipeline Distribution Network in Ward No. 11. 7. DI Pipeline Distribution network in remaining area under Gurukul Head Works (Gondal Roadside) with House Connection. 8. Implementation of DI Pipeline Distribution Network in Ward No. 10 (Part) From Kalawad Road ESR.
Details of the utilization of the proceeds	The proceeds of the Issue shall be utilized for the Projects. The details of the Projects along with the details/ status of any prior requisite approvals required,

	if any for such Projects have been detailed in the Section titled Objects of the Issue on Page no. 49
Coupon rate	7.90% p.a.
Taxable/Tax free	Taxable
Step up / Step Down coupon rate	N.A.
Coupon payment frequency	On a Quarterly basis
Coupon payment dates	The dates on which interest/coupon on the NCDs shall fall due for payment
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	N.A.
Day Count Basis	Actual/ Actual
Interest on Application Money	The Pay-in Date shall be the Deemed Date of Allotment; hence interest on application money shall not be applicable.
Tenor	STRPP A of an NCD – 4 years from Deemed Date of Allotment; STRPP B of an NCD – 5 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 4th anniversary of the Deemed Date of Allotment for STRPP A; • STRPP B – at the end of the 5th anniversary of the Deemed Date of Allotment for STRPP B;
Redemption Amount	Principal repayment to happen annually, from the expiry of 4 (Four) years from the Deemed Date of Allotment, in 2 (two) annual installments of: STRPP A – aggregate principal amount of Rs. 50 crores (rupees fifty crores) to be repaid at the end of the 4 th anniversary of the Deemed Date of Allotment; STRPP B – aggregate principal amount of Rs. 50 crores (rupees fifty crores) to be repaid at the end of the 5 th anniversary of the Deemed Date of Allotment; 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.
Redemption Premium / Discount	Not applicable
Issue Price	Face Value of Rs. 2,00,000/- per NCD consisting of 2 (Two) STRPPs (i.e. 1 STRPP A and 1 STRPP B) with face value of each STRPP being Rs. 1,00,000/- (Rupees One Lakh only)
Discount at which security is issued and the effective yield as a result of such discount	Not applicable
Put Option Date	Not applicable
Call Option Date	Not applicable
Put Option Price	Not applicable
Call Option Price	Not applicable
Put Notification Time	Not applicable
Call Notification Time	Not applicable
Face Value	Each NCD shall have a face value aggregating to Rs.2,00,000 (Rupees Two Lakhs only).

	Each NCD would comprise of 2 Two STRPPs having different ISINs (i.e. 1 STRPP A & 1 STRPP B) with face value of each STRPP being Rs. 1, 00,000 (Rupees One Lakh) each.
Minimum Application size and in multiples of NCDs thereafter	5 (Five) NCDs of face value of Rs. 2,00,000 (i.e. 5 NCDs comprising of 5 STRPP A and 5 STRPP B) and in multiple of 1 (One) NCD (comprising of 1 STRPP A and 1 STRPP B) thereafter
Issue Timing	1.Issue Opening Date: October 16, 2024 2.Issue Closing Date: October 16, 2024 3.Pay-in Date: October 18, 2024 4.Deemed Date of Allotment: October 18, 2024
Issuance mode of the Instrument	Dematerialised form only
Trading mode of the Instrument	STRPPs will be traded in dematerialised form only
Settlement mode of the Instrument	Through the clearing corporation of NSE being National Securities Clearing Corporation Limited
Depository	NSDL and CDSL
Working Day Convention	Working Day means all days on which commercial banks in Rajkot and Mumbai is open for business. If the date of payment of coupon/redemption of principal does not fall on a Working Day, the payment of coupon/principal shall be made in accordance with SEBI Master Circular dated May 22, 2024 bearing reference SEBI/HO/DDHS/PoD1/P/CIR/2024/54, as amended from time to time. If any of the Coupon Payment Date(s), other than the ones falling on the Redemption Date, falls on a day that is not a Working Day, the payment shall be made by the Issuer on the immediately succeeding Working Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the NCDs. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Working Day. If the Redemption Date or Maturity Date of the NCDs falls on a day that is not a Working Day, the redemption amount shall be paid by the Issuer on the immediately preceding Working Day which becomes the new redemption date, along with interest accrued on the respective STRPP until but excluding the date of such payment. Payment of coupon/interest will be subject to the deduction of tax as per Income Tax Act, 1961 (if applicable) or any statutory modification or re-enactment thereof for the time being in force.
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 subsequent 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 STRPPs, the trading in the respective STRPP shall remain suspended between the record date and the Maturity Date/Redemption Date.

Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security).	The principal amount of the Debentures to be issued with all the Coupon due on the Debentures, as well as costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof has been secured by way of: (a) exclusive first ranking floating charge over present and future receivables pertaining to entire Own Revenues/ Cash flows with minimum security cover of 1 (One) time of the total amount borrowed along with the Coupon thereon and other costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof ("Minimum Security Cover"); ‘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 revenues, rental income from municipal properties, fees and user charges, sale and hire charges (b) First and exclusive charge over the Escrow Account and the account(s) where the own revenues gets collected and/ or pooled by Rajkot Municipal Corporation in each case to the extent of the own revenues gets collected and/ or pooled in each of such accounts; (c) First and exclusive charge over the Interest Payment Account (including the DSRA Amount), Sinking Fund Account, Sinking Fund Fixed deposit, and funds lying in each such account and any investment(s) made from these account(s); (d) First and 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)"). The creation of such security by the Issuer shall be sufficient compliance of the Issuer's obligation to create security. Security Creation Timelines (a) The Security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s). (b) Unless otherwise agreed to by the Debenture Trustee, in the event the above stipulated Security is not created and/or perfected within the timelines as mentioned above or any extended timeline as may be approved by the Debenture Trustee in writing, 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. The Issuer shall, till any of the Debentures are outstanding, maintain the Minimum Security Cover.
Required DSRA Amount	For ensuring maintenance of the Required DSRA Amount, the Interest Payment Account shall be funded 1 (One) day prior to the Pay-In Date with an amount equal to the 4 (Four) succeeding coupon payments (i.e. one year interest obligation) required to be paid by the Issuer in respect of the Debentures ("Required DSRA Amount"). The amounts lying in, or credited into, the Interest Payment Account from time to time towards maintenance of the

	Required DSRA Amount, shall be hereinafter referred to as the “DSRA Amount”. In the event of any utilisation from the DSRA Amount, the Issuer shall be obliged to replenish the same as per the Interest Payment Mechanism below. Further, as the interest liability would progressively come down after the peak, the Issuer would be permitted to take out the excess DSRA progressively under intimation to the Debenture Trustee, subject to: (i) no unresolved breach of any covenant or event of default, (ii) no shortfall in any of the Interest Payment Account (including the Required DSRA Amount) or the Sinking Fund Account or Sinking Fund Fixed Deposit.
Cash Collateral (Sinking Fund Fixed Deposit)	The Issuer shall, 1 (One) day prior to the Pay-in Date, create upfront Fixed Deposit in terms of the Transaction Documents for an amount equivalent to 10% (Ten percent) of the total bond issue size (“Sinking Fund Fixed Deposit” or “Sinking Fund FD”). The Sinking Fund FD shall be utilized in accordance with the Principle Repayment (Sinking Fund) mechanism defined in the structured payment mechanism below and at the end of 42 months from the deemed date of allotment, the said fixed deposit amount shall be transferred to the Sinking Fund Account. The Issuer hereby agrees and undertakes that it shall, at all times maintain the Sinking Fund Fixed Deposit and the same shall always be lien marked to the debenture trustee in terms of the Transaction Documents until the amount gets transferred to the Sinking Fund Account at the end of 42 months from the deemed date of allotment.
Structured Payment Mechanism	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: - Escrow Account - Interest Payment Account - Sinking Fund Account 2. 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. Debenture Holders/ Debenture Trustee on behalf of Debenture Holders shall have first and exclusive charge over the Escrow Account and the account(s) where own revenues gets collected and/ or pooled by the Issuer. ‘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 revenues, rental income from municipal properties, fees and user charges, sale and hire charges. 3. The Interest Payment Account is an account from which the interest payments on the Debentures will be serviced and the Required DSRA Amount (as hereinafter defined) will also be maintained as per the requirements of the SEBI circular in relation to ‘Continuous disclosures and compliances by listed entities under SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015’ dated November 13, 2019 bearing reference no. SEBI/HO/DDHS/CIR/P/134/2019. 4. The Sinking Fund Account is an account from which the principal redemptions of the STRPPs/NCDs will be made. 5. The funds lying in the Escrow Account shall be used in the following priority:

- (a) The funds should be first utilized to accumulate the Minimum Balance in Escrow Account. The Minimum Balance to be maintained in any monthly period expiring on the Transfer Date (Transfer date here means last date of any monthly period) shall be the amount to be transferred to the Interest Payment Account and Sinking Fund Account on the Transfer Date;
- (b) The Minimum Balance shall not be used for any purpose other than transfer to the Interest Payment Account and Sinking Fund Account;
- (c) The surplus funds, if any, after first accumulating the Minimum Balance can thereafter be transferred to the general fund account(s) in accordance with the directions of the Issuer from time to time, after a one-time written instruction providing for such transfer is given by the Debenture Trustee for such monthly period provided however that, in case of a shortfall in any of the Interest Payment Account (including towards maintenance of the Required DSRA Amount) or Sinking Fund Account or Sinking Fund Fixed Deposit, no transfer to the general fund account(s) shall be effected and the surplus funds shall first be utilised towards funding the relevant account in which there is a shortfall.

However, in case there is a shortfall in required DSRA amount (in case of utilization of the DSRA amount), Sinking Fund Fixed Deposit (in case of utilization of FD created upfront), Interest payment account and sinking fund account as per the interest payment and sinking fund mechanism defined below, the funds lying in escrow account shall be first utilized to fund such shortfall and thereafter to accumulate the minimum balance.

It is hereby clarified that, notwithstanding the appropriation of any amount from the Escrow Account to fund the shortfall in Interest Payment Account (including the required DSRA amount), Sinking Fund Account and Sinking Fund FD, the obligation of the Issuer to fund the Minimum Balance before the last date of any monthly period shall continue until the Final Settlement Date.

On a monthly basis, on each Transfer Date, the Minimum Balance maintained as indicated above shall be transferred to the Interest Payment Account and Sinking Fund Account. The Issuer, with the prior written consent of the Debenture Trustee, can transfer the Minimum Balance maintained in Escrow Account to the Interest Payment Account and the Sinking Fund Account on any day prior to the Transfer Date.

6. The following amounts will be required to be transferred to the Interest Payment Account and the Sinking Fund Account from the Escrow Account as mentioned above each year (Each year here means each period of 12 months from the Deemed Date of Allotment until the Maturity Date and is also referred to as '12 month block') on first priority basis:

a. Interest payment Account (IPA) – Quarterly interest amount shall be divided into two equal parts and each part shall be transferred to IPA every month for 2 months. Accordingly, 50% of the Quarterly 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 each month in first 8 months of each 12 month block in the following manner :-

- (i) For Interest payable in 1st Quarter - in 1st & 2nd Month
- (ii) For Interest payable in 2nd Quarter- in 3rd & 4th Month
- (iii) For Interest payable in 3rd Quarter- in 5th & 6th Month
- (iv) For Interest payable in 4th Quarter- in 7th & 8th Month

b. Sinking Fund Account (SFA) – Total issue size of the Debentures (Rs 100 Crore) shall be divided into 4 parts and each part (Rs. 25 Crore) shall be transferred to SFA in each of the 1st to 4th year.

1st to 3rd year

Further, this one part to be transferred to SFA in each of the first three years shall be sub-divided into 10 sub-parts and each sub-part (Rs. 2.50 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA each month for first 10 months. Accordingly, 25% of total issue size shall be transferred each year for the first 3 years out of which 2.50% each month for first 10 months of each year.

4th year

Out of the remaining Rs 25 Crore (25% of the total issue size) to be transferred in the 4th year;

(i) **Rs 15 Crore** shall be sub-divided into 6 sub-parts and each sub-part (Rs. 2.50 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA each month for first 6 months.

(ii) **Rs 10 Crore** shall be transferred to the Sinking Fund Account in lumpsum from Sinking Fund Fixed Deposit at the end of 42 months from deemed date of allotment

Once the sinking fund account gets completely built up equivalent to the 100% of the total issue size i.e. Rs 100 Crore at the end of 42 months from the deemed date of allotment, there shall be no further transfers to the Sinking Fund Account from the Escrow Account.

- c. Any shortfall in the funds available in the Escrow Account to complete the aforesaid transfers to the above account(s) shall be made good by the Issuer by transfer from other account(s) of the Issuer.

7. The funds lying in the above-mentioned account(s) shall be utilised in the following manner:

- (a) The funds lying in the Interest Payment Account (apart from the DSRA Amount) will be first utilized for meeting the Coupon payment to the Debenture Holders. In the event that the balance in the Interest Payment Account (apart from the DSRA Amount) is not sufficient for this purpose, the DSRA Amount can be utilized for meeting such shortfall in the Interest Payment Account for making the Coupon payment to the Debenture Holders.
- (b) The DSRA Amount lying in the Interest Payment Account, can be used to meet (i) any shortfall in the Interest Payment Account for the Coupon payment to be made on any Coupon Payment Date; and thereafter (ii) can be used to meet any shortfall at the time of redemption of the STRPP (upto the excess DSRA amount) on the respective Redemption Date. However, the DSRA Amount cannot be utilized for any other purpose, including (a) to meet any shortfall in contribution to Sinking Fund Account except at the time of Redemption; and (b) to meet any shortfall in the amounts to be transferred to the Interest Payment Account except at the time of actual payment of Coupon on the Debentures.
- (c) Any surplus amounts available in the Interest Payment Account after making the Coupon payment to Debenture Holders (which is over and above the Required DSRA Amount) should be used to make good any shortfall in contribution to Sinking Fund Account to the extent required for redemption of the STRPPs on the Redemption Dates.

- (d) The funds lying in the Sinking Fund Account can be used to redeem the Debentures.
 - (e) The Sinking Fund FD can be used (i) to meet any shortfall in the Sinking Fund Account prior to the end of each 12 month block and (ii) to transfer the entire amount in lumpsum to Sinking Fund Account at the end of 42 months from deemed date of allotment.
 - (f) Any funds lying in the above account(s) can be used for making Permitted Investments. However, the funds (including investment(s)) shall not, without the approval of the Debenture Trustees, be utilised for any purpose other than as mentioned in paragraph (a) to (e) above.
 - (g) Any surplus funds lying in the above account(s) after the Debentures have been redeemed in full and all dues to the Debenture Holders have been paid can be transferred to the Escrow Account on the written instructions of the Debenture Trustee (acting on the instructions of the Issuer).
8. The Debenture Trustee, on behalf of the Debenture Holders shall have an exclusive first ranking charge over the Escrow Account and the account(s) where the '**own revenues**' that are being collected/pooled by the Issuer, the Interest Payment Account (including the DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit.
9. The Debenture Trustee, on behalf of the Debenture Holder(s), shall have an exclusive first charge on the Escrow Account, Interest Payment Account (including the DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit 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 (including the DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit shall be used solely for meeting the dues to the Debenture Holders. Any surplus in the above account(s) after the Debentures have been redeemed in full and all the dues to the Debenture Holders have been paid can be transferred to the Escrow Account after obtaining written consent of the Debenture Trustee. No amount can be withdrawn from these account(s) without the approval of Debenture Trustee.
10. The funds lying credited in the Escrow Account (to the extent of the minimum balance), Interest Payment Account (including the DSRA Amount) and Sinking Fund FD can be kept in fixed deposits with any scheduled commercial bank with a dual rating of AA+ or above. However, the conditions of the fixed deposits shall not restrict premature withdrawal from the fixed deposit. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof. The Issuer shall ensure that funds lying in the escrow accounts shall be invested in accordance with the SEBI ILMDS Regulations and SEBI circulars issued thereunder and Gujarat Provincial Municipal Corporation Act, 1949, to the extent applicable.
11. The funds lying to the credit of Sinking Fund Account can be deposited in such instruments which may be permitted both in terms of the SEBI Circulars and also Gujarat Provincial Municipal Corporation Act, 1949. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof.
12. Any actual interest income earned and received on the Permitted Investment(s) shall be utilisable by the Issuer, in accordance with the terms set out in the Transaction Documents, only: (a) with the prior approval of the Debenture Trustee; and (b) if there is no shortfall in any of the Interest Payment Account (including the Required DSRA Amount) or the Sinking Fund Account or Sinking Fund Fixed Deposit.

13. The Escrow Account, Interest Payment Account (including the Required DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit shall be maintained with a scheduled commercial bank rated at least AA+ by two rating agencies throughout the tenor of the Debentures (“Bank”). In case, at any point of time, the rating of senior debt of the Bank falls below AA+ by any rating agency the Issuer shall, with the written consent of Debenture Trustee, move the funds to any other bank satisfying the rating criteria.

14. The Bank shall share statement(s) of these account(s) with Debenture Trustee and the Issuer for such period as may be specified by the Debenture Trustee but not greater than 12 (Twelve) months in any case till such time as the Debentures are redeemed. The Issuer shall share copies of all such reports with the Rating Agencies. The Issuer and Debenture Trustee shall keep the Rating Agencies informed in case of change in the Bank.

Interest Payment Mechanism

The Debenture Trustee shall check the amount lying to the credit of Interest Payment Account (which is over and above the Required DSRA Amount) at 25 (Twenty Five) days prior to the Coupon Payment Date (T-25 days). In case of any shortfall in the amount required to make payment of Coupon on the Coupon Payment Date in the Interest Payment Account (calculated on the basis of the amounts available in addition to the Required DSRA Amount), the Debenture Trustee shall intimate the Issuer of the shortfall and the Issuer shall make good the short fall in the Interest Payment Account prior to the date falling 10 (Ten) days prior to the Coupon Payment Date (T-10 days). Further, the amounts lying or credited in the escrow account shall flow into the interest payment account for funding the shortfall and shall not be transferred by the Issuer to the general fund account(s) till the time the shortfall is funded. In case of shortfall in the amount required to make payment of Coupon on the Coupon Payment Date in the Interest Payment Account (calculated on the basis of the amounts available in addition to the Required DSRA Amount) at 9 (Nine) days prior to the Coupon Payment Date (T-9 days), the Debenture Trustee shall trigger the payment mechanism and shall instruct the Bank to utilise the DSRA Amount to the extent of the shortfall in the amount required to make payment of the Coupon on the Coupon Payment Date on or prior to the date falling 8 (Eight) days prior to the Interest Payment Date (T-8 days). The Coupon shall be paid by the Issuer on the Coupon Payment Date (T).

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). Further, immediately after the DSRA utilization, the amounts lying or credited in the escrow account shall flow into the interest payment account for DSRA replenishment and shall not be transferred by the Issuer to the general fund account(s) till the time the required DSRA amount is replenished.

It is hereby clarified that, notwithstanding the appropriation of any amount from the Escrow Account to fund the shortfall in interest payment account (including the required DSRA amount), the obligation of the Issuer to fund the interest payment account and sinking fund account to the extent of the minimum balance no later than the monthly Transfer Date shall continue until the Final Settlement Date.

Further, such notice(s) would continue to get served if required, as per the

	same timelines for subsequent and future servicings. If any overdues on account of past servicings from the DSRA Amount continues to remain and the Required DSRA Amount continues to remain un-replenished, then such overdue amount would be added in the subsequent notice. In any of the milestone days mentioned in the T-Structure above happens to not be a Business Day, the immediately preceding Business Day would be the deemed date for execution of the relevant action. <u>Principal Repayment (Sinking Fund) Mechanism</u> The Debenture Trustee shall check the balance in the Sinking Fund Account prior to the end of each 12 month block - and in case of any Sinking Fund mismatch it shall be replenished as per the following mechanism:- The Debenture Trustee shall check the amount lying to the credit of Sinking Fund Account at 45 (Forty Five) days prior to the end of each 12 month block. In case of any Sinking Fund mismatch, the Debenture Trustee shall intimate Issuer of the shortfall and Issuer shall make good the - Sinking Fund mismatch 15 (Fifteen) days prior to the end of each 12 month block (T-15 days). Further, in case of shortfall on T-45 days, the amounts lying or credited in the escrow account shall flow into the sinking fund account for funding the shortfall and shall not be transferred by the Issuer to the general fund account(s) till the time the shortfall is funded. In case of shortfall still persists in in the Sinking Fund Account at 14 (Fourteen) days prior to the end of each 12 month block (T-14 days), the Debenture Trustee shall trigger the payment mechanism and shall instruct the Bank to utilise the Sinking Fund FD to the extent of the shortfall in the Sinking Fund Account on or prior to the date falling 13 (Thirteen) days prior to the end of each 12 month block (T-13 days). In case the Sinking Fund FD (or part thereof) is utilized to fund the shortfall in the amounting sinking fund account prior to the end of each 12 month block, immediately after the Debenture Trustee has instructed the Bank to utilise the Sinking Fund FD as above and in any event prior to 12 (Twelve) days prior to the end of each 12 month block (T-12), the Debenture Trustee would issue a final notice in writing to the Issuer. On the issuance of such notice, the Issuer shall replenish the Sinking Fund FD within next 12 (Twelve) days (T). Further, immediately after the utilization of Sinking Fund FD, the amounts lying or credited in the escrow account shall be utilized for replenishment of Sinking Fund FD and shall not be transferred by the Issuer to the general fund account(s) till the time Sinking Fund FD is fully replenished. It is hereby clarified that, notwithstanding the appropriation of any amount from the Escrow Account to fund the shortfall in sinking fund account and Sinking Fund FD, the obligation of the Issuer to fund the interest payment account and sinking fund account to the extent of the minimum balance no later than the monthly Transfer Date shall continue until the Final Settlement Date. The redemption shall be made by the Issuer on the relevant Redemption Dates. The Debenture Trustee shall keep the Rating Agencies informed of any shortfall in the Interest Payment Account (including in the Required DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit.
Financial Covenants	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 2 (Two) times of the Annual Payments Amount. For the

	purpose of this term sheet, the term ‘Annual Payments’ shall, in respect of any financial year, mean the aggregate of: (a) the Coupon payable in such year (in relation to the present bond issue 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 in such financial year (in relation to the present bond issue and any further borrowings), in terms hereof. 2. “Debt Service Coverage Ratio” shall mean the DSCR for the RMC shall not be less than 1.25 times of operating surplus calculated as on 31st March for each year financial year (starting from 31st March 2024 till the time bonds are outstanding) as below: DSCR = operating surplus / total debt service (a) 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 –Provisions and Write offs – other non-cash expenditures. (b) Total debt service = interest payment of loans and bonds + transfers made to the sinking fund account towards principal repayment / redemption + principal repayment / redemption (Excluding those made out of the sinking fund account) 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 it is clarified that nothing in this provision should be construed to permit the creation of any encumbrance over the hypothecated property without the express prior written consent of the debenture trustee. 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 DSCR is maintained by the Issuer (c) there is no shortfall in the contribution to the Escrow Account, the Interest Payment Account (including towards maintenance of the Required DSRA Amount), the Sinking Fund Account and/or the Sinking Fund FD which has not been made good by the Issuer in terms of the Transaction Documents; (d) no Event of Default has occurred. 3. Other financial covenants as defined in the Transaction Documents
Transaction Documents	The Placement Memorandum, the Issue Proceeds Agreement, the Debenture Trustee Agreement, the Debenture Trust Deed, the Deed of Hypothecation, the Escrow Agreement and any other agreement or document designated as such by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).
Conditions Precedent to Disbursement	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following and in compliance to SEBI Guidelines in this regard:

	1. Rating letters for provisional rating from two credit rating agencies (“Rating Agency(ies)”) not being more than one month old from the Issue Opening Date; 2. Letter from the Debenture Trustee conveying their consent to act as debenture trustee for the Debenture Holder(s); 3. Letter from NSE conveying its in-principle approval for listing of the Debentures; 4. Other conditions precedent set out in the Debenture Trust Deed and as specified in the SEBI ILMDS Regulations.
Conditions Subsequent to Disbursement	The Issuer shall ensure that the following documents are executed/ activities are completed within the relevant timelines set out in the Transaction Documents: 1. Credit of demat account(s) of the allottee(s) by number of Debentures allotted as per the NSE-EBP operational guidelines; 2. Listing of the Debentures within 3 (Three) days from the Issue Closing Date; 3. Security creation as per the terms of Transaction Documents and in compliance with other regulatory guidelines, as applicable; 4. Other conditions subsequent set out in the Debenture Trust Deed and as specified in the SEBI ILMDS Regulations.
Events of Default	As is more particularly set out in the Debenture Trust Deed
Creation of Recovery Expense Fund	The Issuer will transfer the required amount towards recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time with the Stock Exchange and will inform the Debenture Trustee regarding transfer of amount toward such fund.
Provisions related to Cross Default Clause	As per the Debenture Trust Deed to be executed in accordance with applicable law.
Default Interest	(a) All monies due in respect of the Debentures shall, in case the same be not paid on the respective due dates, carry further interest at the rate of 2% (Two Percent) per annum, which shall be paid over and above the Coupon Rate for the period during which such default continues; (b) In case of delay in execution of the Debenture Trust Deed and security documents, RMC will refund the subscription with the agreed rate of interest or will pay penal interest of at least 2% p.a. (Two percent per annum), which shall be paid over and above the Coupon Rate for the period during which such default continues; (c) In case of delay in listing of the Debentures beyond 3 (Three) days from the Issue Closing Date, the Issuer shall pay penal interest of at least 1% p.a. (One percent per annum) which shall be paid over and above the Coupon Rate for the period of delay (i.e. from the date of allotment to the date of listing). (d) Other provisions as set out in the Transaction Documents.
Manner of Bidding	Closed bidding
Manner of Allotment	Uniform yield allotment
Settlement Cycle	T+2
Role and Responsibilities of Debenture Trustee	As per SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015, and the Debenture Trust Deed.
Governing Law and Jurisdiction	The Debentures and the Transaction Documents (other than the Issue Proceeds Agreement) shall be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of courts and tribunals in Rajkot. The Issue Proceeds Agreement shall be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of courts and tribunals in Mumbai.

SECTION XV: MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to herein below (not being contracts entered into in the ordinary course of the business carried out by the Issuer) which are or may be deemed to be material, have been entered into by the Issuer. Copies of these contracts together with the copies of the documents may be inspected at the Head Office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the Issue Closing Date.

A. Material Contracts

- a. Copy of Tripartite Agreement dated January 31, 2024 between CDSL, the Issuer and the Registrar to the Issue.
- b. Copy of Tripartite Agreement dated January 31, 2024 between NSDL, the Issuer and the Registrar to the Issue.
- c. Debenture Trustee Agreement dated March 22, 2024 between the Issuer and the Debenture Trustee;
- d. Debenture Trust Deed dated August 20, 2024 between the Issuer and the Debenture Trustee.
- e. Escrow Agreement dated August 20, 2024 between the Issuer, the Debenture Trustee and the Banker to the Issue.
- f. Issue Proceeds Agreement dated September 03, 2024 between the Issuer, the Merchant Banker/Arranger, Registrar and the Banker to the Issue.
- g. Issue Agreement dated March 22, 2024 and Amended Issue Agreement dated August 05, 2024 between the Issuer and the Merchant Banker/Arranger to the Issue.
- h. Deed of Hypothecation dated September 12, 2024 executed by the Issuer in favour of Debenture Trustee.
- i. Registrar Agreement dated March 21, 2024 between the Issuer and the Registrar to the Issue.

B. Material Documents

- a) Copy of Notification dated November 16, 1973 bearing reference number KP/231/73/RMC/1071/11756/P1 pursuant to which the Issuer is constituted.
- b) Copy of Gujarat Provincial Municipal Corporations Act, 1949.
- c) Government Order dated March 15, 2024 approving the issuance of Debentures.
- d) Copy of the Resolution No. 416 of the Standing committee dated January 08, 2024 forming the Bonds Issue Committee with respect to discussions and decisions for the proposed Issue.
- e) Copy of the Resolution No. 139 of the General Board dated January 19, 2024 approving Standing Committee resolution of forming the Bonds Issue Committee with respect to discussions and decisions for the proposed Issue.
- f) Copy of Municipal Commissioner Letter dated March 21, 2024 and August 05, 2024 certifying the list of members of the Bond Issue Committee.
- g) Letters of the Municipal Commissioner approving the Project Cost for all Projects.
- h) Copy of the resolution of the Bond Issue Committee dated March 22, 2024 approving the issuance of Bonds.
- i) Copy of the resolution of Bond Issue Committee dated March 22, 2024 appointing Shri Amitkumar Lalitbhai Savajiyani, Chief Accountant as Compliance Officer.
- j) Copy of the resolution of the Bond Issue Committee dated March 22, 2024 and August 05, 2024 approving the Projects
- k) Copy of the resolution of the Bond Issue Committee dated March 22, 2024 and August 05, 2024 approving the Materiality Policy.
- l) Consents and appointment letters of the Merchant Banker / Arranger / Transactions advisor, Debenture Trustee, Rating Agencies, Registrar to the Issue, Legal Advisor, Auditor, Bond Issue Committee Members, Municipal Commissioner, Escrow Bank and Banker to the Issue to include their names in the Placement Memorandum.
- m) Examination report dated August 05, 2024 issued by the Auditor of the Issuer.
- n) Statement of tax benefits dated August 05, 2024 issued by the Auditor of the Issuer.

- o) Certificates dated March 22, 2024, August 05, 2024, October 09, 2024 and October 16, 2024 issued by Multi Media Consultants Private Limited and Sapient Techno Consultant, technical consultants for all the Projects who have also prepared Detailed Project Reports for the Projects.
- p) Gujarat Urban Development Mission letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursed/2022-23/2132 dated August 23, 2022 & letter no. G.U.D.M/AMRUT2.0/Projects Fund Disbursement/2023-24/909 dated April 10, 2023 under AMRUT 2.0 scheme for approval and receipt of grants.
- q) Rating letter dated December 18, 2023 and revalidated letter issued on January 29, 2024, March 05, 2024, July 30, 2024 and October 07, 2024, and rating rationale dated December 15, 2023 and May 21, 2024 issued by CRISIL, rating letter dated February 06, 2024 and revalidated letter issued on March 06, 2024, July 29, 2024 and October 07, 2024 and rating rationale dated February 06, 2024, issued by India Ratings.
- r) Copy of the resolution of the Bond Issue Committee dated March 22, 2024 approving the Preliminary Placement Memorandum.
- s) Copy of the resolution of the Bond Issue Committee dated August 05, 2024 approving the updated Preliminary Placement Memorandum to be filed with SEBI after incorporating the changes and updates as per SEBI observation letter;
- t) Copy of the resolution of Bond Issue Committee dated October 09, 2024 approving the Placement Memorandum.
- u) In-principle approval received from National Stock Exchange of India Limited having reference no. NSE/LIST/7547 dated March 28, 2024.
- v) Notification no. D.O. No. K-14012/01/2022-AMRUT-IIB dated May 31, 2024 in relation to AMRUT Incentive issued by Ministry of Housing and Urban Affairs.
- w) Due diligence certificates dated March 22, 2024 and October 9, 2024 filed by the Merchant Banker with SEBI in relation to the Preliminary Placement Memorandum and Placement Memorandum respectively.
- x) Due Diligence Certificate dated March 22, 2024, October 9, 2024 and October 15, 2024 from the Trustee in relation to the Issue.
- y) Observation Letter from SEBI having reference number SEBI/HO/DDHS-RACPOD1/P/OW/2024/20196/1 dated June 26, 2024
- z) Copy of the resolution of the Bond Issue Committee dated October 16, 2024 approving the allocation of Bonds, finalising the Coupon Rate and approving the Placement Memorandum dated October 16, 2024;

SECTION-XVI: DECLARATION

D. P. Desai I.A.S.
COMMISSIONER
RAJKOT MUNICIPAL CORPORATION



Declaration

I, Shri D.P. Desai, IAS, Municipal Commissioner of Rajkot Municipal Corporation (the "Issuer") hereby declare and confirm that:

1. The Placement Memorandum contains true, fair, and adequate information to enable investors to make a well-informed decision regarding their investment in the proposed Issue.
2. The Placement Memorandum contains full disclosures in accordance with the Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, issued vide No. SEBI/LAD-NRO/GN/2015-16/006 dated 15th July 2015, as amended and other applicable SEBI circulars.
3. The Placement Memorandum is in conformity with the documents, material and papers which are material to the Issue.
4. The Placement Memorandum does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Placement Memorandum also does not contain any false or misleading statement.
5. That no responsibility for the statements made otherwise than in the Placement Memorandum or in any other material issued by or at the instance of the Issuer shall be accepted by the Issuer, and that anyone placing reliance on any other source of information would be doing so at his own risk.

For Rajkot Municipal Corporation

Name: Shri D P Desai, IAS
Designation: Municipal Commissioner
Date: 16-10-2024



Commissioner Office. Dr. Ambedkar Bhavan, Dhebarbhai Road, Rajkot - 360 001
Off. : 0281 - 2239973, 2224133, Resi. : 0281 - 2483875, Fax : 0281 - 2224258
E-mail : mc_rmc@rmc.gov.in, Website : <http://www.rmc.gov.in>

Declaration



Smt. Naynaben V. Pedhadiya

Mayor

Declaration

I, Smt. Naynaben Pedhadiya, Mayor of Rajkot Municipal Corporation (the "Issuer") hereby declare and confirm that:

1. The Placement Memorandum contains true, fair, and adequate information to enable investors to make a well-informed decision regarding their investment in the proposed Issue.
2. The Placement Memorandum contains full disclosures in accordance with the Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015, issued vide No.SEBI/LAD-NRO/GN/2015-16/006 dated 15th July 2015, as amended and other applicable SEBI circulars.
3. The Placement Memorandum is in conformity with the documents, material and papers which are material to the Issue.
4. The Placement Memorandum does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Placement Memorandum also does not contain any false or misleading statement.
5. That no responsibility for the statements made otherwise than in the Placement Memorandum or in any other material issued by or at the instance of the Issuer shall be accepted by the Issuer, and that anyone placing reliance on any other source of information would be doing so at his own risk.

For Rajkot Municipal Corporation

N.V. pedhadiya

Name: Smt. Naynaben Pedhadiya

Designation: Mayor

Date: 16.10.2024



Rajkot Municipal Corporation
Dr. Ambedkar Bhavan,
Dhebarbhai Road, Rajkot-1.

Phone:
(O.) 0281-2221511

Mobile:
+91-9428233126

E-mail:
mayor_rmc@rmc.gov.in

ANNEXURE I

Structured Payment Mechanism

STRUCTURED PAYMENT MECHANISM

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:
 - a. Escrow Account
 - b. Interest Payment Account
 - c. Sinking Fund Account
2. 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. Debenture Holders/ Debenture Trustee on behalf of Debenture Holders shall have first and exclusive charge over the Escrow Account and the account(s) where **own revenues** gets collected and/ or pooled by the Issuer.

‘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 revenues, rental income from municipal properties, fees and user charges, sale and hire charges.
3. The Interest Payment Account is an account from which the interest payments on the Debentures will be serviced and the Required DSRA Amount (as hereinafter defined) will also be maintained as per the requirements of the SEBI circular in relation to ‘Continuous disclosures and compliances by listed entities under SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015’ dated November 13, 2019 bearing reference no. SEBI/HO/DDHS/CIR/P/134/2019.
4. The Sinking Fund Account is an account from which the principal redemptions of the STRPPs/NCDs will be made.
5. The funds lying in the Escrow Account shall be used in the following priority:
 - (a) The funds should be first utilized to accumulate the Minimum Balance in Escrow Account. The Minimum Balance to be maintained in any monthly period expiring on the Transfer Date (Transfer date here means last date of any monthly period) shall be the amount to be transferred to the Interest Payment Account and Sinking Fund Account on the Transfer Date;
 - (b) The Minimum Balance shall not be used for any purpose other than transfer to the Interest Payment Account and Sinking Fund Account;
 - (c) The surplus funds, if any, after first accumulating the Minimum Balance can thereafter be transferred to the general fund account(s) in accordance with the directions of the Issuer from time to time, after a one-time written instruction providing for such transfer is given by the Debenture Trustee for such monthly period provided however that, in case of a shortfall in any of the Interest Payment Account (including towards maintenance of the Required DSRA Amount) or Sinking Fund Account or Sinking Fund Fixed Deposit, no transfer to the general fund account(s) shall be effected and the surplus funds shall first be utilised towards funding the relevant account in which there is a shortfall.

However, in case there is a shortfall in required DSRA amount (in case of utilization of the DSRA amount), Sinking Fund Fixed Deposit (in case of utilization of FD created upfront), Interest payment account and sinking fund account as per the interest payment and sinking fund mechanism defined below, the funds lying in escrow account shall be first utilized to fund such shortfall and thereafter to accumulate the minimum balance.

It is hereby clarified that, notwithstanding the appropriation of any amount from the Escrow Account to fund the shortfall in Interest Payment Account (including the required DSRA amount), Sinking Fund Account and Sinking Fund FD, the obligation of the Issuer to fund the Minimum Balance before the last date of any monthly period shall continue until the Final Settlement Date.

On a monthly basis, on each Transfer Date, the Minimum Balance maintained as indicated above shall be transferred to the Interest Payment Account and Sinking Fund Account. The Issuer, with the prior written

consent of the Debenture Trustee, can transfer the Minimum Balance maintained in Escrow Account to the Interest Payment Account and the Sinking Fund Account on any day prior to the Transfer Date.

6. The following amounts will be required to be transferred to the Interest Payment Account and the Sinking Fund Account from the Escrow Account as mentioned above each year (Each year here means each period of 12 months from the Deemed Date of Allotment until the Maturity Date and is also referred to as '12 month block') on first priority basis:

- a. **Interest payment Account (IPA)** – Quarterly interest amount shall be divided into two equal parts and each part shall be transferred to IPA every month for 2 months. Accordingly, 50% of the Quarterly 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 each month in first 8 months of each 12 month block in the following manner :-

- (i) For Interest payable in 1st Quarter - in 1st & 2nd Month
- (ii) For Interest payable in 2nd Quarter- in 3rd & 4th Month
- (iii) For Interest payable in 3rd Quarter- in 5th & 6th Month
- (iv) For Interest payable in 4th Quarter- in 7th & 8th Month

- b. **Sinking Fund Account (SFA)** – Total issue size of the Debentures (Rs 100 Crore) shall be divided into 4 parts and each part (Rs. 25 Crore) shall be transferred to SFA in each of the 1st to 4th year.

1st to 3rd year

Further, this one part to be transferred to SFA in each of the first three years shall be sub-divided into 10 sub-parts and each sub-part (Rs. 2.50 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA each month for first 10 months. Accordingly, 25% of total issue size shall be transferred each year for the first 3 years out of which 2.50% each month for first 10 months of each year.

4th year

Out of the remaining Rs 25 Crore (25% of the total issue size) to be transferred in the 4th year;

- (i) **Rs 15 Crore** shall be sub-divided into 6 sub-parts and each sub-part (Rs. 2.50 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA each month for first 6 months.

- (ii) **Rs 10 Crore** shall be transferred to the Sinking Fund Account in lumpsum from Sinking Fund Fixed Deposit at the end of 42 months from deemed date of allotment

Once the sinking fund account gets completely built up equivalent to the 100% of the total issue size i.e. Rs 100 Crore at the end of 42 months from the deemed date of allotment, there shall be no further transfers to the Sinking Fund Account from the Escrow Account.

- c. Any shortfall in the funds available in the Escrow Account to complete the aforesaid transfers to the above account(s) shall be made good by the Issuer by transfer from other account(s) of the Issuer.

7. The funds lying in the above-mentioned account(s) shall be utilised in the following manner:

- (a) The funds lying in the Interest Payment Account (apart from the DSRA Amount) will be first utilized for meeting the Coupon payment to the Debenture Holders. In the event that the balance in the Interest Payment Account (apart from the DSRA Amount) is not sufficient for this purpose, the DSRA Amount can be utilized for meeting such shortfall in the Interest Payment Account for making the Coupon payment to the Debenture Holders.
- (b) The DSRA Amount lying in the Interest Payment Account, can be used to meet (i) any shortfall in the Interest Payment Account for the Coupon payment to be made on any Coupon Payment Date; and thereafter (ii) can be used to meet any shortfall at the time of redemption of the STRPP (upto the excess DSRA amount) on the respective Redemption Date. However, the DSRA Amount cannot be utilized for any other purpose, including (a) to meet any shortfall in contribution to Sinking Fund Account except at the time of Redemption; and (b) to meet any shortfall in the amounts to be

transferred to the Interest Payment Account except at the time of actual payment of Coupon on the Debentures.

- (c) Any surplus amounts available in the Interest Payment Account after making the Coupon payment to Debenture Holders (which is over and above the Required DSRA Amount) should be used to make good any shortfall in contribution to Sinking Fund Account to the extent required for redemption of the STRPPs on the Redemption Dates.
 - (d) The funds lying in the Sinking Fund Account can be used to redeem the Debentures.
 - (e) The Sinking Fund FD can be used (i) to meet any shortfall in the Sinking Fund Account prior to the end of each 12 month block and (ii) to transfer the entire amount in lumpsum to Sinking Fund Account at the end of 42 months from deemed date of allotment.
 - (f) Any funds lying in the above account(s) can be used for making Permitted Investments. However, the funds (including investment(s)) shall not, without the approval of the Debenture Trustees, be utilised for any purpose other than as mentioned in paragraph (a) to (e) above.
 - (g) Any surplus funds lying in the above account(s) after the Debentures have been redeemed in full and all dues to the Debenture Holders have been paid can be transferred to the Escrow Account on the written instructions of the Debenture Trustee (acting on the instructions of the Issuer).
8. The Debenture Trustee, on behalf of the Debenture Holders shall have an exclusive first ranking charge over the Escrow Account and the account(s) where the '**own revenues**' that are being collected/pooled by the Issuer, the Interest Payment Account (including the DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit.
 9. The Debenture Trustee, on behalf of the Debenture Holder(s), shall have an exclusive first charge on the Escrow Account, Interest Payment Account (including the DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit 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 (including the DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit shall be used solely for meeting the dues to the Debenture Holders. Any surplus in the above account(s) after the Debentures have been redeemed in full and all the dues to the Debenture Holders have been paid can be transferred to the Escrow Account after obtaining written consent of the Debenture Trustee. No amount can be withdrawn from these account(s) without the approval of Debenture Trustee.
 10. The funds lying credited in the Escrow Account (to the extent of the minimum balance), Interest Payment Account (including the DSRA Amount) and Sinking Fund FD can be kept in fixed deposits with any scheduled commercial bank with a dual rating of AA+ or above. However, the conditions of the fixed deposits shall not restrict premature withdrawal from the fixed deposit. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof. The Issuer shall ensure that funds lying in the escrow accounts shall be invested in accordance with the SEBI ILMDS Regulations and SEBI circulars issued thereunder and Gujarat Provincial Municipal Corporation Act, 1949, to the extent applicable.
 11. The funds lying to the credit of Sinking Fund Account can be deposited in such instruments which may be permitted both in terms of the SEBI Circulars and also Gujarat Provincial Municipal Corporation Act, 1949. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof.
 12. Any actual interest income earned and received on the Permitted Investment(s) shall be utilisable by the Issuer, in accordance with the terms set out in the Transaction Documents, only: (a) with the prior approval of the Debenture Trustee; and (b) if there is no shortfall in any of the Interest Payment Account (including the Required DSRA Amount) or the Sinking Fund Account or Sinking Fund Fixed Deposit.
 13. The Escrow Account, Interest Payment Account (including the Required DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit shall be maintained with a scheduled commercial bank rated at least AA+ by two rating agencies throughout the tenor of the Debentures ("**Bank**"). In case, at any point of time, the rating of senior debt of the Bank falls below AA+ by any rating agency the Issuer shall, with the written consent of Debenture Trustee, move the funds to any other bank satisfying the rating criteria.
 14. The Bank shall share statement(s) of these account(s) with Debenture Trustee and the Issuer for such period as may be specified by the Debenture Trustee but not greater than 12 (Twelve) months in any case till such time as the Debentures are redeemed. The Issuer shall share copies of all such reports with the Rating

Agencies. The Issuer and Debenture Trustee shall keep the Rating Agencies informed in case of change in the Bank.

Interest Payment Mechanism

The Debenture Trustee shall check the amount lying to the credit of Interest Payment Account (which is over and above the Required DSRA Amount) at 25 (Twenty Five) days prior to the Coupon Payment Date (T-25 days). In case of any shortfall in the amount required to make payment of Coupon on the Coupon Payment Date in the Interest Payment Account (calculated on the basis of the amounts available in addition to the Required DSRA Amount), the Debenture Trustee shall intimate the Issuer of the shortfall and the Issuer shall make good the short fall in the Interest Payment Account prior to the date falling 10 (Ten) days prior to the Coupon Payment Date (T-10 days). Further, the amounts lying or credited in the escrow account shall flow into the interest payment account for funding the shortfall and shall not be transferred by the Issuer to the general fund account(s) till the time the shortfall is funded. In case of shortfall in the amount required to make payment of Coupon on the Coupon Payment Date in the Interest Payment Account (calculated on the basis of the amounts available in addition to the Required DSRA Amount) at 9 (Nine) days prior to the Coupon Payment Date (T-9 days), the Debenture Trustee shall trigger the payment mechanism and shall instruct the Bank to utilise the DSRA Amount to the extent of the shortfall in the amount required to make payment of the Coupon on the Coupon Payment Date on or prior to the date falling 8 (Eight) days prior to the Interest Payment Date (T-8 days). The Coupon shall be paid by the Issuer on the Coupon Payment Date (T).

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). Further, immediately after the DSRA utilization, the amounts lying or credited in the escrow account shall flow into the interest payment account for DSRA replenishment and shall not be transferred by the Issuer to the general fund account(s) till the time the required DSRA amount is replenished.

It is hereby clarified that, notwithstanding the appropriation of any amount from the Escrow Account to fund the shortfall in interest payment account (including the required DSRA amount), the obligation of the Issuer to fund the interest payment account and sinking fund account to the extent of the minimum balance no later than the monthly Transfer Date shall continue until the Final Settlement Date.

Further, such notice(s) would continue to get served if required, as per the same timelines for subsequent and future servicings. If any overdues on account of past servicings from the DSRA Amount continues to remain and the Required DSRA Amount continues to remain un-replenished, then such overdue amount would be added in the subsequent notice.

In any of the milestone days mentioned in the T-Structure above happens to not be a Business Day, the immediately preceding Business Day would be the deemed date for execution of the relevant action.

Principal Repayment (Sinking Fund) Mechanism

The Debenture Trustee shall check the balance in the Sinking Fund Account prior to the end of each 12 month block - and in case of any Sinking Fund mismatch it shall be replenished as per the following mechanism:-

The Debenture Trustee shall check the amount lying to the credit of Sinking Fund Account at 45 (Forty Five) days prior to the end of each 12 month block. In case of any Sinking Fund mismatch, the Debenture Trustee shall intimate Issuer of the shortfall and Issuer shall make good the - Sinking Fund mismatch 15 (Fifteen) days prior to the end of each 12 month block (T-15 days).

Further, in case of shortfall on T-45 days, the amounts lying or credited in the escrow account shall flow into the sinking fund account for funding the shortfall and shall not be transferred by the Issuer to the general fund account(s) till the time the shortfall is funded.

In case of shortfall still persists in in the Sinking Fund Account at 14 (Fourteen) days prior to the end of each 12 month block (T-14 days), the Debenture Trustee shall trigger the payment mechanism and shall instruct the Bank to utilise the Sinking Fund FD to the extent of the shortfall in the Sinking Fund Account on or prior to the date falling 13 (Thirteen) days prior to the end of each 12 month block (T-13 days).

In case the Sinking Fund FD (or part thereof) is utilized to fund the shortfall in the amounting sinking fund account prior to the end of each 12 month block, immediately after the Debenture Trustee has instructed the Bank to utilise the Sinking Fund FD as above and in any event prior to 12 (Twelve) days prior to the end of each 12 month block (T-12), the Debenture Trustee would issue a final notice in writing to the Issuer. On the issuance of such notice, the Issuer shall replenish the Sinking Fund FD within next 12 (Twelve) days (T). Further, immediately after the utilization of Sinking Fund FD, the amounts lying or credited in the escrow account shall be utilized for replenishment of Sinking Fund FD and shall not be transferred by the Issuer to the general fund account(s) till the time Sinking Fund FD is fully replenished.

It is hereby clarified that, notwithstanding the appropriation of any amount from the Escrow Account to fund the shortfall in sinking fund account and Sinking Fund FD, the obligation of the Issuer to fund the interest payment account and sinking fund account to the extent of the minimum balance no later than the monthly Transfer Date shall continue until the Final Settlement Date.

The redemption shall be made by the Issuer on the relevant Redemption Dates.

The Debenture Trustee shall keep the Rating Agencies informed of any shortfall in the Interest Payment Account (including in the Required DSRA Amount), Sinking Fund Account and Sinking Fund Fixed Deposit.

ANNEXURE - II

Rating Letters and Rationale

Mr. Amit Savajiyani
CFO
Rajkot Municipal Corporation
Account Branch, Dr. Ambedkar Bhavan,
Dhebarbhai Road, Rajkot - 360003

October 07, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Rajkot Municipal Corporation

This is in reference to the rating action commentary released on 6th February 2024.

India Ratings and Research (Ind-Ra) is pleased to communicate the following rating of Rajkot Municipal Corporation:

Instrument Type	Size of Issue (million)	Rating/Outlook
Proposed NCDs	INR1,000 (reduced from INR1,500)	Provisional IND AA/Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Dr Devendra Pant
Senior Director

Mr. Amit Savajiyani
CFO
Rajkot Municipal Corporation
Account Branch, Dr. Ambedkar Bhavan,
Dhebarbhai Road, Rajkot - 360003

July 29, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Rajkot Municipal Corporation

This is in reference to the rating action commentary released on 6th February 2024.

India Ratings and Research (Ind-Ra) is pleased to communicate the following rating of Rajkot Municipal Corporation:

Instrument Type	Size of Issue (million)	Rating/Outlook
Proposed NCDs	INR1,000 (reduced from INR1,500)	Provisional IND AA/Stable

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Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Dr Devendra Pant
Senior Director

Mr. Amit Savajiyani
CFO
Rajkot Municipal Corporation
Account Branch, Dr. Ambedkar Bhavan,
Dhebarbhai Road, Rajkot - 360003

March 06, 2024

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Rajkot Municipal Corporation

This is in reference to the rating action commentary released on 6th February 2024.

India Ratings and Research (Ind-Ra) is pleased to communicate the following rating of Rajkot Municipal Corporation:

Instrument Type	Size of Issue (million)	Rating/Outlook
Proposed NCDs	INR1,000 (reduced from INR1,500)	Provisional IND AA/Stable

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Sincerely,

India Ratings



Dr Devendra Pant
Senior Director

Mr. Amit Savajiyani
CFO
Rajkot Municipal Corporation
Account Branch, Dr. Ambedkar Bhavan,
Dhebarbhai Road, Rajkot - 360003

February 06, 2024

Dear Sir/Madam,

Re: Rating Letter for NCD of Rajkot Municipal Corporation

India Ratings and Research (Ind-Ra) has affirmed Rajkot Municipal Corporation's (RMC) proposed non-convertible debentures (NCDs) as follows:

Instrument Type	Size of Issue (million)	Rating/Outlook	Rating Action
Proposed NCDs*	INR1,000 (reduced from INR1,500)	Provisional IND AA/Stable	Affirmed

*The rating is provisional and the execution of documents is pending. The final rating, upon the receipt of the executed documents, consistent with the draft documents, shall be assigned within 90 days from the date of issuance of the instrument. The provisional rating may be extended by another 90 days, subject to Ind-Ra's policy, if the execution of the documents is pending. In the absence of the documentation considered while affirming the provisional rating, the agency would have rated the proposed NCDs at 'IND A'.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating

action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Dr Devendra Pant
Senior Director

RL/RAJMC/344184/NCD/1024/100033/96542943

October 07, 2024

Mr. Amit Savajiyani

Chief Accounts & Finance Officer

Rajkot Municipal Corporation

Dr. Ambedkar Bhavan,

Dhebarbhai Road,

Rajkot - 360001

9714968686



Dear Mr. Amit Savajiyani,

Re: CRISIL rating on the Rs.100 Crore Non Convertible Debentures[®] of Rajkot Municipal Corporation.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated September 03, 2024 bearing Ref. no: RL/RAJMC/344184/NCD/0924/97202/96542943

Rating outstanding on the captioned debt instruments is "Provisional CRISIL AA/Stable" (pronounced as "Provisional CRISIL double A rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Kindly note that the provisional rating will be converted to final rating after CRISIL Ratings receives following transaction documents duly executed and/or confirmations on completion of the following pending steps within 90 days from the date of issuance of the instrument, to the satisfaction of CRISIL Ratings.

- Debenture trust deed
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The final rating assigned after end of 90 days (or following an extension of upto 90 days, if any, granted by the rating committee of CRISIL Ratings after considering case specific considerations) shall be consistent with the available documents or completed steps, as applicable. CRISIL Ratings will issue a final rating letter on receipt of documents as mentioned above.

Please note that, in arriving at the ratings, CRISIL Ratings has assumed that the representations made by RMC are true and that the structure, shall work and operate as represented by RMC. CRISIL Ratings does not guarantee the accuracy, adequacy, or completeness of the representations made by you to CRISIL Ratings and/or the representations made in the transaction documents. CRISIL Ratings is not responsible for any acts of commission or omission of the RMC and/or the Trustee.

As per our Rating Agreement, CRISIL Ratings would disseminate the ratings, along with the outlook, through its publications and other media, and keep the ratings, along with the outlook, under surveillance over the life of the instrument/facility. CRISIL Ratings reserves the right to withdraw, or revise the ratings, along with the outlook, at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the ratings. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (ref. no.: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. Further, SEBI circular dated June 30, 2017 (ref. no. SEBI/ HO/ MIRSD/ MIRSD4/ CIR/ P/ 2017/ 71), requires you to inform CRISIL Ratings with the details of Securities as per the format prescribed, refer Annexure A, immediately but not later than seven (7) days from the date of placing the debt security. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarifications, please feel free to contact us.

With warm regards,

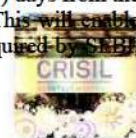
Yours sincerely,

Rabindra Man Verma

Associate Director - CRISIL Ratings

Nivedita Shibu

Director - CRISIL Ratings



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July 30, 2024

Mr. Amit Savajiyani

Chief Accounts & Finance Officer

Rajkot Municipal Corporation

Dr. Ambedkar Bhavan,

Dhebarbhai Road,

Rajkot - 360001

9714968686



Dear Mr. Amit Savajiyani,

Re: CRISIL rating on the Rs.100 Crore Non Convertible Debentures[&] of Rajkot Municipal Corporation (RMC).

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated May 21, 2024 bearing Ref. no: RL/RAJMC/344184/NCD/0524/88443/96542943

Rating outstanding on the captioned debt instruments is "Provisional CRISIL AA/Stable" (pronounced as "Provisional CRISIL double A rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk..

Kindly note that the provisional rating will be converted to final rating after CRISIL Ratings receives following transaction documents duly executed and/or confirmations on completion of the following pending steps within 90 days from the date of issuance of the instrument, to the satisfaction of CRISIL Ratings.

- Debenture trust deed
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Please note that, in arriving at the ratings, CRISIL Ratings has assumed that the representations made by RMC are true and that the structure, shall work and operate as represented by RMC. CRISIL Ratings does not guarantee the accuracy, adequacy, or completeness of the representations made by you to CRISIL Ratings and/or the representations made in the transaction documents. CRISIL Ratings is not responsible for any acts of commission or omission of the RMC and/or the Trustee.

As per our Rating Agreement, CRISIL Ratings would disseminate the ratings, along with the outlook, through its publications and other media, and keep the ratings, along with the outlook, under surveillance over the life of the instrument/facility. CRISIL Ratings reserves the right to withdraw, or revise the ratings, along with the outlook, at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the ratings. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (ref. no.: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. Further, SEBI circular dated June 30, 2017 (ref. no. SEBI/ HO/ MIRSD/ MIRSD4/ CIR/ P/ 2017/ 71), requires you to inform CRISIL Ratings with the details of Securities as per the format prescribed, refer Annexure A, immediately but not later than seven (7) days from the date of placing the debt security. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Rabindra Man Verma

Associate Director - CRISIL Ratings

Nivedita Shibu

Director - CRISIL Ratings



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RL/RAJMC/333472/NCD/0324/80974/96542943

March 05, 2024

Mr. Amit Savajiyani

Chief Accounts and Finance Officer

Rajkot Municipal Corporation

Dr. Ambedkar Bhavan, Dhebarbhai Road,

Rajkot - 360001

9714968686



Dear Mr. Amit Savajiyani,

Re: CRISIL rating on the Rs.100 Crore Non Convertible Debentures[&] of Rajkot Municipal Corporation.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2024 bearing Ref. no: RL/RAJMC/333472/NCD/0124/78024/96542943

Rating outstanding on the captioned debt instruments is "Provisional CRISIL AA/Stable" (pronounced as "Provisional CRISIL double A rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Kindly note that the provisional rating will be converted to final rating after CRISIL Ratings receives following transaction documents duly executed and/or confirmations on completion of the following pending steps within 90 days from the date of issuance of the instrument, to the satisfaction of CRISIL Ratings.

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As per our Rating Agreement, CRISIL Ratings would disseminate the ratings, along with the outlook, through its publications and other media, and keep the ratings, along with the outlook, under surveillance over the life of the instrument/facility. CRISIL Ratings reserves the right to withdraw, or revise the ratings, along with the outlook, at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the ratings. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

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Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Rabindra Man Verma

Associate Director - CRISIL Ratings

Nivedita Shibu

Associate Director - CRISIL Ratings



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Corporate Identity Number: U67100MH2019PLC326247

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January 29, 2024

Mr. Anand Patel

Commissioner

Rajkot Municipal Corporation

Dr. Ambedkar Bhavan, Dhebarbhai Road,

Rajkot - 360001

9714503701



Dear Mr. Anand Patel ,

Re: CRISIL rating on the Rs. 100 Crore Non Convertible Debentures[&] of Rajkot Municipal Corporation.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated December 18, 2023 bearing Ref. no: RL/RAJMC/333472/NCD/1223/75146/96542943

Rating outstanding on the captioned debt instruments is "Provisional CRISIL AA/Stable" (pronounced as "Provisional CRISIL double A rating" with Stable outlook). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

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Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Rabindra Man Verma

Associate Director - CRISIL Ratings

Nivedita Shibu

Associate Director - CRISIL Ratings



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RL/RAJMC/333472/NCD/1223/75146/96542943

December 18, 2023

Mr. Anand Patel

Commissioner

Rajkot Municipal Corporation

Dr. Ambedkar Bhavan, Dhebarbhai Road,

Rajkot - 360001

9714503701

Dear Mr. Anand Patel,

**Re: Review of CRISIL Rating on the Rs.100 Crore Non Convertible Debentures* of Rajkot Municipal Corporation**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reassigned the rating for the captioned Debt Instrument to "Provisional CRISIL AA/Stable" (pronounced as "Provisional CRISIL double A rating with stable outlook") from "Provisional CRISIL AA-/Stable" (pronounced as "Provisional CRISIL double A minus rating with stable outlook"). Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Kindly note that the provisional rating will be converted to final rating after CRISIL Ratings receives following transaction documents duly executed and/or confirmations on completion of the following pending steps, within 90 days from the date of issuance of the instrument and to the satisfaction of CRISIL Ratings.

- Debenture trust deed
- Debenture trustee appointment agreement
- Escrow agreement
- Final representation and warranties letter
- Final debenture trustee consent letter
- Final debenture trustee awareness letter
- Final term sheet

The final rating assigned after end of 90 days (or following an extension of upto 90 days, if any, granted by the rating committee of CRISIL Ratings after considering case specific considerations) shall be consistent with the available documents or completed steps, as applicable. CRISIL Ratings will issue a final rating letter on receipt of documents as mentioned above.

Please note that, in arriving at the ratings, CRISIL Ratings has assumed that the representations made by RMC are true and that the structure, shall work and operate as represented by RMC. CRISIL Ratings does not guarantee the accuracy, adequacy, or completeness of the representations made by you to CRISIL Ratings and/or the representations made in the transaction documents. CRISIL Ratings is not responsible for any acts of commission or omission of the RMC and/or the Trustee.

As per our Rating Agreement, CRISIL Ratings would disseminate the ratings, along with the outlook, through its publications and other media, and keep the ratings, along with the outlook, under surveillance over the life of the instrument/facility. CRISIL Ratings reserves the right to withdraw, or revise the ratings, along with the outlook, at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the ratings. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (ref. no.: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. Further, SEBI circular dated June 30, 2017 (ref. no. SEBI/ HO/ MIRSD/ MIRSD4/ CIR/ P/ 2017/ 71), requires you to inform CRISIL Ratings with the details of Securities as per the format prescribed, refer Annexure A, immediately but not later than seven (7) days from the date of placing the debt security. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rabindra Man Verma

Associate Director - CRISIL Ratings

Nivedita Shibu

Associate Director - CRISIL Ratings



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RL/RAJMC/333472/NCD/1223/75146/96542943/1
December 18, 2023

Mr. Anand Patel
Commissioner
Rajkot Municipal Corporation
Dr. Ambedkar Bhavan, Dhebarbhai Road,
Rajkot - 360001
9714503701



Dear Mr. Anand Patel,

Re: Withdrawal of CRISIL Rating for the Rs.50 Crore Non Convertible Debentures of Rajkot Municipal Corporation

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

This is in relation to your letter dated December 05, 2023 requesting CRISIL Ratings to withdraw the outstanding rating on the captioned debt instrument of Rajkot Municipal Corporation. CRISIL Ratings has, after due consideration, withdrawn the rating assigned to the captioned Debt instrument, since the instrument has not been placed till date.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rabindra Man Verma
Associate Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings



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India Ratings Affirms Rajkot Municipal Corporation's Proposed NCDs at 'Provisional IND AA'; Outlook Stable

Feb 06, 2024 | Urban Local Bodies

India Ratings and Research (Ind-Ra) has affirmed Rajkot Municipal Corporation's (RMC) proposed non-convertible debentures (NCDs) as follows:

Instrument Type	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Proposed NCDs*	-	-	-	-	INR1,000 (reduced from INR1,500)	Provisional IND AA/Stable	Affirmed

*The rating is provisional and the execution of documents as detailed in Annexure is pending. The final rating, upon the receipt of the executed documents, consistent with the draft documents, shall be assigned within 90 days from the date of issuance of the instrument. The provisional rating may be extended by another 90 days, subject to Ind-Ra's policy, if the execution of the documents is pending. In the absence of the documentation considered while affirming the provisional rating, the agency would have rated the proposed NCDs at 'IND A'.

Analytical Approach: Ind-Ra has taken a standalone view of RMC for the rating review.

The rating continues to reflect the operational and financial profile of RMC, performance of the escrowed assets (the whole of own revenue) and the enforceable nature of these collections by the corporation. The rating also factors in legal foundation and custodial arrangement of the structured payment mechanism, which will be monitored and controlled by the debenture trustee.

The structured payment mechanism is backed by an interest payment account (IPA) and a sinking fund account (SFA). The IPA will be pre-funded with an annual interest instalment, which is the required debt service reserve amount, instead of creating a separate debt service reserve account (DSRA) to meet the requirements of The Securities and Exchange Board of India's circular in relation to the 'Continuous disclosures and compliances by the listed entities under the SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015' dated 13 November 2019. As per the draft term sheet, the NCDs will be issued at a fixed rate of interest, which mitigates the interest rate risk.

The rating also benefits from RMC's healthy coverage of debt servicing obligations

(interest payment plus proportionate principal deposited in the SFA or instalment of principal redemption).

Key Rating Drivers

Structured Debt Servicing Mechanism: Ind-Ra believes the revision in the terms of the structure as per the draft term sheet, compared to the initial term sheet, does not weaken the structured payment mechanism. As per the revised terms, RMC will also create an upfront liquidity buffer of 10% of the issue amount as a fixed deposit (FD), which will be known as sinking fund FD. It will be utilised for the purpose of principal repayment as per structured payment mechanism. Ind-Ra believes this will provide adequate support to investor interest.

Under the structure, an amount equivalent to the annual instalment of interest payment will be maintained in the IPA at all times as DSRA amount. RMC will also create an escrow mechanism; wherein the whole of own revenue shall be transferred to an escrow account on a daily basis. On a monthly basis, the minimum balance – an aggregate of monthly fund required to service debt will be transferred to servicing accounts from the escrow account. The funds in the escrow account shall be used in the following order of priority: a) the funds will be first utilised to accumulate the minimum balance, b) monthly transfers to the IPA on the last business day of every month, and monthly transfers to the SFA on the last business day of every month and c) the issuer with a prior written consent of the debenture trustee can transfer surplus funds after accumulating minimum balance to general funds, provided there is no shortfall in IPA or SFA.

The debenture trustee will verify the availability of the requisite funds for interest servicing T-25 days before the due date. In case of a shortfall, the trustee will intimate RMC to cover up the shortfall by T-10 days. In case of a shortfall in IPA at T-9 days prior to the interest payment date, the trustee shall trigger the payment mechanism and instruct the escrow bank to utilise the DSRA amount lying in the IPA to the extent of the shortfall in the amount required for making payment on the due date. The debenture trustee shall also check the balance in the SFA at the end of the year, and in case of any shortfall, RMC shall replenish the account to that extent. The trustee shall also check the amount lying to the credit of SFA at T-45 days prior to the redemption date. In case of any shortfall in the amount, the trustees shall intimate RMC of

the shortfall and RMC shall make good the shortfall by T-15 days prior to the redemption date. In case shortfall in any amount still persists in the SFA at T-14, the trustees shall trigger the payment mechanism and shall instruct the bank to utilise the sinking fund FD to the extent of the shortfall in the SFA on or prior to T-13 days. In case the sinking fund FD is utilised to fund the shortfall, RMC shall replenish the sinking fund FD before T. Refer annexure for the structure's detailed trustee monitoring mechanism.

Adequacy of Escrowed Revenue Stream: RMC depends on own sources of revenue income, primarily property taxes, water and conservancy taxes, professional taxes and non-tax revenue such as fees and user charges. Under the structure, receivables from entire own revenue would be escrowed for the servicing of debt repayment obligations. The escrowed collections will be first utilised for meeting the minimum balance required to be transferred to the IPA and SFA. The pledged revenue increased to INR6,412.2million in FY23 (FY22: INR4,828.8 million) post the COVID-19 pandemic. Ind-Ra expects the escrowed tax receivables to provide an adequate cover for RMC's debt obligations during the tenure of the proposed NCDs.

Trustee Monitoring: All accounts will be monitored by the debenture trustee. The amounts deposited in the IPA and SFA shall be used solely for meeting the dues to the bondholders. Any surplus funds available in the escrow account can be transferred to the account of RMC with the approval of the trustee.

Liquidity Indicator - Superior: RMC's liquidity position is supported by sustained operating surpluses, capital grants to fund capex, sizeable cash and bank balances, and unencumbered investments in fixed deposits. The debt servicing requirement on the proposed NCDs would be backed by way of escrow of the whole of own revenue. The debt burden remained modest at INR115.2 million at FYE23 (FYE22: INR19.35 million). RMC had total outstanding debt of INR115.21 million at FYE23 (FYE22: INR19.35 million). As stated by management, the corporation maintains liquidity equivalent to two months of expenses as buffer at all times. RMC's cash balances and unencumbered investments amounted to INR3,724.69 million at FYE23 (FYE22: INR3,337.58 million). Ind-Ra expects RMC to maintain a healthy liquidity profile in the medium term by generating operating surplus and accumulated cash buffers.

Adequate Own Revenue Sources: RMC has the ability to generate adequate

revenue from its own sources to fund its revenue expenditure. Tax and non-tax revenue constituted 36.4% and 32.4%, on an average, of the total revenue income over FY19-FY23, respectively. The corporation's revenue income increased to INR8,672 million in FY23 (FY22: INR7,158.8 million) and own revenue/total revenue income ratio to 73.4% (68.8%). Tax revenue was the key driver of revenue income during this period. The share of assigned revenue and grants in the total revenue income averaged 24.1% during FY19-FY23, indicating a moderate dependence on grants and a higher dependence on own income sources to meet its revenue expenditure requirements. Ind-Ra expects RMC's reliance on its own revenue to sustain in the medium term.

Weak Operating Margin: RMC reported a revenue deficit over FY21-FY23 (FY23: INR1,422.8 million, FY22: INR762.16 million, FY21: INR413.7 million), mainly due to its contribution towards Rajkot Smart City, which was routed through revenue grants instead of capital grants of about INR1,225 million (INR225 million). The operating margin remained positive till FY21, however, it turned negative to 0.47% in FY22, and it continued to do so at 3.42% in FY23. However, Ind-Ra expects the operating margin to improve over the medium term, supported by tax revenue, non-tax revenue and grants.

RMC has made provision for Rajkot Smart City in the last five years ended FY23 and the management has confirmed to Ind-Ra that it is a non-recurring expenditure. RMC has sufficient free cash balance to meet any immediate debt servicing requirement towards its meagre debt. The corporation's debt service coverage ratio (DSCR) was negative in FY22 and FY23 due to revenue deficit before depreciation. Ind-Ra expects RMC's DSCR to remain comfortable over the medium term, considering the debt service obligations will be met from the issuance of the proposed NCDs of INR1,500 million. Ind-Ra will closely monitor the coverage adequacy during the entire tenure of the NCDs.

Scope for Improvement in Civic Services Delivery: RMC's service delivery levels for water (100%), sewerage (90%) and solid waste segments (100%) remained comfortable in FY23, against the benchmark levels of 100% for each of the services set by the Ministry of Housing and Urban Affairs. The per capita supply of water stood at 130 litres per capita per day in FY23, against the benchmark of 135 litres per capita per day. However, RMC's performance was less than adequate in areas such as continuity of water supply (FY23: 20 minutes against benchmark of 24 hours per day).

RMC has undertaken and completed several works in the areas of water supply, sanitation and sewerage under the Atal Mission for Rejuvenation and Urban Transformation Scheme, which Ind-Ra believes would improve civic services delivery in the medium term. RMC undertook these capital works from its own revenue sources. The proposed NCDs would be largely in the nature of reimbursement and funding of new projects, if required as per management.

Moderate Collection Efficiency of Property Tax: The property tax collection efficiency in terms of current demand ranged between 43% and 58% during FY19-FY23 (FY23: 58.6%, FY22: 50.2%). The overall tax collection efficiency was hampered over FY19-FY23 due to low collection of accumulated arrears. During 1HFY24, the collection from house tax (on actual basis) increased to INR1,801.9 million 1HFY23: INR1,525.7 million), primarily due to various initiatives and measures implemented by RMC to boost collection and increase the rate of property tax. The corporation expects to improve its house tax collection efficiency to around 70% in the medium term.

Rating Sensitivities

Positive: Events that may collectively lead to a positive rating action are:

- total house tax collection efficiency increasing to or exceeding 80% on a sustained basis;
- a sustained improvement in the civic service deliverables such as hours of water supply and coverage sewerage network in line with the corresponding benchmark levels.

Negative: Events that may, individually or collectively, lead to a negative rating action are:

- a breach of financial covenants and a deviation from the structured payment mechanism,
- an unanticipated increase in the debt levels resulting in DSCR remaining below 2.0x for two consecutive years,
- a higher dependence on grants and/or deterioration in revenue on a sustained basis,
- property tax collection efficiency falling below 50% on a sustained basis,
- failure or breach to comply with SEBI listing requirements with regard to timely disclosure on a sustained basis.

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on RMC, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please [click here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please [click here](#).

Company Profile

RMC is one of the oldest municipal corporations in Gujarat. It was established in November 1973 under the Bombay Provincial Corporation Act, 1949. The corporation is responsible for certain obligatory and discretionary services such as supply of portable water, sewerage, solid waste management primary education services, health and medical services, street lighting, city centres across the city to facilitate delivery of municipal services to its citizens.

FINANCIAL SUMMARY

Particulars	FY22	FY23
Revenue income (INR million)	7,158.89	8,672.07
Revenue expenditure (INR million)	7,921.06	10,094.90
Revenue surplus/deficit before depreciation (INR million)	-36.02	-298.57
Revenue surplus/deficit after depreciation (INR million)	-762.16	-1,422.83
DSCR (x)	-5.27	-0.73
Debt payment /revenue income (%)	0.03	0.02
Source: RMC, Ind-Ra		

Non-Cooperation with previous rating agency

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA

Local and State Government Rating Criteria
Evaluating Corporate Governance
Policy on Provisional Ratings
The Rating Process

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating		
	Rating Type	Rated Limits (million)	Rating	20 October 2023	21 October 2022	
Proposed NCDs	Long-term	INR1,000	Provisional IND AA/Stable	Provisional IND AA/Stable	Provisional IND AA/Stable	P1

Annexure

Sr. No.	Pending documentation/steps considered while affirming provisional rating	Risks associated with the provisional nature of the credit rating in the absence of completed documentation/steps
1.	Debenture trust deed	Weaker structure and monitoring; risks to timeliness of payment; lower protection to investors
2.	Escrow agreement	
3.	Final term sheet	
4.	Final information memorandum	
5.	Statement of interest payment account showing one annual instalment of debt service reserve amount one day prior to the pay-in date	Pending funding of debt service reserve amount would increase vulnerability to cashflow mismatches and a risk of timely debt servicing

* Additionally, any other relevant documents executed for the transaction should be provided to the agency.

In the absence of the above pending documentation considered while affirming the provisional rating, the standalone issuer rating would stand at 'IND-A'

Covenants as per indicative term sheet

1. The issuer shall, at all times till the debentures are outstanding, ensure that the total amount collected in the escrow account in any financial year shall be at least 2.0x of the annual payments amount. For the purpose of this term sheet, the term annual payments shall, in respect of any financial year, mean the aggregate of: (a) the coupon payable in such year (in relation to the present bond issue 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 SFA in such financial year (in relation to the present bond issue and any further borrowings), in terms hereof.

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 it is clarified that nothing in this provision should be construed to permit the creation of any encumbrance over the hypothecated property without the express prior written consent of the debenture trustee.

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) there is no shortfall in the contribution to the escrow account, the IPA (including towards maintenance of the required DSRA amount), the SFA and/or the sinking fund FD which has not been made good by the issuer in terms of the transaction documents; and (c) no event of default has occurred.

2. Other financial covenants as defined in the transaction documents.

Interest Payment Mechanism

Interest payment date (T)	
Trigger Date	Action Points
T-25	The trustees shall check the amount lying to the credit of IPA. In case of any shortfall in amount, the trustees shall intimate RMC
T-10	RMC shall make good the shortfall in the IPA, if applicable
T-9	In case of shortfall, trustees shall trigger the payment mechanism and instruct the bank to utilise the shortfall amount from the DSRA to the IPA
T-8	The bank shall transfer the shortfall amount, if applicable*
T	Interest payment is done
Source: RMC*	
Any amount drawn from the DSRA should be deposited back in the account before T+8 (15 days post DSRA utilisation)	
DSRA	
Trigger Date	Action Points
T-7	DSRA amount will be used to make the coupon payment in case of shortfall
-	The issuer shall make good the DSRA amount shortfall within next 15 days (T+8). Further, immediately after the DSRA utilisation, the amounts lying or credited in the escrow account shall flow into the interest payment account for DSRA replenishment and shall not be transferred by the issuer to the general fund account(s) till the time the required DSRA amount is replenished
Source: RMC	

	A - 37
Redemption mechanism	
T – Redemption date	
Trigger Date	Action Points
T-45	The trustees shall check the amount lying to the credit of the SFA. In case of any shortfall in amount, the trustees shall intimate RMC of the shortfall and RMC shall make good the shortfall in the SFA at T-15
T-15	In case of shortfall in any amount still persists in the SFA at T-14, the trustees shall trigger the payment mechanism and shall instruct the Bank to utilise the sinking fund FD to the extent of the shortfall in the SFA on or prior to T-13 days. In case the sinking fund FD is utilised to fund the shortfall, RMC shall replenish the sinking fund FD before T.
T	Redemption payment is done
Source: RMC	

Complexity Level of Instruments

Instrument Type	Complexity Indicator
Proposed NCDs	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

Primary Analyst

Suyash Gangwal

Analyst

India Ratings and Research Pvt Ltd

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About India Ratings and Research: India Ratings and Research (Ind-Ra) is committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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Rating Rationale

May 21, 2024 | Mumbai

Rajkot Municipal Corporation

Rating reaffirmed at 'Provisional CRISIL AA/Stable'

Rating Action

Rs.100 Crore Non Convertible Debentures^{&}	Provisional CRISIL AA/Stable (Reaffirmed)
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& A prefix of 'Provisional' indicates that the rating centrally factors in the strength of specific structures, and is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable, without which the rating would either have been different or not assigned ab initio. This is in compliance with a May 6, 2015, directive 'Standardising the term, rating symbol, and manner of disclosure with regards to conditional/provisional/in-principle ratings assigned by credit rating agencies' and April 27, 2021, circular 'Standardising and Strengthening Policies on Provisional Rating by Credit Rating Agencies (CRAs) for Debt Instruments' issued by the Securities and Exchange Board of India (SEBI)

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1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has reaffirmed its 'Provisional CRISIL AA/Stable' rating on the proposed non-convertible debentures (NCDs) of Rajkot Municipal Corporation (RMC).

The rating continues to reflect the strength of the proposed trustee-administered escrow and payment mechanism which incorporates upfront creation of liquidity (Rs 10 crore in the form of a fixed deposit for meeting the principal obligation), escrow of own tax and non-tax revenues, and the strength of the structured payment mechanism which will create liquidity for meeting the principal obligation 42 months before the due date. The rating also factors in the liquidity in the form of debt service reserve account (DSRA) amounting to 12 months of interest obligation (refer to the annexure for the payment mechanism for coupon and redemption).

The rating also reflects the strong creditworthiness and low performance risk of RMC, and the moderate debt service coverage ratio (DSCR) leading to low impact of future flow on other obligations of the corporation. The linkage of the inflow to the performance of RMC is low, as the inflow is dependent on its own revenue. The expected high DSCR, coupled with stable (yet growing) inflow and low debt, will keep the financial risk profile comfortable. The NCDs have a well-defined structure for the escrow account, payment structure and points of recourse in case of shortfall in cash flow. RMC has not issued the instrument till date and is likely to issue it in the coming months, subject to execution of documents and fulfilment of other requirements mentioned in the rating rationale.

The rating also factors in the adequate financial risk profile of the corporation, backed by improved operations and operating surplus of Rs 41 crore in fiscal 2023 (after operating deficits in fiscals 2021 and 2022 on account of the Covid-19 pandemic), continued support from the government in the form of grants and compensation, comfortable liquidity, favourable economic base and sound service arrangements. These strengths are partially offset by modest cost recovery for the services provided and average (but improving) collection efficiency.

Revenue income was Rs 499 crore in the first half of fiscal 2024 (Rs 772 crore in fiscal 2023).

Analytical Approach

For arriving at the rating, CRISIL Ratings has applied its criteria on future flow securitisation.

Key Rating Drivers & Detailed Description

Strengths:

- **Strong escrow mechanism:** The escrow and bond payment mechanism provides adequate strength to the bond issuance. The own revenue escrowed at collection, trustee-managed escrow mechanism and payment structure with recourse to the originator ensure sufficient safety for timely debt servicing. The corporation will escrow its own revenue and additionally create an upfront liquidity of 10% of the issue amount as a fixed deposit and the amounts from such fixed deposits shall be utilised for the purpose of principal payment. Also, the creation of a DSRA equivalent to annual interest payment before pay-in and its maintenance throughout the tenure further enhance the strength of the structure. The DSCR is expected to be high through the tenure of the instrument. Additionally, the principal amount, coupon payment and other charges will be secured through an exclusive first ranking floating charge over present and future receivables pertaining to own revenue. Non-adherence to the payment structure mechanism will be a key rating sensitivity factor.
- **Moderate operating performance:** Revenue is estimated to have grown strongly in fiscal 2024 with pick-up in economic activity, increase in tax rates and improved collection efficiency. Operating surplus improved to ~Rs 41 crore in fiscal 2023 and is estimated to have increased in fiscal 2024 on account of various revenue augmentation measures up by the corporation. RMC is likely to maintain moderate operating performance over the medium term, backed by

stable property tax collection, steady receipt of grants from the state government in lieu of octroi, and growth in non-tax income, primarily comprising fees and user charges, town development income and rental income.

RMC reported revenue income of Rs 772 crore in fiscal 2023, with its own revenue comprising 73%, with the remaining derived from government grants. Revenue grew over 26% on-year amid various revenue augmentation initiatives taken up by the corporation, while expenditure grew ~8%. This led to operating surplus of ~Rs 41 crore. The operating performance is gradually improving, as the corporation collected Rs 351 crore in tax and around Rs 155 crore in octroi grants in fiscal 2023.

- **Comfortable financial risk profile:** The healthy financial risk profile is reflected in above-average debt protection metrics, strong liquidity and negligible debt. The corporation is likely to fund most of its capital expenditure (capex) through internal accrual and grants. It had debt of Rs ~12 crore as on March 31, 2023, which reduced to Rs 2 crore as on August 31, 2023.

Cash and equivalent of Rs 508 crore as on March 31, 2023, including the current accounts, support liquidity. Regular receipt of octroi compensation and capital grants from the state government will be monitorable.

- **Healthy economic base and moderate service levels:** Rajkot is well known for its casting and forging industries and has around 500 foundry units. The city plays an important role in the complex supply chains of many global engineering companies that make electric motors, automobiles, machine tools, bearings and shafts. Rajkot is also famous for jewellery, silk embroidery and watch parts.

Service arrangements are characterised by 100% coverage of water supply, 87% coverage of sewerage and 100% coverage of solid waste management.

Weaknesses:

- **Low collection efficiency of taxes and average cost recovery for services:** While the collection efficiency of property tax rose to around 65% in fiscal 2024 from 59% in fiscal 2023, and overall collection efficiency to 39% in fiscal 2024 from 36% in fiscal 2023, respectively, it is still low. Furthermore, cost recovery for maintenance of water supply is 59%, while there is 100% cost recovery for solid waste management and sewerage maintenance. Implementation of new projects will drive improvement in service-level arrangements and result in increased collection of taxes and charges.
- **Large capex requirement and high dependence on the state government:** RMC has planned capex of Rs 1,000-1,100 crore over the medium term. With operating surplus projected at Rs 60-70 crore per annum, the capex is expected to be funded largely through grants, in line with the past, and partly through the surplus available with the corporation. However, with relatively low operating surplus, ability of the corporation to execute capital projects remains limited and depends largely on receipt of grants.

Furthermore, after abolishment of octroi, the state government has been compensating the corporation for loss of revenue. The compensation contributed to around 20% of the total revenue receipts in fiscal 2023. RMC will continue to depend on compensation from the state government for its regular operating expenses.

Liquidity: Strong

Total cash and bank balance available with the corporation was Rs 508 crore as on March 31, 2023. The operating surplus is expected to increase to Rs 60-70 crore over the medium term against debt obligation of Rs 30-35 crore over the next two fiscals (including the sinking fund contribution). RMC is likely to maintain its healthy liquidity and continue to generate an operating surplus, which will be sufficient to meet its debt obligation and fund a portion of the capex.

Outlook: Stable

RMC will maintain its comfortable financial risk profile, supported by recovery in operating performance and stable liquidity.

Rating Sensitivity factors

Upward factors:

- Steady increase in revenue receipts and operating surplus of over 15% of revenue receipts over the medium term
- Improvement in collection efficiency and cost recovery of services

Downward factors:

- Sustained steep fall in revenue or large, debt-funded capex weakening the financial risk profile, with operating surplus to debt ratio below 0.2 time
- Irregularity or decline in receipt of grants from the state government
- Any adverse change in the payment structure mechanism or non-adherence of the same

Additional disclosures for the provisional rating

The 'provisional' rating will be converted into a 'final' rating on receipt of the following documents dulyexecuted:

- Debenture trust deed
- Debenture trustee appointment agreement
- Escrow agreement
- Final representation and warranties letter
- Final debenture trustee consent letter
- Final debenture trustee awareness letter
- Final term sheet

Additional documents, if any, executed for the transaction will also have to be provided. A rating rationale/report indicating conversion of the 'provisional' rating into a 'final' rating will be published on the CRISIL Ratings website on receipt of the required documents.

The provisional rating shall be converted into a final rating after receipt of the transaction documents duly executed within 90 days from the date of issuance of the instrument.

The final rating assigned, following the conversion, shall be consistent with the available documents. In case of non-receipt of the duly executed transaction documents within the above-mentioned timelines, the rating committee of CRISIL Ratings may grant an extension of up to 90 days, in line with its policy on provisional ratings.

Rating that would have been assigned in the absence of the pending documentation

In the absence of the pending documentation considered while assigning the provisional rating as mentioned earlier, CRISIL Ratings would have assigned a rating of 'CRISIL A'.

Risks associated with the provisional rating:

The 'Provisional' prefix indicates that the rating is contingent on occurrence of certain steps or execution of certain documents by the issuer, as applicable. If the documents received and/or completion of steps deviate significantly from the expectations, CRISIL Ratings may take an appropriate action, including placing the rating on watch or changing the rating/outlook, depending on the status of progress on a case to case basis. In the absence of the pending steps / documentation, the rating on the instrument would not have been assigned ab initio.

About the Company

RMC is governed by the Bombay Provincial Municipal Corporation Act, 1949, as amended by the Government of Gujarat. It covers an area of 161 square kilometre and has a population of 1.4 million. The corporation is responsible for providing basic civic services, such as water supply, sewerage management and solid waste management. It has an elected body, with the municipal commissioner as the administrative head.

Key Financial Indicators

As on/for the period ended March 31	Units	2023	2022
Revenue receipts	Rs crore	772	613
Revenue surplus	Rs crore	37	-55
Revenue surplus/revenue receipts	%	5%	-9%

Any other information:

Annexure

Broad contours of the escrow structure pertaining to the current Rs 100 crore NCD issue are as follows:

- All funds as own revenue/cash flow (own revenue/cash flow here shall mean the revenue/cash flow being directly levied and collected/recovered by the issuer and not being the revenue/cash flow received from the government in the form of grants, contributions and subsidies, assigned revenue and compensations or others. The revenue/cash flow being directly levied and collected/recovered by the issuer includes tax revenue, rental income from municipal properties, fees and user charges, sale and hire charges). Collection accounts(s) shall be transferred to a separate no-lien escrow account for debt servicing. This transfer is done on daily basis.
- Eligible bond holders and lenders shall have first and pari passu charge over the escrow account collections.
- The funds lying in the escrow account shall be used to meet minimum balance required in the account. The surplus funds after meeting the minimum balance can thereafter be transferred to RMC on daily basis. The funds should be first utilised to accumulate the minimum balance in the escrow account. The surplus funds after meeting the minimum balance can be transferred to the general fund account.
- Monthly contribution to be transferred from the escrow account to IPA (interest payment account) shall be calculated separately for each bond/NCD/loan facility as per the terms of the said issuance/facility.
- RMC shall open the following accounts for servicing the interest and principal of the proposed bonds for the exclusive benefit of the bond holders:
 - Escrow account
 - IPA – Series I (IPA - I)
 - Sinking fund account (SFA) – Series I (SFA - I)
- The IPA – I shall be funded one day before the pay-in date with an amount equal to annual interest payments for bonds referred to as DSRA amount.
 - At the end of every month, the funds lying/deposited in escrow account shall be used in the following priority:
 - First, to transfer funds to the respective accounts created for servicing of each loan/bonds.
 - Second, an amount equal to interest payment for one month to be transferred to the IPA, 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 the IPA.
 - At the end of each month, an amount equal to one month equivalent of the redemption amount to be transferred to the SFA, and any shortfall in earlier contribution shall be transferred to the SFA.
 - Any shortfall in the above account(s) shall be made good by RMC by transfer from its other account(s).
- The amount deposited in the IPA and SFA shall be used solely for meeting the dues to the bondholders.
- No amount can be withdrawn from these accounts without the approval of the trustees to the bond holders.
- The issuer shall one day prior to the pay-in date, create upfront fixed deposit in terms of the transaction documents for an amount equivalent to 10% of the total bond issue size and the same will be used for principal repayment.
- The principal amount of the debentures to be issued with all the coupon due on the debentures, as well as costs, charges, all fees, remuneration of the debenture trustee and expenses payable in respect thereof has been secured by

way of exclusive first ranking floating charge over present and future receivables pertaining to its own revenue/cash flow.

Interest payment mechanism

– Interest payment date

Day	
T-25	The trustees shall check the amount in the IPA. In case of any shortfall, the trustees shall intimate RMC of the shortfall.
T-10	RMC shall make good the shortfall in the IPA, if applicable. Furthermore, the amounts lying or credited in the escrow account shall flow into the IPA for funding the shortfall and shall not be transferred by the issuer to the general fund account(s) till the time the shortfall is funded.
T-9	In case of shortfall, the trustee shall trigger the payment mechanism and instruct the bank to transfer the shortfall amount.
T-8	The bank shall transfer the shortfall amount from the IPA, if applicable
T	Interest payment is done.

DSRA

Day	
T-7	DSRA amount will be used to make the coupon payment in case of shortfall.
-	The issuer shall make good the DSRA amount shortfall within next 15 days (T+8). Furthermore, immediately after the DSRA utilisation, the amounts lying or credited in the escrow account shall flow into the IPA for DSRA replenishment and shall not be transferred by the issuer to the general fund account(s) till the time the required DSRA amount is replenished.

Redemption mechanism

T – Redemption date

Day	
T-45	The trustees shall check the amount in the SFA. In case of any shortfall, the trustees shall intimate RMC of the shortfall. Furthermore, in case of shortfall on T-45 day, the amount lying or credited in the escrow account shall flow into the SFA for funding the shortfall and shall not be transferred by the issuer to the general fund account(s) till the time the shortfall is funded.
T-15	RMC shall make good the shortfall in the SFA.
T-14	The debenture trustee shall trigger the payment mechanism and shall instruct the bank to utilise the sinking fund FD to the extent of the shortfall in the SFA.
T-12	After the debenture trustee has instructed the bank to utilise the sinking fund FD as above and in any event prior to 12 days before the end of each 12 month block (T-12), the debenture trustee would issue a final notice in writing to the issuer. On the issuance of such notice, the issuer shall replenish the sinking fund FD within the next 12 days (T).
T	Redemption payment is done.

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

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Annexure - Details of Instrument(s)

ISIN	Name of the instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue size (Rs.Crore)	Complexity Level	Rating assigned with outlook
NA	Non-convertible debentures*	NA	NA	NA	100	Simple	Provisional CRISIL AA/Stable

*Yet to be issued

Annexure - Rating History for last 3 Years

Current				2024 (History)		2023		2022		2021		Start of 2021
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT		--		--		--		--		--	Withdrawn
			--		--		--		--		--	Withdrawn
Non Convertible Debentures	LT	100.0	Provisional CRISIL AA/Stable		--	15-12-23	Provisional CRISIL AA/Stable	21-10-22	Provisional CRISIL AA-/Stable	01-11-21	Provisional CRISIL AA-/Stable	--

			--		--	22-09-23	Provisional CRISIL AA-/Stable	28-04-22	Provisional CRISIL AA-/Stable		--	--
			--		--	05-04-23	Provisional CRISIL AA-/Stable		--		--	--

All amounts are in Rs.Cr.

Criteria Details

Links to related criteria

[Rating Criteria for Municipal and Urban Local Bodies](#)

[CRISILs rating methodology for future flow securitisation](#)

[The Infrastructure Sector Its Unique Rating Drivers](#)

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Rating Rationale

December 15, 2023 | Mumbai

Rajkot Municipal Corporation

Rating reassigned to 'Provisional CRISIL AA/Stable'

Rating Action

Rs.100 Crore Non Convertible Debentures^{&}	Provisional CRISIL AA/Stable (Reassigned from 'Provisional CRISIL AA-/Stable')*
Rs.50 Crore Non Convertible Debentures	Withdrawn*

[&]A prefix of 'Provisional' indicates that the rating centrally factors in the strength of specific structures, and is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable, without which the rating would either have been different or not assigned ab initio. This is in compliance with a May 6, 2015, directive 'Standardising the term, rating symbol, and manner of disclosure with regards to conditional/provisional/in-principle ratings assigned by credit rating agencies' and April 27, 2021, circular 'Standardising and Strengthening Policies on Provisional Rating by Credit Rating Agencies (CRAs) for Debt Instruments' issued by the Securities and Exchange Board of India (SEBI)

*Ratings on Rs 100 crore non-convertible debentures has been reassigned to Provisional CRISIL AA/Stable basis on the revised escrow structure mentioned in the annexure and simultaneously withdrawn the rating on Rs 50 crore non-convertible debentures

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has reassigned its rating on the proposed non-convertible debentures (NCDs) of Rs 100 crore of the Rajkot Municipal Corporation (RMC) to '**Provisional CRISIL AA/Stable**' from 'Provisional CRISIL AA-/Stable' as it factors in the proposed trustee-administered escrow and bond payment mechanism as outlined in the revised draft term sheet. CRISIL Ratings has **withdrawn** its rating on proposed NCDs of Rs 50 crore at the corporation's request. The withdrawal is in line with the CRISIL Ratings policy on withdrawal of ratings.

The reassigned rating reflects the strength of the proposed trustee-administered escrow and payment mechanism as outlined in the revised draft term sheet which incorporates upfront creation of liquidity (Rs 10 crore in the form of a fixed deposit for servicing principal), higher escrow of own tax and non-tax revenues, and the strength of the structured payment mechanism which will create liquidity for principal servicing well before the due date (42 months before the due date). The rating also takes comfort from liquidity in the form of debt service reserve account (DSRA) amounting to 12 months of interest obligation (refer to the annexure for the payment mechanism for coupon and redemption).

The rating also reflects the strong creditworthiness and low performance risk of RMC, moderate debt service coverage ratio (DSCR) leading to low impact of future flow on other obligations of the corporation. The linkage of the inflow to the performance of RMC is low, as the inflow is dependent on its own revenue. The expected high DSCR, coupled with stable (yet growing) inflow and low debt, will keep the financial risk profile comfortable. The NCDs have a well-defined structure for the escrow account, payment structure and points of recourse in case of shortfall in cash flow. RMC has not issued the instrument till date and is expected to issue it in the coming months, subject to execution of documents and fulfilment of other requirements mentioned in the rating rationale.

The rating also factors in the adequate financial risk profile of the corporation, backed by improved operations and operating surplus of Rs 41 crore in fiscal 2023 after operating deficits in fiscals 2021 and 2022, on account of the Covid-19 pandemic, continued support from the government in the form of grants and compensation, comfortable liquidity, favourable economic base and sound service arrangements. These strengths are partially offset by modest cost recovery for the services provided and moderate (but improving) collection efficiency. Furthermore, revenue income was Rs 499 crore in the first half of fiscal 2024 (revenue income of Rs 772 crore in fiscal 2023).

Analytical Approach

For arriving at the rating, CRISIL Ratings has applied its criteria on future flow securitisation.

Key Rating Drivers & Detailed Description

Strengths:

Strong escrow mechanism

The escrow and bond payment mechanism provides adequate strength to bond issuance. The own revenue escrowed at collection, trustee-managed escrow mechanism and payment structure with recourse to the originator ensure sufficient safety for timely debt servicing for the investors. The corporation will escrow its own revenue and additionally create an upfront liquidity of 10% of the issue amount as a fixed deposit and the amounts from such fixed deposits shall be utilised for the purpose of principal payment. Also, the creation of a DSRA equivalent to annual interest payment before pay-in and its maintenance throughout the tenure further enhances the strength of the structure. The DSCR is also expected to be high

through the tenure of the instrument. Additionally, the principal amount, coupon payment and other charges will be secured through an exclusive first ranking floating charge over present and future receivables pertaining to its own revenues. Non-adherence to the payment structure mechanism will be a key rating sensitivity factor.

Moderate operating performance

Revenue is expected to grow strongly in the ongoing fiscal with pick-up in economic activity, increase in tax rates and improved collection efficiency. Operating surplus has improved to ~Rs 41 crore in fiscal 2023 and is expected to increase further in the current fiscal on account of various revenue augmentation measures taken up by the corporation. The corporation is expected to maintain moderate operating performance over the medium term, backed by stable property tax collections, steady receipt of grants from the state government in lieu of octroi and growth in non-tax income, primarily comprising fees and user charges, town development income and rental income.

RMC reported revenue income of Rs 772 crore in fiscal 2023, with its own revenue comprising 73%, with the remaining derived from government grants. Revenue grew over 26% year-on-year amid various revenue augmentation initiatives taken up by the corporation, while expenditure grew ~8% year-on-year. This has led to operating surplus of ~Rs 41 crore. The operating performance is gradually improving, as the corporation has collected Rs 351 crore in tax and around Rs 155 crore in octroi grants in fiscal 2023.

Comfortable financial risk profile

The healthy financial risk profile is reflected in above-average debt protection metrics, strong liquidity and minimal debt. The corporation is expected to fund most of its capital expenditure (capex) through internal accrual and grants. It had outstanding debt of Rs ~12 crore as on March 31, 2023, which has further reduced to Rs 2 crore as on August 31, 2023.

Cash and equivalent of Rs 508 crore as on March 31, 2023, including the current accounts, support liquidity. Regular receipt of octroi compensation and capital grants from the state government will be key monitorables.

Healthy economic base and moderate service levels

Rajkot is well known for its casting and forging industries and has around 500 foundry units. The city plays an important role in the complex supply chains of many global engineering companies that make electric motors, automobiles, machine tools, bearings and shafts. Rajkot is also famous for its jewellery market, silk embroidery and watch parts.

Service arrangements are characterised by 100% coverage of water supply, 87% coverage of sewerage and 100% coverage of solid waste management.

Weaknesses:

Low collection efficiency of taxes and average cost recovery for services

While the collection efficiency of property tax has risen to around 59%, and overall collection efficiency has risen to 36% in fiscal 2023 from ~50% and ~30% in fiscal 2022, respectively, it is still low. Furthermore, cost recovery for maintenance of water supply is low at 36%, though there is 100% cost recovery for solid waste management and sewerage maintenance. Implementation of new projects is expected to drive improvement in service-level arrangements and result in increased collection of taxes and charges.

Large capex requirement and high dependence on the state government

RMC has planned large capex of Rs 1,000-1,100 crore over the medium term. Operating surplus is projected at Rs 60-70 crore per annum. The capex is expected to be funded largely through grants, in line with the past, and partly through the surplus available with the corporation. However, with relatively low operating surplus, ability of the corporation to execute capital projects remains limited and depends largely on receipt of grants.

Furthermore, after abolishment of octroi, the state government has been compensating the corporation for loss of revenue. The compensation contributed to around 20% of the total revenue receipts in fiscal 2023. Hence, RMC will continue to depend on compensation from the state government for its regular operating expenses.

Liquidity: Strong

Total cash and bank balance available with the corporation was Rs 508 crore as on March 31, 2023. The operating surplus is expected to increase over the medium term to Rs 60-70 crore against debt obligation of Rs 30-35 crore over the next two fiscals (including the sinking fund contribution). RMC is likely to maintain its healthy liquidity and continue to generate an operating surplus, which will be sufficient to meet its debt obligation and fund a portion of the capex.

Outlook: Stable

The corporation will maintain its comfortable financial risk profile, supported by recovery in operating performance and stable liquidity.

Rating Sensitivity Factors

Upward Factors

- Steady increase in revenue receipts and operating surplus of over 15% of revenue receipts over the medium term
- Improvement in collection efficiency and cost recovery of services

Downward Factors

- Sustained steep fall in revenue or large, debt-funded capex weakening the financial risk profile, with operating surplus to debt ratio of below 0.2 time
- Irregularity or decline in receipt of grants from the state government
- Any adverse change in the payment structure mechanism or non-adherence of the same

Additional disclosures for the provisional rating

The 'provisional' rating will be converted into a 'final' rating on receipt of the following documents duly executed:

- Debenture trust deed
- Debenture trustee appointment agreement
- Escrow agreement
- Final representation and warranties letter
- Final debenture trustee consent letter
- Final debenture trustee awareness letter
- Final term sheet

Additional documents, if any, executed for the transaction will also have to be provided. A rating rationale/report indicating conversion of the 'provisional' rating into a 'final' rating will be published on the CRISIL Ratings website on receipt of the required documents.

The provisional rating shall be converted into a final rating after receipt of the transaction documents duly executed within 90 days from the date of issuance of the instrument.

The final rating assigned, following the conversion, shall be consistent with the available documents. In case of non-receipt of the duly executed transaction documents within the above-mentioned timelines, the rating committee of CRISIL Ratings may grant an extension of up to 90 days, in line with its policy on provisional ratings.

Rating that would have been assigned in the absence of the pending documentation

In the absence of the pending documentation considered while assigning the provisional rating as mentioned earlier, CRISIL Ratings would have assigned a rating of 'CRISIL A'.

Risks associated with the provisional rating:

The 'Provisional' prefix indicates that the rating is contingent on occurrence of certain steps or execution of certain documents by the issuer, as applicable. If the documents received and/or completion of steps deviate significantly from the expectations, CRISIL Ratings may take an appropriate action, including placing the rating on watch or changing the rating/outlook, depending on the status of progress on a case to case basis. In the absence of the pending steps / documentation, the rating on the instrument would not have been assigned ab initio.

About the Company

RMC is governed by the Bombay Provincial Municipal Corporation Act, 1949, as amended by the Government of Gujarat. It covers an area of 161 square kilometres and has a population of 1.4 million. The corporation is responsible for providing basic civic services, such as water supply, sewerage management and solid waste management. It has an elected body, with the municipal commissioner as the administrative head.

Key Financial Indicators

As on / for the period ended March 31	Units	2023	2022
Revenue receipts	Rs crore	772	613
Revenue surplus	Rs crore	37	-55
Revenue surplus/revenue receipts	%	5%	-9%

Any other information:

Annexure

Broad contours of the escrow structure pertaining to the current Rs 100 crore NCD issue are as follows:

- All funds as own revenue/cash flow (own revenue/cash flow here shall mean the revenue/cash flow being directly levied and collected/recovered by the issuer and not being the revenue/cash flow received from the government in the form of grants, contributions and subsidies, assigned revenue and compensations or others. The revenue/cash flow being directly levied and collected/recovered by the issuer include tax revenue, rental income from municipal properties, fees and user charges, sale and hire charges). Collection accounts(s) shall be transferred to a separate no-lien escrow account for debt servicing. This transfer is done on daily basis.
- Eligible bond holders and lenders shall have first and pari passu charge over the escrow account collections.
- The funds lying in the escrow account shall be used to meet minimum balance required in the account. The surplus funds after meeting the minimum balance can thereafter be transferred to RMC on daily basis. The funds should be first utilised to accumulate the minimum balance in the escrow account. The surplus funds after meeting the minimum balance can be transferred to general fund account.
- Monthly contribution to be transferred from the escrow account to IPA (interest payment account) shall be calculated separately for each bond/NCD/loan facility as per the terms of the said issuance/facility.
- RMC shall open the following accounts for servicing the interest and principal of the proposed bonds for the exclusive benefit of the bond holders:
 - Escrow account
 - IPA – Series I (“IPA - I”)
 - Sinking fund account (SFA) – Series I (“SFA - I”)
- The IPA – I shall be funded one day before the pay-in date with an amount equal to annual interest payments for bonds referred to as DSRA amount.
- At the end of every month, the funds lying/deposited in escrow account shall be used in the following priority:
 - Firstly, to transfer funds to respective accounts created for servicing of each loan/bonds
 - Secondly, an amount equal to interest payment for one month to be transferred to IPA account 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 the IPA

- At the end of each month, an amount equal to one month equivalent of the redemption amount to be transferred to SFA, and any shortfall in earlier contribution shall be transferred to the SFA.
- Any shortfall in the above account(s) shall be made good by RMC by transfer from other account(s) of RMC.
- The amount deposited in IPA and SFA shall be used solely for meeting the dues to the bondholders.
- No amount can be withdrawn from these accounts without the approval of the trustees to the bond holders.
- The issuer shall one day prior to the pay-in date, create upfront fixed deposit in terms of the transaction documents for an amount equivalent to 10% of the total bond issue size and the same will be used for principal repayment.
- The principal amount of the debentures to be issued with all the coupon due on the debentures, as well as costs, charges, all fees, remuneration of the debenture trustee and expenses payable in respect thereof has been secured by way of exclusive first ranking floating charge over present and future receivables pertaining to its own revenue/ cash flow.

Interest payment mechanism

– Interest payment date

Day	
T-25	The trustees shall check the amount lying to the credit of IPA. In case of any shortfall in amount, the trustees shall intimate RMC of the shortfall
T-10	RMC shall make good the shortfall in the IPA, if applicable. Furthermore, the amounts lying or credited in the escrow account shall flow into the IPA for funding the shortfall and shall not be transferred by the issuer to the general fund account(s) till the time the shortfall is funded.
T-9	In case of shortfall, the trustee shall trigger the payment mechanism and instruct the bank to transfer the shortfall amount.
T-8	The bank shall transfer the shortfall amount from IPA, if applicable
T	Interest payment is done

-

DSRA

Day	
T-7	DSRA amount will be used to make the coupon payment in case of shortfall
-	The issuer shall make good the DSRA amount shortfall within next 15 days (T+8). Furthermore, immediately after the DSRA utilisation, the amounts lying or credited in the escrow account shall flow into the IPA for DSRA replenishment and shall not be transferred by the issuer to the general fund account(s) till the time the required DSRA amount is replenished.

Redemption mechanism

T – Redemption date

Day	
T-45	The trustees shall check the amount lying to the credit of SFA. In case of any shortfall in amount, the trustees shall intimate RMC of the shortfall. Furthermore, in case of shortfall on T-45 days, the amounts lying or credited in the escrow account shall flow into the SFA for funding the shortfall and shall not be transferred by the issuer to the general fund account(s) till the time the shortfall is funded.
T-15	RMC shall make good the shortfall in the SFA
T-14	The debenture trustee shall trigger the payment mechanism and shall instruct the bank to utilise the sinking fund FD to the extent of the shortfall in the SFA.
T-12	After the debenture trustee has instructed the bank to utilise the sinking fund FD as above and in any event prior to 12 days prior to the end of each 12 month block (T-12), the debenture trustee would issue a final notice in writing to the issuer. On the issuance of such notice, the issuer shall replenish the sinking fund FD within the next 12 days (T).
T	Redemption payment is done.

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

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Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity levels	Rating assigned with outlook
NA	Non-convertible debentures*	NA	NA	NA	100	Simple	Provisional CRISIL AA/Stable

*Yet to be issued

Annexure - Details of Rating Withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity levels	Rating assigned with outlook
NA	Non-convertible debentures*	NA	NA	NA	50	Simple	Withdrawn

*Yet to be issued

Annexure - Rating History for last 3 Years

		Current		2023 (History)		2022		2021		2020		Start of 2020
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT		--		--		--		--		--	Withdrawn
			--		--		--		--		--	Withdrawn
Non Convertible Debentures	LT	100.0	Provisional CRISIL AA/Stable	22-09-23	Provisional CRISIL AA-/Stable	21-10-22	Provisional CRISIL AA-/Stable	01-11-21	Provisional CRISIL AA-/Stable		--	--
			--	05-04-23	Provisional CRISIL AA-/Stable	28-04-22	Provisional CRISIL AA-/Stable		--		--	--

All amounts are in Rs.Cr.

Criteria Details**Links to related criteria**[Rating Criteria for Municipal and Urban Local Bodies](#)[CRISILs rating methodology for future flow securitisation](#)

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ANNEXURE – III

Resolutions and Approvals

Sanctioning issuance of Taxable Bonds up to Rs. 100 Crores.

Government of Gujarat

Urban Development and Urban Housing Department,

Resolution No.: UDUHD/SPP/e-file/18/2023/10076/P Section

Read:-

- Rajkot Municipal Corporation's letters:
 - (i) RMC/Account/O.No.1424 dated 12/09/2023.
 - (ii) RMC/Account/O.No.2079 dated 20/12/2023.
 - (iii) RMC/Account/O.No.2320 dated 22/01/2024.
 - (iv) RMC/Account/O.No.2606 dated 20/02/2024.

Preamble:

The Rajkot Municipal Corporation has requested the State Government vide its letters read above (i), (ii), (iii) and (iv) for sanction of issuing Taxable bonds up to Rs.100 Crores - in form of debenture for developing new facilities as well as enhancement of existing facilities at various places of the City to meet the present and future capacities under AMRUT 2.0 Scheme. The matter of granting permission for issuing the taxable bonds in form of debenture was under consideration of the State Government.

Resolution:

After careful consideration, the State Government is pleased to accord in principle sanction to the proposal of Rajkot Municipal Corporation for issuing Taxable Bonds in form of debenture up to Rs.100 crores (One Hundred Crores Only) under section 109 of The Gujarat Provincial Municipal Corporation Act, 1949, with the following conditions: -

1. The amount raised by issuance of the taxable bonds shall be used only for the infrastructure development facilities mentioned in the proposal read above (i).
2. Rajkot Municipal Corporation has to follow the standing instructions issued by the State Government regarding Merchant Bankers, duration of Bond, Rate of interest etc. upon approval of the proposal by the State Government and the Government of India.
3. The sanction of Government of India shall be obtained for proposed Bond. Primary responsibility lies with Rajkot Municipal Corporation regarding timely repayment of principal amount and payment of the interest to the investors.
4. The Taxable Bonds are not guaranteed by the State Government.
5. The Rajkot Municipal Corporation shall follow the accounting process as prescribed by the SEBI.
6. The Rajkot Municipal Corporation shall be liable for proper maintenance of Escrow Account and to report the same to the State Government on monthly basis.
7. Rajkot Municipal Corporation shall adhere to the relevant clauses of Chapter X (10) 'Borrowing

File No: UDUHD/SPP/e-file/18/2023/10076/P Section

Approved By: Principal Secretary,UDUHD

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Powers' of the Gujarat Provincial Municipal Corporations Act, 1949 regarding their proposal read above (i).

This resolution is issued with the concurrence of the Finance Department on this Department's file of even number dated 11/03/2024 and the State Government.

By order and in the name of the Governor of Gujarat.

(Komal Bhatt)

Joint Secretary

Urban Development and Urban Housing Department.

To,

1. The Municipal Commissioner, Rajkot Municipal Corporation, Rajkot.
2. P.S. to Hon'ble Chief Minister, Swarnim Sankul – 1, Sachivalaya, Gandhinagar.
3. The Additional Chief Secretary, Finance Department, Sachivalaya, Gandhinagar.
4. The Under Secretary, Ministry of Housing and Urban Affairs, Government of India, Nirman Bhawan, New Delhi – 110 011.
5. Select File – 2024.



Circular No.14

Item No.08

St.C.R.416

Resolution

1. Resolution No. 20 of Standing Committee of the Issuer dated March 06, 2019 authorizing Municipal Commissioner for matters concerning Issuance of Bonds upto Rs. 150 Crores.
2. Resolution No. 12 of General Board (General Body) of the Issuer dated June 19, 2019 after considering the above resolution of Standing Committee, Municipal Commissioner was authorized for matters concerning Issuance of Bonds upto Rs. 150 Crores.
3. Resolution No. 272 of Standing Committee of the Issuer dated September 16, 2023 and Resolution No.120 of General Board (General Body) of the Issuer dated November 20, 2023 for formation of Bond Issue Committee to take all further actions and to do all necessary acts/deeds, sign all necessary documents/ contracts/undertakings/agreements/deeds/instruments/applications and writings incidental thereto as it may, at its discretion, deem necessary.
4. RMC/Accounts/File no.74/2023-24.

Proposal no.403 dated 15/12/2023 received from Municipal Commissioner regarding Raising of an amount of upto Rs.150 Crore(Rupees One Hundred and Fifty Crore only) by way of issuance of Municipal Bonds by Rajkot Municipal Corporation ("RMC" or the "Issuer" or the "Corporation") is considered.

In this regard, Municipal Commissioner has reported that, with reference to the resolutions St.C.R.No.20 dated March 06, 2019, G.B.R.No.12 dated June 19, 2019, St.C.R.No.272 dated September 16, 2023, G.B.R.No. 20 dated November 20, 2023, RMC is in process of issuance of bonds up to Rs.150 Cr. In the progression of the work following appointments have been made by the Corporation:

Sr. No.	Type of Intermediary	Name of the Intermediary	Date of Appointment
1.	Legal Counsel	MV Kini Law Firm	January 19, 2021
2.	Transaction Advisor cum Merchant Banker	AK Capital Services Limited	October 17, 2023
3.	Debenture Trustee	SBICAP Trustee Company Limited	December 09,2023
4.	Credit Rating Agencies	India Ratings and Research	May 15,2019
		CRISIL Ratings	May 15,2019
5.	Stock Exchange	NSE	November 4, 2023
6.	Registrar and Transfer Agent	KFin Technologies Ltd	November 4, 2023

In view of the above, the following are presented to the committee for approvals for the issuance of Bonds:

1. Only in furtherance and not in supersession of the existing approvals (as listed above) of the Corporation, it may raise an amount aggregating up to Rs. 150 Crores, (hereinafter referred to as "Issue") for funding the Projects of the Issuer, and which shall be listed on the recognized stock exchange(s) as per the terms and conditions, in accordance with SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 ("SEBI Municipal Debt Regulations"), Securities Contracts (Regulation) Act, 1956, Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 (updated as on July 07, 2023) bearing circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 ("SEBI Operational Circular") read with Continuous Disclosures No. CIR/IMD/DF1/60/2017 dated June 19, 2017 and Circular No. SEBI/HO/DDHS/CIR/P/134/2019 dated November 13, 2019 as applicable and as amended and also other applicable laws, regulations, rules, directions, notifications, and circulars, clarifications issued by the Government or SEBI, or any other regulatory authority, in this regard.

2. For the purposes of the Issue, a bonds issue committee ("**Bonds Issue Committee**") be constituted comprising of the following officials of the Issuer:
 - 1) Municipal Commissioner
 - 2) Dy. Municipal Commissioner
 - 3) Chief Accountant
 - 4) Chief Auditor
 - 5) Nodal Officer (Amrut Yojana)
3. That the aforesaid Bond Issue Committee be, and is hereby jointly and severally be authorized to decide the terms of the bond issue including quantum, time and nature of bonds, mode of issuance, ratification of already appointed and appointment of any/ all agencies and intermediaries, including but not limited to registrar to the issue, , stock exchange(s), escrow banks, etc, including payment of fees as may be decided mutually, on such terms and conditions as mentioned in their individual appointment letters and also to decide matters like minimum subscription, retention of oversubscription, extension of the Issue and/or early closure of the Issue, etc.
4. The members of the Bonds Issue Committee is hereby jointly and severally be authorized to take all further actions, do all necessary acts/deeds, sign all necessary documents/contracts/ undertakings/agreements/ deeds/instruments/applications and writings incidental thereto as it may, at its discretion, deem necessary and desirable. Amongst other things, the Bond Issue Committee shall be authorized to do the following:
 - i. Finalize mode of issuance, terms for issue of bonds such as tenure, rate of interest, etc, in view of prevailing market conditions and applicable laws.;
 - ii. To approve the projects for which funds are being raised; if they are not approved.
 - iii. Finalize the term sheet, structure of bonds, as well as structures payment mechanism/escrow mechanism/ waterfall mechanism/sinking fund mechanism/interest payment mechanism/DSRA mmechanism or any other terms/mechanism as may be required for structuring of bonds and timely servicing of bond obligation;
 - iv. Draw-up, finalize and sign the Financial Statements/Disclosure Document/Information Memorandum/Offer Document and other documents for the Bond issue and file the same with SEBI and Stock Exchanges, as may be required and execute all other necessary documents/agreements/contracts/deeds/mous/certificates/affidavits/declaration/undertaking, etc, and all other requisite documents and to do all such acts, deeds, matter and things, and to comply with all formalities as may be required in connection with or incidental or related to the issue and allotment of Bonds in token of due compliances of the SEBI/Stock Exchanges or any other applicable Acts or Rules for the issue of said Bonds;
 - v. To approve the financial statements/re-formatted financial statements for compliance period in accordance with the National Municipal Accounts Manual or in accordance with similar Municipal Accounts Manual adopted by the State Government and the rules made thereunder, as applicable to be incorporated in the Disclosure Document/Information Memorandum/Offer Document for the issue of Bonds;
 - vi. To accept the application money received as subscription for the Bonds, decide upon basis of allotment, approve allotment of Bonds and allot the bonds;
 - vii. To apply and follow-up to seek all required approvals from the concerned authorities/regulatory bodies/agencies such as execution of Listing Application and Listing Agreement with the stock exchange, i.e. BSE Limited ("**BSE**") or National Stock Exchange of India Limited ("**NSE**") for listing of the Bonds, execute agreement(s) with the Registrar, National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") for dematerialization of Bonds, and execute other necessary document(s)/agreement(s) on behalf of the Administrator/ Corporation in relation to the issue of Bonds as required by any Statutory authority;
 - viii. To designate and appoint one or more Banker(s) for collection of application monies against subscription for the bonds;

- ix. To open one or more no-lien Escrow Current Accounts with banks for the issue and operate the same for remittance of the issue proceeds received from investors in the issuance of Bonds as well as for the operation of structured payment mechanism/escrow mechanism/waterfall mechanism/Sinking Fund mechanism/Interest payment mechanism/DSRA mechanism or any other terms/mechanism as may be required for timely repayment of bond obligations;
- x. To prepare, sign, file and execute the Master Creation Form, Corporate Action Form and other necessary documents/agreements with NSDL and CDSL and the Registrars for dematerialization of Bonds;
- xi. To designate a Compliance Officer for compliance with related regulatory/statutory issues and for redressal of any pre-issue/post-issue investor problems/grievances such as non-credit of letters of allotment/bond certificates in the DEMAT account, non-receipt of refund orders, interest warrants, etc;
- xii. To allot Bonds under DEMAT facilities and to provide DEMAT facilities by entering into necessary agreement with NSDL/CDSL Registrar and Transfer Agents in this regard;
- xiii. To affix the stamp of the Corporation as may be required for the proposed issue of Bonds, dematerialization, and listing thereof
- xiv. To pay stamp duty as per the applicable Acts, laws and regulations;
- xv. To take decisions on any other matter(s) relating to the proposed issue(s) of Bonds by the Issuer;

Considering above details, Municipal Commissioner has proposed to submit the proposal for approval of the Standing Committee and then for final approval of General Board for necessary resolution, to approve proposed Municipal Bond related regulations as 1 above, to constitute the Bond Issue Committee comprising of officials as suggested in 2 above, to permit the Committee to function as 3 above and to authorize the Committee to do functions as 4(I to XV) above for proposed Municipal Bond of Rajkot Municipal Corporation worth aggregating up to Rs.150 Crore.

Considering the above proposal from Municipal Commissioner, after detailed discussion, this Committee approves proposed Municipal Bond related regulations as 1 above, approves to constitute the Bond Issue Committee comprising of officials as suggested in 2 above, approves to permit the Committee to function as 3 above and approves to authorize the Committee to do functions as 4(I to XV) above for proposed Municipal Bond of Rajkot Municipal Corporation worth aggregating up to Rs.150 Crore, subject to ratification of the General Board.

To submit before the General Board for necessary ratification.

Dt.08/01/2024

Unanimously approved

મહાનિર્ણય

 for મ્યુનિસિપલ સેક્રેટરી
 રાજકોટ મ્યુનિસિપલ કોર્પોરેશન

(Sign) Jaymin Thaker
 Chairman
 Standing Committee
 Rajkot Municipal Corporation

Circular No.23

Item No.09

G.B.R.No.139 Dt.19/01/2024

1. Resolution No. 20 of Standing Committee of the Issuer dated March 06, 2019 authorizing Municipal Commissioner for matters concerning Issuance of Bonds upto Rs. 150 Crores.
2. Resolution No. 12 of General Board (General Body) of the Issuer dated June 19, 2019 after considering the above resolution of Standing Committee, Municipal Commissioner was authorized for matters concerning Issuance of Bonds upto Rs. 150 Crores.
3. Resolution No. 272 of Standing Committee of the Issuer dated September 16, 2023 and Resolution No.120 of General Board (General Body) of the Issuer dated November 20, 2023 for formation of Bond Issue Committee to take all further actions and to do all necessary acts/deeds, sign all necessary documents/ contracts/undertakings/agreements/deeds/instruments/applications and writings incidental thereto as it may, at its discretion, deem necessary.
4. RMC/Accounts/File no.74/2023-24.

According to Proposal no.403 dated 15/12/2023 received from Municipal Commissioner & Return of **St.C.R.416** Dt.08/01/2024, regarding Raising of an amount of upto Rs.150 Crore(Rupees One Hundred and Fifty Crore only) by way of issuance of Municipal Bonds by Rajkot Municipal Corporation ("RMC" or the "Issuer" or the "Corporation") is considered.

In this regard, Municipal Commissioner has reported that, with reference to the resolutions St.C.R.No.20 dated March 06, 2019, G.B.R.No.12 dated June 19, 2019, St.C.R.No.272 dated September 16, 2023, G.B.R.No. 20 dated November 20, 2023, RMC is in process of issuance of bonds up to Rs.150 Cr. In the progression of the work following appointments have been made by the Corporation:

Sr. No.	Type of Intermediary	Name of the Intermediary	Date of Appointment
1.	Legal Counsel	MV Kini Law Firm	January 19, 2021
2.	Transaction Advisor cum Merchant Banker	AK Capital Services Limited	October 17, 2023
3.	Debenture Trustee	SBICAP Trustee Company Limited	December 09, 2023
4.	Credit Rating Agencies	India Ratings and Research	May 15, 2019
		CRISIL Ratings	May 15, 2019
5.	Stock Exchange	NSE	November 4, 2023
6.	Registrar and Transfer Agent	KFin Technologies Ltd	November 4, 2023

In view of the above, the following are presented to the committee for approvals for the issuance of Bonds:

1. Only in furtherance and not in supersession of the existing approvals (as listed above) of the Corporation, it may raise an amount aggregating up to Rs. 150 Crores, (hereinafter referred to as "Issue") for funding the Projects of the Issuer, and which shall be listed on the recognized stock exchange(s) as per the terms and conditions, in accordance with SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 ("SEBI Municipal Debt Regulations"), Securities Contracts (Regulation) Act, 1956, Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 (updated as on July 07, 2023) bearing circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 ("SEBI Operational Circular") read with Continuous Disclosures No. CIR/IMD/DF1/60/2017 dated June 19, 2017 and Circular No. SEBI/HO/DDHS/CIR/P/134/2019 dated November 13, 2019 as applicable and as amended and also other applicable laws, regulations, rules, directions, notifications,



- and circulars, clarifications issued by the Government or SEBI, or any other regulatory authority, in this regard.
2. For the purposes of the Issue, a bonds issue committee ("**Bonds Issue Committee**") be constituted comprising of the following officials of the Issuer:
 - 1) Municipal Commissioner
 - 2) Dy. Municipal Commissioner
 - 3) Chief Accountant
 - 4) Chief Auditor
 - 5) Nodal Officer (Amrut Yojana)
 3. That the aforesaid Bond Issue Committee be, and is hereby jointly and severally be authorized to decide the terms of the bond issue including quantum, time and nature of bonds, mode of issuance, ratification of already appointed and appointment of any/ all agencies and intermediaries, including but not limited to registrar to the issue, , stock exchange(s), escrow banks, etc, including payment of fees as may be decided mutually, on such terms and conditions as mentioned in their individual appointment letters and also to decide matters like minimum subscription, retention of oversubscription, extension of the Issue and/or early closure of the Issue, etc.
 4. The members of the Bonds Issue Committee is hereby jointly and severally be authorized to take all further actions, do all necessary acts/deeds, sign all necessary documents/contracts/undertakings/agreements/ deeds/instruments/applications and writings incidental thereto as it may, at its discretion, deem necessary and desirable. Amongst other things, the Bond Issue Committee shall be authorized to do the following:
 - i. Finalize mode of issuance, terms for issue of bonds such as tenure, rate of interest, etc, in view of prevailing market conditions and applicable laws.;
 - ii. To approve the projects for which funds are being raised; if they are not approved.
 - iii. Finalize the term sheet, structure of bonds, as well as structures payment mechanism/escrow mechanism/ waterfall mechanism/sinking fund mechanism/interest payment mechanism/DSRA mmechanism or any other terms/mechanism as may be required for structuring of bonds and timely servicing of bond obligation;
 - iv. Draw-up, finalize and sign the Financial Statements/Disclosure Document/Information Memorandum/Offer Document and other documents for the Bond issue and file the same with SEBI and Stock Exchanges, as may be required and execute all other necessary documents/agreements/contracts/deeds/mous/certificates/affidavits/declaration/undertaking, etc, and all other requisite documents and to do all such acts, deeds, matter and things, and to comply with all formalities as may be required in connection with or incidental or related to the issue and allotment of Bonds in token of due compliances of the SEBI/Stock Exchanges or any other applicable Acts or Rules for the issue of said Bonds;
 - v. To approve the financial statements/re-formatted financial statements for compliance period in accordance with the National Municipal Accounts Manual or in accordance with similar Municipal Accounts Manual adopted by the State Government and the rules made thereunder, as applicable to be incorporated in the Disclosure Document/Information Memorandum/Offer Document for the issue of Bonds;
 - vi. To accept the application money received as subscription for the Bonds, decide upon basis of allotment, approve allotment of Bonds and allot the bonds;
 - vii. To apply and follow-up to seek all required approvals from the concerned authorities/regulatory bodies/agencies such as execution of Listing Application and Listing Agreement with the stock exchange, i.e. BSE Limited ("**BSE**") or National Stock Exchange of India Limited ("**NSE**") for listing of the Bonds, execute agreement(s) with the Registrar, National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") for dematerialization of Bonds, and execute other necessary document(s)/agreement(s) on behalf of the Administrator/ Corporation in relation to the issue of Bonds as required by any Statutory authority;



- viii. To designate and appoint one or more Banker(s) for collection of application monies against subscription for the bonds;
- ix. To open one or more no-lien Escrow Current Accounts with banks for the issue and operate the same for remittance of the issue proceeds received from investors in the issuance of Bonds as well as for the operation of structured payment mechanism/escrow mechanism/waterfall mechanism/Sinking Fund mechanism/Interest payment mechanism/DSRA mechanism or any other terms/mechanism as may be required for timely repayment of bond obligations;
- x. To prepare, sign, file and execute the Master Creation Form, Corporate Action Form and other necessary documents/agreements with NSDL and CDSL and the Registrars for dematerialization of Bonds;
- xi. To designate a Compliance Officer for compliance with related regulatory/statutory issues and for redressal of any pre-issue/post-issue investor problems/grievances such as non-credit of letters of allotment/bond certificates in the DEMAT account, non-receipt of refund orders, interest warrants, etc;
- xii. To allot Bonds under DEMAT facilities and to provide DEMAT facilities by entering into necessary agreement with NSDL/CDSL Registrar and Transfer Agents in this regard;
- xiii. To affix the stamp of the Corporation as may be required for the proposed issue of Bonds, dematerialization, and listing thereof
- xiv. To pay stamp duty as per the applicable Acts, laws and regulations;
- xv. To take decisions on any other matter(s) relating to the proposed issue(s) of Bonds by the Issuer;

Considering above details, Municipal Commissioner has proposed to submit the proposal for approval of the Standing Committee and then for final approval of General Board for necessary resolution, to approve proposed Municipal Bond related regulations as 1 above, to constitute the Bond Issue Committee comprising of officials as suggested in 2 above, to permit the Committee to function as 3 above and to authorize the Committee to do functions as 4(I to XV) above for proposed Municipal Bond of Rajkot Municipal Corporation worth aggregating up to Rs.150 Crore.

Considering the above proposal from Municipal Commissioner, after detailed discussion & as per **St.C.R.No.416** Dt.08/01/2024, this Committee approves proposed Municipal Bond related regulations as 1 above, approves to constitute the Bond Issue Committee comprising of officials as suggested in 2 above, approves to permit the Committee to function as 3 above and approves to authorize the Committee to do functions as 4(I to XV) above for proposed Municipal Bond of Rajkot Municipal Corporation worth aggregating up to Rs.150 Crore, subject to ratification of the General Board.

Considering the above proposal of the Municipal Commissioner and his return **St.C.R.No.416** Dt.08/01/2024, Standing Committee approves proposed Municipal Bond related regulations as 1 above, approves to constitute the Bond Issue Committee comprising of officials as suggested in 2 above, approves to permit the Committee to function as 3 above and approves to authorize the Committee to do functions as 4(I to XV) above for proposed Municipal Bond of Rajkot Municipal Corporation worth aggregating up to Rs.150 Crore Issuance is Approved.

Proposal Placed by(Sign)Lunagariya Dilipbhai

Proposal Supported by(Sign)Alpeshbhai Morzariya

Unanimously approved

(Sign)Smt. Naynaben Pedhadiya

Mayor

Rajkot Municipal Corporation



મહાનગરપાલિકા
મુનિસિપલ સેક્રેટરી
રાજકોટ મુનિસિપલ કોર્પોરેશન

આનંદ પટેલ આઈ. એ. એસ.
કમિશનર
રાજકોટ મહાનગરપાલિકા



Dated: 21.03.2024

To,
A.K. Capital Services Limited,
Unit No. 603, 6th floor,
Windsor, Off CST Road,
Kalina, Santacruz-(East),
Mumbai- 400 098, India.

Subject: Private Placement of Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds in the nature of Debentures of Face Value of Rs. 2 Lakh Each, comprising of 2 (Two) Separately Transferable and Redeemable Principal Parts ("STRPP") namely 1 STRPP A of Face Value of Rs. 1 Lakh and 1 STRPP B of Face Value of Rs. 1 Lakh, for Cash, Aggregating Total Issue Size not exceeding Rs. 100 Crores ("Bonds" or "Debentures").

Dear Sir/Ma'am,

I, Shri Anand Babulal Patel (I.A.S), hereby confirm the following:

The Urban Development and Urban Housing Department, Government of Gujarat vide its resolution no. UDUHD/SPP/e-file/18/2023/10076/P Section dated March 15, 2024, had approved the proposed bond issuance by Issuer for issuing Taxable Bonds in form of debenture up to Rs. 100 crores (One Hundred Crores Only) under section 109 of the Gujarat Provincial Municipal Corporation Act, 1949 and authorised the Municipal Commissioner for various decisions, activities and signing documents/ appointments/ agreements related to the bond issuance process ("State Approval").

Subsequently, under the powers from the State Approval, the Standing Committee vide its Resolution No. 416 dated January 08, 2024 and the General Board vide its Resolution No. 139 dated January 19, 2024, had approved the issuance of bonds and formation of Bond Issue Committee.

The Bond Issue Committee currently consists of the following members:

S.No.	Designation	Name
1.	Municipal Commissioner	Shri Anand Babulal Patel(I.A.S)
2.	Deputy Commissioner	Shri Chetanbhai Kiritbhai Nandani
3.	Chief Accountant	Shri Amitkumar Lalitbhai Savajiyani
4.	Nodal Officer (Amrut Yojana)	Smt. Alpna Mehul Mitra
5.	Chief Auditor	Shri Brijesh Mehta

Yours sincerely,


COMMISSIONER
RAJKOT MUNICIPAL CORPORATION
Shri Anand Babulal Patel (I.A.S)
Municipal Commissioner

Copy to:
MV Kini, Law Firm
Kini House, 6/39, Jangpura B, New Delhi-110014



RAJKOT MUNICIPAL CORPORATION

Dated: August 05, 2024

To,
A.K. Capital Services Limited,
 Unit No. 603, 6th floor,
 Windsor, Off CST Road,
 Kalina, Santacruz-(East),
 Mumbai- 400 098, India.

Subject: Private Placement of Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds in the nature of Debentures of Face Value of Rs. 2 Lakh Each, comprising of 2 (Two) Separately Transferable and Redeemable Principal Parts ("STRPP") namely 1 STRPP A of Face Value of Rs. 1 Lakh and 1 STRPP B of Face Value of Rs. 1 Lakh, for Cash, Aggregating Total Issue Size not exceeding Rs. 100 Crores ("Bonds" or "Debentures").

Dear Sir/Ma'am,

I, Shri D.P. Desai (I.A.S), hereby confirm the following:

The Urban Development and Urban Housing Department, Government of Gujarat vide its resolution no. UDUHD/SPP/e-file/18/2023/10076/P Section dated March 15, 2024, had approved the proposed bond issuance by Issuer for issuing Taxable Bonds in form of debenture up to Rs. 100 crores (One Hundred Crores Only) under section 109 of the Gujarat Provincial Municipal Corporation Act, 1949 and authorised the Municipal Commissioner for various decisions, activities and signing documents/appointments/ agreements related to the bond issuance process ("State Approval").

Subsequently, under the powers from the State Approval, the Standing Committee vide its Resolution No. 416 dated January 08, 2024 and the General Board vide its Resolution No. 139 dated January 19, 2024, had approved the issuance of bonds and formation of Bond Issue Committee.

The Bond Issue Committee currently consists of the following members:

S. No.	Designation	Name
1.	Municipal Commissioner	Shri D. P. Desai (I.A.S)
2.	Deputy Commissioner	Shri Chetanbhai Kiritbhai Nandani
3.	Chief Accountant	Shri Amitkumar Lalitbhai Savajiyani
4.	Nodal Officer (Amrut Yojana)	Shri Yogendragiri Keshavgiri Goswami
5.	Chief Auditor	Shri Brijesh Mehta

Yours sincerely,

Shri D. P. Desai (I.A.S)
Municipal Commissioner



Copy to:
 MV Kini, Law Firm
 Kini House
 6/39, Jangpura B
 New Delhi-110014



RAJKOT MUNICIPAL CORPORATION

Dated: October 16, 2024

To,

A.K. Capital Services Limited,
Unit No. 603, 6th floor,
Windsor, Off CST Road,
Kalina, Santacruz-(East),
Mumbai- 400 098, India.

Subject: Private Placement of Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds in the nature of Debentures of Face Value of Rs. 2 Lakh Each, comprising of 2 (Two) Separately Transferable and Redeemable Principal Parts ("STRPP") namely 1 STRPP A of Face Value of Rs. 1 Lakh and 1 STRPP B of Face Value of Rs. 1 Lakh, for Cash, Aggregating Total Issue Size not exceeding Rs. 100 Crores ("Bonds" or "Debentures").

Dear Sir/Ma'am,

I, Shri D.P. Desai (I.A.S), hereby confirm the following:

The Urban Development and Urban Housing Department, Government of Gujarat vide its resolution no. UDUHD/SPP/e-file/18/2023/10076/P Section dated March 15, 2024, had approved the proposed bond issuance by Issuer for issuing Taxable Bonds in form of debenture up to Rs. 100 crores (One Hundred Crores Only) under section 109 of the Gujarat Provincial Municipal Corporation Act, 1949 and authorised the Municipal Commissioner for various decisions, activities and signing documents/ appointments/ agreements related to the bond issuance process ("State Approval").

Subsequently, under the powers from the State Approval, the Standing Committee vide its Resolution No. 416 dated January 08, 2024 and the General Board vide its Resolution No. 139 dated January 19, 2024, had approved the issuance of bonds and formation of Bond Issue Committee.

The Bond Issue Committee currently consists of the following members:

S. No.	Designation	Name
1.	Municipal Commissioner	Shri D. P. Desai (I.A.S)
2.	Deputy Commissioner	Shri Chetanbhai Kiritbhai Nandani
3.	Chief Accountant	Shri Amitkumar Lalitbhai Savajiyani
4.	Nodal Officer (Amrut Yojana)	Shri Paresh Dhirenkumar Adhiya
5.	Chief Auditor	Shri Brijesh Mehta

Yours sincerely,

Shri D. P. Desai (I.A.S)
Municipal Commissioner



Copy to:
MV Kini, Law Firm
Kini House
6/39, Jangpura B
New Delhi-110014

ANNEXURE – IV
Debenture Trustee
Consent Letter



Ref. No.: 10880/STCL/DT/2023-24 – 5244

Date: March 22, 2024

Rajkot Municipal Corporation,
Dr. Ambedkar Bhavan,
Dhebar Road,
Rajkot – 360001,
Gujarat, India.

A.K Capital Services Limited
Unit No. 603, 6th floor, Windsor,
off CST Road, Kalina, Santacruz- (East),
Mumbai- 400 098

Dear Sir/ Madam,

Sub: PRELIMINARY PLACEMENT MEMORANDUM FOR PRIVATE PLACEMENT OF UPTO 5,000 (FIVE THOUSAND) RATED, LISTED, TAXABLE, SECURED, REDEEMABLE, NON-CONVERTIBLE MUNICIPAL BONDS IN THE NATURE OF DEBENTURES, OF FACE VALUE OF ₹ 2,00,000/- EACH COMPRISING OF 2 (TWO) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS ("STRPP") NAMELY 1 STRPP A OF FACE VALUE OF ₹ 1,00,000 AND 1 STRPP B OF FACE VALUE OF ₹ 1,00,000) ("BONDS"/ "NCDS"/"DEBENTURES") FOR CASH, FOR AN AMOUNT AGGREGATING UP TO ₹ 100 CRORES (RUPEES ONE HUNDRED CRORES ONLY) ("ISSUE") BY RAJKOT MUNICIPAL CORPORATION (THE "ISSUER").

We, the undersigned, do hereby consent to act as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the preliminary placement memorandum and in the placement memorandum (whether as a draft or otherwise) to be filed with the Securities and Exchange Board of India ("SEBI") and the stock exchange/s where the Bonds are proposed to be listed ("Stock Exchange") and also in all related advertisements and communications sent pursuant to the Issue.

1. The following details with respect to us may be disclosed:

Logo	:	
Name	:	SBICAP Trustee Company Limited
Address	:	04th Floor, Mistry Bhavan, 122 Dinshaw Vachha Road, Churchgate, Mumbai- 400020
Tel.	:	022- 4302 5566
Fax	:	NA
E-mail	:	corporate@sbicaptrustee.com / dt@sbicaptrustee.com
Investor Grievance e-mail	:	investor.cell@sbicaptrustee.com
Website	:	www.sbicaptrustee.com
Contact Person	:	Mr. Ardhendu Mukhopadhyay
Compliance Officer	:	Mr. Rajiv Ranjan
Tel. (Compliance Officer)	:	022 43025547
Email (Compliance Officer)	:	rajiv.ranjan@sbicaptrustee.com
SEBI Registration Number	:	IND000000536
CIN	:	U65991MH2005PLC158386



SBICAP Trustee Company Ltd.

Registered & Corporate Office : 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai, Pin - 400 020.

☎ +91 22 4302 5566 / +91 22 4302 5555 ✉ corporate@sbicaptrustee.com CIN : U65991MH2005PLC158386

UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006) - UDYAM-MH-19-0111411

www.sbicaptrustee.com

A Group Company of SBI

2. We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate is attached as **Annexure A** and a declaration regarding our registration with SEBI in the required format is annexed as **Annexure B** hereto.
3. We also confirm that we have not been prohibited by SEBI to act as an intermediary including, without limitation, in capital market issues, nor we have been debarred from functioning by any regulatory authority. We hereby authorise you/ your representatives to deliver this letter of consent and make disclosures in relation to the same to Stock Exchange, SEBI or any other statutory/regulatory authority, if required by such authority pursuant to the provisions of applicable laws, and to share, as necessary, with the advisors and intermediaries duly appointed in this regard for their reliance, in respect of the Issue.
4. We hereby confirm that there are no disciplinary actions or any enforcement action/ adjudication taken by SEBI or any regulatory authority against us *except as disclosed in Annexure C*, from the time of our registration.
5. We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Issuer in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Issuer.
6. We undertake that we shall immediately intimate the Issuer and the merchant banker to the Issue of any changes in the aforementioned details until the listing and trading of the Bonds on the Stock Exchange. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of Bonds on the Stock Exchange.
7. This letter may be relied upon by the Issuer, the merchant banker and the legal advisor to the Issue.

Sincerely,

For SBICAP Trustee Company Limited


Authorized Signatory

Name: Ms. Meenal Purswani

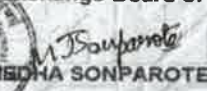
Designation: Head – Legal, Risk & Compliance

CC:

Legal Advisor to the Issue

MV Kini, Law Firm,
Kini House,
6/39 Jangpura-B
New Delhi 110 014

Annexure A
[Copy of Registration Certificate to be provided]

डिबेंचर न्यासी	प्रारूप नं. FORM-B	DEBENTURE TRUSTEE
भारतीय प्रतिभूति और विनियम बोर्ड SECURITIES AND EXCHANGE BOARD OF INDIA (डिबेंचर न्यासी) विनियम, 1993 (DEBENTURE TRUSTEE) REGULATIONS, 1993		
000 256	(विनियम 8) (Regulation 8)	(Regulation 8A)
रजिस्ट्रीकरण प्रमाणपत्र PERMANENT REGISTRATION CERTIFICATE OF REGISTRATION		
1) बोर्ड भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित इस अधिनियम की धारा 12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करत हुए, 1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to		
SBICAP TRUSTEE COMPANY LIMITED 202, MAKER TOWER, "E" WING 20TH FLOOR, CUFF PARADE MUMBAI - 400005 MAHARASHTRA		
को नियमा में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है। as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.		
2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है। 2) Registration Code for the debenture trustee is IND000000638		
3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमाम्य है। 3) Unless renewed, the certificate of registration is valid from to		
3) This Certificate of Registration shall be valid for permanent, unless suspended or cancelled by the Board		
स्थान Place : MUMBAI तारीख Date : OCTOBER 06, 2016		आवेदक से भारतीय प्रतिभूति और विनियम बोर्ड के लिए और उसकी ओर से By order For and on behalf of Securities and Exchange Board of India  MEDHA SONPAROTE Authorised Signatory



Annexure B

March 22, 2024

Rajkot Municipal Corporation,
Dr. Ambedkar Bhavan,
Dhebar Road,
Rajkot – 360001,
Gujarat, India.

A.K Capital Services Limited
Unit No. 603, 6th floor, Windsor,
off CST Road, Kalina, Santacruz- (East),
Mumbai- 400 098

Dear Sir/ Madam,

Sub: PRELIMINARY PLACEMENT MEMORANDUM FOR PRIVATE PLACEMENT OF UPTO 5,000 (FIVE THOUSAND) RATED, LISTED, TAXABLE, SECURED, REDEEMABLE, NON-CONVERTIBLE MUNICIPAL BONDS IN THE NATURE OF DEBENTURES, OF FACE VALUE OF ₹ 2,00,000/- EACH COMPRISING OF 2 (TWO) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS ("STRPP") NAMELY 1 STRPP A OF FACE VALUE OF ₹ 1,00,000 AND 1 STRPP B OF FACE VALUE OF ₹ 1,00,000 ("BONDS"/ "NCDS"/"DEBENTURES") FOR CASH, FOR AN AMOUNT AGGREGATING UP TO ₹ 100 CRORES (RUPEES ONE HUNDRED CRORES ONLY) ("ISSUE") BY RAJKOT MUNICIPAL CORPORATION (THE "ISSUER").

1. We refer to our consent letter dated March 22, 2024 bearing reference number: 10880/STCL/DT/2023-24 – 5244. We hereby confirm that as on date of our Consent Letter, the following details in relation to our registration with the Securities and Exchange Board of India ("SEBI") as Debenture Trustee to the Issue are true and correct:

S. No.	Particulars	Details
1.	Registration Number	IND000000536
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	06th October, 2015
3.	Date of expiry of registration	Permanent
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	No
5.	Details of any pending inquiry/ investigation being conducted by SEBI	No
6.	Details of any penalty imposed by SEBI	No

2. We shall immediately intimate the Issuer and the merchant banker for the Issue of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the



relevant stock exchange, where the Bonds are proposed to be listed ("Stock Exchange"). In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the Bonds on the Stock Exchange.

Sincerely

For SBICAP Trustee Company Limited



Authorized Signatory

Name: Ms. Meenal Purswani

Designation: Head – Legal, Risk & Compliance

Legal Advisor to the Issue

MV Kini, Law Firm,
Kini House,
6/39 Jangpura-B
New Delhi 110 014

Annexure C

S. No.	SEBI/ Regulatory Authority	Details of disciplinary action similar to any enforcement action/ adjudication taken by SEBI/ Regulatory Authority
1.	SEBI/ Name of regulatory Authority	NIL

Sincerely

For SBICAP Trustee Company Limited


 Authorized Signatory
**Name:** Ms. Meenal Purswani**Designation:** Head – Legal, Risk & Compliance



**SBICAP
Trustee**

SBICAP Trustee Company Ltd.

Ref No. 0227/2023-2024/CL - 5244

27th October 2023.

Rajkot Municipal Corporation
Dr. Ambedkar Bhavan Dhebar Road
Rajkot - 360001

Dear Sir,

Sub: - Commercial Consent to act as Debenture Trustee for Listed, Secured Bond Issue aggregating to Rs. 100 crores

This is with reference to our discussion for the appointment of SBICAP Trustee Company Limited as Debenture / Bond Trustee for your proposed Listed Secured Bond issue aggregating to Rs. 100 crores.

In this connection, we hereby give our consent to act as Debenture Trustee on the following fee terms :

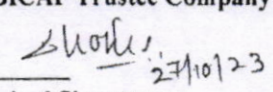
Sr. No	Description	Amount
1	Acceptance Fees (one time)	Rs. 50,000/- plus applicable taxes.
2	Annual Service Charges	Rs. 50,000/- plus applicable taxes. i) For the 1 st year, the annual fee is payable in advance from the date of execution of documents /allotment of Bonds. ii) The annual fee for subsequent years shall be payable in advance immediately upon raising of invoice on every April of Financial Year iii) The annual fee is payable by the Company till the satisfaction of charges created or release of all security /documents/ redemption of entire issuance.
3	Trust Settlement Fee	Rs. 1,000/- Refundable after redemption of Bonds/debentures.
4	CERSAI Fees (if applicable)	Rs. 2,000/-
5	Out Of Pocket Expenses (if any)	On actual basis
6	Documentation charges(if any)	On actual basis

You are requested to kindly countersign the copy of this letter.

With warm regards,

Yours faithfully,

For SBICAP Trustee Company Limited


Authorized Signatory




We accept the above terms

For Rajkot Municipal Corporation

Authorized Signatory

(Signature with stamp)



Registered & Corporate Office : 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai, Pin - 400 020.

☎ +91 22 4302 5566 / +91 22 4302 5555 ✉ corporate@sbicaptrustee.com CIN : U65991MH2005PLC158386

UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006) - UDYAM-MH-19-0111411

www.sbicaptrustee.com

A Group Company of SBI

ANNEXURE – V
Illustration of Bond
Cash Flow

**ILLUSTRATIVE CASH FLOW AND DAY COUNT CONVENTION ILLUSTRATION FOR
GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF
HOLIDAYS ON PAYMENTS**

The minimum application size being 5 (Five) NCDs of face value of Rs. 2,00,000 (i.e. 5 NCDs comprising of 5 STRPP A and 5 STRPP B) and in multiple of 1 (One) NCD (comprising of 1 STRPP A and 1 STRPP B) thereafter. For each NCD allotted, the investors will be allotted 2 STRPPs of different ISINs which are individually tradable post listing.

Upon Allotment, an Investor will be allotted all 2 STRPPs of an NCD against the equivalent amount invested by such Investor. However, subsequent to listing, the Trading Lot shall be of 1 (one) STRPP forming part of any NCD, bearing individual ISIN which will be tradable by the NCD Holders.

Series I - STRPP A

Face Value per STRPP A (in Rs.)	100000
Number of STRPP A held	1
Date of allotment	October 18, 2024
Tenor	4 Years
Coupon Rate (p.a.)	7.90%
Redemption Date/Maturity Date	October 18, 2028
Frequency of interest payment	Quarterly
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Date of allotment	Friday, 18 October, 2024	Friday, 18 October, 2024		-100000
Coupon/Interest Payment 1	Saturday, 18 January, 2025	Monday, 20 January, 2025	92	1991.23
Coupon/Interest Payment 2	Friday, 18 April, 2025	Friday, 18 April, 2025	90	1947.95
Coupon/Interest Payment 3	Friday, 18 July, 2025	Friday, 18 July, 2025	91	1969.59
Coupon/Interest Payment 4	Saturday, 18 October, 2025	Monday, 20 October, 2025	92	1991.23
Coupon/Interest Payment 5	Sunday, 18 January, 2026	Monday, 19 January, 2026	92	1991.23
Coupon/Interest Payment 6	Saturday, 18 April, 2026	Monday, 20 April, 2026	90	1947.95
Coupon/Interest Payment 7	Saturday, 18 July, 2026	Monday, 20 July, 2026	91	1969.59
Coupon/Interest Payment 8	Sunday, 18 October, 2026	Monday, 19 October, 2026	92	1991.23
Coupon/Interest Payment 9	Monday, 18 January, 2027	Monday, 18 January, 2027	92	1991.23
Coupon/Interest Payment 10	Sunday, 18 April, 2027	Monday, 19 April, 2027	90	1947.95
Coupon/Interest Payment 11	Sunday, 18 July, 2027	Monday, 19 July, 2027	91	1969.59
Coupon/Interest Payment 12	Monday, 18 October, 2027	Monday, 18 October, 2027	92	1991.23
Coupon/Interest Payment 13	Tuesday, 18 January, 2028	Tuesday, 18 January, 2028	92	1985.79
Coupon/Interest Payment 14	Tuesday, 18 April, 2028	Tuesday, 18 April, 2028	91	1964.21
Coupon/Interest Payment 15	Tuesday, 18 July, 2028	Tuesday, 18 July, 2028	91	1964.21
Coupon/Interest Payment 16	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028	92	1985.79
Principal	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028		100000

Series II - STRPP B

Face Value per STRPP B (in Rs.)	100000
Number of STRPP B held	1
Date of allotment	October 18, 2024
Tenor	5 Years
Coupon Rate (p.a.)	7.90%
Redemption Date/Maturity Date	October 18, 2029
Frequency of interest payment	Quarterly
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Date of allotment	Friday, 18 October, 2024	Friday, 18 October, 2024		-100000
Coupon/Interest Payment 1	Saturday, 18 January, 2025	Monday, 20 January, 2025	92	1991.23
Coupon/Interest Payment 2	Friday, 18 April, 2025	Friday, 18 April, 2025	90	1947.95
Coupon/Interest Payment 3	Friday, 18 July, 2025	Friday, 18 July, 2025	91	1969.59
Coupon/Interest Payment 4	Saturday, 18 October, 2025	Monday, 20 October, 2025	92	1991.23
Coupon/Interest Payment 5	Sunday, 18 January, 2026	Monday, 19 January, 2026	92	1991.23
Coupon/Interest Payment 6	Saturday, 18 April, 2026	Monday, 20 April, 2026	90	1947.95
Coupon/Interest Payment 7	Saturday, 18 July, 2026	Monday, 20 July, 2026	91	1969.59
Coupon/Interest Payment 8	Sunday, 18 October, 2026	Monday, 19 October, 2026	92	1991.23
Coupon/Interest Payment 9	Monday, 18 January, 2027	Monday, 18 January, 2027	92	1991.23
Coupon/Interest Payment 10	Sunday, 18 April, 2027	Monday, 19 April, 2027	90	1947.95
Coupon/Interest Payment 11	Sunday, 18 July, 2027	Monday, 19 July, 2027	91	1969.59
Coupon/Interest Payment 12	Monday, 18 October, 2027	Monday, 18 October, 2027	92	1991.23
Coupon/Interest Payment 13	Tuesday, 18 January, 2028	Tuesday, 18 January, 2028	92	1985.79
Coupon/Interest Payment 14	Tuesday, 18 April, 2028	Tuesday, 18 April, 2028	91	1964.21
Coupon/Interest Payment 15	Tuesday, 18 July, 2028	Tuesday, 18 July, 2028	91	1964.21
Coupon/Interest Payment 16	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028	92	1985.79
Coupon/Interest Payment 17	Thursday, 18 January, 2029	Thursday, 18 January, 2029	92	1991.23
Coupon/Interest Payment 18	Wednesday, 18 April, 2029	Wednesday, 18 April, 2029	90	1947.95
Coupon/Interest Payment 19	Wednesday, 18 July, 2029	Wednesday, 18 July, 2029	91	1969.59
Coupon/Interest Payment 20	Thursday, 18 October, 2029	Thursday, 18 October, 2029	92	1991.23
Principal	Thursday, 18 October, 2029	Thursday, 18 October, 2029		100000

ANNEXURE – VI

Budget Documents



RAJKOT MUNICIPAL CORPORATION
ACCOUNT BRANCH
DR.AMBEDKAR BHAVAN, DHEBARBHAI ROAD, RAJKOT

Budget Summary For the year 2021-22

CONSOLIDATE BUDGET

(Amt. Rs.In Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CENTER	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2017-18	2018-19	2019-20	2020-21	30/11/20	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	5	6	7	8	9	10	11	12	13
		PART-1A	OPENING BALANCE	25807.20	15391.70	15353.83	1071.88	13152.56	13152.56	1211.99	13152.56	1901.83	13152.56	1901.83
			REVENUE INCOME	62423.66	68328.32	65480.59	70914.30	36755.33	68718.00	80548.95	68571.84	80898.95	68571.84	80898.95
			CAPITAL INCOME	41469.71	38001.89	54566.66	115935.59	14412.33	69188.82	125876.77	69188.82	126446.77	69188.82	126446.77
			LOAN INCOME	0.00	0.00	0.00	18763.20	0.00	0.00	15000.00	0.00	15000.00	0.00	15000.00
			TOTAL INCOME	103893.37	106330.21	120047.25	205613.09	51167.66	137906.82	221425.72	137760.66	222345.72	137760.66	222345.72
			TOTAL WITH BALANCE	129700.57	121721.91	135401.08	206684.97	64320.22	151059.38	222637.71	150913.22	224247.55	150913.22	224247.55
			REVENUE EXPENSE	58591.78	58401.87	60781.58	70120.59	38105.50	66563.90	74869.36	66444.24	75100.11	66444.24	75100.11
			CAPITAL EXPENSE	55717.09	47966.21	61466.94	136456.37	20155.12	83283.49	147628.76	82567.15	148941.76	82567.15	148941.76
			TOTAL EXPENSE	114308.87	106368.08	122248.52	206576.96	58260.62	149847.39	222498.12	149011.39	224041.87	149011.39	224041.87
			BALANCE	15391.70	15353.83	13152.56	108.00	6059.60	1211.99	139.58	1901.83	205.67	1901.83	205.67
			PROPOSED TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			BALANCE	15391.70	15353.83	13152.56	108.00	6059.60	1211.99	139.58	1901.83	205.67	1901.83	205.67

Net
Chief Accountant
Rajkot Municipal Corporation



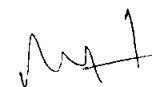
RAJKOT MUNICIPAL CORPORATION
ACCOUNT BRANCH
DR.AMBEDKAR BHAVAN, DHEBARBHAI ROAD, RAJKOT

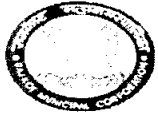
Budget Summary For the year 2021-22

CONSOLIDATE BUDGET

(Amt. Rs.In Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CENTER	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2017-18	2018-19	2019-20	2020-21	30/11/20	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	5	6	7	8	9	10	11	12	13
		PART-1B												
			OPENING BALANCE	23759.25	24055.83	32329.49	33142.49	33515.17	33515.17	35625.41	33515.17	35625.41	33515.17	35625.41
			DEPOSIT INCOME	4779.07	12085.90	8004.60	7532.75	4381.96	6695.09	7604.50	6695.09	7604.50	6695.09	7604.50
			DEPOSIT EXPENSE	4482.49	3812.24	6818.92	6637.95	3049.90	4584.85	5082.34	4584.85	5082.34	4584.85	5082.34
			BALANCE	24055.83	32329.49	33515.17	34037.29	34847.23	35625.41	38147.57	35625.41	38147.57	35625.41	38147.57
			TOTAL INCOME	108672.44	118416.11	128051.85	213145.83	55549.62	144601.91	229030.21	144455.75	229950.21	144455.75	229950.21
			TOTAL EXPENSE	118791.36	110180.32	129067.44	213214.91	61310.52	154432.24	227580.46	153596.24	229124.21	153596.24	229124.21


Chief Accountant
Rajkot Municipal Corporation



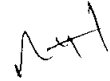
RAJKOT MUNICIPAL CORPORATION
ACCOUNT BRANCH
DR.AMBEDKAR BHAVAN, DHEBARBHAI ROAD, RAJKOT

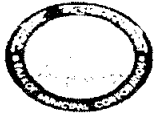
Budget Summary For the year 2022-23

CONSOLIDATED BUDGET

(Amt. Rs. in Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CODE	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2018-19	2019-20	2020-21	2021-22	30/11/21	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	5	6	7	8	9	10	11	12	13
	Revenue/ Capital		OPENING BALANCE	15391.70	15353.83	13152.56	1901.83	5687.92	5687.92	78.42	5687.92	493.55	5687.92	493.55
		PART-1A	REVENUE INCOME	68328.32	65480.59	56676.82	80898.95	38818.44	73441.32	82163.29	73451.32	83163.13	73451.32	83163.13
			CAPITAL INCOME	38001.89	54566.66	47860.85	126446.77	36336.01	87014.89	136483.14	87054.11	137782.00	87054.11	137782.00
			LOAN INCOME	0.00	0.00	0.00	15000.00	0.00	15000.00	5000.00	15000.00	5000.00	15000.00	5000.00
			TOTAL INCOME	106330.21	120047.25	104537.67	222345.72	75154.45	175456.21	223646.43	175505.43	225945.13	175505.43	225945.13
			TOTAL WITH BALANCE	121721.91	135401.08	117690.23	224247.55	80842.37	181144.12	223724.85	181193.35	226438.68	181193.35	226438.68
			REVENUE EXPENSE	58401.87	60781.58	60117.67	75100.11	44523.53	73209.43	81957.26	72876.64	81506.02	72876.64	81506.02
			CAPITAL EXPENSE	47966.21	61466.94	51884.64	148941.76	35109.46	107856.28	143052.26	107823.16	145572.26	107823.16	145572.26
			TOTAL EXPENSE	106368.08	122248.52	112002.31	224041.87	79632.99	181065.70	225009.52	180699.79	227078.28	180699.79	227078.28
			BALANCE	15353.83	13152.56	5687.92	205.67	1209.38	78.42	-1284.67	493.55	-639.60	493.55	-639.60
			PROPOSEO TAXES	0.00	0.00	0.00	0.00	0.00	0.00	1500.00	0.00	850.00	0.00	850.00
			BALANCE	15353.83	13152.56	5687.92	205.67	1209.38	78.42	215.33	493.55	210.40	493.55	210.40


Chief Accountant
Rajkot Municipal Corporation



RAJKOT MUNICIPAL CORPORATION
ACCOUNT BRANCH
DR.AMBEDKAR BHAVAN, DHEBARBHAI ROAD, RAJKOT

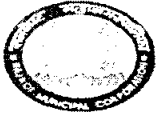
Budget Summary For the year 2022-23

CONSOLIDATED BUDGET

(Amt. Rs. in Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CODE	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2018-19	2019-20	2020-21	2021-22	30/11/21	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	5	6	7	8	9	10	11	12	13
	Deposit	PART-1B	OPENING BALANCE	24055.83	32329.49	33515.17	35625.41	36895.01	36895.01	41225.35	36895.01	41222.35	36895.01	41222.35
			DEPOSIT INCOME	12085.90	8004.60	9358.11	7604.50	7970.01	11783.26	12216.60	11783.26	12216.60	11783.26	12216.60
			DEPOSIT EXPENSE	3812.24	6818.92	5978.27	5082.34	3062.97	7452.92	8485.10	7455.92	8500.10	7455.92	8500.10
			BALANCE	32329.49	33515.17	36895.01	38147.57	41802.05	41225.35	44956.85	41222.35	44938.84	41222.35	44938.84
			TOTAL INCOME	118416.11	128051.85	113895.78	229950.21	83124.46	187239.47	237363.03	187288.68	239011.73	187288.68	239011.73
			TOTAL EXPENSE	110180.32	129067.44	117980.58	229124.21	82695.96	188518.62	233494.62	188155.71	235578.38	188155.71	235578.38

[Signature]
Chief Accountant
Rajkot Municipal Corporation



Budget Summary For the year 2023-24

CONSOLIDATED BUDGET

(Amt. Rs. in Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CODE	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2019-20	2020-21	2021-22	2022-23	30/11/22	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	7	8	9	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
	REVENUE/ CAPITAL	PART-1A	OPENING BALANCE	15353.83	13152.56	5687.92	493.55	673.89	673.89	191.63	673.89	331.88	673.89	331.88
			REVENUE INCOME	65480.59	56676.82	61266.34	84013.13	50060.97	83469.66	87074.63	83465.51	97899.08	83465.51	97899.08
			CAPITAL INCOME	54566.66	47860.85	67726.46	137782.00	50348.16	103130.96	153711.39	103130.96	153711.39	103130.96	153711.39
			LOAN INCOME	0.00	0.00	0.00	5000.00	5000.00	20000.00	0.00	20000.00	0.00	20000.00	0.00
			TOTAL INCOME	120047.25	104537.67	128992.80	226795.13	105409.13	206600.62	240786.02	206596.47	251610.47	206596.47	251610.47
			TOTAL WITH BALANCE	135401.08	117690.23	134680.72	227288.68	106083.02	207274.51	240977.65	207270.36	251942.35	207270.36	251942.35
			REVENUE EXPENSE	60781.58	60117.67	66686.17	81506.02	48683.66	79205.95	90771.08	79239.67	91009.97	79239.67	91009.97
			CAPITAL EXPENSE	61466.94	51884.64	67320.66	145572.26	47362.95	127876.93	159908.42	127698.81	164767.30	127698.81	164767.30
			LOAN REPAYMENT											
			TOTAL EXPENSE	122248.52	112002.31	134006.83	227078.28	96046.61	207082.88	250679.51	206938.48	255777.28	206938.48	255777.28
			BALANCE	13152.56	5687.92	673.89	210.40	10036.41	191.63	-9701.86	331.88	-3834.93	331.88	-3834.93
			PROPOSED TAXES	0.00	0.00	0.00	0.00	0.00	0.00	10036.20	0.00	3997.21	0.00	3997.21
			BALANCE	13152.56	5687.92	673.89	210.40	10036.41	191.63	334.34	331.88	162.29	331.88	162.29

Net
Chief Accountant
Rajkot Municipal Corporation



Budget Summary For the year 2023-24

CONSOLIDATED BUDGET

(Amt. Rs. in Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CODE	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2019-20	2020-21	2021-22	2022-23	30/11/22	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	DEPOSIT	PART-1B	OPENING BALANCE	32329.49	33515.17	36895.01	41222.35	37111.75	37111.75	43918.66	37111.75	43918.66	37111.75	43918.66
			DEPOSIT INCOME	8004.60	9358.11	12032.20	12216.60	10991.71	14312.14	14521.17	14312.14	14521.17	14312.14	14521.17
			DEPOSIT EXPENSE	6818.92	5978.27	11815.46	8500.10	4586.67	7505.23	8002.78	7505.23	8002.78	7505.23	8002.78
			BALANCE	33515.17	36895.01	37111.75	44938.84	43516.79	43918.66	50437.05	43918.66	50437.05	43918.66	50437.05
			TOTAL INCOME	128051.85	113895.78	141025.00	239011.73	116400.84	220912.75	265343.40	220908.60	270128.86	220908.60	270128.86
			TOTAL EXPENSE	129067.44	117980.58	145822.29	235578.38	100633.28	214588.11	258682.28	214443.71	263780.05	214443.71	263780.05


Chief Accountant
Rajkot Municipal Corporation



RAJKOT MUNICIPAL CORPORATION
ACCOUNT BRANCH
DR.AMBEDKAR BHAVAN, DHEBARBHAI ROAD, RAJKOT

Budget Summary For the year 2024-25

CONSOLIDATED BUDGET

(Amt. Rs. in Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CENTER	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2020-21	2021-22	2022-23			REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
				2023-24	2024-25	2025-26			2023-24	2024-25	2023-24	2024-25	2023-24	2024-25
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		PART-1A	OPENING BALANCE	13152.56	5687.92	673.89	331.88	4735.88	4735.88	2128.81	4735.88	3375.24	4735.88	3375.24
			REVENUE INCOME	56676.82	61266.34	77203.33	101896.30	63879.11	94204.91	100321.80	95128.06	101249.30	95128.06	101249.30
			CAPITAL INCOME	47860.85	67726.46	94184.41	153711.39	69355.18	129215.45	145783.95	129215.45	147283.95	129215.45	147283.95
			LOAN INCOME	0.00	0.00	5000.00	0.00	0.00	10000.00	20000.00	10000.00	20000.00	10000.00	20000.00
			TOTAL INCOME	104537.67	128992.80	176387.74	255607.69	133234.29	233420.36	266105.75	234343.51	268533.25	234343.51	268533.25
			TOTAL WITH BALANCE	117690.23	134680.72	177061.63	255939.57	137970.17	238156.24	268234.55	239079.39	271908.48	239079.39	271908.48
			REVENUE EXPENSE	60117.67	66686.17	73253.64	91009.97	53114.68	87195.09	100298.26	86879.01	98786.76	86879.01	98786.76
			CAPITAL EXPENSE	51884.64	67320.66	95072.12	160767.30	28458.09	146582.34	164667.86	146575.14	168750.36	146575.14	168750.36
			LOAN REPAYMENT	0.00	0.00	4000.00	4000.00	1000.00	2250.00	4500.00	2250.00	4500.00	2250.00	4500.00
			TOTAL EXPENSE	112002.31	134006.83	172325.75	255777.28	82572.77	236027.43	269466.11	235704.15	272037.11	235704.15	272037.11
			BALANCE	5687.92	673.89	4735.88	162.29	55397.40	2128.81	-1231.56	3375.24	-128.63	3375.24	-128.63
			PROPOSED TAXES	0.00	0.00	0.00	0.00	0.00	0.00	1777.30	0.00	250.00	0.00	250.00
			BALANCE	5687.92	673.89	4735.88	162.29	55397.40	2128.81	545.74	3375.24	121.37	3375.24	121.37

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Chief Accountant
Rajkot Municipal Corporation



RAJKOT MUNICIPAL CORPORATION
ACCOUNT BRANCH
DR.AMBEDKAR BHAVAN, DHEBARBHAI ROAD, RAJKOT

Budget Summary For the year 2024-25

CONSOLIDATED BUDGET

(Amt. Rs. in Lacs)

BUDGET CODE	BUDGET CENTER	ACCOUNT CODE	ACCOUNT CENTER	ACTUAL			ORIGINAL	ACTUAL	PROPOSED BY COMMISSIONER		PASSED BY STANDING COMMITTEE		APPROVED BY GENERAL BOARD	
				2020-21	2021-22	2022-23	2023-24	30/11/23	REVISE	ESTIMATE	REVISE	ESTIMATE	REVISE	ESTIMATE
1	2	3	4	5	6	5	6	7	8	9	10	11	12	13
		PART-1B												
			OPENING BALANCE	33515.17	36895.01	37111.75	43918.66	47486.81	47486.81	53015.31	47486.81	53015.31	47486.81	53015.31
			DEPOSIT INCOME	9358.11	12032.20	21464.32	14521.17	8956.79	16745.68	13930.21	16745.68	13930.21	16745.68	13930.21
			DEPOSIT EXPENSE	5978.27	11815.46	11089.26	8002.78	5917.63	11217.17	12314.79	11217.17	12314.79	11217.17	12314.79
			BALANCE	36895.01	37111.75	47486.81	50437.06	50525.97	53015.31	54630.73	53015.31	54630.73	53015.31	54630.73
			TOTAL INCOME	113895.78	141025.00	197852.06	270128.86	142191.08	250166.04	281813.26	251089.19	282713.46	251089.19	282713.46
			TOTAL EXPENSE	117980.58	145822.29	183415.01	263780.05	88490.40	247244.61	281780.91	246921.33	284351.91	246921.33	284351.91

[Signature]
Chief Accountant
Rajkot Municipal Corporation