Private & Confidential – For Private Circulation Only

Serial No.:
Addressed to:

Dated: March 28, 2025

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

AGRA NAGAR NIGAM

A municipal corporation constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established on May 31, 1994 under the Uttar Pradesh Municipal Corporation Act, 1959 vide letter dated May 24, 1994 read with notification bearing reference number 1743A/9-7-94-14J/94 dated May 24, 1994.

Head Office: 1, M.G. Road, Near Sursadan, Agra, Uttar Pradesh, 282002

Contact Person cum Compliance Officer: Brijesh Singh **Tel:** +91-7310672225; **E-mail**: bondsann2022@gmail.com **Website**: www.nagarnigamagra.com

PLACEMENT MEMORANDUM FOR PRIVATE PLACEMENT OF UPTO 1,250 (ONE THOUSAND TWO HUNDERED AND FIFTY) RATED, LISTED, TAXABLE, SECURED, REDEEMABLE, NON-CONVERTIBLE MUNICIPAL BONDS IN THE NATURE OF DEBENTURES OF FACE VALUE OF ₹ 4,00,000/- (RUPEES FOUR LAKH ONLY) ("BONDS"/"NCDS"/"DEBENTURES") EACH COMPRISING OF 4 (FOUR) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS ("STRPPS") NAMELY 1 STRPP A OF FACE VALUE OF ₹ 1,00,000, 1 STRPP B OF FACE VALUE OF ₹ 1,00,000, 1 STRPP C OF FACE VALUE OF ₹ 1,00,000 AND 1 STRPP D OF FACE VALUE OF ₹ 1,00,000) FOR CASH, FOR AN AMOUNT AGGREGATING UP TO ₹ 50 CRORES (RUPEES FIFTY CRORES ONLY) ("ISSUE") BY AGRA NAGAR NIGAM (THE "ISSUER"/ "CORPORATION"/ "ANN").

BACKGROUND

This Placement Memorandum is related to the Bonds to be issued by Agra Nagar Nigam 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.

GENERALRISK

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 this 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, this Placement Memorandum 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 RATINGS

The Bonds proposed to be issued by the Agra Nagar Nigam have been rated by India Ratings and Research Limited ("**India Ratings**") and Acuite Ratings & Research Limited ("**Acuite**") (India Ratings and Acuite collectively referred to as the "**Rating Agencies**"). India Ratings has assigned a rating of Provisional IND AA/Stable vide its letter dated April 2, 2024, revalidated by its letters dated February 10, 2025, March 21, 2025 and March 28, 2025, and has issued a rating rationale dated March 28, 2025. Further, Acuite has assigned a rating of ACUITE Provisional AA (Stable), vide its letter dated March 29, 2024 revalidated by its letters dated February 5, 2025, March 24, 2025, and March 27, 2025 and has issued a rating rationale dated March 27, 2025. 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. There are no unaccepted ratings and any other ratings other than as specified in this Placement Memorandum.

MERCHANT BANKER	DEBENTURE TRUSTEE	REGISTRAR
A. K. CAPITAL SERVICES LIMITED 603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra **Tel**: +91 22 6754 6500 **Email:** agramunibonds@akgroup.co.in **Investor Grievance Email:** investor.grievance@akgroup.co.in **Website**: www.akgroup.co.in **Contact person**: Varun Kaushik **Compliance Officer:** Tejas Davda **SEBI Registration No**.: INM000010411 **CIN**: L74899MH1993PLC274881	**BEACON TRUSTEESHIP LIMITED** 5W, 5th Floor, The Metropolitan, E-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051 **Tel:** +91 22 46060278 **Email**: compliance@beacontrustee.co.in **Investor Grievance Email**: investorgrievances@beacontrustee.co.in **Website**: www.beacontrustee.co.in **Contact Person**: Kaustubh Kulkarni **SEBI Registration No**: IND000000569 **CIN**: U74999MH2015PLC271288	**KFIN TECHNOLOGIES LIMITED** Selenium, Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500 032 **Tel:** +91 40 6716 2222 **Email:** agra.ncdipo@kfintech.com **Investor Grievance email:** einward.ris@kfintech.com **Website:** www.kfintech.com **Contact Person:** M Murali Krishna **SEBI Registration No.:** INR000000221 **CIN:** L72400TG2017PLC117649

ISSUE SCHEDULE

ISSUE/BID OPEN DATE	ISSUE/BID CLOSE DATE ON	PAY-IN DATE/DEEMED DATE OF ALLOTMENT
April 11, 2025	April 11, 2025	April 15, 2025

For details pertaining to the Terms of the Issue and Minimum Application Size, please refer to the section titled "*Term Sheet*" beginning on page no. 121 of this Placement Memorandum.

Listing: 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-pone/postpone) the above Issue schedule, including the deemed date of allotment, without giving any reasons or prior notice in accordance with the NSE EBP Guidelines.

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SECTION-I: DISCLAIMERS

1. GENERAL DISCLAIMER AND DISCLAIMER OF AGRA NAGAR NIGAM ("ANN" 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 AGRA NAGAR NIGAM. 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 AGRA NAGAR NIGAM 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. AGRA NAGAR NIGAM 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 PLACEMENT MEMORANDUM, FROM THE DATE OF THIS PLACEMENT MEMORANDUM 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 MAKE AN OFFER TO SUBSCRIBE 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, AS PER APPLICABLE LAWS, NO INTEREST WILL BE PAYABLE ON APPLICATION MONEY.

IT IS THE RESPONSIBILITY OF ALLOTTEES OF THESE BONDS TO ALSO ENSURE THAT IF THEY CHOOSE TO TRANSFER THESE BONDS IT SHALL BE IN STRICT ACCORDANCE WITH THIS PLACEMENT MEMORANDUM AND OTHER APPLICABLE LAWS.

WE BELIEVE OUR INTERNAL ESTIMATES FOR THE PROJECT COST AND SCHEDULE OF IMPLEMENTATION TO BE REASONABLE FOR ALL 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 RESPECTSAND 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 THIS 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 UTTAR PRADESH

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 UTTAR PRADESH. GOVERNMENT OF UTTAR PRADESH 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 THE PRELIMINARY 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 PRELIMINARY PLACEMENT MEMORANDUM TO THE STOCK EXCHANGE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE PRELIMINARY 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 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 RATINGS

USERS OF IRRPL 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.

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. THE RATING AGENCY SHALL NEITHER CONSTRUED TO BE NOR ACTING UNDER THE CAPACITY OR NATURE OF AN 'EXPERT' AS DEFINED UNDER SECTION 2(38) OF THE COMPANIES ACT, 2013. 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 IRPPL RATINGS TO BE IMPORTANT INFORMATION, AND INDIA RATINGS NOTES THAT THE ISSUER ISRESPONSIBLE FOR COMMUNICATING THE CONTENTS OF THIS LETTER, AND ANY CHANGES WITH RESPECT TO THE RATING, TO INVESTORS.

8. DISCLAIMER OF THE RATING AGENCIES: DISCLAIMER OF ACUITE

AN ACUITÉ RATING DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY AND SHOULD NOT BE TREATED AS A RECOMMENDATION OR OPINION THAT IS INTENDED TO SUBSTITUTE FOR A FINANCIAL ADVISER'S OR INVESTOR'S INDEPENDENT ASSESSMENT OF WHETHER TO BUY, SELL OR HOLD ANY SECURITY. RATINGS ASSIGNED BY ACUITÉ ARE BASED ON THE DATA AND INFORMATION PROVIDED BY THE ISSUER AND OBTAINED FROM OTHER RELIABLE SOURCES. ALTHOUGH REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE DATA AND INFORMATION IS TRUE, ACUITÉ, IN PARTICULAR, MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED WITH RESPECT TO THE ADEQUACY, ACCURACY OR COMPLETENESS OF THE INFORMATION RELIED UPON. ACUITÉ IS NOT RESPONSIBLE FOR ANY

ERRORS OR OMISSIONS AND ESPECIALLY STATES THAT IT HAS NO FINANCIAL LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OF ANY KIND, ARISING FROM THE USE OF ITS RATINGS. RATINGS ASSIGNED BY ACUITÉ ARE SUBJECT TO A PROCESS OF SURVEILLANCE WHICH MAY LEAD TO A REVISION IN RATINGS AS AND WHEN THE CIRCUMSTANCES SO WARRANT. PLEASE VISIT OUR WEBSITE (WWW.ACUITE.IN) FOR THE LATEST INFORMATION ON ANY INSTRUMENT RATED BY ACUITÉ. PLEASE VISIT HTTPS://WWW.ACUITE.IN/FAQS.HTM TO REFER FAQS ON CREDIT RATING.

9. 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.

10. 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 TITLED "*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. MERCHANT BANKER HAS OBTAINED A CONFIRMATION FROM THE ISSUER THAT ALL THE DISCLOSURES BEING MADE IN THE PLACEMENT MEMORANDUM ARE IN COMPLIANCE WITH THE REGULATIONS AND DO NOT CONSTITUTE OF ANY NON-PUBLIC INFORMATION OR CONFIDENTIAL INFORMATION.

THE MERCHANT BANKER/ARRANGER IS NOT ACTING AND HAS 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 THE MERCHANT BANKER/ARRANGER DURING THE COURSE OF DILIGENCE HAS PLACED RELIANCE ON ACCURACY AND COMPLETENESS OF INFORMATION PROVIDED BY EXPERTS,

AUDITORS, TECHNICAL CONSULTANTS AND OTHER RELIABLE SOURCES.

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 IS 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 BE APPROVED BY ANY STATUTORY OR REGULATORY AUTHORITIES IN INDIA.

PLEASE NOTE THAT:

A.K. CAPITAL SERVICES LIMITED HAS BEEN APPOINTED AS MERCHANT BANKER/ ARRANGER TO THE ISSUE VIDE ENGAGEMENT LETTER DATED MAY 24, 2023 AND ISSUE AGREEMENT DATED FEBRUARY 17, 2025.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.

11. 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.

12. DISCLAIMER IN RESPECT OF JURISDICTION

ISSUE OF THESE BONDS HAVE BEEN/ WILL BE MADE IN INDIA TO INVESTORS AS SPECIFIED UNDER THE SECTION TITLED "*ISSUE SPECIFIC INFORMATION - PARAGRAPH K(a) (ISSUE PROCEDURE - ELIGIBLE INVESTORS)*" ON PAGE NO. 80 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 AND THE TRANSACTION DOCUMENTS (OTHER THAN THE ISSUE PROCEEDS AGREEMENT) SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE COURTS AND TRIBUNALS AT AGRA. 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. 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 AS PER APPLICABLE LAWS.

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", "project", "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 management of the Issuer, as well as the assumptions made by and information available to management 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
"Issuer" or "Corporation" or "ANN"	Agra Nagar Nigam, constituted under Article 243Q (1)(c) of the Constitution of India, 1949 and established on May 31, 1994 under the Uttar Pradesh Municipal Corporation Act, 1959 vide letter dated May 24, 1994 read with notification bearing reference number 1743A/9-7-94-14J/94 dated May 24, 1994.
"we", "us", "our"	Unless the context otherwise requires, the Corporation or ANN.

Issuer related Terms

TERM	DESCRIPTION
Act/UPMC Act	Uttar Pradesh Municipal Corporation Act, 1959, as amended from time to time
Additional Commissioner	Additional Municipal Commissioner, Agra Nagar Nigam, appointed in terms of the Uttar Pradesh Municipal Corporation Act, 1959.
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 and any subsequent notification, urban local bodies claiming incentive for the first time, incentive amount of ₹ 13,00,00,000/- (Rupees Thirteen Crores) will be given for every ₹ 100,00,00,000/- (Rupees One Hundred Crores) of bonds issued subject to a maximum of ₹ 26,00,00,000 (Rupees Twenty-Six Crores) per urban local body.
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
Auditors	Tandon Mital & Associates (being the current Auditors of the Issuer), appointed as permissible under its constitution documents
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, prepared in accordance with the National Municipal Accounts Manual, audited by Tandon Mital & Associates, the Auditor of the Issuer
AY	Assessment Year
Bond Issue Committee/ Committee	Committee duly formed by Executive Committee vide its resolution dated December 28, 2022 and as approved by House of the Issuer vide its resolution dated September 25, 2023.
Calendar Year	Each period of twelve (12) months commencing on January 1 and ending on December 31.
Committee Member	Member of the Bond Issue Committee of ANN as mentioned in this Placement Memorandum.
DVVNL	Dakshinanchal Vidyut Vitran Nigam Ltd.
Deputy Commissioner	Deputy Municipal Commissioner, Agra Nagar Nigam, appointed in terms of the UPMC Act.
Executive Committee	Executive Committee of the Issuer constituted in terms of the Uttar Pradesh Municipal Corporation Act, 1959, as amended from time to time.
GoI	Government of India/ Central Government.
GoUP	Government of Uttar Pradesh.

TERM	DESCRIPTION
Head Office	1, M.G. Road, Near Sursadan, Agra, Uttar Pradesh, 282002
House/ House of the Issuer	Comprises of Mayor and corporators chosen by direct election from the wards and charged with carrying out the provisions of the UPMC Act
Jalkal Vibhag	Refers to Jalkal Department, Agra Nagar Nigam converted from Jal Sansthans under the provisions of Section 100-A of the U.P. Water Supply and Sewerage Act, 1975 vide Office Memorandum No. 380/9-2-2010-58Miss/2007 dated February 4, 2010 issued in Town Development Session -2, GoUP and further clarified vide Office Memorandum No. U.O.38/9-7-10-58Miss/2007 dated May 20, 2010 issued in the Town Development Session-7, GoUP and letter number 1058(1)/D/CFAO2023-24 dated May 03, 2023. The budgets of the Jalkal Department are passed from the Agra Nagar Nigam premises, however the Jalkal Department has a separate fund and separate General Manager with financial powers up to ₹ 5,00,000/- (Rupees Five Lakhs), powers to manage the fund and recruit employees of the decentralised services of the Jalkal Department. The water supply and sewerage taxes are collected by the Jalkal Department and do not form a part of the Issuer collections. The budgets and financial statements of Jalkal Department are separate from the budgets and financial statements of the Issuer.
kWh	kilowatt-hour
LTOAA	Long Term Open Access Agreement for captive usage
MoHUA	Ministry of Housing and Urban Affairs.
MoUD	Ministry of Urban Development
Municipal Commissioner/Commissioner	Municipal Commissioner, Agra Nagar Nigam, appointed in terms of the Uttar Pradesh Municipal Corporation Act, 1959, as amended from time to time.
PPA	Power Purchase Agreement for captive usage
UPNEDA	Uttar Pradesh New and Renewable Energy Development Agency
UPPCL	Uttar Pradesh Power Corporation Limited
UPPTCL	Uttar Pradesh Power Transmission Corporation Limited

Issue Related Terms

TERMS	DESCRIPTION
Acuite	Acuité Ratings & Research Limited
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 this 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.
Banker to the Issue	HDFC 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 under section titled "*Term Sheet – Issue Timing*" on page 125.
Bid Opening Date/ Issue Opening Date	As is set out under section titled "*Term Sheet – Issue Timing*" on page 125.
Bonds/ Debentures/NCDs	Upto 1,250 (one thousand two hundred and fifty) rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of debentures of face value of ₹ 4,00,000/- (Rupees four lakh only) each comprising of 4 (four) separately transferable and redeemable principal parts ("STRPPS") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000).
Bondholder(s), Debenture	Any person or entity holding the Bonds and whose name appears in the list of

TERMS	DESCRIPTION
Holders(s)	Beneficial Owners provided by the Depositories.
Bond Trustee/ Debenture Trustee/ DT	The Debenture Trustee, appointed *vide* work order bearing reference number 1139/D/CFAO/2023-24 dated August 14, 2023, to act as Debenture Trustee for the Bond Holders, in this case being Beacon Trusteeship Limited, a company within the meaning of Companies Act, 2013 and having its registered office at 5W, 5th Floor, The Metropolitan, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India, 400051 and bearing L74999MH2015PLC271288 as its corporate identification number.
CDSL	Central Depository Services (India) Limited.
Coupon/ Interest Payment Date	As specified under the section titled "*Term Sheet – Coupon Rate*" on page 124.
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.
Debenture Trust Deed	Deed to be executed by and between the Debenture Trustee and the Issuer in respect of the Bonds.
Debenture Trustee Agreement	Agreement dated February 17, 2025 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 Trustee) 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 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). The actual allotment of Bonds (i.e., approval from the Bond Issue Committee) 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.
DP	Depository Participant.
DRR	Bond/ Debenture Redemption Reserve.
DSRA	Debenture Service Reserve Account
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.
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 Platform	Electronic book provider platform provided by NSE for bidding by Eligible Investors.
Escrow Account	The bank account to be opened by the Issuer with the Escrow Bank for the deposit of, inter alia, the Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) collected by the Issuer 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'

TERMS	DESCRIPTION
	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	The agreement to be entered into by and between Agra Nagar Nigam, Beacon Trusteeship Limited (in its capacity as the Debenture Trustee) and HDFC Bank Limited (in its capacity as the Escrow Bank) with respect to the Escrow Account, the Interest Payment Account and the Sinking Fund Account.
Escrow Bank	HDFC Bank Limited, being the bank where the Escrow Account, the Interest Payment Account and the Sinking Fund Account will be opened.
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.
I.T. Act	The Income Tax Act, 1961, as amended from time to time.
Infrastructure Development Fund/ IDF	The infrastructure development fund for credit enhancement and debt servicing obligations of urban local bodies to promote/ incentivize issuance of municipal bonds according to the order issued by GoUP dated July 30, 2019 wherein the GoUP has created a policy for utilisation of the funds.
Interest Payment Account	The bank account 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.
India Ratings	India Ratings and Research Private Limited
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 ₹ 4,00,000 (Rupees Four Lakh only) each("Bonds"/"NCDs"/"Debentures"), comprising of 4 (four) separately transferable and redeemable principal parts ("STRPPS") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for cash, amounting up to ₹ 50 Crore (Rupees Fifty Crore only) by Agra Nagar Nigam, proposed to be listed on National Stock Exchange of India Limited.
Issue Agreement	Agreement dated February 17, 2025 entered between the Issuer and the Merchant Banker/Arranger to the Issue in relation to the Issue.
Issue Proceeds Account	The bank account 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 to be entered into 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 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

TERMS	DESCRIPTION
	the end of each month on the terms as particularly set out in the Debenture Trust Deed.
Municipal Land	Non-agricultural land measuring 40,969 square meters situated at Mauza Naraich, Tehsil Etmadpur, District Agra (U.P.). Latitude: 27°12'56.8"N, Longitude: 78°04'02.6"E on which charge is to be created to the extent of 1.25 times of the outstanding Secured Obligations.
Net Billing Mechanism	A system that allows solar panel owners to sell excess electricity to the power grid
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE EBP Guidelines	Operational guidelines for NSE Electronic Bidding Platform available on the website of NSE at www.nseindia.com/products-services/about-electronic-bidding-platform/operating-guidelines
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 Project more particularly described in "*Objects of the Issue*" on page no. 50 of this Placement Memorandum.
Open Access	Open access of electricity is the right of consumers to buy electricity from any supplier they choose, and not just their distribution company.
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.
Permitted Investments	Shall mean: (a) with respect to the funds lying in the Escrow Account (to the extent of the Minimum Balance) and the Interest Payment Account (including the DSRA Amount) kept in form of fixed deposits with any scheduled commercial bank having a dual rating of AA+ (Fixed Deposit Programme) or above; (b) with respect to the funds lying in the Sinking Fund Account, (i) in government securities or (ii) such other instruments which maybe permitted in terms of the SEBI Municipal Debt Regulations, Guidance Note or circulars issued by SEBI from time to time and UPMC Act; (c) with respect to the funds of AMRUT Incentive lying in the Escrow Account, mean fixed deposits with scheduled commercial banks having a dual rating of AA+ (Fixed Deposit Programme) or above. The lien shall be created in favor of Debenture Trustee on all the investments made in terms hereof .
Placement Memorandum/ Disclosure Document	This placement memorandum dated March 28, 2025 filed with SEBI and NSE.
PPP	Public Private Partnership
Preliminary Placement Memorandum/PPM	The preliminary placement memorandum dated February 17, 2025 filed with SEBI and NSE.
Projects	1. Design, Engineering, Supply, Erection, Testing, Commissioning and Comprehensive O&M of 7.5MW of Solar Power Project at Agra ("**Project I**"); 2. Construction of Co-Working Space and Recreation Centre with Citizen Facilitation Centre at zonal office, Tajganj, Agra ("**Project II**"); and 3. Construction of Working Women Hostel Building at Lohamandi, Agra ("**Project III**").
Property Tax	Property tax shall have the meaning as prescribed to it under Section 173 of the Uttar Pradesh Municipal Corporation Act, 1959 (or any other tax levied in place of property tax as per Section 173 of the Act) collected by the Issuer.
Record Date	As mentioned under "*Term Sheet – Record Date*" on page 126.
Registrar	Registrar to the Issue, in this case being, KFin Technologies 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 4 (Four) succeeding Coupon 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

TERMS	DESCRIPTION
	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
Secured Obligations	All obligations at any time due, owing or incurred by the Issuer to the Debenture Trustee and the Bond Holders in respect of the Bonds and shall include, without limitation, the obligation to redeem the Bonds in terms thereof including payment of the Coupon on the Coupon Payment Dates, the Redemption Amounts on the relevant due dates together with any Default Interest (if any), any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Issuer in respect of the Bonds under the Transaction Documents.
SCORES	SEBI Complaints Redress System
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI EBP Guidelines/ 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 and, 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 Master Circular	SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper May 22, 2024, (bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54)
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 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
Structured Payment Mechanism	As defined in the section titled "*Term Sheet – Structured Payment Mechanism*" on page 127.
TDS	Tax Deducted at Source
Transaction Documents	The documents executed in relation to or which are relevant to the Issue including the Preliminary Placement Memorandum/ this Placement Memorandum, along with all annexures, the Debenture Trustee Agreement, the Escrow Agreement, the Issue Proceeds Agreement, Debenture Trust Deed, Deed of Hypothecation, Memorandum of Deposit of Title Deeds, Tripartite Agreement with the Debenture Trustee and the Government of Uttar Pradesh, 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)
Tripartite Agreement	The tripartite agreement to be entered amongst the GoUP, the Debenture Trustee and the Issuer in respect of the Debentures, for payment of funds by the GoUP from the Infrastructure Development Fund in terms of such agreement: (a) into the Sinking Fund Account on the occurrence of a Sinking Fund Mismatch; (b) into the Interest Payment Account for credit of the upfront Required DSRA Amount; and (c) into the Interest Payment Account on the occurrence of a DSRA Amount Shortfall

TERMS	DESCRIPTION
'Working Day'/'Business Day'	In accordance with the SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021, Business day/Working day shall mean all days on which commercial banks in the Agra are open for business. In respect of the time period between the Issue Closing Date and the listing of Bonds on the Stock Exchange and with respect to the record date, working day shall mean all trading days of the Stock Exchange for Bonds, excluding Saturdays, Sundays and bank holidays, as specified. 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 the coupon payment date falls on a Sunday or a holiday, the coupon payment shall be made on the next Business day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the redemption/maturity date of the STRPPs falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In such case, along with the redemption proceeds, the coupon accrued on such STRPPs shall also be paid on the previous working day as per the cash flows provided under Annexure – V "Illustration of Bond Cash Flow" of this Placement Memorandum. If a leap year (i.e. February 29) falls during the tenor of the bonds, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly. For the purpose of clarification, the payment of interest/redemption shall be made only as per the cash flows provided under Annexure - V" Illustration of Bond Cash Flow" of this Placement Memorandum.

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 operations or management 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. Additional risks and uncertainties, which are currently unknown or now deemed immaterial, if materialize, may in the future have a material adverse effect on our operations, management or cash flows. The market prices of the Bonds may decline due to such risks and the prospective investors may lose all or part of their investment.

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 includes 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, which may be forward-looking, 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 Cash Flow Statement for the last three years with major heads) of in the section titled "Financial Information" on page no. 96.

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 operations, financial conditions, cash flows and 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, and the financial information used in this section is derived from and should be read in conjunction with the Financial Information as included in this Placement Memorandum

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 proposed Projects, i.e., (1) Design, Engineering, Supply, Erection, Testing, Commissioning and Comprehensive O&M of 7.5MW of Solar Power Project at Agra ("**Project I**"); (2) Construction of Co-Working Space and Recreation Centre with Citizen Facilitation Centre at zonal office, Tajganj, Agra ("**Project II**"); and (3) Construction of Working Women Hostel Building at Lohamandi, Agra ("**Project III**").

The Projects are proposed to be financed through proceeds of this Issue and internal accruals of the Issuer.

The Projects are not proposed to be funded through any grants to be received from government. In case of any shortfall of funds, the Issuer will have to arrange for alternative sources which may impact the Project's, timelines and the cost. The Issuer has obtained certificates from Envirobrace Sustainable Solutions Private Limited dated February 17, 2025 and March 28, 2025 for Project I and from Sharma & Associates for Project II and Project III dated February 17, 2025 and March 28, 2025 regarding the proposed Projects details, costs, schedule of implementation, benchmarks of the project etc. There can be no assurance despite best efforts that we will be able to complete the Projects within the estimated time and cost without any cost overruns. The tenders inviting bids have not yet been floated after which work orders will be issued for implementation of the Projects.

The cost of the work orders to be issued for the Projects may be higher than the original approved cost or costs of the Projects may escalate or vary based on external factors which may not be in our control. Further, certain external factors such as increase in workforce cost, key input factors, reduction in the cost of electricity could pose a funding gap due to cost overruns and further pose a contingent budgetary risk for ANN.

The Issuer recognizes that timely selection of bidders for implementation of Projects is critical and shall make best efforts to ensure the completion of the tendering process and award of work order in relation to the Projects within six months from the Issue Closing Date and take all necessary steps for timely execution of the Projects. However, unforeseen circumstances or complexities during the evaluation process of the potential bidders could lead to delays. Such delays may arise due to factors beyond our control, including but not limited to extensive scrutiny of proposals, legal considerations, or unexpected changes in the requirements of the Projects. Consequently, any delay in the selection of bidders may result in a delay in implementation of Projects.

Additionally, in the event of any delay in finalizing the relevant contractors for the Projects, any delay in receipt of various approvals required at different stages, in relation to the Projects in a timely manner, occurrence of any force majeure events etc., the proposed schedule of implementation and deployment of the Issue proceeds may be extended or may vary accordingly. There can be no assurance despite best efforts that the proposed Projects will be completed as planned or on schedule, and if it is not completed in a timely manner, or at all, our budgeted costs for the Projects may be insufficient to meet our proposed capital expenditure requirements towards the Projects. Further, there can be no assurance despite best efforts that we will be able to complete the aforementioned Projects in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our operations, reputation and cash flows.

2. Any inability to obtain the statutory and regulatory permits and approvals for the Projects, or ability to renew, maintain or obtain the statutory and regulatory permits and approvals, as may be required, may lead to delay in implementation of the Projects in a timely manner or cost overruns.

While the Issuer has received the approval for the Projects from the GoUP, certain additional permits/ approvals are required to be obtained by the Issuer for the implementation of the Projects at various stages. The Issuer has made applications for few approvals, the receipt of which are awaited. However, Issuer has not made applications for certain approvals like (i) For Project I-NOC required from Power and Telecommunication Co-ordination Committee, application for entering into LTOAA and PPA, application to department of electricity and the department for fire safety as the same cannot be made until the award of Work Order or installation of the plant as per the certificates dated February 17, 2025 and March 28, 2025 from Project Consultant for Project I (ii) for Project II and III obtaining NOC from fire department which can be applied after the completion of the construction work of the structure of the building as per the certificates dated February 17, 2025 and March 28, 2025 from Project Consultant for Project II and certificates dated February 17, 2025 and March 28, 2025 from Project Consultant for Project III. Delay in obtaining such approvals/ non receipt or timely approvals or entering into the PPA and LTOAA may defer the project timelines.

The Projects are also susceptible to the policies of the state and cost overruns, however, these will not affect the debt servicing of the Bonds, which are backed by the appropriate revenues of the Issuer, to be collected and remitted to the Escrow Account for payment during tenure of Bonds.

In the event any approval/NOCs for the Projects are to be obtained, which for any reasons, are not received

on a timely basis, then such delay may also impact the implementation of the Projects.

Additionally, any failure in future to comply with the terms and conditions of the existing regulatory or statutory approvals may cause the Issuer to lose or become unable to renew such approvals.

The Issuer hereby confirms that all relevant regulatory approvals required for the purpose of the Projects at this stage have been/ will be obtained prior to fund raising in compliance with SEBI ILMDS Regulations and undertakes to obtain the balance approvals/ enter into necessary arrangements as required at appropriate stages to ensure successful and timely implementation of the Projects.

While the Issuer shall make best efforts to obtain the requisite approvals to ensure timely implementation and progress of the Projects, there may be unforeseen circumstances beyond the control of the Issuer which may cause delay in receipt of approvals or renewing the approvals, which may lead to delay in implementation of the Projects in a timely manner or cost overruns. Further, our capital expenditure plans remain subject to the potential problems and uncertainties that Projects activities face including cost overruns or delays.

For further details in relation to the (i) list of approvals/ permissions required, (ii) status of applications made and received and (iii) details of approvals for which applications have not been made and which will be obtained at appropriate stage in relation to the Projects please, see section titled "*Objects of the Issue – Details and status of the regulatory approvals*" on page no. 54.

3. We are involved in a number of legal and other proceedings which may impact our operations, working, reputation and financial condition.

The Issuer is a party to various legal and other proceedings which 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 our operations, working, reputation, and financial condition. Any such impact may adversely impact the Projects and/or our ability to perform the obligations in relation to the Issue. A summary of pending proceedings involving Issuer are as follows:

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

Sr. No.	Nature	Number of Cases	Amount involved (₹ in crore)
Direct Tax			
1	Income tax E-proceedings	Nil	Nil
	Income tax - TDS	96*	0.85*
Indirect Tax			
2	GST - TDS	Nil	Nil
3	GST – Dealer cases	1**	0.00**
Property Tax			
4	Cases have been filed against the Issuer by the residents/ entities residing/ operating in ANN jurisdiction accusing ANN of charging huge amount of property tax.	165	3.73

**ANN has provided responses to the notices received from the TDS authorities.*

***There is one notice issued by the Uttar Pradesh - SGST department for FY 2023-24 for an amount aggregating to ₹12.66.*

- **Criminal Litigations involving the Issuer and members of the Bond Issue Committee**

  The details of cases involving the Issuer and members of the Bond Issue Committee have been disclosed in the section Legal and Other Information. Since the nature of the case is criminal, there is no amount involved.

- **Actions by Regulatory and Statutory Authorities**

  The details of all the actions by Regulatory and Statutory Authorities have been disclosed in the section titled "*Legal and Other Information – Actions by Regulatory or Statutory Authorities*" on page no. 107.

- **Other Civil Litigation**

  The details of all the individual civil litigations above the materiality threshold have been disclosed in the section titled "*Legal and Other Information - Other Matters based on materiality policy of the Issuer*" on page no. 107.

There are certain Civil Matters and Environmental Law Cases disclosed under the section titled "*Legal and Other Information - Other Matters based on the Materiality Policy of the Issuer*" on page no. 107 of this Placement Memorandum in relation to which no claim amount is quantifiable.

No assurances can be given as to whether these proceedings will be decided in the Issuer's favor or have no adverse outcome, nor can any assurance be given that no further liability/ loss will arise out of such proceedings. If the courts or tribunals rule against us we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase expenses and liabilities. The details of outstanding material litigations involving the Issuer which are based on the Materiality Policy of the Issuer are set out under section titled "*Legal and Other Information - Other Matters based on materiality policy of the Issuer*" on page no. 107.

Except for the disclosures in Section titled "Legal and Other Information", 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, 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.

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.

5. Our statutory auditors have highlighted few observations/comments/discrepancies/inconsistencies in their audit reports relating to our audited financial statements

Our statutory auditors have highlighted few observations/comments/discrepancies/inconsistencies or notes in the audit reports dated June 16, 2023 for FY 2022 and FY 2023 and dated May 25, 2024 for FY 2024.

Brief Summary of the observations/comments/discrepancies/inconsistencies is as below:

Auditors Report dated June 16, 2023 for F.Y 2021-22

1. Balance of few funds has not been kept in separate bank accounts and no separate grant register is maintained for them to enable verification of closing balances.
2. No Fixed Asset register is being maintained by Nagar Nigam.
3. No Physical Verification of Inventory is being done by various departments of Nagar Nigam.
4. Receivable of house tax, water tax, sewer tax, water charge, rent etc. are not reconciled with the individual ledger of the assessee.

5. Valuation of assets are not being done by Registered Valuer.
6. Current year demand of house tax, water tax, water charges,sewer charges are not reconciled with individual assessee/allottee/user's ledger.
7. Provision for Surcharge and Interest on Torrent Power Limited dues has not been made.
8. Books of accounts being maintained on cash basis accounting, liability register has not been maintained.

Auditors Report dated June 16, 2023 for F.Y 2022-23

1. Balance of few funds has not been kept in separate bank accounts and no separate grant register is maintained for them to enable verification of closing balances.
2. No Fixed Asset register is being maintained by Nagar Nigam.
3. No Physical Verification of Inventory is being done by various departments of Nagar Nigam.
4. Receivable of house tax, water tax, sewer tax, water charge, rent etc. are not reconciled with the individual ledger of the assessee.
5. Valuation of assets are not being done by Registered Valuer.
6. Current year demand of house tax, water tax, water charges,sewer charges are not reconciled with individual assessee/allottee/user's ledger.
7. Provision for Surcharge and Interest on Torrent Power Limited dues has not been made.
8. Books of accounts being maintained on cash basis accounting, liability register has not been maintained.

Auditors Report dated May 25, 2024 for F.Y 2023-24

1. Balance of few funds has not been kept in separate bank accounts and no separate grant register is maintained for them to enable verification of closing balances.
2. No Fixed Asset register is being maintained by Nagar Nigam.
3. No Physical Verification of Inventory is being done by various departments of Nagar Nigam.
4. Receivable of house tax, water tax, sewer tax, water charge, rent etc. are not reconciled with the individual ledger of the assessee.
5. The valuation of the remaining assets other than immovable properties has not been done.
6. Current year demand of house tax, water tax, water charges,sewer charges are not reconciled with individual assessee/allottee/user's ledger.
7. Books of accounts being maintained on cash basis accounting, liability register has not been maintained.

There can be no assurance that our statutory auditors will not include further similar comments in the audit reports to our audited financial statements in the future, or that such remarks will not affect our financial results in future financial years. Investors should consider the above observations while in evaluating our financial condition, results of operations and cash flows. Any such similar comments on our financial statements in the future may affect the trading price of the bonds

6. We are dependent on grants and support in the form of budgetary allocation from Central and State Government. In case of any failure to obtain grants or any reduction in funding in the form of grants or budgetary allocation from the government may adversely impact our operations, financial condition and future performance.

The projects undertaken by the Issuer are very capital intensive and are supported by grants and support in the form of budgetary allocation from Central and State Government. Any reduction in budgetary allocation of capital, or reduction in funding or non-receipt of grants by the GoI and GoUP may materially affect such projects being undertaken by the Issuer and impact the Issuer's operations, 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 or the financial condition of the Issuer. 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.

The proposed Projects are being funded by the internal accruals of the Issuer and proceeds from this Issue and are not dependent on any capital grants. For further details please refer to the section titled "*About the Issuer and Capital Structure of the Issuer - Capital Structure Relating to Projects for which Funds are proposed to be mobilized*" on page no. 48 of this Placement Memorandum.

7. 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 and any subsequent notification 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 ₹ 13 crores for every ₹ 100 crores of bonds, subject to a maximum of ₹ 26 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.

8. We have high pending receivables mainly on account of high outstanding rent receivables from certain entities.

The Issuer has high outstanding net receivables mainly on account of high outstanding rent receivables from Torrent Power Limited. The amount of receivables from Torrent Power Limited has increased from ₹ 288.33 crores in Financial Year 2023 to ₹ 358.84 crores in Financial Year 2024 as per the Audited Financial Statements. The amount of outstanding receivables from Torrent Power Limited includes receivables towards rent charged on usage of municipal land by Torrent Power Limited for installation of electricity distribution system and interest on the delay in payment of the rent. The Corporation has been unable to recover the outstanding receivables from Torrent Power Limited despite reasonable efforts including sending demand notices to Torrent Power Limited. If there are further delays in collection of the receivables or the receivables are not received, it may have an adverse impact on the financial strength of the Issuer.

However, for the purpose of "Structured Payment Mechanism" proposed for the Issue, Property Tax received by ANN shall be transferred to the Escrow Account for payment of all outstanding principal & interest to the bond holders and the rental income receivable by the Corporation will not impact the Structured Payment Mechanism.

9. 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. The non-implementation of the Projects as per the schedule of implementation will affect the Issuer's performance and asset generation capacity and thereby impacting the operations, cashflow and financial conditions of the Issuer.

All our Projects for which funds are proposed to be financed through Bonds, and internal accruals of ANN 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 Bond Issue Committee and certified by the respective project consultant for the Projects. Our budgeted costs for the Projects may be

insufficient to meet our proposed capital expenditure requirements. Although ANN 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 ANN. 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. While the Issuer shall make best efforts to ensure implementation of the Projects within the estimated timelines, there may be delays due to unforeseen circumstances beyond the control of the Issuer. The non- implementation of the Projects as per the schedule of implementation will affect the Issuer's performance and asset generation capacity and thereby impacting the operations, cashflow and financial conditions of the Issuer. The schedule of implementation has been provided under the section titled "*Objects of the Issue*" on page no. 50.

10. 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.

While the Issuer shall make best efforts to ensure that sufficient measures are undertaken and clauses are built in the agreements with the contractors / service providers/ third parties to prevent such risks, these measures may not be sufficient to deter such activities in all cases, which may adversely affect our operations and profitability

Further if the third parties upon which the Issuer relies on cannot expand system capacity to handle increased demand, or if any of their systems otherwise fail to perform or experience interruptions, malfunctions, disruptions in service, slower response times or delays, then we could incur reputational damage, regulatory sanctions, litigation and loss of trading, any of which could materially adversely affect the Issuer's financial condition.

Risks relating to the Issue and Credit Rating

11. Any downgrading in credit rating of the Issuer and/or the Bonds may adversely impact our creditworthiness and, thus, our ability to raise further debts.

The Bonds have been rated (a) Provisional IND AA Stable by India Ratings Limited by way of its letter dated April 2, 2024 and revalidated by way of its letter dated February 10, 2025,March 21, 2025 and March 28, 2025; (b) ACUITE Provisional AA by Acuite by way of its letter dated March 29, 2024 and revalidation letters dated February 5, 2025, March 24, 2025 and March 27, 2025. The above mentioned credit ratings may not reflect the potential impact of any future uncertainties related to structure, market, and/or other factors that may affect the value of the Bonds. 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, our credit rating(s) and credit rating(s) assigned to the Bonds may be downgraded. Any downgrading in our credit rating(s) or credit rating(s) of the instruments will result in an enhanced risk to the investors.

Further, in terms of the rating rationale issued by Acuite on March 27, 2025 and India Ratings on March 28, 2025 and the outlook has been kept as 'Stable', considering the structured payment mechanism for servicing of bond servicing dues along with the support from the Infrastructure Development Fund, stable revenue generation from tax revenues, assigned revenues and compensations and revenues grants, contribution and subsidies, steady progress in ongoing capital expenditure plans and generation of adequate net surplus.

The Issuer cannot guarantee that the credit rating(s) of the Issuer or the Bonds will not be downgraded by the Rating Agencies in future. Thus, the credit rating(s) is not a recommendation to buy, sell or hold the Bonds and investors should take their own decisions. 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(s) 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. Please refer to Annexure II on page A-7 for rating letters, revalidation letters and rationales for the above rating.

12. There is no assurance that the Bonds issued pursuant to the Issue shall be listed on the Stock Exchange 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 the Stock Exchange for reasons unforeseen. If permission to deal in and for an official quotation of the Bonds is not granted by the Stock Exchange, the Issuer will forthwith repay, within 7 days of receipt of intimation from the Stock Exchange, all monies received from the investors in accordance with prevailing law in this context, and pursuant to this Placement Memorandum. In case of any delay in refund within the prescribed timelines of 7 days, Issuer shall be liable to repay that money with interest at the rate of fifteen percent per annum till such refund is made. Thus, there is no assurance that the Bonds issued pursuant to the Issue shall be listed on the Stock Exchange in a timely manner, or at all.

13. 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 Bonds.

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.

As a result of the foregoing, the investor may face volatility in the price of the bond issued due to above mentioned factors.

14. Bonds are subject to the risk of change in law.

The terms and conditions of the Bonds are based on Indian law in effect as of the date of issue of the Bonds. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of the Bonds and any such change could materially and adversely impact the value of any Bonds affected by it.

Financial Risk including Liquidity Risk

15. Collection ratios of Issuer have been inconsistent and may continue to vary in the future.

The total collection of Property Tax which is one of the sources of revenue for ANN. The overall collection ratio for Property Tax amounted to 64.50% in Financial Year 2022, 52.97 % in Financial Year 2023 and 69.87 % in Financial Year 2024. The total collection from Property Tax amounted to ₹ 71.12 crore in Financial Year 2022, ₹ 54.71crore in Financial Year 2023 and ₹ 76.93 crore in Financial Year 2024. While the Issuer has implemented various reforms, measures and established systems to improve the collection of Property Tax, due to unforeseen circumstances beyond the control of the Issuer, there can be no assurance that the overall demand collection ratios may not decrease in future which will have an impact on the financial condition of the Issuer.

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. Such shortfall will impact the Issuer's financial condition and the Issuer's ability to meet its obligations in respect of the Bonds. For further details please refer to the section titled "*Financial Information - Details of Property Tax collection*" on page no.

102.

The obligations towards Bonds are covered through the Structured Payment Mechanism whereby any shortfall towards payments to be made in respect of the Bonds will be transferred from the Infrastructure Development Fund by the GoUP, in terms of the Transaction Documents.

16. There may be no active market for the Bonds on the platform of the Stock Exchange. As a result, the liquidity and market prices of the Bonds may fail to develop and may, accordingly, be adversely affected.

There can be no assurance that an active market for the Bonds will develop. If an active market for the Bonds fails to develop or be sustained, the liquidity and market prices of the Bonds may be adversely affected. The market price of the Bonds would depend on various factors, inter alia, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country (ii) the market for listed debt securities, (iii) general economic conditions, and (iv) our reputation, financial performance and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the Bonds, which may trade at a discount to the price at which you purchase the Bonds and/or be relatively illiquid.

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 might not offer substantial liquidity. Potential investors may have to hold the Bond until redemption to realise any value.

17. 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 NSE 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 and the NSE EBP Guidelines.

18. 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.

Despite best efforts of the Issuer to comply with all Applicable Law post listing of the Debentures on NSE, there may be instances of delays or non-compliances in relation to continuous disclosures and filings in terms of the listed non-convertible debentures. If the Issuer fails to rectify such non-compliances or comply with such rules and regulations including any further compliance notified by NSE or relevant regulatory authorities, it may be subject to certain penal actions, imposition which may have an adverse effect on the Issuer's operations, reputation and financial condition.

19. The Issuer's ability to pay Coupon and redeem principal in accordance with the terms of the Issue is subject to various factors affecting the Issuer's financial condition. Any adverse change in these factors may have an adverse impact Issuers ability to pay interest accrued on the Bonds and/ or the principal amount in timely manner as outstanding from time to time.

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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. Any adverse change in these factors may have an adverse impact on our reputation and financial condition. The Issuer shall create a structured payment mechanism under which Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) 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 the Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) is collected and/ or pooled by the Issuer. Additionally, sufficient

fixed assets will be pledged as security.

The Issuer'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 completion of the Project, on-time recovery of Property tax collections and the general economic conditions prevailing in India and in the global financial markets.

In the event of any default 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. The realizable value of the security 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.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 does not apply to the Issuer. While a minimum security cover of 1.25 (one decimal two five) times will be maintained, during the tenor of Debentures. In the event of any default, Debentures Trustee shall take all steps to ensure redemption of Debentures and enforcement of Security or any other legal recourse available to the Bond Holders as per the terms of the Transaction Documents and in accordance with the Applicable Law.

Given the nature of the Issuer and the type of security being offered to secure the Issue, in case of any default by the Issuer, the process to be followed for recovery of investor's monies might be time consuming. However, the obligations towards Bonds are covered through the Structured Payment Mechanism whereby any shortfall towards payments to be made in respect of the Bonds will be transferred from the Infrastructure Development Fund by the GoUP, in terms of the Transaction Documents.

20. 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.

Business Risk

21. 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.

22. If we are unable to protect our trademarks, others may be able to use our trademarks and tradenames to compete more effectively. Also, we may breach third-party intellectual property rights.

Our logo '  ' is not registered with the Trademarks Registry.

We will not be able to avail legal protections under the trade mark or prevent unauthorised use of such trademarks by third parties Our efforts to protect our intellectual property or proprietary information and the measures we take to identify potential infringement of our intellectual property may not be adequate to detect or prevent infringement, misappropriation or unauthorized use. Any such misappropriation or duplication of our name, registered/ official addresses, corporate logos or other intellectual property or proprietary information may disrupt our business, distract management and employees, reduce revenues and increase expenses. In addition, we may also become subject to infringement claims. Even if claims against us are not meritorious, any legal, arbitral or administrative proceedings that we may be required to initiate or defend in this regard may be time-consuming, costly and harmful to our reputation, and there is no assurance that such proceedings will ultimately be determined in our favor. Furthermore, the application of laws governing intellectual property rights in India is continuously evolving and there may be instances of infringement or passing-off of our brand in Indian markets. Our failure to adequately protect our brand, trademarks and other related intellectual property rights may adversely affect our business, financial condition and results of operations.

We may be subject to claims by third-parties, both inside and outside India, if we breach their intellectual property rights by using slogans, names, trademarks or other such rights that are of a similar nature to the intellectual property these third-parties may have registered or are using. We might also be in breach of such third-party intellectual property rights due to accidental or purposeful actions by our employees where we may also be subjected to claims by such third-parties.

To the best of our knowledge, there are currently no such claims and our use of the trademark has not infringed upon any existing intellectual property rights and such usage is not in conflict with, or in violation of any Applicable Law or any binding contractual or fiduciary obligation. However, any legal proceedings that result in a finding that we have breached third-parties' intellectual property rights, or any settlements concerning such claims, may require us to provide financial compensation to such third-parties or stop using the relevant intellectual property (including by way of temporary or permanent injunction) or make changes to our marketing strategies or to the brand names of our products, any of which may have a material adverse effect on our business, prospects, reputation, results of operations and financial condition.

23. There may be a delay in making refunds to applicants.

The Issuer is obligated to ensure refund of application money to applicants in case of any failure in obtaining listing or trading permission of NCDs within seven days of receipt of intimation from the Stock Exchange.

However, in case of delay in refund the Issuer will be liable to repay the entire monies, with interest at the rate of 15% (fifteen percent) per annum till such refund is made as per provisions of the SEBI Municipal Debt Regulations.

24. Decentralization with respect to Municipal Corporations

ANN 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 ANN (positive and negative), should those change result in devolution of power, of revenues or of spending mandates.

Additionally, being a government organization, ANN 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 ANN.

25. The Issuer has not entered into any arrangements for power purchase.

The Issuer has not entered into any power purchase agreement for their Solar Project for design, engineering, supply, erection, testing, commissioning and comprehensive O&M of 7.5 MW of solar power project. The Issuer intends captive usage of the power that will help ANN in mitigating the ever increasing electricity bills and achieving the solar city targets. However the Issuer is yet to enter into required agreements like LTOAA and PPA for the sale and purchase of units through Open Access.

Though, it would be the endeavour of ANN to complete the project on time within the prescribed cost, a funding gap due to cost overruns, if develops, could pose a contingent budgetary risk for ANN, or result in a request to the ANN for additional borrowing authority for this Project. While the Issuer shall make best efforts to ensure timely completion of the Projects, there is also a possibility that the implementation of the Project might get delayed due to workforce issues, non-availability of approvals/ no objection certificates, delays because of third party contractors or any such unforeseen circumstances beyond the control of the Issuer. Though the cash inflows from the Projects are not earmarked for servicing the obligations of the Issuer in respect of the Bonds, non-implementation of the Projects as per the schedule of implementation will affect the Issuer's performance and asset generation capacity thereby impacting the business, cashflow and financial conditions of the Issuer. Any delays or failures in finalizing these agreements could adversely affect the operation of the project and expected usage for captive consumption.

External factors such as increase in workforce cost, key input factors, reduction in the cost of electricity could pose a contingent budgetary risk for ANN.

EXTERNAL RISK FACTORS

General Risk

26. 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 Project and other projects undertaken by the Issuer. However, this will not impact the repayment of the Bonds, as the structured payment mechanism would ensure timely repayment of interest and principal of the Bonds.

27. 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 not be sufficient to prevent or deter such activities in all cases, 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.

28. Any future 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 future 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. 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. 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 will affect the Issuer's projects and operations.

29. 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.

30. Few of the proposed projects have exposure to the real estate markets. Any negative events affecting Real Estate Market Scenario in India could affect the additional sources of Issuer's business and financial condition.

The Issuer is undertaking projects of Co-Working Space, Womens hostel restaurants etc which are expected to add income sources for the Issuer. However, the Issuer will have exposure to the real estate sector and any negative events affecting this sector could affect the additional sources of Issuer's business and financial condition. In the event the real estate sector is adversely affected due to a decline of demand for real estate properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of Issuer's collaterals may diminish which may affect the Issuer's business. Among the various regulatory developments that have impacted the real estate sector recently, the implementation of the Real Estate (Regulation and Development) Act, 2016, as amended ("RERA Act") is expected to have the biggest impact over the long term. After notification of certain sections of the RERA Act with effect from May 2016, the full provisions of the RERA Act became effective from May 2017 onwards. Subsequent to this, the obligations of real estate project developers under the provisions of the RERA Act, including mandatory project registration, enhanced disclosure norms and penal provisions for violation of rules have become effective across India. While most of the state governments have notified rules in relation to the RERA Act, other states are in the process of doing so. These developments could adversely affect the expected revenue from these projects and the financial condition.

31. Repayment is subject to the credit risk of the Issuer

Potential investors should be aware that receipt of the payments that may be due in respect of the Bonds is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Bonds.

The Issuer has reported Net Surplus of ₹ 120.97 crore in Financial Year 2024 as per the Audited Financial Statements. The Issuer believes that income generated is adequate for building up the funds in the Interest Payment Account and the Sinking Fund Account for meeting the obligations of the Issuer in respect of the Bonds.

32. 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 Uttar Pradesh 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.

33. 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 the Issuer due to additional cost burden for retrieving the city back to normalcy.

34. The investors may be subject to taxes arising on the sale of the Bonds.

Sale of the Bonds by any holder may give rise to tax liability. The returns received by the investors from the Bonds 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, as amended from time to time. For details of possible tax benefits available to the Issuer and holders of the Bonds under the applicable laws in India, are discussed in the section titled "*Tax Benefits"* on page no. 68.

35. Change of regulations by government authorities

Being a government organization, the Issuer 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 the Issuer.

36. 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 Project 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 Project through other sources which may lead to a delay in the completion of the Project. 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 Project. Please see section titled "*About the Issuer and Capital Structure of the Issuer -Capital structure relating to Project for which funds are proposed to be mobilized*" on page no. 48.

SECTION-V: GENERAL INFORMATION

A. Details of the Issuer

(i) **Name of the Issuer: Agra Nagar Nigam**

Head Office of the Issuer:		
Address	**:**	1, M.G. Road Near Sursadan, Agra, Uttar Pradesh– 282002, India
Email id	**:**	Bondsann2022@gmail.com, amcagra1@gmail.com ;
Website	**:**	www.nagarnigamagra.com
Other Offices of the Issuer:		
Zonal Offices:		
(i) **Zone - Chatta:**		
(a) Jal Sansthan HO, Jeoni Mandi, NR Water Works, Agra		
(b) Nagar Nigam, Dhuliya Ganj		
(ii) **Zone – Hari Parvat:**		
(a) Agra Nagar Nigam, Near Sur Sadan, M.G. Road, Agra		
(iii) **Zone – Loha Mandi:**		
(a) Mayor Camp Office, Sector 9, Over Head Tank, Jal Sansthan Campus, Agra		
(b) Patel Dispensary, Agra Nagar Nigam, Total Tal Road, Alam Ganj, Agra		
(iv) **Zone – Taj Ganj**		
(a) C/O Nagar Ayukt, Shelter Home Water Works Compound, Fatehabad Road		

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.	Hemlata Diwakar	Mayor	May 13, 2023

D. Details of Commissioner/Additional Commissioners

Sr. No.	Name	Designation	Date of Appointment for the Designation*
1.	Ankit Khandelwal	Municipal Commissioner	February 24, 2023
2.	Surendra Prasad Yadav	Additional Municipal Commissioner	October 5, 2021
3.	Satyendra Kumar Tiwari	Additional Municipal Commissioner	July 9, 2024

***** *Date of taking charge for the Designation as per Work Charge Certificate*

The Issuer does not have any Deputy Commissioner.

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

The Issuer has an Executive Committee and a Bond Issue Committee.

Executive Committee

Executive Committee is constituted by the ANN, comprising of Mayor and 12 (twelve) other members of the ANN. The Mayor (Mahapaur), and in his absence, the Deputy Sabhapati of ANN will be the ex-officio chairperson of the Executive Committee. The Executive Committee looks into finances and other activities of

ANN including acquisition of immovable property where it cannot be acquired by agreement, sale of movable property, issue of stock certificate, investment of surplus money, form of accounts to be maintained by ANN, reviewing annual administration and revenue reports, recommendation of budget grants, recommending increase or decrease in municipal taxes, water courses to be vested in ANN. Various other functions are also subject to approval of the Executive Committee. The Executive Committee prepares and approves the budget estimate of the income expenditure of ANN.

Presently the constitution of the Executive Committee is as follows:

Name and Designation	Date of Appointment/ Resignation	Member of the Committee since (in case of resignation)	Remarks
Hemlata Diwakar, Mayor	June 21, 2023	-	-
Hemlata Chauhan, Deputy Chairman	June 21, 2023	-	-
Ravi Bihari Mathur, Member	June 21, 2023	-	-
Badri Prasad, Member	June 21, 2023	-	-
Banvari Lal, Member	June 21, 2023	-	-
Gajendra Singh, Member	June 21, 2023	-	-
Hari Om Goyal, Member	June 21, 2023	-	-
Amit Singh, Member	July 27, 2024	-	-
Gaurav Sharma, Member	July 27, 2024	-	-
Meenakshi Verma, Member	July 27, 2024	-	-
Murari Lal Agarwal, Member	July 27, 2024	-	-
Ashish Kumar Singh, Member	July 27, 2024	-	-
Banti Mahore	July 27, 2024	-	-

Bond Issue Committee

In order to effectively conclude this Issue of NCDs, Executive Committee has formed a Bond Issue Committee vide its resolution dated December 28, 2022 which has been approved by the House of the Issuer vide its resolution dated September 25, 2023. Further, the Municipal Commissioner of the Agra Nagar Nigam has confirmed the members of the Bond Issue Committee vide notifications bearing reference number:-1201/D/CFAO/2023-24 dated October 26, 2023 and *vide* letters dated February 17, 2025 and March 28, 2025. The Bond Issue Committee currently consists of the following members:

Sr. No.	Name and Designation	Date of appointment or resignation*	Member of the committee since (in case of resignation)	Remarks
Chairman				
i.	Ankit Khandelwal, Municipal Commissioner	February 24, 2023	-	-
Members				
ii.	Satyendra Kumar Tiwari, Additional Municipal Commissioner	July 9, 2024	-	-
iii.	Arunendra Kumar Rajput, General Manager (Jal Kal Department)	July 2, 2024	-	-
iv.	Bindra Lal Gupta, Chief Engineer (Civil)	December 28, 2022**	-	-
v.	Ashok Priya Gautam, Assistant Municipal Commissioner (Property-in charge)	February 14, 2024	-	-
vi.	Chief Tax Assessment Officer - The post is currently vacant	-	-	-
Member and Nodal Officer				

Sr. No.	Name and Designation	Date of appointment or resignation*	Member of the committee since (in case of resignation)	Remarks
vii.	Brijesh Singh, Chief Finance and Accounts Officer	July 4, 2023	-	-

***** *Date of taking charge for the Designation as per the Work Charge Certificate*
*****Shri. Bindra Lal Gupta was appointed as the Chief Engineer (Civil) of the Issuer on January 7, 2020 and was appointed as a member of the Bond Issue Committee on December 28, 2022*

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 the Chief Finance and Accounts Officer or equivalent of the Issuer

Name	**:**	Brijesh Singh
Designation	**:**	Chief Finance and Accounts Officer
Address	**:**	1, M.G. Road Near Sursadan, Agra, Uttar Pradesh– 282002, India
Ph. No	**:**	+91-7310672225
Email:	**:**	bondsann2022@gmail.com
Email (Investor Grievance)	**:**	bondsann2022@gmail.com

The responsibility of Brijesh Singh as Compliance Officer and in-charge of investor grievances shall be till he has his designation as Chief Finance and Accounts Officer in ANN and in case of his transfer/retirement/recuse, ANN shall immediately hand over the responsibility of Compliance Officer to any other official of the same cadre holding his post.

ARRANGER*

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

Name	**:**	**A.K. CAPITAL SERVICES LIMITED**
Address	**:**	603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra
Tel	**:**	+91 22 6754 6500
Email:	**:**	Varun.kaushik@akgroup.co.in; agramunibonds@akgroup.co.in
Email (Investor Grievance)	**:**	**:** 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

***The Issuer may appoint SEBI registered Merchant Banker(s) (whose names appear in top 20 rankings of 'Debt All Category' league table of Prime database for private placement of Bonds in FY 2022-23) as co-arranger(s) to the Issue, provided that the Merchant Banker(s) mobilizes/ is allotted a minimum of 20% or more (i.e. at least Rs. 10 Crore) of the Issue Size subject to SEBI EBP Guidelines and NSE EBP Guidelines. A separate letter shall be*

issued to co-arranger(s) and their name(s) would be inserted as co-arranger(s) in the Placement Memorandum.

DEBENTURE TRUSTEE OF THE ISSUE

Name	:	**BEACON TRUSTEESHIP LIMITED**
Address	:	5W, 5th Floor, The Metropolitan, E-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051
Tel	:	+91 22 46060278
Email:	:	compliance@beacontrustee.co.in
Email (Investor Grievance)	:	investorgrievances@beacontrustee.co.in
Website:		www.beacontrustee.co.in
Contact person:		Kaustubh Kulkarni
Compliance Officer:		Kaustubh Kulkarni
Tel (Compliance Officer):		022-46060278
Email (Compliance Officer):		kk@beacontrustee.co.in
SEBI Registration No:		IND000000569
CIN:		U74999MH2015PLC271288

REGISTRAR TO THE ISSUE:

Name	:	**KFin Technologies Limited**
Address	:	Selenium, Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500 032
Tel	:	+91 40 6716 2222
Fax No		+91 40 6716 1563
Email:	:	agra.ncdipo@kfintech.com
Email (Compliance Officer)	:	manju.anand@kfintech.com
Investor Grievance email	:	einward.ris@kfintech.com
Website:	:	www.kfintech.com
Contact person:	:	M Murali Krishna
SEBI Registration No:	:	INR000000221
CIN:	:	L72400TG2017PLC117649

CREDIT RATING AGENCIES FOR THE ISSUE:

Name	:	**India Ratings & Research Private Limited**
Address	:	Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India
Tel	:	+91 22 4000 1700
Fax No	:	+91 22 4000 1701
Email:	:	: infogrp@indiaratings.co.in
Website:	:	www.indiaratings.co.in
Contact person:	:	Vineet Ahuja
Compliance Officer	:	Arunima Basu

SEBI Registration No:	**:**	IN/CRA/002/1999
CIN:	**:**	U67100MH1995FTC140049
Name	**:**	**Acuite Ratings & Research Limited**
Address	**:**	708, Lodha Supremus, Lodha iThink Campus Kanjurmarg (East) Mumbai – 400 042
Tel	**:**	+91 99698 98000
Email:	**:**	chitra.mohan@acuite.in
Investor Grievance email	**:**	grievances@acuite.in
Website:	**:**	www.acuite.in
Contact person:	**:**	Chitra Mohan
SEBI Registration No:	**:**	IN/CRA/006/2011
CIN:	**:**	U74999MH2005PLC155683

AUDITORS OF THE ISSUER:

Name	**:**	Tandon Mital & Associates
Address	**:**	F-5 Narayan Tower, Sanjay Place, Agra
Tel	**:**	0562-4004525
Email:	**:**	caykmittal@gmail.com
Contact person:	**:**	CA. Y.K Mittal
Firm Registration No	**:**	002320C
Membership Number	**:**	071514

H. 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, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra **Tel**: +91 22 6754 6500 **Email**: varun.kaushik@akgroup.co.in; agramunibonds@akgroup.co.in **Investor Grievance Email:** 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** Selenium, Tower B, Plot No. 31 and 32,Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500 032 **Tel:** +91 40 67162 222 **Fax No.:** +91 40 6716 1563 **Email:** gopalakrishna.kvs@kfintech.com **Website:** www.kfintech.com **Contact Person:** M Murali Krishna **E-mail (Investor Grievance):** einward.ris@kfintech.com **SEBI Registration No.:** INR000000221

	CIN: L72400TG2017PLC117649
Banker to the Issue	**HDFC Bank Limited** **Address:** HDFC Bank Limited, FIG- OPS Department- Lodha, I Think Techno Campus O-3 Level, Next to Kanjurmarg, Railway Station, Kanjurmarg (East) Mumbai- 400042 **Tel:** 022-30752927/28/2914 **E-mail:** Siddharth.Jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, Sachin.gawade@hdfcbank.com **Email (Investor Grievance):** sebicomplaints@hdfcbank.com **Website:** www.hdfcbank.com **Contact Person:** Siddharth Jadhav, Eric Bacha , Sachin Ramesh Gawade, **SEBI Registration No.:** INBI00000063 **CIN:** L65920MH1994PLC080618
Escrow Bank	**HDFC Bank Limited** **Address:** Shop No. 3, 4, 11, Block 17/2/4 Friends Plaza, Sanjay Place, Agra, Uttar Pradesh - 282002 **Tel:** 9012893178 **E-mail:** Hari.shankar@hdfcbank.com **Website:** www.hdfcbank.com **Contact Person:** Hari Shankar **CIN:** L65920MH1994PLC080618
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

I. 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	**Khaitan & Co** One World Centre , 13th& 10th Floor, Tower 1C, Senapati Bapat Marg, Mumbai – 400 013, Maharashtra, India **Tel:** +91 22 6636 5000 **Email**: -
Underwriter to the Issuer	Not Applicable as the Issue is on a private placement basis.
Bankers to the Issuer	Not Applicable*

**The Issuer has not availed any facilities from any bank.*

J. Debenture Trustee to the Issue

In accordance with the provisions of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, ANN has appointed Beacon Trusteeship Limited to act as Debenture Trustee ("**Debenture Trustee**") for and on behalf of the holder(s) of the Bonds.

A copy of letter from Beacon Trusteeship 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**.

ANN hereby undertakes that the rights of the Bondholders will be protected as per the governing Act, agreement/deed executed/to be executed between ANN 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/ Debenture Trust Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Debenture Trustee or ANN 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 ANN 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.

K. 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 21 days of its receipt or in such manner as may be specified by the Securities and Exchange Board of India. All grievances related to the issue may be addressed to the Compliance Officer at head office of the Issuer or emailed to bondsann2022@gmail.com. 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(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 under the section titled "*General Information-Paragraph G*" at page no. 35 of this Placement Memorandum. ANN has already got itself registered with the SCORES platform of SEBI (SCORES ID: COMA01310) 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

Agra Nagar Nigam (ANN) is the municipal body of Agra city. Presently, Shri. Ankit Khandelwal is the Commissioner of the Issuer. In 1994, the Mahapalika was converted into a Municipal Corporation and functions under the Uttar Pradesh Municipal Corporation Act, 1959. ANN is responsible for maintaining infrastructure facilities, and providing various civic services such as water supply, solid waste management sewage, street lighting, health, and others to its citizens. The city is divided into 4 Zones and covers approximately 141 sq. km.

(a) Constitution of the Issuer

Agra Nagar Nigam has been constituted on May 31, 1994 under Article 243Q(1)(c) of the Constitution of India, 1949 and established under the Uttar Pradesh Municipal Corporation Act, 1959 Uttar Pradesh Municipal Corporation Act, 1959 vide letter dated May 24, 1994 read with notification bearing reference number 1743A/9-7-94-14J/94 dated May 24, 1994.

The Issuer, being a corporation established under the UPMC 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.

(b) About Agra

The Agra city is located in the Uttar Pradesh state of India. Agra is located at the junction of four national highways namely Delhi Kolkata (NH-19), Agra Mumbai (NH-44), Agra Jaipur (NH-21) and Agra Aligarh (NH-509). It has two state highways namely Agra Fatehabad (SH-62) AND Agra Gajnair (SH-39). As per Census India, the population of Agra in 2011 is 1,585,704 population; of which male and female are 845,902 and 739,802 respectively.

Agra is a major political, economic, commercial, and cultural center in addition to its historical significance. The Yamuna river is extremely important to the city and region. The connectivity between Agra and Delhi has always been a push and pull force between the two cities over time.

Agra's economy is based on tourism, handicrafts, agriculture, and manufacturing. Agra is known for its royal crafts such as Pietra Dura, marble inlay, and carpets, as well as its thriving tourism economy. As per the Indian Tourism Statistics Report, 2019, Agra is one of the major tourist destination in India. Taj Mahal being one of the seven wonders of the world attracts tourists from all around the world.

(c) Composition of the Issuer

In accordance with Section 6 of the UPMC Act, the municipal authorities charged with carrying out the provisions of the Act for each city are:

(i) The Mayor;

(ii) Corporators whose number shall be such as the State Government may, by notification in the Official Gazette, fix but which shall not be less than sixty and not more than one hundred and ten, which number shall be in addition to the members nominated under clause (b);

(iii) Nam Nirdishta Sadasyas who shall be nominated by the State Government by a like notification from amongst persons having special knowledge or experience in municipal administration and whose number shall not be less than five and not more than ten;

(iv) Paden Sadasyas comprising the members of the House of the People and the State Legislative Assembly representing constituencies comprising the whole or part of the City;

(v) Paden Sadasyas comprising the members of the Council of States and the State Legislative Council who are registered as electors in the City;

(vi) The Chairpersons of the Committees, if any, established under clause (e) of Section 5 if they are not members of ANN;

ANN consists of democratically elected members and is chaired by the Mayor. The executive committee (Karyakarini) of the Issuer is vested, for and on behalf of the Issuer, with the superintendence of the municipal administration of the city.

Subject to the general control and direction of the Mayor and the sanction of ANN or of the executive committee of ANN (where applicable), the executive power for the purposes of carrying out the provisions of the Act shall vest in the Municipal Commissioner who shall also perform all the duties and exercise all the powers specifically imposed or conferred on the municipal commissioner.

(d) Elected representatives in ANN

The city is divided into 4 Zones with a total no. of 100 councillors/corporators who are elected. These councillors and 10 nominated members comprise the general body, which is headed by Mayor. The governance is distributed in terms of policy making as a responsibility of the General Body, financial decision making as a responsibility of the Executive Committee (Karyakarini) and Municipal Commissioner as a Chief Executive of the authority.

Executive Committee is the most powerful body in ANN, responsible for all the decisions pertaining to municipal finance matters. The Executive Committee comprises of the Mayor and 12 members which are elected amongst the total councillors and is headed by the Mayor. While preparation of the civic budget is one of the significant functions, it is a stake holder in almost all financial decisions.

In the elected wing the Mayor is the head and is subordinated and supported by 100 Councillors are elected representatives of 100 electoral wards of the city who are elected every 5 years and the meeting of the councillors is generally held once in two month.

The mayor, the first citizen of the city, is elected directly by the public voters and holds office for a period of 5 years, according to the UPMC Act. The Mayor presides over the General Body Meetings of the councillors.

(e) Administrative Cadre in ANN

The Administrative wing of the ANN works under the command of the Municipal Commissioner who heads a team of officials comprising of Additional Commissioner, Zonal Commissioner, and Assistant Municipal Commissioner and other officials who administer their respective domains. The Administrative wing is responsible for general administration and supervision of all the development works in the city, maintenance of infrastructure, collection of taxes, preparation of development plans and budgets, etc.

(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 Agra city. The UPMC Act has entrusted ANN the responsibility for the maintenance, operation and development of certain public utilities in the city.

ANN undertakes several works as provided in the Act, few of which are enumerated below. However, this list is not an exhaustive list:

1. roads, streets, culverts, etc including widening and improvements of roads and junctions;
2. storm water drainage;
3. street lighting and maintenance;
4. road and street sweeping, cleaning of nalas;
5. residential water supply and sewage management;
6. maintenance of a municipal office and of all public monuments and open spaces and other property vesting in ANN;
7. creation and maintenance of parks, swimming pools etc.;
8. maintaining, charging and regulating places for the disposal of the dead and the provision of new places for the said purpose;
9. construction or acquisition and maintenance of public markets and slaughter houses and the regulation of all markets and slaughter;
10. slum improvement;
11. registration of births and deaths;
12. securing or removal of dangerous buildings and places;
13. improvement of the city;
14. fulfilling any obligation imposed by or under the act or any other law for the time being in force;
15. subject to above mentioned obligations making adequate provision for providing relief to destitute persons in the city in times of famine and scarcity and the establishment and maintenance of relief works in such times;
16. planning economic and social development;
17. providing for urban forestry, protection of the environment and promotion of ecological;
18. promoting cultural, educational and aesthetic aspects;
19. construction & maintenance of public and community toilet, pink toilet, especially for women;
20. construction and maintenance of shelter homes for poor people;
21. door to door collection of garbage under solid waste management programme;
22. shelter home for street cattle and dogs; etc.

The Agra Nagar Nigam currently comprises of the following active departments:

ANN Departments – Functions	
Departments	**Services**
Enforcement Department	Scrutinizing building plan, checking unauthorized construction and routine inspection.
Central Records	To maintain all old records such as birth and death registration, sanctioned building plans, assessment registers, etc.
Engineering (Civil)	Building and repairing of roads, removal of chokes, bustee development work, construction of public conveniences, etc.
Property	Survey and maintain records of the land and building owned by the ANN.
Health	Ensuring sanitation, hygiene and cleanliness in the city
Information Technology	IT department is responsible for the development and implementation of software across all departments of ANN.
License	Issue of new trade licenses, Renewal of old/expired trade licenses, Issuing temporary licenses, raising Demands for Trade License, etc. in relation to trade licenses.
Lighting	Operation and maintenance of street lights, installation of new street lighting systems, maintain lighting of markets and institutions
Market	Construction and maintenance of Municipal Markets.
Horticulture	Looks after the matters related to parks and other plantations in the city.
Sewerage & Drainage	Manage and maintain the central sewerage and drainage lines under all major/arterial roads.
Solid Waste Management	Sweep streets, collect solid waste from households and collection points and transport to the dumping yard.
Tax Assessment & Collection	Assessment of land and buildings, mutation and collection of property tax.
Water Supply	Installation, operation and maintenance of water treatment plants, booster pumping stations and tube-wells
Legal	Handling legal affairs of ANN
Advertisement	Providing spaces for advertisement and branding

(g) Achievements

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

Sr. No.	Name of the Award	Year	Name of the Institution
1	City Award (among Round 2- and Fast Track Cities)- 1st Position	2020	India Smart Cities Awards Contest (ISAC)
2	Project Award – Economy Category for “Micro Skill Development Centres”- 2nd position	2020	India Smart Cities Awards Contest (ISAC)
3	Award of Excellence for Agra Lockdown Monitoring App presented to the Municipal Commissioner	2020	10th Elets Knowledge-Exchange Summit & Awards
4	Public Private Partnership Initiative Award for Smart Health Centre	2021	Smart Cities India Awards
5	Digital Transformation Award in for Transformation in HealthCare for Establishment for Smart Health Centres on PPP basis	2021	Governance Now Awards

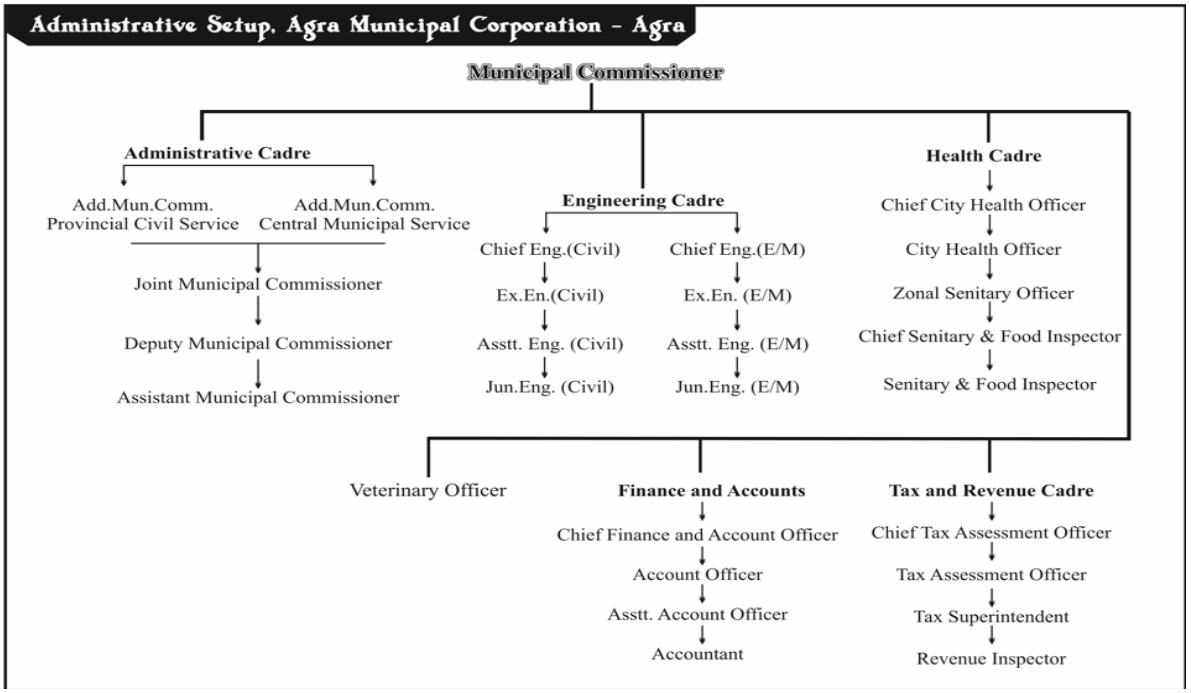
Sr. No.	Name of the Award	Year	Name of the Institution
6	Semi- Finalist of SKOCH Awards for Smart Health Centres on PPP basis	2021	SKOCH Group
7	National Smart City Award- 3rd Prize	2022	India Smart Cities Awards Contest (ISAC)
8	3rd Prize in the Category-"COVID Innovation" for multiple initiatives in response to COVID -19	2022	India Smart Cities Awards Contest (ISAC)
9	2nd Prize in the Category-"Social Aspects" for its project Smart Health Centres and Upgradation of Municipal Schools	2022	India Smart Cities Awards Contest (ISAC)
10	2nd Prize for Providing 24x7 Water Supply	2022	India Smart Cities Awards Contest (ISAC)
11	3rd Prize for ICCC Business Models	2022	India Smart Cities Awards Contest (ISAC)
12	Best ICCC Management Award for The Agra ICCC System	2023	Smart Cities India Awards
13	Award of Excellence under the Category Smarty City Initiative	2023	Elets National Emerging Technology Summit

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

The Issuer is a municipal corporation and as per UPMC Act there is no share capital in any municipal corporation.

C. 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.	Resolution of the Executive committee approving the formation of the Bond Issue Committee dated December 28, 2022
2.	Resolution of the House of the Issuer dated September 25, 2023 approving the Issue, formation of the Bond Issue Committee and delegating power to the Municipal Commissioner with regard to the re-constitution of the Bond Issue Committee in case of transfer or retirement of the officers of respective designations.
3.	Notification of the Municipal Commissioner bearing reference number 201/D/CFAO/2023-24 dated October 26, 2023 read with the letters of the Municipal Commissioner dated February 7, 2025 and March 28, 2025, confirming the members of the Bond Issue Committee.
4.	Resolution passed by the House of the Issuer dated July 16, 2024 approving the Projects
5.	Order of the Uttar Pradesh Government dated November 14, 2024 approving the Projects for the Issue
6.	Order of the Uttar Pradesh Government dated February 6, 2025 approving the Issue
7.	Resolution passed by the Bond Issue Committee dated February 17, 2025 approving the Issue
8.	Resolution passed by the Bond Issue Committee, approving the appointment of intermediaries dated February 17, 2025.
9.	Resolution passed by the Bond Issue Committee dated February 17, 2025, authorizing the creation of security by way of mortgage of Municipal Land for securing the municipal bonds
10.	Resolution passed by the Bond Issue Committee dated February 17, 2025, approving the appointment of the Compliance Officer, Brijesh Singh
11.	Resolution passed by the Bond Issue Committee, approving the Objects of the Issue dated February 17, 2025
12.	Resolution passed by the Bond Issue Committee dated February 17, 2025, March 24, 2025, and March 28, 2025 approving the PPM, updated PPM and PM, respectively.
13.	Resolution of the Bond Issue Committee dated March 17, 2025 and March 28, 2025 approving the Term Sheet and revised Term Sheet, respectively.

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 UPMC 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.

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

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

The Issuer is presently engaged in undertaking various projects. Following are the material projects undertaken by the Issuer identified as per the materiality policy of the Issuer

1. **Amrut 2.0 24x7 Water Supply Project**

   This project is being undertaken with the objective to comply with the 24x7 Water Supply Scheme for Sikandara, Awas Vikas Colony (Sector 9 and 10) of Agra Nagar Nigam under the AMRUT 2.0, includes the construction of 1 No of OHT (900 KL), 1 No of CWR (250 KL), laying of 12.26 Km distribution network, providing 1348 nos. of metered water supply house connections with Smart solutions like SCADA SYSTEM in order to implement 24x7 metered water supply in one operational zone i.e. sector 9 and 10 at Sikandara, Awas Vikas Colony of Agra Nagar Nigam.

2. **Work of Interlocking Tiles - Hariparvat Zone:**

Under this project, ANN is constructing interlocking tiles on the side track from the culvert of Hariparwat Zone, Sultanganj to the Shanti Nagar turn.

3. **Door to Door Collection of Solid waste in segregated manner and primary transportation up to secondary storage points /transfer station within jurisdiction of ANN**

This project is being undertaken with the objective of Door to Door collection of Solid waste in segregated manner and transportation up to secondary Storage points / Transfer Stations within jurisdiction of Agra Nagar Nigam. Through this project, ANN is aiming towards catering Door to Door waste collection services to household and commercial establishment throughout the city. The collection of solid waste in a segregated manner is as per the CPHEEO (Central Public Health & Environmental Engineering Organisation) manual 2016 and the SBM (Swachh Bharat Mission) guidelines. This project undertakes a rapid survey to ascertain number of households, commercial establishments in project area and ANN assure that no waste collection shall be dumped or ground anywhere in open. It should be scientifically transferred to designated transfer station/RC (Roller compactor) compacter as decided by ANN. GPS should be installed on all vehicles and live tracking of the vehicles should be done.

4. **Solid Waste Management & Sanitation Management in selected area of Tajganj zone along with the collection of user charges for a period of 3 years**

This project aims to assist Agra Nagar Nigam in achieving the goal of Swachh Bharat Mission (SBM) by undertaking Solid Waste Management and Sanitation Management in selected area of Tajganj Zone. Scope of the project includes high pressure washing of pavements. footpaths, dividers, bus stands public toilets and urinals; deploying mechanical road sweeping machines to effectively remove debris and litter from the road surface; cutting and pruning of trees; removal of undesirable wild grass and vegetation; emptying, cleaning and washing of litter bins and transport the waste to the designated site or nearest transfer station, etc.

5. **Empanelment of agencies to create awareness through IEC activities under Swachh Bharat Mission**

This project is undertaken with an objective to address the new and second generation issues related with health, sanitation, waste management in a time bound manner. Through this project, ANN plans an effective campaign to educate and popularize various environment friendly measures, create enabling environment to bring about an attitudinal and behavioral change. Scope of the project includes elimination of Dhalaow Ghar-Garbage Vulnerable points, D.P. bins, R.C. bins and any other identified open waste dumping points and open defecation points, home composting, identification of informal rag pickers and including them in formal system for sustainable livelihood; segregated collection of municipal solid waste at source, thematic awareness drives etc.

6. **Processing of Legacy waste through Bio–remediation & Bio-mining at Kuberpur, Agra**

This project intends to undertake the work required for dumpsite reclamation through bio-mining of old dumped municipal solid waste/legacy waste resource recovery and scientific disposal of residual solid waste at Kuberpur, Agra. The Scope of work under this project shall include reclamation of the entire dumpsite to allow bund level recovery.

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

S. No.	Project Name	Project Cost (₹ in Crore)		Project Cost Share (₹ in Crore)				Grant Received (₹ in Crore)		
		Approved	Awarded	GoI	GoUP	ULB (ANN)	Approved	Awarded	GoI	Total
1.	24x7 Water Supply Scheme at Sikandara, Awas Vikas Colony (Sector 9 and 10), Agra	9.26	8.55 (incl GST)	2.13*	3.85*	2.57	8.55 (incl GST)	0.46	0.83	1.29
2.	Hariparvat Zone Construction work by interlocking tiles on side track from Sultanganj culvert to Shanti Nagar turn.	7.06	6.66 (incl GST)	-	-	6.66	6.66 (incl GST)	-	-	-
3.	Door to Door Collection of Solid waste in segregated manner and primary transportation up to secondary storage points /transfer station within jurisdiction of ANN	27.90	27.90	-	-	27.90	27.90	-	-	-
4.	Solid Waste Management & Sanitation Management in selected area of Tajganj zone along with the collection of user charges for a period of 3 years	9.43	9.43	-	-	9.43	9.43	-	-	-
5.	Empanelment of agencies to create awareness through IEC activities	11.36	11.36	-	-	11.36	11.36	-	-	-

S. No.	Project Name	Project Cost (₹ in Crore)		Project Cost Share (₹ in Crore)				Grant Received (₹ in Crore)		
		Approved	Awarded	GoI	GoUP	ULB (ANN)	Approved	Awarded	GoI	Total
	under Swachh Bharat Mission									
6.	Processing of 500 TPD Legacy waste through Bio–remediation & Bio-mining at Kuberpur, Agra	8.54	8.54	-	-	8.54	8.54	-	-	-

Note: The projects are approved by the respective committees of ANN constituted for the above works under the Scheme of 14th/15th Finance Commission.

** Based on financial approval from GoUP under AMRUT 2.0 Scheme vide order dated June 27, 2023.*

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

S. No.	Project Name	Issue Proceeds (₹ in crores)
1.	Design, Engineering, Supply, Erection, Testing, Commissioning and Comprehensive O&M of 7.5MW of Solar Power Project at Agra **("Project I")**	29.00
2.	Construction of Co-Working Space and Recreation Centre with Citizen Facilitation Centre **a**t zonal office, Tajganj, Agra **("Project II")**	15.00
3.	Construction of Working Women Hostel Building at Lohamandi **("Project III")**	6.00
	Total	**50.00**

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

Project I- Design, Engineering, Supply, Erection, Testing, Commissioning and Comprehensive O&M of 7.5MW of Solar Power Project at Agra

S. No.	Description	Total Amount (₹ in Crore)
1.	ANN Contribution (Internal Accruals)	7.35
2.	External Borrowing (Bonds)	29.00
	Total Outflow	**36.35***

**Inclusive of GST. Cost of Project I may vary during implementation, any incremental cost shall be borne by ANN.*

Project II- Construction of Co-Working Space and Recreation Centre with Citizen Facilitation Centre at zonal office, Tajganj, Agra

S. No.	Description	Total Amount (₹ in Crores)
1.	ANN Contribution (Internal Accruals)	5.68
2.	External Borrowing (Bonds)	15.00
	Total Outflow	**20.68***

** Inclusive of GST. Cost of Project II may vary during implementation; any incremental cost shall be*

borne by ANN.

Project III- Construction of Working Women Hostel Building at Lohamandi

*

S. No.	Description	Total Amount (₹ in Crores)
Incl us 1.	ANN Contribution (Internal Accruals)	7.45
2.	External Borrowing (Bonds)	6.00
	Total Outflow	**13.45***

** Inclusive of GST. Cost of Project III may vary during implementation; any incremental cost shall be borne by ANN.*

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

As on date, there is no capital grant received for the proposed Projects, and they are being funded by ANN contribution and proceeds from the Issue as stated above.

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

Particulars	Grant Received (₹ in Crore)
Financial Year 2023-2024	411.15
Financial Year 2022-2023	296.87
Financial Year 2021-2022	237.34

SECTION-VII: OBJECTS OF THE ISSUE

PROJECT I - DESIGN, ENGINEERING, SUPPLY, ERECTION, TESTING, COMMISSIONING AND COMPREHENSIVE O&M OF 7.5MW OF SOLAR POWER PROJECT AT AGRA

The details of Project I based on the Detailed Project Report dated July 13, 2024 ("**DPR for Project I**") prepared by, Envirobrace Sustainable Solution Pvt Ltd, the project consultant for Project I ("**Project Consultant for Project I**") and certificate dated February 17, 2025 and March 28, 2025 from Project Consultant for Project I 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.:

As part of its green energy initiatives, Agra Nagar Nigam is pursuing to generate power from the renewable sources of energy available in the city. In pursuance to this a 7.5 MW Solar Power Project has been planned at (i) Kanha Gaushala (Tedhi Bagiya), (ii) Jalkal 1st (JeoniMandi), (iii) Jalkal 2nd (Sikandara), and (iv) MSW Plant Chhalesar, Kuberpur in Agra.

Power Usage

The power from the plant installed at the Kanha Gaushala & MSW plant, Chhalesar will be evacuated to the nearest 33/11 KVA substation and will be consumed through Open Access and the generated electricity will be used at Water Works 1st & 2nd Jeoni Mandi, Agra. The plant setup on Kanha Gaushala will be done on the elevated shelters and shed, so that there is no harm to the cows in the premises. Hence to maximize the capacity additional sheds of approx. 10,000 sqm are required to be constructed. The plant setup on MSW plant Chhalesar, Kuberpur will be done on the elevated shed and the empty barren land, it will be a mix of roof and ground mounted type plant.

The proposed plant at the Jalkal compound is 750KWp rooftop solar plant each on Jeoni Mandi and Sikandara (total 1.5MW), which will operate in Net Billing Mechanism. The power generated from the solar plant will be directly consumed in the Jalkal compound and the excess power will be fed into the grid.

Project Impact:

The proposed solar power project is needed to help ANN in mitigating the ever increasing electricity bills and achieving the solar city targets.

The proposed solar power plant at Kanha Gaushala and Jalkal compound will help in mitigating the dependence on electricity grid and will help in achieving the renewable energy targets of by India for 2030.

Power generation from the proposed solar plants will be around 20 lakhs units of electricity per year which will be directly offset and amount of around ₹ 1.4 crore annually in electricity bill (considering 7rs/KWh for grid electicity).This will help in achieving the targets of the Solar City mission which forms part of the Uttar Pradesh Solar Energy Policy 2022 adopted by the government of Uttar Pradesh.

The Project I also has environmental benefits and helps in carbon emission reduction, every unit or KWh generated using solar plant offsets 750 gm of CO_2. Thus, the proposed plants under Project I through their lifecycle (125 years considered) will help in reducing around 152 thousand tons of CO_2 emissions.

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

Location	(i)	KanhaGaushala (TedhiBagiya),
	(ii)	Jalkal 1st (JeoniMandi)
	(iii)	Jalkal 2nd (Sikandara) and

	(iv) MSW Plant Chhalesar, Kuberpur, Agra.
Plant & Machinery / Components	**DC System**: • Solar PV Module • Module Mounting Structure (MMS) including all necessary accessories • String Combiner Box with String Monitoring System String Fuses, Surge Protection System including all necessary accessories with String Monitoring capabilities. • DC Array field lightning arrestors • Power Conditioning Unit (PCU) including all necessary accessories • Solar Cables along with lugs, glands, ferrules, straight/Y-connectors and other materials required for proper cable termination at both the ends. • Junction Boxes & all necessary accessories • DC Earthing system including all necessary accessories **AC Systems**: • Power transformers/inverter transformers, auxiliary transformers including all necessary accessories • HT switchgear • LT switchgear • AC cabling system-LT power & control, HT cables, cable support system along with cable termination kits. • Protection system • All equipment including HT/LT cables, Transformers, Inverters and associated equipment/accessories required for evacuation of power from PV module to 33/132 kV switchyard shall be provided by the contractor. • Energy metering system. • Earthing system & lightning protection system with all necessary accessories • Plant illumination system • Auxiliary power supply system • Battery system including all necessary accessories • UPS with battery bank of sufficient capacity. • SCADA System with all necessary accessories • Telemetry & Grid interfacing for data transmission from main control room to SLDC/RLDC along with communication system so as to meet statutory requirements and comply with CERC code. All required hardware, gateway modem, radio link etc. required for data compliance with Regional Load Dispatch Centre (RLDC)/SLDC/STU/CTU
Process and Technology	**Solar photovoltaic crystalline modules** Crystalline silicon panels are constructed by first putting a single slice of silicon through a series of processing steps, creating one solar cell. These cells are then assembled together in multiples to make a solar panel.

	Crystalline silicon, also called wafer silicon, is the oldest and the most widely used material in commercial solar panels. There are two main types of crystalline silicon solar panels: i) Monocrystalline silicon ii) Multi-crystalline silicon.

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 breakup of cost for solar power plants at various locations forming part of Project I is as below:

S. No.	Location	Proposed Capacity of Solar Plant	Estimated Cost (₹ in Crore)
1.	Kanha Gaushala, Tedhi Bagiya Agra	2MW	7.80
2.	Jalkal 1st, Jeoni Mandi, Agra	750 KW	2.90
3.	Jalkal 2nd, Sikandra, Agra	750 KW	2.90
4.	MSW plant Chhalesar, Kuberpur, Agra	4 MW	17.20
	Sub-Total (A)	7.5 MW	30.80
	GST @ 18% of (A) = (B)		5.55
	Grand Total (A) + (B)		**36.35**

The details of activity-wise cost for the Project I is given below:

(₹ in Crore)

Sr. No.	Item Description	Total Cost
1.	**Civil, Electrical and Mechanical Works**	
	Solar Photovoltaic 545-550 Wp Mono Crystalline Modules	20.24
	Module Mounting Structure	0.40
	Solar Grid 250 KW on grid Inverter	2.37
	Junction Box, AC Distribution Box,Earthing Kit, Lightning Arrester, FR /PVC copper Cables 6mm/4mm	4.87
2.	**Installation Works**	
	Installation accessories and Hardware - MC4 connectors from PV string to Inverter, Cable ducts for routing cables, Plated Copper lugs for all terminations	0.85
	Transformers BAY	2.07
3.	Sub-Total (A)	30.80
4.	18% GST @18% of (A)=(B)	5.55
5.	**Total Cost=A+B**	**36.35***

**The activity-wise cost for the Project I is as per the DPR for Project I, Bond Issue Committee resolution dated February 17, 2025 & certificate from Project Consultant for Project I dated February 17, 2025 and March 28, 2025.*

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 Projects are presented in the table

below:

(₹ in Crore)

Name of the Project	Total Project Cost Approved*	Means of the finance of the capital cost	
		ANN Contribution (Internal accruals	External Borrowing (Proposed Bonds)
Design, Eengineering, Supply, Erection, Testing, Commissioning and comprehensive O&M of 7.5MW of solar power project	36.35	7.35	29.00
Grand Total	**36.35**	**7.35**	**29.00**

**The cost of Project I is as approved by (i) Government of Uttar Pradesh vide letter dated November 14, 2024, (ii) UPNEDA vide letter dated August 21, 2024, and (iii) resolution passed by the Bond Issue Committee dated February 17, 2025. Cost of Project I may vary during implementation. Any incremental cost shall be borne by ANN.*

The Issuer confirms that its contribution for the Issue shall not be less than 20% (Twenty percent) of the cost of the Project, which shall be contributed from its internal resources.

E. Schedule of implementation of the Project

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

Sr. No.	Activity Description	Period (No of Days)*	Physical Target (%)*	Financial Target (%)*
1	Mobilization Advance against BG	T	0	10
2	Procurement & Designing and obtaining NoCs and Government clearances	T+1 to T+30	05	10
3	Module Mounting Structure Installation, Bay Setup	T+31 to T+90	25	15
4	Bay Setup	T+31 to T+150	50	50
5	Module Installation	T+61 to T+120	60	60
6	Cabling	T+91 to 180	70	75
7	Inverter Connection and Grid Synchronization	T+181 to T+240	80	90
8	Seamless Power Distribution	T+241 to T+270	100	100

*Note: T stands for the estimated date of award of Work order**.*

**The above timelines are indicative and the Physical Target and Financial Target for the activities will commence after allotment of Work order and signing of vendor agreement for implementation of the Project I.*

***Issuer has undertaken to ensure completion of the tendering process of the Projects within six months of the Issue Closing Date and to take all necessary steps for timely completion the Projects*

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

The indicative milestone dates for the proposed Project are:

Activity	Duration (In Days)	Date of Start	Date of Completion
Mobilization Advance against BG	0	T	T
Procurement & Designing and obtaining NoCs and Government clearances	30	T+1	T+30
Module Mounting Structure Installation	60	T+31	T+90
Bay Setup	120	T+31	T+150
Module Installation	60	T+61	T+120
Cabling	90	T+91	T+180
Inverter Connection and Grid Synchronization	60	T+181	T+240
Seamless Power Distribution	30	T+241	T+270

Note: T stands for the estimated date of award of Work order.*

**Issuer has undertaken to ensure completion of the tendering process of the Projects within six months of the Issue Closing Date and to take all necessary steps for timely completion the Projects.*

Current Status of Project I:

Detailed Project Report has been prepared and the cost of Project I has been approved. The Issuer is yet to issue any tenders inviting bids post which work orders will be issued for implementation of Project I.

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

Project I has been approved by GoUP vide letter 1342/No-9-2024-58J/18T.C.-E-1820120 dated November 14, 2024.

Based on the certificates dated February 17, 2025 and March 28, 2025, from Project Consultant for Project I, the details of approvals as required for implementing Project I and their status is as given below:

Sr. No.	Description of Approval/ Arrangement and Name of the Authority/Agency	Status of Application	Status of Approval
1.	Approval from Government of UP Approval	Approved	Received vide letter dated November 14, 2024
2.	Long Term Open Access Agreement with Uttar Pradesh Power Transmission Company Limited (UPPTCL)*	Application can be made after award of work order[#]	-
3.	Power Purchase Agreement (PPA) for units sell and purchase through Open Access with UP Power Corporation Limited (UPPCL) and Dakshinanchal Vidyut Vitaran Nigam Limited (DDVNL) or Torrent Power Limited**	Application can be made after award of work order[#]	-
4.	NoC form Power and Telecommunication Co-ordination committee (PTCC)***	Application can be made after plant installation	
5.	NoC from department of electricity safety	Application can be made after plant installation	-
6.	NoC from Fire safety department	Application can be made after plant installation	-

#Issuer proposes to apply for these approvals after completion of tendering process and award of Work order for Project I.

**Long Term Open Access Agreement ("LTOAA") for captive usage:*

Agreement which is required to be entered into with UPPTCL for procuring right to use the transmission system. Pursuant to this agreement, various arrangements will be covered with UPPTCL including information about the power generator, procurer, injection entity, drawer entity, substation details, voltage level, connectivity level etc. It serves the basis for state load dispatch centers for demand and supply management and monitoring. Application for entering into such Agreement can be made to UPPTCL only after the award of Work Order.

***Power Purchase Agreement ("PPA") for captive usage:*

An agreement which is required to be entered into with UPPCL for procuring right to use the distribution system. Pursuant to this agreement with UPPCL and DDVNL or Torrent Power Limited various aspect w.r.t purchase and sell of power including the information on the power generation plant, buyer, seller, metering type, supply schedule, billing procedure, payment schedule etc will be covered. It serves as the basis for the discom for billing and substation management. Application for entering into such Agreement can be made to UPPTCL only after the award of Work Order. PPA will be signed first and followed by the LTOAA.

****NoC form Power and Telecommunication Co-ordination committee (PTCC)*

NoC is required from PTCC to install the Supervisory Control and Data Acquisition system for plant monitoring (SCADA). The NOC involves inspection of SCADA and hence application for the same can be made only after plant installation.

Based on the certificates dated February 17, 2025 and March 28, 2025 from Project Consultant for Project I, other than the approval mentioned above, no other statutory or regulatory approvals/ permissions/ licenses are required to be obtained by the ANN for implementation of Project I.

PROJECT II – CONSTRUCTION OF CO-WORKING SPACE AND RECREATION CENTRE WITH CITIZEN FACILITATION CENTRE AT ZONAL OFFICE TAJGANJ, AGRA

The details of Project II based on the Detailed Project Report dated July 14, 2024 ("**DPR for Project II**") prepared by Sharma & Associates, project consultant for Project II ("**Project Consultant for Project II**") and project consultant certificates dated February 17, 2025 and March 28, 2025 from Project Consultant for Project II 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.:

Background of the Project II:

The Co-working Space and Recreation Centre with Citizen Facilitation Centre is a proposed development in the Tajganj Zone, aimed at enhancing urban infrastructure and public service accessibility. The project involves the dismantling of the existing Tajganj Zonal Office to make way for a modern, multi-functional facility that will cater to professionals, entrepreneurs, and citizens alike.

This Project II aims to enhance public service accessibility, support entrepreneurship, and improve urban infrastructure. This initiative aligns with the broader vision of urban renewal and smart infrastructure development, providing a well-equipped co-working space, recreational amenities, and a citizen facilitation centre to streamline public services. The project is expected to improve operational efficiency, encourage collaboration, and enhance the overall public experience in the Tajganj Zone.

The proposed project involves construction of G+4 building having total built-up area of 3248.80 square meters. This project will house co-working spaces, food court, restaurant, commercial hall with the zonal office.

Total no of Floors	G to G+4
Ground (G) floor	Commercial complex / show-room, with a total area of 617.56 sq.m.
First floor (G + 1)	Commercial complex / show-room, with a total area of 617.56 sq.m.
First floor (G + 2)	Food court, Kiosk area, Fun zone, with a total area of 617.56 sq.m.
First floor (G + 3)	Zonal office, Co-working space, Service area, with a total area of 617.56 sq.m.
First floor (G + 4)	Commercial hall, with a total area of 617.56 sq.m.
Roof-Top	Restaurant and Taj View Gallery with a total area of 161 sq.m.
Total built-up area	3248.80 square meters (sq.m.)

Benefits of taking up the Project II:

- **Enhanced Public Services**: The Citizen Facilitation Centre will provide streamlined and accessible services for residents.
- **Boost to Entrepreneurship**: The co-working space will support startups, freelancers, and businesses with modern work facilities.
- **Improved Urban Infrastructure**: A well-planned, sustainable building will replace the outdated zonal office.
- **Community Engagement & Well-being**: The recreation centre will offer spaces for relaxation, fitness, and social activities.
- **Smart & Efficient Operations**: Integrated digital services, green energy solutions, and modern amenities will enhance efficiency and sustainability.

Location	Near Mugal Pulia, Tajganj Zonal Office, Agra
Plant & Machinery/ Components	List of machinery used in the construction of co-working space and recreation centre with citizen facilitation centre: 1. **Excavators:** These machines are essential for digging and excavating the foundation and trenches required for the building. 2. **Concrete Batching Plants:** The plants are used to produce large quantities of concrete with specified mix designs, ensuring the structural integrity of the building. 3. **Concrete Pump Trucks:** Used to pump and place concrete in hard-to-reach areas, ensuring proper filling and consolidation. 4. **Formwork Systems:** To mold and shape the concrete during construction, formwork systems are employed for creating walls, slabs, and other structural elements. 5. **Rebar Cutters and Benders:** Essential for cutting and bending reinforcing steel bars to the required specifications for structural reinforcement. 6. **Concrete Mixers:** Used to mix concrete batches on-site, ensuring a consistent and quality mix for construction. 7. **Surveying Instruments:** Precision instruments such as total stations and GPS systems are used for accurate layout and alignment of building.

	8. **Concrete Vibrators:** Ensure proper consolidation of concrete to eliminate air voids and enhance structural strength. 9. **Batching and Mixing Plants:** For the preparation of various construction materials and ensuring consistency in the mix. 10. **Water Pumps:** Used for curing and preparing mix. The use of these plants and machinery in a coordinated manner is crucial for the successful and timely completion of construction projects.
Process and Technology	**a. Site Selection and Surveying:** • Process: Initial site selection involves evaluating factors such as elevation and topography. • Technology: Surveying instruments such as total stations and GPS are used • for accurate site measurements and data collection and layout. **2. Design and Planning:** • Process: Engineers develop detailed structural and architectural plans considering the land available, and safety standards. • Technology: Computer-Aided Design (CAD) software is commonly used for creating detailed blueprints. **3. Excavation and Foundation Construction:** • Process: Site preparation involves excavation for foundation. • Technology: Earthmoving equipment, including excavators 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: 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. Final Inspection and Commissioning:** • Process: Comprehensive inspection is conducted to ensure adherence to design specifications and safety standards. **9. 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 co-working space and recreation centre with citizen facilitation centre involves the integration of these processes and technologies.

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 cost for the Project II is given below:

(₹ in Crores)

Sr. No.	Item Description	Total Cost
1.	Civil works	8.08
2.	Landscape	0.14
3.	Furniture and Accessories	2.52
4.	Kitchen equipment and accessories	0.36
5.	Interior work for Zonal office	0.19
6.	Fire Fighting	0.35
7.	Services (Internal Water Supply & Sanitary Electrical, Power Wiring and Lift)	1.97
8.	RCC water tank	0.38
9.	Development of site	0.32
10.	Specialised Electrical and Mechanical work	2.78
Total (A)		17.09
Contingency [1 % of (A)] = (B)		0.17
Sub-Total [(A) + (B) = (C)]		17.26
GST [@18% of (C) = (D)]		3.10
Sub-Total [(C) + (D) = (E)]		20.37
Architect [1.5% of (E) = (F)]		0.26

Sr. No.	Item Description	Total Cost
	GST [@18% of (F) = (G)]	0.05
	Grand-Total [(E) + (F) + (G) = (H)]	**20.68***

**The activity-wise cost for the Project II is as per the DPR for Project II, resolution passed by the Bond Issue Committee dated February 17, 2025 & certificates from Project Consultant for Project II dated February 17, 2025 and March 28, 2025.*

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 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:

Name of the Project	Approved project cost (₹ in Crore)*	Means of the finance of the capital cost (₹ in Crore)	
		ANN Contribution (internal accruals)	External Borrowing (proposed bonds)
Co-working Space and Recreation Centre with Citizen Facilitation Centre	20.68	5.68	15.00
Total	20.68	5.68	15.00

**The cost of the Project II is as approved by (i) Government of Uttar Pradesh dated vide letter dated November 14, 2024, (ii) resolution passed by the Bond Issue Committee dated February 17, 2025. Cost of Project II may vary during implementation. Any incremental cost shall be borne by ANN.*

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

E. Schedule of implementation of the Project

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

Activity	Indicative Period (in days)*		Physical Target (%)	Financial Target (%)
Dismantling works & shifting of underground utilities	T	T+30	5%	5%
Foundation with columns up to plinth	T+31	T+130	25%	25%
Ground floor column, beams and slab	T+131	T+180	35%	35%
1st Floor column, beams and slab	T+181	T+230	45%	45%
2nd Floor column, beams and slab	T+231	T+280	55%	55%
3rd Floor column, beams and slab	T+281	T+330	65%	65%

Activity	Indicative Period (in days)*		Physical Target (%)	Financial Target (%)
4th Floor column, beams and slab	T+331	T+380	75%	75%
Brickwork and plastering	T+381	T+410	85%	85%
MEP work	T+411	T+450	90%	90%
Finishing and furniture installation	T+451	T+525	100%	100%

*Note: T stands for the estimated date of award of Work order**.*

**The above timelines are indicative and the Physical Target and Financial Target for the activities will commence after allotment of Work order and signing of vendor agreement for implementation of the Project II.*

***Issuer has undertaken to ensure completion of the tendering process of the Projects within six months of the Issue Closing Date on and to take all necessary steps for timely completion the Projects*

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 ANN in past, the indicative milestone dates for the proposed Project II are as below:

Activity Description	Duration (In Days)	Date of Start	Date of Completion
Dismantling works & shifting of underground utilities	30	T*	T+30
Foundation with columns upto plinth	100	T+31	T+130
Ground floor column, beams and slab	50	T+131	T+180
1st Floor column, beams and slab	50	T+181	T+230
2nd Floor column, beams and slab	50	T+231	T+280
3rd Floor column, beams and slab	50	T+281	T+330
4th Floor column, beams and slab	50	T+331	T+380
Brickwork and plastering	30	T+381	T+410
MEP work	40	T+411	T+450
Finishing and furniture installation	75	T+451	T+525

*T stands for the estimated start date award of Work order**.*

***Issuer has undertaken to ensure completion of the tendering process of the Projects within six months of the Issue Closing Date and to take all necessary steps for timely completion the Projects*

Current Status of Project II:

Detailed Project Report has been prepared and the cost of Project II has been approved. The Issuer is

yet to issue any tenders inviting bids post which work orders will be issued for implementation of Project II.

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

Project II has been approved by GoUP vide letter 1342/No-9-2024-58J/18T.C.-E-1820120 dated November 14, 2024.

Based on the certificate dated March 28, 2025 from Project Consultant for Project II, the details of the approvals as required for implementing Project II and their status is as given below:

Sr. No.	Description of Approval and Name of the Authority/Agency	Status	Date of approval
1.	Government of UP Approval Approved	Approval received	Received vide letter dated November 14, 2024
3.	NOC from Torrent Power Limited	Approval received	NOC Received vide letter dated March 19, 2025
4.	NOC from Fire Department	Application can be made after the completion of the construction work of the structure of the building*	-

**The Issuer undertakes to apply for pending approvals after completion of construction work.*

Based on the certificates dated March 24, 2025 from Project Consultant for Project II, other than the approval mentioned above, no other statutory or regulatory approvals/ permissions/ licenses are required to be obtained by the ANN for implementation of Project II.

PROJECT III – CONSTRUCTION OF WORKING WOMEN HOSTEL BUILDING AT LOHAMANDI, AGRA

The details of Project III are based on the Detailed Project Report dated July 14, 2024 ("**DPR for Project III**") prepared by- Sharma & Associates, the project consultant for Project III ("**Project consultant for Project III**") and certificates dated February 17, 2025 and March 28, 2025 from Project Consultant for Project III 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.:

Background of the project:

The Working Women's Hostel project in Lohamandi Zone aims to provide secure, affordable, and well-equipped accommodation for working women. While the existing working women's hostel is very old it is proposed to dismantle the existing structure & to construct a new hostel with modern facility that ensures safety, comfort, and convenience for its residents.

Designed to cater to professionals, students, and women from diverse backgrounds, the hostel will offer secure living spaces, common facilities, and essential amenities, fostering a supportive and inclusive environment. This initiative aligns with the broader goal of women's empowerment and urban infrastructure enhancement in the region.

This Project III aims to provide safe, comfortable, and accessible housing for working women and improve their quality of life while promoting social and economic empowerment.

The proposed Project III involves construction of Working Women's Hostel Building of total area of 2506 square meter land of the Issuer with a total built-up area of 2932 square meter. The working women's hostel shall be of a total capacity of 128 beds. The structure is designed as a multi-story framed structure of G to G+3 Floors. Following are the floor-wise plan for the hostel:

Total no of Floors	G to G+3
Ground (G) floor	16 rooms with living area, toilet block, dining hall and kitchen with a total area of 998 square meters
First floor (G + 1)	16 rooms with dining hall, toilet block and kitchen with a total area of 718 sq km
First floor (G + 2)	16 rooms with toilet block with a total area of 608 square meters
First floor (G + 3)	16 rooms with toilet block with a total area of 608 square meters
Total built-up area	2932 square meters

Benefits of the Project III:

- **Safe & Secure Housing**: Provides a protected living environment for working women.
- **Affordable Accommodation**: Ensures cost-effective housing with essential amenities.
- **Empowerment & Independence**: Supports women's mobility and career growth.
- **Modern Facilities**: Offers comfortable living spaces with common areas and services.
- **Enhanced Urban Infrastructure**: Contributes to better residential facilities in Lohamandi Zone.
- **Sustainability & Efficiency**: Incorporates green building features for energy conservation like solar power and rainwater harvesting.

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

Location	Near Lohamandi Zone, Agra
Plant & Machinery/ Components	List of machinery used in the Construction Of Working Women Hostel Building At Lohamandi, Agra: 1. **Excavators:** These machines are essential for digging and excavating the foundation and trenches required for the building. 2. **Concrete Batching Plants:** The plants are used to produce large quantities of concrete with specified mix designs, ensuring the structural integrity of the building. 3. **Concrete Pump Trucks:** Used to pump and place concrete in hard-to-reach areas, ensuring proper filling and consolidation. 4. **Formwork Systems:** To mold and shape the concrete during construction, formwork systems are employed for creating walls, slabs, and other structural elements. 5. **Rebar Cutters and Benders:** Essential for cutting and bending reinforcing steel bars to the required specifications for structural reinforcement. 6. **Concrete Mixers:** Used to mix concrete batches on-site, ensuring a consistent and quality mix for construction.

	7. **Surveying Instruments:** Precision instruments such as total stations and GPS systems are used for accurate layout and alignment of the building. 8. **Concrete Vibrators:** Ensure proper consolidation of concrete to eliminate air voids and enhance structural strength. 9. **Batching and Mixing Plants:** For the preparation of various construction materials and ensuring consistency in the mix. 10. **Water Pumps:** Used for curing and preparing mix. The use of these plants and machinery in a coordinated manner
Process and Technology	1. **Site Selection and Surveying:** • Process: Initial site selection involves evaluating factors such as elevation and topography. • Technology: Surveying instruments such as total stations and GPS are used for accurate site measurements and data collection and layout. 2. **Design and Planning:** • Process: Engineers develop detailed structural and architectural plans considering the land available and safety standards. • Technology: Computer-Aided Design (CAD) software is commonly used for creating detailed blueprints. 3. **Excavation and Foundation Construction:** • Process: Site preparation involves excavation for foundation. • Technology: Earthmoving equipment, including excavators 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: 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. **Final Inspection and Commissioning:** • Process: Comprehensive inspection is conducted to ensure adherence to design specifications and safety standards. 9. **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 Working Women Hostel involves the integration of these processes and technologies.

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 is as given below:

(₹ in Crores)

Sr. No.	Item Description	Total Cost
1.	Civil works	7.05
2.	Landscape	0.07
3.	Furniture and Accessories	1.29
4.	Fire Fighting	0.14
5.	Services	1.59
6.	RCC water tank	0.02
7.	Development of site	0.1
8.	Specialised Electrical and Mechanical work	0.85
Sub-Total (A)		11.12
1 % Contingency 1% of (A) = (B)		0.11
Sub-total [(A)+(B) = (C)		11.23
18% GST [@18% of (C) = (D)]		2.02
Sub-Total [(C) + (D) = (E)]		13.25
1.5% Architect Fee [@1.5% of (A) = (F)]		0.17
GST on Architect Fee [@18% of (F) = (G)]		0.03
Grand Total [(E)+(F)+(G)]		**13.45***

**The activity-wise cost for the Project III is as per the DPR for Project III, resolution passed by the Bond Issue Committee dated February 17, 2025 & certificates from Project Consultant for Project III dated February 17, 2025 and March 28, 2025.*

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:

Name of the Project	Approved project cost (₹ in Crore)*	Means of the finance of the capital cost (₹ in Crore)	
		ANN Contribution (internal accruals)	External Borrowing (proposed bonds)
Working Women's Hostel Building	13.45	7.45	6.00
Total	13.45	7.45	6.00

** The cost of the Project III is as approved by (i) Government of Uttar Pradesh dated vide letter dated November 14, 2024, (ii) resolution passed by the Bond Issue Committee letter dated February 17, 2025. Cost of Project III may vary during implementation. Any incremental cost shall be borne by ANN.*

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

E. Schedule of implementation of the Project

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

Activity Description	Period (in days)*		Physical Target (%)	Financial Target (%)
Dismantling works & shifting of underground utilities	T	T+30	5%	5%
Foundation with columns up to plinth	T+31	T+150	30%	30%
Ground floor column, beams and slab	T+151	T+240	40%	40%
1st Floor column, beams and slab	T+241	T+330	50%	50%
2nd Floor column, beams and slab	T+331	T+420	60%	60%
3rd Floor column, beams and slab	T+421	T+510	70%	70%
Brickwork and plastering	T+511	T+570	80%	80%
MEP work	T+571	T+620	90%	90%
Finishing and furniture installation	T+621	T+720	100%	100%

*Note: T stands for the estimated date of award of Work order**.*

**The above timelines are indicative and the Physical Target and Financial Target for activities will commence after allotment of Work order and signing of vendor agreement for implementation of the Project III.*

***Issuer has undertaken to ensure completion of the tendering process of the Projects within six months of the Issue Closing Date and to take all necessary steps for timely completion the Projects*

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 ANN in past, the indicative milestone dates for the proposed Project are:

Activity Description	Duration (In Days)	Date of Start	Date of Completion
Dismantling works & shifting of underground utilities	30	T*	T+30
Foundation with columns up to plinth	120	T+31	T+150
Ground floor column, beams and slab	90	T+151	T+240
1st Floor column, beams and slab	90	T+241	T+330
2nd Floor column, beams and slab	90	T+331	T+420
3rd Floor column, beams and slab	90	T+421	T+510
Brickwork and plastering	60	T+511	T+570
MEP work	50	T+571	T+620
Finishing and furniture installation	100	T+621	T+720

T stands for the estimated start date of award of Work order.*

***Issuer has undertaken to ensure completion of the tendering process of the Projects within six months of the Issue Closing Date and to take all necessary steps for timely completion the Projects*.

Current Status of Project III:

Detailed Project Report has been prepared for and the cost of Project III has been approved. The Issuer is yet to issue any tenders inviting bids post which work orders will be issued for implementation of Project III.

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

Project III has been approved by GoUP vide letter 1342/No-9-2024-58J/18T.C.-E-1820120 dated November 14, 2024.

Based on the certificate dated March 28, 2025 from Project Consultant for Project III, the details of approvals as required for implementing the Project III and their status is as given below:

Sr. No.	Description of Approval and Name of the Authority/Agency	Status	Date of approval
1.	Government of UP Approval - Approved	Approval Received	Received vide letter dated November 14, 2024
3.	NOC from Torrent Power Limited	Approval Received	NOC Received vide letter dated March 19, 2025
4.	NOC from Fire Safety Department	Application can be made after the completion of the construction work of the structure of the building*	-

**The Issuer undertakes to apply for pending approvals after completion of construction work.*

Based on the certificate dated March 28, 2025 from Project Consultant for Project III, other than the approval mentioned above, no other statutory or regulatory approvals/ permissions/ licenses are required to be obtained by the ANN for implementation of Project III.

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 ₹) (Excluding Taxes)*	Percentage of total issue expenses	Percentage of total issue size
Fees to Merchant Banker(s) (including commissions, if any)	1.00	0.00%	0.0000%
Brokerage, selling commission and upload fees	-	0.00%	0.0000%
Fees to the Registrar to the Issue	74,000.00	4.92%	0.0148%
Fees to the Legal Advisor to the Issue	525,000.00	34.91%	0.1050%
Advertising and marketing expenses (including road shows, investors meet and other events)	250,000.00	16.62%	0.0500%
Regulators including stock exchange	5,000.00	0.33%	0.0010%
Printing and distribution of issue stationery	50,000.00	3.32%	0.0100%
Others, if any (fees of Rating Agencies, Debenture Trustee, etc.)	600,000.00	39.89%	0.1200%
Total (exclusive of taxes)	**1,504,001.00**	**100.00%**	**0.3008%**

**Indicative amounts*

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

To,
Agra Nagar Nigam
1, M.G. Road,
Near Sursadan, Agra,
Uttar Pradesh– 282002, India

Dear Sirs,

Re: Statement of Tax Benefits available to the debenture holders of private placement of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of Debentures of face value of ₹ 4,00,000/- each (Rupees Four Lakh) ("Bonds"/"NCDs"/"Debentures"), (comprising of 4 (four) separately transferable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 50 crores (Rupees Fifty Crores Only) ("Issue").

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1. We, Tandon Mital & Associates, refer to the proposed Issue by Agra Nagar Nigam (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.

   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 A.K Capital Services Limited (the "**Merchant Banker**"). We further consent to the above details being included for the Records to be maintained by the Merchant Banker in connection with the Issue and in accordance with the provisions of applicable laws.

This Statement may be relied upon by the Merchant Bankers and the Legal Advisor to the Issue in respect of the Issue.

For TANDON MITAL & ASSOCIATES
CHARTERED ACCOUNTANTS

(Firm Registration Number: 002320C)

_____

Authorized Signatory
Name: Y.K. MITTAL
Designation: PARTNER
Membership No.: 071514
UDIN: 25071514BMJAPG6855
Place: Agra
Date: March 28, 2025

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.

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 on or 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	Agra Nagar Nigam	KFin Technologies Ltd.
Correspondence Address	1, M.G. Marg, Near Sur Sadan, Agra - 280002	Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District, Hyderabad, India
Contact Person	Mr. Brijesh Singh	Mr. Srinivas Sudheer Venkatapuram
Designation	Chief Financial and Accounts Officer	VP – Corporate Registry
E-mail ID	bondsann2022@gmail.com	srinivassudheer.venkatapuram@kfintech.com
Tel. No.	0562-2850670	040- 67162222
Fax No.	0562-2850499	040-23001153

Particulars	Contact Details of the Issuer	Contact Details of the RTA
Link for online submission	N.A.	https://ris.kfintech.com/form15/forms.aspx?q=0

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 or equals to Rs. 5,000 (From 01.04.2025 Rs. 10,000) and interest is to be paid by way of account payee cheque.

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.

7. Documents required in cases of lower/ non-deduction of TDS due to exemption available

Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

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 with the Issuer before the prescribed date of closure of books for payment of debenture 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 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; and

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. Please find below the class of resident investors and respective documents that would be required for granting TDS exemption, unless specified otherwise hereinabove:

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act,	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Issuer. However, in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either a declaration (in duplicate) in the prescribed form i.e. Form 15H which can be given by individuals who are of the age of 60 years or more Form 15G which can be given by all applicants (other than companies, and firms), or a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.
2	Non-residents- (Other than FIIs/FPIs)	For Non-deduction or lower deduction of tax at source u/s 195 of the IT Act	A certificate under section 197 of the IT Act from the Indian Assessing Officer for nil / lower deduction of tax at source by making an application in the prescribed form (i.e. Form No.13.)
3	Life insurance Corporation of India	Clause vi of Proviso to Section 193	Copy of Registration certificate
4	General Insurance Corporation of India, companies formed under section 16(1) of General Insurance Business Act, 1972 and any company in which GIC has full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	Copy of Registration certificate Copy of shareholding pattern
5	Any Insurer (like SBI Life Insurance, Max Life Insurance etc.)	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by IRDA
6	Mutual Funds	Section 196(iv) read with Section 10(23D)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government
7	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i),(ii) and (iii)	In case of Corporation, Declaration that their income is exempt from tax with applicable provisions
8	Recognized Provident Funds, Recognized Gratuity Funds, Approved	Section 10(25) and 10(25A) and CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that their income is exempt u/s 10(25) and

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
	Superannuation Funds, Employees' State Insurance Fund etc.		10(25A)
9	New Pension System Trust	Section 10(44) read with Section 196(iii) and CBDT Circular - 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882
10	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 10(20) etc. read with CBDT Circular - 18/2017	Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
11	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

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. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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 UPMC Act provides borrowing powers to ANN. The proposed issue is being made pursuant to the provisions of UPMC Act and is subject to the provisions of the UPMC 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. 40.

Section 154 of the UPMC Act provides that ANN with the previous sanction of the State Government and subject to the provisions of Section 31 of the Reserve Bank of India Act, 1934, from time to time, may 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 ANN 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, *inter alia*, this Act, 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 the UPMC Act;
(b) for discharging any loan contracted under the UPMC Act or any other loan or debt for the repayment of which ANN is liable;
(c) generally for carrying out the purposes of this Act, including the advance of loans authorised thereunder.

Further in accordance with Section 156 of the UPMC Act, every loan raised by ANN under Section 154 shall be repaid by the following methods:

(a) by payment from a sinking fund established under Section 157 in respect of the loan;
(b) by equal payments of principal and interest;
(c) from any sum borrowed for the purpose under clause (b) of sub-section (1) of Section 154;
(d) partly from a sinking fund established under Section 157 in respect of the loan and partly from money borrowed for the purpose under Section 154(1)(b);
(e) By such other method including drawings as the State Government may specify.

B. Rating and detailed Rating Rationale.

For rating rationale and credit rating letters of India Ratings and Acuite, please refer to **Annexure II** on page A-7. There are no unaccepted ratings and any other ratings, other than as specified in Placement Memorandum.

C. Other Confirmations

a) the Issuer is eligible to raise funds under its constitution documents and in terms of the Uttar Pradesh Municipal Corporation Act, 1959;

b) the accounts of the Issuer are prepared in accordance with the National Municipal Accounts Manual;

c) the Issuer has no outstanding loans or borrowings as of the date of filing this Placement Document;

d) no order or direction of restraint, prohibition or debarment by Securities and Exchange Board of India, ("SEBI") is in force against the Issuer or members of the Bond Issue Committee from accessing the securities markets;

e) the Issuer or members of the Bond Issue Committee are not named in the list of the willful defaulters;

f) none of the members of the Bond Issue Committee have been declared as a fugitive economic offender(s);

D. Credit Enhancement Mechanisms, if any.

As per order issued by GoUP dated July 30, 2019, an infrastructure development fund (IDF), which is formed from 0.5% out of the 2% additional Stamp Duty deposited on transfer records of immovable properties located under Urban Local Bodies (ULB), is made available to the ULBs issuing municipal bonds on first priority. This policy was formed by GoUP to promote the issue of Municipal bond by Local Bodies to get desired Credit Enhancement for fulfilling the requirements of issuing Bonds. Subsequently, GoUP vide G.O. dated February 6, 2025 approved for the Issue, and use of IDF for the proposed Issue. This incentive is available to bodies issuing municipal bonds in accordance with the SEBI guidelines. No amount/ commission/ compensation is payable by the Issuer to GoUP towards the IDF during or after the Issue

For further details, please refer to Annexure I on page A- 1 for Structured Payment Mechanism.

E. 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 Issuer has received in-principle approval bearing reference no. NSE/LIST/8671 dated February 21, 2025 from NSE for listing of Bonds.

F. 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.

G. Penal interest payable by ANN in case of delay in listing of Bonds from Deemed date of Allotment

The penal interest of 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 provisions of Chapter VII of the SEBI Master Circular.

As per provisions of the SEBI Municipal Debt Regulations, in case the Issuer fails to obtain listing or trading permission from the Stock Exchange, it shall refund the entire monies received within seven days of receipt of intimation from the Stock Exchange 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.

H. 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 UPMC Act, each as amended, modified and/or supplemented from time to time, the Issuer is required to create Sinking Fund Account 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 on page A-1.

I. 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, ANN has appointed A. K. Capital Services Limited as Merchant Bankers/ Arrangers to

the Issue vide offer letter dated May 24, 2023 & work agreement dated August 3, 2023 and Issue Agreement dated February 17, 2025;

2. We further would like to disclose that lead managers/ merchant bankers/ arrangers either directly or through its affiliates or it 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.

J. 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	Agra Nagar Nigam	KFin Technologies Ltd.
Correspondence Address	1, M.G. Marg, Near Sur Sadan, Agra - 280002	Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District, Hyderabad, India
Contact Person	Mr. Brijesh Singh	Mr. Srinivas Sudheer Venkatapuram
Designation	Chief Financial and Accounts Officer	VP – Corporate Registry
E-mail ID	bondsann2022@gmail.com	srinivassudheer.venkatapuram@kfintech.com
Tel. No.	0562-2850670	040- 67162222
Fax No.	0562-2850499	040-23001153
Link for online submission	N.A.	https://ris.kfintech.com/form15/forms.aspx?q=0

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 ₹ 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 tile 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.

K. 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

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.

This 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 thisPlacement 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 Preliminary Placement Memorandum /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 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible municipal bonds in the nature of Debentures, of face value of ₹ 4,00,000 each ("Bonds"/"NCDs"/"Debentures"), comprising of 4 (four) separately transferable and redeemable principal parts ("STRPPS") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for cash, amounting up to ₹ 50 crore ("Bonds") by Agra Nagar Nigam, proposed to be listed on NSE.
Interest rate parameter	Fixed Coupon
Issue Opening Date	April 11, 2025
Issue Closing Date	April 11, 2025
Minimum Bid Lot	3 NCDs aggregating to Rs. 12,00,000/-
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' on page 82 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+1 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 ₹ 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	HDFC Bank Ltd

Bank	
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 demats 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	ANN BONDS 2025 ISSUE PROCEEDS ACCOUNT
Bank Account No.	50200108337789
IFSC Code	HDFC0000121
Bank Name	HDFC Bank Limited
Branch Address	Agra Sanjay Place Uttar Pradesh

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 Platform 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;

(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) Continuous Listing Conditions

The Issuer shall comply with the conditions of listing specified in Schedule V of the SEBI Municipal Debt Regulations including continuous disclosure and other requirements as specified by SEBI from time to time.

The Issuer shall comply with the provisions of Chapter VI of the SEBI Municipal Debt Regulations including the provisions in relation to continuous listing conditions; accounting and audit; and trading and reporting of municipal debt securities.

(i) Trading and reporting of municipal debt securities

The information in respect of the Issue such as Issuer details, Bonds details, Ratings, rating migration, coupon, buyback etc. shall be reported to a common database as may be required and specified by SEBI

(j) 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.

(k) Procedure for Applying for Dematerialised Facility

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

ii. 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".

iii. Debentures allotted to an applicant will be credited to the applicant's respective

beneficiary account(s) with the DP.

iv. 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.

v. 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.

vi. 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.

vii. 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.

(l) Depository Arrangements

The Issuer has appointed KFIN Technologies 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.

The NCDs under this Issue will be allotted and transferred in dematerialized form only. As per provisions of the Depositories Act, 1996, investors have an option to hold the Bonds physical form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

(m) 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.

(n) 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.

(o) 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.

(p) 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).

(q) Mode of Payment

Applicants shall make remittance of application money by way of electronic transfer of funds through RTGS/electronic fund mechanism for credit by the pay-in time in the bank account of the National Securities Clearing Corporation Limited appearing on the EBP platform of NSE in accordance with the timelines set out in the NSE EBP Guidelines and the relevant rules and regulations specified by SEBI in this regard.

(r) 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.

(s) 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.

(t) 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. Application forms without PAN will be considered incomplete and are liable to be rejected.

(u) 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 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 PPM 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 changed 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.

(v) 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.

(w) 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.

(x) Market Lot

The market lot, for the purpose of bidding on the NSE EBP platform, will be one bond ("**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.

(y) Trading of Bonds

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.

The NCDs shall be allotted in dematerialized form. As per the SEBI ILMDS Regulations, the trading of the NCDs is in dematerialized form.

The trading lot shall be 1 (one) STRPP forming part of any NCD, pursuant to which 1 STRPP of any NCD bearing individual ISIN will be tradable by the NCD Holders.

Please note that in case of Maturity Date of any STRPP, the trading in the respective STRPP shall remain suspended between the Record Date and the Maturity Date.

(z) 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 K (a) "*Eligible Investors*" of this Section on page no. 80 of this Placement Memorandum. The NCDs under this Issue will be allotted and transferred in dematerialized form only. As per provisions of the Depositories Act, 1996, investors have an option to hold the Bonds in physical form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time. 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.

(aa) Debentures held in Dematerialised Form

The NCDs under this Issue will be allotted and transferred in dematerialized form only. As per provisions of the Depositories Act, 1996, investors has an option to hold the Bonds in physical form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time. For Debentures held in dematerialized form 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.

(bb) Sharing of Information

The Issuer may, use, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required without prejudice to the interests of the Bond Holders and subject to Applicable Laws.

(cc) Modification of Debentures

Any amendment to the terms and conditions of the Debentures or the Transaction Documents will require the consent of the 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.

(dd) 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. No interest shall be payable on any application money 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;
- 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.

(ee) Trustee for the Debentures

The Issuer has appointed Beacon Trusteeship 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 teed, 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 Preliminary Placement Memorandum/ 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.

(ff) Interest on Application Money

Not Applicable

(gg) 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 at the sole risk of the Bondholders. 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.

(hh) 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.

(ii) 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 STRPPs, the trading in the STRPPs 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.

(jj) 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.

(kk) Redemption and Roll-Over

The face value of the STRPPs 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.

Roll-Over of Municipal Bonds issued - If any, will be made in accordance with the provisions of Section 21 of the SEBI Municipal Debt Regulations

(ll) Buy-back

The Issuer may provide an option to buy back the Bonds from the Bondholders, in the manner as may be specified by SEBI from time to time, at a value which shall not be less than the face value of the Bonds.

(mm) 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.

(nn) 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 after the redemption of STRPPs/Bonds. Further the Issuer will not be liable to pay any interest or compensation after the Redemption of STRPPs/Bonds. On the Issuer's crediting the amount to the Beneficiary(ies) as specified above in respect of the Bonds, the liability of the Issuer shall stand extinguished except in case of delay or non-credit of funds into the accounts of the Beneficial Owner.

(oo) 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.

(pp) 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, where it thinks fit, take into consideration any other documentary evidence for this purpose, in accordance with the Applicable Law.

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.

(qq) 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 accordance with the regulatory provisions and EBP Guidelines.

(rr) Acknowledgements

No separate receipts will be issued for the application money. However, the Merchant Banker/Arranger to the Issue receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each Application Form.

(ss) 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.

(tt) Nomination Facility

As per extant provisions of law, only individuals holding the Bonds as sole/joint holder of Bond can nominate, in the prescribed manner, a person to whom his/ their Bonds shall vest in the event of his/ their death. Non-individuals including holders of power of attorney cannot nominate.

(uu) Right of Bondholder(s)

Though ANN 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 Trustee Agreement and other documents that may be executed in respect of these Bonds.

(vv) Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated in accordance with the Applicable Law and with the consent, in writing, of 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.

(ww) 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.

(xx) Joint-Holders

Notwithstanding anything in Section 45 of the Indian Contract Act, 1872, when any debenture issued under the municipal 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 municipal 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.

(yy) 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 Agra, India. However, in relation to the Issue Proceeds Agreement the parties shall submit to the exclusive jurisdiction of Courts and Tribunals in Mumbai.

(zz) Procedure for deciding and adjusting payment dates.

If the coupon payment date falls on a Sunday or a holiday, the coupon payment shall be made on the next Business day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document.

If the redemption/maturity date of the STRPP/ Bonds falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In such case, along with the redemption proceeds, the coupon accrued on the STRPP/Bonds shall also be paid on the previous working day as per the cash flows provided under "*Annexure -V: Illustration of Bond Cash Flow*" on page A-70.

If a leap year (i.e. February 29) falls during the tenor of the bonds, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly.

For the purpose of clarification, the payment of interest/redemption shall be made only as per the cash flows provided under "*Annexure - V Illustration of Bond Cash Flow*" on page A-70 of this Placement Memorandum.

L. 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.

M. Terms of payments and procedure and time schedule for allotment and issue certificates/demat credit

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.

N. 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 "*Annexure I - Structured Payment Mechanism*" on page no. A-1.

O. Permission to use Issuer Details.

The Online Bond Platform Providers registered with the stock exchanges ("OBPPs" only for offering NCDs in the secondary markets), shall be permitted to use the Issuer's name, logo, and relevant Issue details in advertisements, or promotional and marketing materials for the purpose of marketing and promoting the NCDs on their websites, mobile applications, or other digital platforms. It is the responsibility of Issuer to ensure compliance with Applicable Laws and further ensure that the same does not constitute an offer to the public.

P. Disclosures in accordance with SEBI Master Circular for Debenture Trustees bearing no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture *Trustee*

The Debenture Trustee has agreed to act as a Debenture Trustee for an acceptance fees amounting to ₹ **1** and annual service charges of ₹ **1** 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.

   The Debenture Trustee shall have the power to either independently appoint or direct the Issuer to (after consultation with the Debenture Trustee) 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.

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

Pursuant to the Regulation 13 of the 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.

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).

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.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreements)

(a) 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.

(b) 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.

(c) 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, 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.

(d) 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.

BEACON TRUSTEESHIP LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 17, 2025 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

EXAMINATION REPORT ON FINANCIAL INFORMATION

Agra Nagar Nigam
1, M.G. Road,
Near Sursadan, Agra,
Uttar Pradesh– 282002, India

Dear Sirs,

1. We have examined the Financial Information comprising the Abridged Balance Sheet, Income and Expenditure Statements and Cash Flow Statements for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the "**Financial Information**") of Agra Nagar Nigam (the "**Issuer**") as annexed to this report for the purpose of inclusion in the Preliminary Placement Memorandum and this 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 on National Stock Exchange of India Limited ("**Stock Exchange**") for private placement by the Issuer of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of debentures of face value of ₹ 4,00,000/- each (Rupees Four Lakhs) ("**Bonds**"/ "**NCDs**"/ "**Debentures**"), (comprising of 4 (four) separately transferable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000, for an amount aggregating up to ₹ 50 crores (Rupees Fifty Crores Only) ("**Issue**").

   It may be noted that Uttar Pradesh Government vide office memorandum number 380(1)/9-2-2010-58Mis-2007 dated February 4, 2010 read with office memorandum dated May 20, 2010 (collectively called "Office Memoranda") directed to merge the Jal Sansthan of Agra with the Municipal Corporation of Agra ("Merger"). Further, vide letter number 1058(1)/D/CFAO2023-24 dated May 3, 2023 (along with the Office Memoranda collectively referred as "Government Orders") it was directed that balance sheet should be prepared by integrating the audited balance sheet of Municipal Corporation of Agra and audited balance sheet of Jalkal Department, Municipal Corporation Agra from the financial year 2021-22 onwards.

   In accordance with the aforementioned Government Orders, the financial statement prepared on the basis of books of accounts of Agra Nagar Nigam and financial results of Jalkal Department of Agra Nagar Nigam for Financial Year 2022 have been merged and audited by us pursuant to the Auditor's Reports issued by us dated June 16, 2023. Subsequently, the audit has been conducted for merged financial statement for Financial Year 2023 and Financial Year 2024.

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

   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 Uttar Pradesh Municipal Corporation Act, 1959 ("**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 25, 2024, June 16, 2023 and June 16, 2023 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.

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 Agra Nagar Nigam. 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 September 20, 2023 in connection with the proposed Issue of the Debentures by the Issuer;
   b) As per 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 National Municipal Accounts Manual and the Regulations, we report that:

   The Financial Information comprising the Abridged Balance Sheet, the Income and Expenditure Statements and Cash Flow Statements 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 A.K. Capital Services Limited (being the Merchant Banker to the Issue).

For TANDON MITAL & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Registration No. 002320C)

_____
Authorised Signatory
Name: Y.K. MITTAL
Designation: PARTNER
Membership No.: 071514
UDIN: 25071514BMJAPF5052
Place: Agra
Date: March 28, 2025

Annexure

A. Abridged Balance Sheet

(₹ in crore)

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)
SOURCES OF FUNDS			
Municipal General Fund	1,690.48	1,760.12	2,205.55
Grant/Earmarked Fund/Special Fund	183.48	248.45	359.44
Revaluation Surplus	-	-	3,847.35*
Secured Loans	-	-	-
Unsecured Loans	-	-	-
Total Funds	1,873.96	2,008.57	6,412.34
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	1,236.37	1,262.07	5,273.47*
Less: Accumulated Depreciation	19.63	21.98	103.81
Net Block	1,216.74	1,240.09	5,169.66
Capital Work-in-Progress	-	-	-
Total Fixed Assets (A)	1,216.74	1,240.09	5,169.66
Investments			
FDR	4.46	4.69	4.85
Shares of Agra Smart City Ltd.	108.00	108.00	108.00
Total Investments (B)	112.46	112.69	112.85
Current Assets, Loans and Advances			
Stock in Hand (Inventories)	2.36	2.40	2.13
Sundry Debtors (Receivables)	586.08	662.71	758.32
Cash and Bank Balances	273.81	344.56	499.58***
Loans, advances	1.14	1.14	1.03
Total Current Assets, Loans & Advances (C)	863.39	1,010.81	1,261.06
Current Liabilities and Provisions			
Other Liabilities (Sundry Creditors)	318.63	355.02	131.23**
Provisions	-	-	-
Total Current Liabilities and Provisions (D)	318.63	355.02	131.23
Net Current Assets (C-D=E)	544.76	655.79	1129.83
TOTAL ASSETS (A+B+E)	**1,873.96**	**2,008.57**	**6,412.34**

*Notes - *Increase in Revaluation surplus and Gross Block is on account of increase in value of assets pursuant to revaluation of assets during Financial Year 2023-24 as per the valuation report received from a registered valuer.*

******** *Other Liabilities have reduced in F.Y. 2023-24 due to payment of old liabilities of (i) Rs. 156.77 Crores against electricity dues of Jalkal Department payable to Torrent Power Limited which were paid by Government of Uttar Pradesh (GoUP) and (ii) payment of electricity dues of Rs. 34.10 Crores payable by ANN to UPPCL were partly paid by GoUP & balance settled by ANN against property tax receivable by ANN from UPPCL.*

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*********The increase in Cash and Bank balance from FY 22 to FY 24 is due to increased SFC grant and 15th Finance commission grant received by the ANN which was not fully utilized.*

B. Income and Expenditure Statement

(₹ in crore)

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)
INCOME			
Tax Revenue	101.81	119.10	123.85
Assigned Revenues & Compensation	237.34	301.62	411.15
Rental Income from Municipal Properties	2.00	2.02	22.13*****

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)
Fees & User Charges	65.91	66.61	71.00
Sales & Hire Charges	0.01	0.11	0.63
Revenue Grants, Contributions & Subsidies	-	-	-
Income from Investments	-	-	-
Interest Earned	24.77	24.39	32.20
Other Income	10.00	4.52	3.37
Total – INCOME (A)	441.84	518.37	664.33
EXPENDITURE			
Establishment Expenses	277.56	290.58	323.13
Administrative Expenses	42.36	39.88	11.35******
Operations & Maintenance	77.77	112.96	99.12******
Interest & Finance Expenses	0.07	0.00	0.01
Programme Expenses	0.04	0.03	0.10
Revenue Grants, Contributions & subsidies	-	0.16	0.02
Provisions & write off-Property Tax	-	-	-
Miscellaneous Expenses	1.43	0.35	9.56
Depreciation	19.63	21.98	103.81#
Total – EXPENDITURE (B)	418.86	465.94	547.10
(A-B) Gross surplus/ (deficit) of income over expenditure before Prior Period Items	22.98	52.43	117.23
Add: Prior period Items (Net)	188.60	0.32	3.74
Gross surplus/ (deficit) of income over expenditure after Prior Period Items	211.58	52.75	120.97
Net balance being surplus/ deficit carried over to Municipal Fund	211.58	52.75	120.97

Notes- #Agra Nagar Nigam has done the revaluation of its assets in FY 23-24. The gross block of assets has been taken in the books of accounts at increased revalued figures as per the valuation report received from a registered valuer. Hence the depreciation is accounted for the revalued value of the assets.

***** Increase attributable to enhanced Rental income from Torrent Power Limited for transformers situated in the Agra Nagar Nigam jurisdiction.*

******Administration expenses and Operation & Maintenance expenses have been reduced on account of payment of electricity expenses of Nagar Nigam and Jal Sansthan directly paid by Government to Torrent Power Limited.*

C. Cash Flow Statement

(₹ in crore)

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)
A. Cash flows from Operating Activities:			
Gross surplus/(deficit) over expenditure	186.88	28.36	88.78
Add:			
Depreciation	19.63	21.98	103.81
Interest & finance expenses	-0.07	-0.00	-0.01
Less:			
Profit on Disposal of Assets	-	-	-
Dividend Income	-	-	-
Investment income	-	-	-
Adjusted income over expenditure before effecting changes in current assets and current liabilities and extraordinary items.	206.44	50.34	192.58
Changes in current assets and current liabilities	-	-	-

(₹ in crore)

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)
(Increase)/decrease in Sundry debtors	-332.06	-76.63	-95.61
(Increase)/decrease in Stock in Hand	0.21	-0.04	0.27
(Increase)/decrease in Prepaid Expenses	-	-	-
(Increase)/decrease in other current assets	0.04	-	0.12
(Decrease)/increase in Deposits received	-	-	-
(Decrease)/increase in Deposits Work	-	-	-
(Decrease)/increase in other current liabilities	160.23	36.39	-223.80
(Decrease)/increase in Provisions	-	-	-
Extra ordinary items (Asset purchase from grant credited in reserve)	16.53	16.89	296.47
Net cash generated from/ (used in) operating activities (a)	51.39	26.95	170.03
B. Cash flows from Investing Activities			
(Purchase) of fixed assets & CWIP	-37.59	-45.33	-158.05
Increase/ (Decrease) in Special Funds/Grants	-	-	-
Increase/(Decrease) in Earmarked Funds	15.93	64.97	111.00
(Purchase) of FDR	-	-	-
Add:			
Proceeds for disposal of assets	-	-	-
Proceeds from disposal of investments	-	-	-
Investment income received	-0.15	-0.22	-0.16
Interest income received	24.77	24.39	32.20
Net cash generated from/ (used in) investing activities (b)	2.96	43.81	-15.01
C. Cash flows from Financing Activities			
Add:			
Loans from Banks/Others Received (Unsecured & Secured)	-	-	-
Less:			
Loan repaid during period	-	-	-
Loans & Advances to Employees	-	-	-
Loans & Advances to Others	-	-	-
Finance Expenses	-	-	-
Net cash generated from/ (used in) financing activities (c)	-	-	-
Net increase/ (decrease) in cash and cash equivalents (a+b+c)	54.35	70.76	155.02
Cash and cash equivalents at beginning of the period	219.45	273.80	344.56
Cash and cash equivalents at end of the period	273.80	344.56	499.58
Cash and cash equivalent at the end of the year comprises of the following account balances at the end of the year:			
Cash balances	-	-	-
Bank balances	273.80	344.56	499.58
Total	273.80	344.56	499.58

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://nagarnigamagra.com/audited-balance-sheets/

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://nagarnigamagra.com/budget/

F. FINANCIAL PARAMETERS

(₹ in crore)

Key Financial Figures	Financial Year		
	2021-2022	2022-2023	2023-2024
	Audited	Audited	Audited
Revenue Income	441.84	518.37	664.33
Revenue expenditure (Excl. Interest)	418.79	465.94	547.09
Operating revenue Surplus	23.05	52.43	117.24
Interest expense	0.07	0.00	0.01
Principal repayment (outside sinking Fund)	0	0	0
Contribution to Sinking fund	0	0	0
Revenue Surplus	22.98	52.43	117.23
Capital Income	117.32	202.81	293.52
Capital Expense	101.73	138.30	183.00
Capital Surplus	15.59	64.51	110.52
Overall Surplus	38.57	116.94	227.75
Deposits and Advances (net)	0	0	0
Initial Cash/Bank balance	219.45	273.80	344.56
Change in Cash/Bank balance	54.35	70.76	155.02
Final Cash / Bank Balance	273.80	344.56	499.58
Loan repayment from sinking fund	0	0	0
Initial Sinking fund Balance	0	0	0
Change in sinking fund	0	0	0
Final sinking fund balance	0	0	0
Total Debt	0	0	0
Total Expenditure	520.60	604.24	730.10
Total Revenue	559.17	721.18	957.85
Ratio of Total Expenditure/Total Revenue	93.10 %	83.78 %	76.22 %
Cash Surplus / Total Revenue	9.72 %	9.81 %	16.18 %
Ratio of Debt Service / Total Revenue	0	0	0

G. 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

(₹ in crore)

Revenue Receipts Type	Financial Year		
	2021-2022	2022-2023	2023-2024
Assigned revenue & Compensation	237.34	301.62	411.15
Tax Revenue	101.82	119.10	123.85
Fees & User Charges	65.91	66.61	71.00
Interest Earned	24.77	24.39	32.20
Rental Income	2.00	2.02	22.13

H. 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.

(₹ in crore)

Particulars	Demand Raised			Collections			Overall Collection Ratio	Current Collection Ratio*
	Arrears	Current	Total	Arrears*	Current*	Total		
2023-2024	48.57	61.53	110.10	-	-	76.93	69.87 %	-
2022-2023	39.15	64.13	103.28	-	-	54.71	52.97 %	-
2021-2022	58.67	51.60	110.27	-	-	71.12	64.50 %	-

*Note:- *The corporation is unable to bifurcate the amount of collections received during the year against the arrear & current demand. Hence the total collection received is shown. Accordingly the current collection ratio is not ascertainable.*

I. 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 Central Government and authorities concerned

ANN has taken various steps to provide better governance to people making / adopting Information Technology as one of the means. People can now use online platform of the ANN for various functions including self-assessment of property tax, applying for new trade license, applying for no objection certificates, etc. Use of IT in providing various services not only provides better and timely services to citizens but also enhances transparency, reduces need to visit municipal offices. ANN also has official twitter handle to update citizens about various developments. Under e-governance, ANN has developed various web and mobile applications like ANN App. Details of the major e-governance initiative are provided below:

(i) **REFORMS ON E-GOVERNANCE**

With a view to provide facilities to the tourists coming to Agra city and ease of living for the citizens of the city, a city app was developed, which has been named "Mera Agra" The app. can be used for services / complaints related to ANN. Complaints made using app are expected to be resolved within 24 hours. Agra Civic app can be downloaded from android play store or iPhone play store. All services are provided free on this app.

Further, following facilities are being provided through the app:-

Tourism related facilities:- Online ticket booking & information about major tourist places in and around Agra, facilities related to self-help groups, Selling products prepared by self-help groups through online medium.

Facilities for citizens:- For the convenience of the citizens of the city, all the honourable public representatives of Agra, district officials, chief officers of Agra Development Authority and Municipal Corporation Agra officials, their contact details are provided on the app including the facility to lodge complaint on Jansunwai portal.

City Bus:- Information related to city buses running in Agra city, bus stops, bus routes and information about live location of city bus.

Facilities related to government departments:-

- Facility to deposit house tax, Mutation, Trade license, water tax related to Municipal Corporation.
- Online facilities of Agra Development Authority like Janhit portal, e-auction, property challan, online building plan approval facility
- Facility of e-tendering, traffic challan, electricity bill payment.
- Facility to register FIR online.
- Facilities like online pension, online scholarship etc.
- Virtual tour of projects prepared by Agra Smart City Limited.

24X7 Emergency Services:-

- 24X7 facilities like Chief Minister Helpline, Ambulance Service, Child Helpline, Women Helpline, SOS through which in case of any emergency the mobile app user can send SMS to four of his acquaintances.

Other facilities:-

- Facility to be displayed through Running Events to promote the events taking place in the city.
- Famous eating places, police stations, police posts, hotels hospitals in Agra city.
- Parking, Emergency Call Box, Public Toilet, Currency Exchange, Railway Station,
- Location information regarding going to airport, park, bus stand, bank ATM, stadium and market.

This app can be operated in English and Hindi language.

a) ANN Corporate Social Responsibility (CSR)

As a responsible corporate citizen, the Nigam keeps contributing towards various social causes, some of them are listed below:

1. Aid in Leprosy Ashram
2. Doss-house for destitute & sleeping on the road people
3. Aid to some welfare societies
4. One public library is also available for people in Paliwal Park

b) Digitalization of physical files/records in ANN

1. Various report necessary to prepare balance sheet are reconciling daily cash is being generated through this software.
2. Various details which are required to disclosed under RTI act are available on ANN website such as employee records, reforms, various Government orders, etc.

(ii) **REFORMS ON DOUBLE ENTRY ACCOUNTING SYSTEM**

1. The Agra Nagar Nigam opted for double entry accounting system from 2010 onwards.
2. Audited balance sheet has been prepared as per this system.
3. All accounting records & payments are recorded on software system on real time basis and cheques are also generated through this software for payments.

(iii) **REFORMS ON PROPERTY TAX COLLECTION**

1. Real time posting - Ledger of assesse shall be updated instantly as the payment receipts are generated by software application.
2. Advanced search option is a very useful feature, which gives the assesse the ability to narrow their searches by a series of different filters; i.e., zone, pin no (property identification number), name, house number, etc.
3. All cash door to door collection of tax through POS machine.
4. The module offers various modes for online payments; i.e., debit card, credit card, net banking. e-challan, QR Code, whatsapp, SMS, etc.

5. ANN also onboard in BBPS system for online payment of taxes.
6. Self-assessment portal where citizen can easily assess your own property.
7. Online Mutation process is available.
8. All rented property are now charged and collected through online mode only.
9. The software provides the flexibility to handle physical cash enabling with multi-point cash deposit counter.
10. Auto-check of full payment will run before allowing discount in case of online payments. The discount based is subject to the restriction that, discount could be availed only when full payment is made.
11. Single figure of payment is entered which reduces time and money and software system will bifurcate the amount into house tax, water tax and sewer tax automatically.
12. Discount slabs are defined in the system based on date range, it enables the auto-discount option, as defined by the admin.
13. Integration with Accounts - The income generated through tax collection, is being auto-posted in the accounts.
14. In order to place internal control, cash collection report for reconciling daily cash is being provided for each zone.
15. The auto-bifurcation of amount collected, ensures consistency in adjustment of the amount received.
16. The system provides recording of the details of dishonor cheque, which auto-lock the account and allows the payment only through cash/DD, usually on Bi-Monthly basis.

(iv) **SOLID WASTE MANAGEMENT PROGRAMS ARE AS BELOW:**

1. Compost pit placed in parks.
2. Construction of Waste to energy plant is started and expected to generate energy by 2025.
3. Door to door collection of domestic and commercial waste, users being educated for using this paid facility.
4. One Construction and demolition waste processing plant operational and 2nd plant under advance stage of finalization.
5. Organic waste treatment center is operational.

The Issuer has not implemented any reforms pertaining to cost recovery on water supply reforms.

J. DETAILS OF ISSUER'S OUTSTANDING BORROWING

a) DETAILS OF BORROWINGS OF THE ISSUER, AS ON THE LATEST QUARTER END

As on December 31, 2024 the Issuer had no outstanding secured or unsecured borrowings.

b) DETAILS OF SECURED LOAN FACILITIES

Nil

c) DETAILS OF UNSECURED LOAN FACILITIES

Nil

d) DETAILS OF NCDS/BONDS

Nil

e) LIST OF TOP 10 DEBENTURE HOLDERS

Nil

f) DETAILS OF COMMERCIAL PAPER

Nil

g) DETAILS OF REST OF BORROWINGS

Nil

K. 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

L. 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 lying in account(s) in which the Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) shall be transferred to a separate no-lien Escrow Account for debt servicing. 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. As per Auditor's certificate dated March 24, 2025, there is sufficient revenue generation/collection for timely servicing and redemption of Debentures from Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) deposited in the account(s) for timely servicing and redemption. The total Revenue from property tax (or any other tax levied in place of property tax as per Section 173 of the Act) during the last 3 (Three) Financial Years is approximately Rs.61.53 Crores (Financial Year 2023-2024), Rs.64.13 Crores (Financial Year 2022-2023) and Rs.51.60 Crores (Financial Year 2021-2022).

M. ISSUE ESTIMATED SCENARIOS OF ASSET LIABILITY MIS-MATCHES

The Issuer has sufficient Revenue from Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act). With respect to the repayment of bonds and revenue generation, the Bonds are to be paid from the collection of Property Tax of ANN. The current 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 February 17, 2025 has adopted a materiality policy for disclosure of litigation in relation to the Issuer including the Jalkal Vibhag 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 hereinbelow.

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 and members of Bond Issue Committee 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 and members of Bond Issue Committee.

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 it in any such pending matter(s) is in excess of 0.1% of the net surplus of income over expenditure as per the financial statements of ANN for FY 2023-24 i.e., ₹ 0.12 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 0.1% of net surplus of income over expenditure for the financial statements of ANN for the FY 2023-24 ₹ 0.12 crore.*

A. CONTINGENT LIABILITIES OF THE ISSUER

The contingent liabilities i.e., sundry disputes with the parties etc. are neither recognized nor disclosed, as the same are not ascertainable due to nature of the operations and working of the Issuer.

LITIGATIONS INVOLVING THE ISSUER

B. LITIGATIONS AGAINST THE ISSUER

a. CRIMINAL LITIGATIONS

There are 3 cases filed against the Issuer by the residents of Agra for violation of provisions of the Motor Vehicles Act, 1988, with respect to accidents occurred from vehicles owned by the Issuer before the court of chief judicial magistrate.

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

Nil

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 (₹ in crore)
Direct Tax			
1)	Income tax E-proceedings	Nil	Nil
	Income tax - TDS	96*	0.85*
Indirect Tax			
2)	GST - TDS	Nil	Nil
3)	GST – Dealer cases	1**	0.00**
Property Tax			
3)	Cases have been filed against the Issuer by the residents/ entities residing/ operating in ANN jurisdiction accusing ANN of charging huge amount of property tax.	165	3.73

** Income tax department has issued notices to ANN. A response to these notices has been provided by ANN. However, the same appears pending on the Income Tax website.*
***There is one notice issued by the Uttar Pradesh - SGST department for FY 2023-24 for an amount aggregating to ₹12.66.*

vi. OTHER MATTERS BASED ON MATERIALITY POLICY OF THE ISSUER:

Civil Matters

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹ crore)	Present Status
1.	M/S Prabh Dayal Om Prakash Infrastructure Ltd. v/s Agra Nagar Nigam	2023	Commercial Court at Prayagraj	M/S Prabh Dayal Om Prakash Infrastructure Ltd. (hereinafter referred to as "the **Claimant**") entered into an agreement date December 9, 2019 ("**Agreement**") with the ANN (hereinafter referred to as "the **Respondent**") to supply waste disposal containers. For alleged violations of the terms of the Agreement by the Respondent, in relation to refusal to accept delivery of certain units of the waste disposal containers, the Claimant filed an application	5.58	Pending before the hon'ble commercial court of Prayagraj

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹ crore)	Present Status
				before the arbitration tribunal. The arbitration tribunal, pursuant to its order dated October 28, 2023 ("**Award**"), ordered the Respondent to either accept the delivery of the remaining units of the waste disposal containers and pay a sum at the rate agreed to or pay a sum of ₹ 2,00,00,000 to the Claimant as compensation. If the claimant has scraped the containers without waiting for the Award a sum of ₹ 1.5 crores has been awarded towards expenses incurred by them to scrap the containers. Aggrieved by the Award, the Respondent has filed an application under the section 34 of the Arbitration and Conciliation Act, 1996 before the hon'ble commercial court at Prayagraj.		
2.	Factory Owner's Association vs Commissioner President Mandliya and Others	C 32371/2021	High Court of Judicature at Allahabad	A group of factory owners situated in the Industrial Estate Nunhai District-Agra challenged the authority of ANN to levy property tax on the industries/factories owned by them pursuant to a Uttar Pradesh state government order dated December 14, 2001.	0.98	Pending before the High Court of Judicature at Allahabad
3.	M/S A.V Construction vs Nagar Nigam Agra	151/2022	Arbitral tribunal	M/S AV Construction ("**Claimant**"), pursuant to the agreement dated October 5, 2019 ("**Agreement**"), was allotted the tender to realise and collect the parking fees from the parking space which fell within the jurisdictional territory of ANN ("**Respondent**"). Owing to the alleged action of the Respondent to stop the Claimant from collecting and recovering parking fees and not allowing the Claimant to	0.74	Pending before the arbitral tribunal

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹ crore)	Present Status
				operate the parking stand, the Claimant invoked arbitration proceedings pursuant to provisions of the Agreement.		
4.	Bharat Sharma and others vs State of U.P. and Others	C 296/2020	High Court of Judicature at Allahabad	The proprietorship firm of the petitioner is registered with ANN for advertisement purposes. The petitioner, Bharat Sharma along with its proprietorship firm, challenged the constitutional validity of the demand notice issued by ANN in relation to advertisement tax before the Hon'ble High Court of Judicature at Allahabad.	0.28	Pending before the High Court of Judicature at Allahabad
5.	Adeel Uddin vs. State of Uttar Pradesh and Others	C 11519/2023	High Court of Judicature at Allahabad	The proprietorship firm of the petitioner is registered with ANN for advertisement purposes. The petitioner, Adeel Uddin along with its proprietorship firm, challenged the constitutional validity of the demand notice issued by ANN in relation to advertisement tax before the hon'ble high court of judicature at Allahabad.	Not applicable	Pending before the High Court of Judicature at Allahabad
6.	Municipal Commissioner Agra Nagar Nigam vs. IDEA Cellular Limited	1294/2022	Supreme Court of India	Special leave petition filed by ANN ("**Petitioner**") challenging the order dated August 24, 2016, passed by the High Court of Judicature at Allahabad, which allowed quashing of demand notices issued by the Petitioner for recovery of tax on installation of advertisements and hoardings within municipal limits of Agra city on lands belonging to the Petitioner pursuant to rules framed by the Petitioner.	0.17	Pending before the Supreme Court of India
7.	Municipal Commissioner Agra Nagar Nigam vs. Bharti AIRTEL Ltd.	1292/2022	Supreme Court of India	Special leave petition filed by ANN ("**Petitioner**") challenging the order dated August 24, 2016, passed by the High Court of Judicature at Allahabad, which allowed	0.17	Pending before the Supreme Court of India

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹ crore)	Present Status
				quashing of demand notices issued by the Petitioner for recovery of tax on installation of advertisements and hoardings within municipal limits of Agra city on lands belonging to the Petitioner pursuant to rules framed by the Petitioner.		
8.	Municipal Commissioner vs. Bharti Airtel Ltd.	1285/2022	Supreme Court of India	Special leave petition filed by ANN ("**Petitioner**") challenging the order dated August 24, 2016, passed by the Hon'ble High Court of Judicature at Allahabad, which allowed quashing of demand notices issued by the Petitioner for recovery of tax on installation of advertisements and hoardings within municipal limits of Agra city on lands belonging to the Petitioner pursuant to rules framed by the Petitioner.	0.14	Pending before the Supreme Court of India
9.	Municipal Commissioner Agra Nagar Nigam vs. Bharti Airtel Ltd through Purna Pratap Dwivedi its authorised signatory	1287/2022	Supreme Court of India	Special leave petition filed by ANN ("**Petitioner**") challenging the order dated August 24, 2016, passed by the High Court of Judicature at Allahabad, which allowed quashing of demand notices issued by the Petitioner for recovery of tax on installation of advertisements and hoardings within municipal limits of Agra city on lands belonging to the Petitioner pursuant to rules framed by the Petitioner.	0.14	Pending before the Supreme Court of India
10.	Municipal Commissioner Agra Nagar Nigam vs. Bharti Airtel Ltd.	1283/2022	Supreme Court of India	Special leave petition filed by ANN ("**Petitioner**") challenging the order dated August 24, 2016, passed by the High Court of Judicature at Allahabad, which allowed quashing of demand notices issued by the Petitioner for recovery of tax on	0.12	Pending before the Supreme Court of India

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹ crore)	Present Status
				installation of advertisements and hoardings within municipal limits of Agra city on lands belonging to the Petitioner pursuant to rules framed by the Petitioner.		
11.	Akhilesh Shukla vs. State of Uttar Pradesh and Others	17368/2024	High Court of Judicature at Allahabad	Writ petition filed by Akhilesh Shukla ("**Petitioner**") before the High Court of Judicature at Allahabad claiming his post retiral benefits to him including the amount of providents fund, gratuity and amount of leave encashment and for fixation of the pension of the Petitioner along with interest.	Not applicable	Pending before the High Court of Judicature at Allahabad
12.	Sanju Kushwah vs State of U.P. and 3 Others	C 11519/2023	High Court of Judicature at Allahabad	Nagar Vikas Anubhar, notified Agra district to include 100 wards wherein Savita Nagar (Khawaspura) ("**Area**") was shown to be in ward 61. Sanju Kushwah ("**Petitioner**") filed a right to information application with Sachivalya Nagar Nigam, Electoral roll was published in purview of Nagar Nigam Nirvachaka Niyamavali 2022 wherein voters of the said area of Savita Nagar (Khawaspura) were shown in part 5 of the ward no 49. On March 18, 2023, Sanju Kushwah ("**Petitioner**"), filed an application before ANN to rectify the electoral role and remove the classification of the said Area from ward no 49. Pursuant to an order dated March 22, 2023 ("**Order**"), ANN rejected Petitioner's application. The Petitioner, filed a writ petition before the High Court of Judicature at Allahabad (invoking the extraordinary jurisdiction of	Not applicable	Pending before the High Court of Judicature at Allahbad

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹ crore)	Present Status
				the High Court under Article 226), alleging the Order passed by ANN to be unconstitutional.		

Environmental Law Cases

Sl. No.	Name of the Parties	Case Number	Authority	Brief Facts of the Case	Amount Involved (in Rupees)	Present Status
1.	Shri Raman Vs. Union of India & Ors.	680/2023	National Green Tribunal	An application dated October 25, 2023 is filed by Shri Raman ("**Applicant**") before the National Green Tribunal to raise concerns pertaining to consistent levels of poor air quality in the city of Agra which had an adverse impact on the residents of the city and its environs.	Not applicable	Pending before the National Green Tribunal
2.	Dr. Devashish Bhattacharya vs State of Uttar Pradesh	OA 455/2015 M.A. 70/2024	National Green Tribunal	Application filed by Dr. Devashish Bhattacharya ("**Applicant**") before the National Green Tribunal to highlight the large scale pollution by the petha industry within Agra city whereby several petha units are using coal continue to function without any consent from the Pollution Control Board and discharge solid waste into drains/ sewers in abject violation of the Solid Waste Management Rules, 2016.	Not applicable	Pending before the National Green Tribunal
3.	Dushyant Kumar Lavania vs Through Principal Secretary Environment	OA 910/2024	National Green Tribunal	An application is filed by Dushyant Kumar Lavania ("**Applicant**") before the National Green Tribunal to highlight the problems faced, including accidental deaths, due to open drains near to the Applicant's house that has three sides open drains. The Application has called for the government to cover the open drains in 200m of the Applicant's house with concrete slabs, to make arrangements for free	Not applicable	Pending before the National Green Tribunal

Sl. No.	Name of the Parties	Case Number	Authority	Brief Facts of the Case	Amount Involved (in Rupees)	Present Status
				treatment of the population leving with 100m of the open drains and connect the sewer lines in the city so that sewage flowing in the drains can be prevented.		
4.	Paryavaran Suraksha Samiti & anr vs Union of India	OA 593/2017	National Green Tribunal	National Green Tribunal, Pursuant to their order dated November 10, 2023, ordered the state governments and authorities to prepare a compliance report in relation to effective disposal of waste by setting up of compost plants/processing plants, preventing water percolation through heaps of garbage, creating focused 'solid waste management cells' in all States and complying with the Municipal Solid Waste Management Rules, 2000 (now replaced by Solid Waste Management Rules, 2016). Compliance report, in relation to setting up of common effluent treatment plants and sewage treatment plants, prepared by the state of Uttar Pradesh, in compliance with the orders dated August 17, 2023 and November 10, 2023 has been presented before the National Green tribunal for their perusal.	Not applicable	Pending before the National Green Tribunal

C. LITIGATIONS BY THE ISSUER

i. CRIMINAL LITIGATIONS

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹)	Present Status
1.	Amit Sonar vs Devendra Singh and Others	133/2018	Court of Additional Chief Magistrate, Agra	Amit Sonar ("**Complainant**"), an employee of ANN, was instructed to remove illegal holdings from the periphery of 50 meters of the Jaipur House and Kothi Meena Bazar. While removing the illegal holdings, the Complainant was physically assaulted by Devendra Singh Chaudhary physically assaulted the Complainant. Complainant registered a first information report dated February 22, 2018 with the Lohamandi Police Station, Agra. The case is pending before the Additional Chief Magistrate Agra.	Not applicable	Pending before the court of Additional Chief Magistrate, Agra
2.	State of U.P. VS Sonu and Others	807/2019	Court of special judge under the SCST Act	Employees of ANN were instructed to confiscate prohibited polythene from shops in Soron Katra Market. Mr. Sonu ("**Accused**") physically assaulted employees of ANN and abused them with caste based abusive language. A First information report was registered against the Accused on December 27, 2018 with the Lohamandi police station.	Not applicable	Court of special judge under the SCST Act

- There are 166 cases filed by the Issuer against the residents of Agra for violation of section 7 and/or section 16 of the Prevention of Food Adulteration Act, 1954 Act with respect to instances of food adulteration**.**

- There are 19 cases filed by the Issuer against the residents of Agra under section 138 of the Negotiable Instruments Act 1881**.**

ii. TAXATION MATTERS

Nil

iii. OTHER MATTERS BASED ON MATERIALITY POLICY OF THE ISSUER

Sl. No.	Name Parties of the	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹)	Present Status
1.	Agra Jal Sansthan vs. Employees State Insurance Corporation and Others	161/2014	Court of civil judge, Agra	The Employee State Insurance Corporation, vide its notices dated June 27, 1997 and September 3, 1997, demanded the Agra Jal Sansthan ("**Plaintiff**") to deposit funds as contribution for employees insurance of Plaintiff's employees. The Plaintiff challenged deposition of such amount, on the ground that the Employees State Insurance Act is not applicable to the Plaintiff.	Not applicable	Court of civil judge, Agra

D. <u>LITIGATIONS INVOLVING MEMBERS OF THE BOND ISSUE COMMITTEE LITIGATIONS AGAINST THE MEMBERS OF THE BOND ISSUE COMMITEE</u>

i. CRIMINAL LITIGATIONS

Nil

ii. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES

Nil

iii. DISCIPLINARY ACTIONS INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE(S) DURING THE PAST 5 (FIVE) FINANCIAL YEARS INCLUDING OUTSTANDING ACTION

Nil

iv. DIRECT AND INDIRECT TAX

Nil

v. OTHER MATTERS BASED ON MATERIALITY POLICY OF THE ISSUER:

Civil Matters

Nil

Environmental Law Cases

Municipal Commissioner

SI. No.	Name of the Parties	Case Number	Authority	Brief Facts of the Case	Amount Involved (in ₹)	Present Status
1	Dr. Sharad Gupta vs Union of India & Ors.	664/2024	National Green Tribunal	An application is filed by Dr. Sharad Gupta ("**Applicant**") before the National Green Tribunal to seek appropriate directions for scientifically processing (clearing) of municipal solid waste including legacy waste accumulated in heap volumes including untreated waste disposed of daily at Kuberpur landfill site, Agra.	Not applicable	Pending before the National Green Tribunal

vi. LITIGATIONS BY THE MEMBERS OF THE BOND ISSUE COMMITTEE

Nil

E. OUTSTANDING DUES TO CREDITORS

Based on Materiality Policy of the Issuer, following is the list of material creditors of the Issuer. Further the Issuer does not categorize its creditors as SSI/MSME and the creditors also do not submit their SSI/MSME registrations and hence the dues to SSI/MSME are not disclosed in this Placement Memorandum.

Particulars	Outstanding (in ₹ crore)
Total Outstanding dues to Material Creditors	12.37
Total Outstanding dues creditors other than Material Creditors	3.72
Grand Total	**16.09**

For complete details about the outstanding dues to the Material Creditors of Issuer, please see website at the following link:

https://nagarnigamagra.com/wp-content/uploads/2025/02/List-of-Material-Creditors_0001.pdf

F. MATERIAL DEVELOPMENTS SINCE DATE OF THE LAST AUDITED BALANCE SHEET

As per the certificate from the Auditors dated March 28, 2025, the Issuer has not undergone any material development since date of the last audited balance sheet except routine transfer of officials of the Issuer.

G. MATERIAL AGREEMENTS AND CONTRACTS:

Except for the agreements entered into by the Issuer in the normal course of business, the details of the Material Agreements Contracts are as provided in the section titled "*Material Contracts and Documents*" on page 138 of this Placement Memorandum.

H. 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 Municipal Bonds or an investors' decision to invest or continue to invest in the Municipal Bonds to be issued by the Issuer.

I. DETAILS OF NON-PAYMENT OF STATUTORY DUES

Except for as listed under "Matters related to Direct and Indirect Taxes against the Issuer" on page 107 of this Placement Memorandum, there are no instances of Non-Payment of Statutory Dues.

J. 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.

Not applicable

K. 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

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.	Beacon Trusteeship Limited	SEBI	1. Penalty of INR 3 Lakhs for violation with respect to Reg. 59 of SEBI LODR Regulations and Reg. 15(r) & (s), 16 of SEBI Debenture Trustee Regulations. The order was passed on March 27, 2024. We have paid the applicable penalty under protest on May 10, 2024. 2. Penalty of INR 5 lakhs for violation of Clause 3 (b) of Schedule IV of the AIF Regulations regarding the Code of Conduct for the trustee of the Regulations and Clause 13.2.2 (ii) of Master Circular dated July 31, 2023, read with Regulation 20(1) and Regulation 20(2) of AIF Regulations. The order was passed on November 28, 2024. The Company has filed an appeal vide Appeal no. 0036/2025 on January 10, 2025 under section 1ST of SBBI Act. 1992, against the said Order before the Hon'ble Securities Appellate Tribunal ("**SAT**") The Appeal has beer admitted by Hon'ble SAT and is pending for decision.

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. The Securities Exchange Board of India (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 ₹ 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 ₹ 1 crore. SAT at its hearing on February 03, 2025, directed the Appeals to be listed for hearing next on April 15, 16 and 17, 2025. 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.	Acuite Ratings & Research Limited	SEBI	Penalty of Rs. 5,00,000 imposed vide SEBI's Adjudication Order No. Order/AN/PR/2024-25/31018 dated November 29, 2024 under Section 15-I of the SEBI Act, 1992 for the alleged violation of Regulation 27 (1) of the SEBI (Credit Rating Agencies) Regulations, 1999 by rating of securities issued by the borrower of SIDBI (promoter) of Acuite (credit rating agency). Acuite has filed an appeal before the Securities Appellate Tribunal (SAT) against the said order and the matter is sub judice.

V. AGAINST THE REGISTRAR

Nil

SECTION-XII: GOVERNMENT APPROVALS

The Issuer is a municipal corporation incorporated under the UPMC 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.

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")	AAALN0137F	Income Tax Department, Government of India	January 24, 1959	One Time Registration
2.	GST Registration Certificate* ("GST")	09AAALN0137F1ZC	Government of India	Date of Liability: July 01, 2017 Date of Issue of Certificate: September 26, 2017	One Time Registration
3.	Tax deduction Account Number ("**TAN**")	AGRN10261G	Income Tax Department, Government of India	June 10, 2024	One Time Registration
4.	Legal Entity Identifier Number	9845000664C7P0AD7B73	Legal Entity Identifier India Ltd.	January 31, 2025	January 31, 2036

** The said certificate is in the name of Nagar Nigam Agra.*

The Issuer does not have any subsidiary.

The details of the approvals obtained/ required to be obtained by the Issuer for undertaking the proposed Project are set out under the section titled "*Objects of the Issue-Paragraph* G *(Details and status of the regulatory approval)*" on page no. 54 of this Placement Memorandum.

आगरा नगर निगम
AGRA MUNICIPAL CORPORATION
Website – www.nagarnigamagra.com
Phone-0562-2850670 | Fax-0562-2850499 | E-Mail - bondsann2022@gmail.com

Undertaking 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 to 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 the proposed issue. and a declaration to this effect issued by the Mayor and by the Commissioner has been annexed to the Placement Memorandum.

5. that the Placement Memorandum or term sheet or any advertisement issued by the Issuer in connection with the issue of Debentures shall not contain any false or misleading statement

6. That all monies received out of the Issue shall be transferred to a separate bank account.

7. That the Issuer has not issued any securities by way of public issues in the past.

8. That it has complied and shall comply with all the applicable law including but not limited to The Securities and Exchange Board of India (Issue and Listing of Municipal Debt Securities) Regulations, 2015.

For Agra Nagar Nigam

Name: Ankit Khandelwal, IAS
Designation: Municipal Commissioner
Place: Agra
Date: March 28, 2025

SECTION-XIV: TERM SHEET

SUMMARY OF OFFER

A. Primary business of the Issuer:

The Agra Nagar Nigam has been constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established on May 31, 1994 under the UPMC Act vide notification bearing reference number 2942/9-1-94-52SA/94 dated May 24, 1994.

Size of the Issue:

Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds in the nature of Debenture ("**Bonds**") of face value of ₹ 4,00,000 (Rupees Four Lakh Only) each aggregating up to ₹ 50,00,00,000 (Indian Rupees Fifty Crore Only) (**"Issue Size"**), in four separately transferable and redeemable principal parts (**"STRPP"**) being (i) 1,250 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds of face value of ₹ 100,000 (Indian Rupees One Lakh Only) each aggregating up to ₹ 12,50,00,000 (Indian Rupees Twelve Crore Fifty Lakh only) (**"STRPP A"**), (ii) 1,250 rated, listed, taxable, secured, redeemable, non-convertible municipal bonds of face value of ₹ 100,000 (Indian Rupees One Lakh only**)** each aggregating up to ₹ 12,50,00,000 (Indian Rupees Twelve Crore Fifty Lakh Only) (**"STRPP B"**), (iii) 1,250 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds of face value of ₹ 100,000 (Indian Rupees One Lakh only) each aggregating up to ₹ 12,50,00,000 (Indian Rupees Twelve Crore Fifty Lakh only) ("**STRPP C**"), (iv) 1,250 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Municipal Bonds of face value of ₹ 100,000 (Indian Rupees One Lakh only) each aggregating up to ₹ 12,50,00,000 (Indian Rupees Twelve Crore Fifty Lakh only) ("**STRPP D**")

B. Object of the Issue:

The proceeds of the Issue are to be deployed in the below mentioned project and the total project cost is provided herein below:

(₹ in Crores)

Sr. No.	Object	Total Estimated Project Cost	Amount to be funded from the proceeds of the Issue
1.	Design, Engineering, Supply, Erection, Testing, Commissioning and Comprehensive O&M of 7.5MW of Solar Power Project at Agra ("**Project I**")	36.35	29.00
2.	Construction of Co-Working Space and Recreation Centre with Citizen Facilitation Centre at zonal office, Tajganj, Agra ("**Project II**")	20.68	15.00
3.	Construction of Working Women Hostel Building at Lohamandi, Agra ("**Project III**")	13.45	6.00
	Total	**70.48**	**50.00**

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. For details of few observations/comments/discrepancies/inconsistencies highlighted by the auditors in their audit reports please refer section titled "*Risk Factors*" on page 19.

D. Summary table of pending litigation

Matters related to Direct and Indirect Taxes against the Issuer

Sr. No.	Nature	Number of Cases	Amount involved (₹ in crore)
Direct Tax			
1	Income tax E-proceedings	Nil	Nil
	Income tax - TDS	96*	0.85*
Indirect Tax			
2	GST - TDS	Nil	Nil
3	GST – Dealer cases	1**	0.00**
Property Tax			
4	Cases have been filed against the Issuer by the residents/ entities residing/ operating in ANN jurisdiction accusing ANN of charging huge amount of property tax.	165	3.73

** Income tax department has issued notices to ANN. A response to these notices has been provided by ANN. However, the same appears pending on the Income Tax website.*

***There is one notice issued by the Uttar Pradesh - SGST department for FY 2023-24 for an amount aggregating to ₹12.66.*

- **Criminal Litigations involving the Issuer and members of the Bond Issue Committee**

  The details of cases involving the Issuer and members of the Bond Issue Committee have been disclosed in the section titled "*Legal and Other Information*" on page no. 106. Since the nature of the case is criminal, there is no amount involved.

- **Actions by Regulatory and Statutory Authorities**

  The details of all the actions by Regulatory and Statutory Authorities have been disclosed in the section "*Legal and Other Information – Actions by Regulatory or Statutory Authorities*" on page no. 107.

- **Other Civil Litigation**

  The details of all the individual civil litigations above the materiality threshold have been disclosed in the section "*Legal and Other Information*" on page no. 106.

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

As informed and confirmed by the management of the Issuer, the contingent liabilities i.e., sundry disputes with the parties etc. are neither recognized nor disclosed, as the same are not ascertainable due to nature of the operations and working of the Issuer.

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 section titled "*Term Sheet - Structured Payment Mechanism"* on page no. 127.

SUMMARY OF TERM SHEET

Security Name	___% ANN Bonds _____
Issuer	Agra Nagar Nigam ("ANN")
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 rated, listed, taxable, secured, redeemable, non-convertible municipal bonds in the nature of debentures of face value of ₹ 4,00,000/- each (comprising of 4 (four) separately transferable and redeemable principal parts ("**STRPP**") namely STRPP A, STRPP B, STRPP C, STRPP D of face value of ₹ 1,00,000 each for an amount aggregating up to ₹ 50 Crore (Rupees Fifty Crore Only) ("**Total Issue Size**") 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	The Bonds proposed to be issued by the Agra Nagar Nigam have been rated by India Ratings and Research Limited ("**India Ratings**") and Acuite Ratings & Research Limited ("**Acuite**") (India Ratings and Acuite collectively referred to as the "**Rating Agencies**"). India Ratings has assigned a rating of Provisional IND AA/Stable vide its letter dated April 2, 2024, revalidated by its letter dated February 10, 2025, March 21, 2025 and March 28, 2025, and has issued a rating rationale dated March 28, 2025. Further, Acuite has assigned a rating of ACUITE Provisional AA (Stable), vide its letter dated March 29, 2024 revalidated by its letters dated February 5, 2025, March 24, 2025 and March 27, 2025 and has issued a rating rationale dated March 27, 2025
Base Issue Size	Rs 50 Crore
Option to retain over subscription	N.A.
Total Issue Size	Rs 50 Crore
Objects of the issue	The proceeds of the bonds will be utilized for the following: 1. Design, Engineering, Supply, Erection, Testing, Commissioning and Comprehensive O&M of 7.5MW of Solar Power Project at Agra ("**Project I"**); 2. Construction of Co-Working Space and Recreation Centre with Citizen Facilitation Centre at Zonal Office, Tajganj, Agra("**Project II"**); and 3. Construction of Working Women Hostel Building at Lohamandi, Agra ("**Project III"**)
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*".

<table>
<tr><td>Coupon rate</td><td>To be finalized subsequent to bidding on electronic bidding platform of NSE</td></tr>
<tr><td>Taxable/Tax free</td><td>Taxable</td></tr>
<tr><td>Step up/step down coupon rate</td><td>N.A.</td></tr>
<tr><td>Coupon payment frequency</td><td>On a half yearly basis</td></tr>
<tr><td>Coupon payment dates</td><td>The dates on which interest/coupon on the NCDs shall fall due for payment</td></tr>
<tr><td>Coupon Type</td><td>Fixed</td></tr>
<tr><td>Coupon reset process (including rates, spread, effective date, interest rate cap and floor etc.</td><td>N.A.</td></tr>
<tr><td>Day Count Basis</td><td>Actual/ Actual</td></tr>
<tr><td>Interest on Application Money</td><td>The Pay-in Date shall be the Deemed Date of Allotment; interest on application money is not applicable.</td></tr>
<tr><td>Tenor</td><td>Total Tenure of 4 years to 7 years comprising of :-
<table>
<tr><th>STRRP</th><th>Tenor
(in years from deemed date of allotment)</th><th>As %age of issue</th><th>Amount (in Crore)</th></tr>
<tr><td>A</td><td>4</td><td>25%</td><td>12.50</td></tr>
<tr><td>B</td><td>5</td><td>25%</td><td>12.50</td></tr>
<tr><td>C</td><td>6</td><td>25%</td><td>12.50</td></tr>
<tr><td>D</td><td>7</td><td>25%</td><td>12.50</td></tr>
<tr><td>Total</td><td></td><td>100%</td><td>50.00</td></tr>
</table></td></tr>
<tr><td>Redemption Date/ Maturity Date</td><td>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;
➢ STRPP C – at the end of the 6th anniversary of the Deemed Date of Allotment for STRPP C;
➢ STRPP D – at the end of the 7th anniversary of the Deemed Date of Allotment for STRPP D;</td></tr>
<tr><td>Redemption Amount</td><td>Principal repayment to happen annually, from the expiry of 4 (Four) years from the Deemed Date of Allotment, in 4 (four) annual instalments of:
➢ STRPP A - Year 4 – on redemption of 1250 STRPP A for aggregate principal amount of ₹ 12,50,00,000 (Rupees Twelve Crores Fifty Lakh) to be repaid at end of 4 (Four) years from the Deemed Date of Allotment;
➢ STRPP B - Year 5 – on redemption of 1250 STRPP B for aggregate principal amount of ₹ 12,50,00,000 (Rupees Twelve Crores Fifty Lakh) to be repaid at end of 5 (Five) years from the Deemed Date of Allotment;
➢ STRPP C - Year 6 – on redemption of 1250 STRPP C for aggregate principal amount of ₹ 12,50,00,000 (Rupees Twelve Crores Fifty Lakh) to be repaid at end of 6 (Six) years from the Deemed Date of Allotment;</td></tr>
</table>

	➢ STRPP D - Year 7 – on redemption of 1250 STRPP D for aggregate principal amount of ₹ 12,50,00,000 (Rupees Twelve Crores Fifty Lakh) to be repaid at end of 7 (Seven) years from 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 ₹ 4,00,000 (Rupees Four Lakhs only) per NCD comprising of 4 (Four) STRPPs (i.e. STRPP A, STRPP B, STRPP C and STRPP D) of ₹ 1,00,000 (Rupees One Lakh) each.
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** ₹ 4,00,000 (Rupees Four Lakhs only). Each NCD would comprise of 4 (Four) STRPPs having different ISIN (i.e. STRPP A, STRPP B, STRPP C and STRPP D) **with face value of each STRPP being** ₹ 1,00,000 (Rupees One Lakh) each.
Minimum Application size and in multiples of NCDs thereafter	3 (Three) NCDs of face value of ₹ 4,00,000 each aggregating to Rs. 12,00,000 (i.e. 3 NCDs comprising of 3 STRPP A, 3 STRPP B, 3 STRPP C and 3 STRPP D) and in multiple of 1 (One) NCD (comprising of 1 STRPP A, 1 STRPP B, 1 STRPP C and 1 STRPP D) thereafter
Trading lot	1 (one) STRPP of face value of ₹ 1,00,000 (Rupees One Lakh).
Issue Timing	1.Issue Opening Date: April 11, 2025 2.Issue Closing Date: April 11, 2025 3.Pay-in Date: April 15, 2025 4.Deemed Date of Allotment: April 15, 2025
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 the National Securities Clearing Corporation Limited (NSCCL)
Depository	NSDL and CDSL
Business/ Working Day Convention	In accordance with the SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021, Business day /Working day shall mean all days on whichthe commercial banks in Agra are open for business. In respect of the time period between the Issue Closing Date and the listing of Bonds on the Stock Exchange and with respect to the record date, working day shall mean all trading days of

	the Stock Exchange for Bonds, excluding Saturdays, Sundays and bank holidays, as specified. 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 the coupon payment date falls on a Sunday or a holiday, the coupon payment shall be made on the next business day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the redemption date of the STRPPs, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In such case, along with the redemption proceeds, the coupon accrued on such STRPPs shall also be paid on the previous working day as per the cash flows provided under Annexure – V "Illustration of Bond Cash Flow" of this Placement Memorandum. If a leap year (i.e. February 29) falls during the tenor of the bonds, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly. For the purpose of clarification, the payment of interest/redemption shall be made only as per the cash flows provided under Annexure - V" Illustration of Bond Cash Flow" of this Placement Memorandum.
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 Issue Committee / authorised officer(s) of the Bond Issue Committee of ANN (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 Issue Committee of ANN 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 charge by way of mortgage over specific fixed asset (Municipal Land) of ANN with minimum security cover of 1.25 times of the outstanding Secured Obligations ("**Minimum Security Cover**"); (b) exclusive first ranking floating charge by way of hypothecation over present and future receivables of Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act). (c) First and exclusive charge by way of hypothecation over the Escrow Account and the account(s) where the Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) is collected and/ or pooled by Agra Nagar Nigam in each case to the extent of the Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) collected and/ or pooled in each of such accounts; (d) First and exclusive charge by way of hypothecation over the Interest

	Payment Account (including the DSRA Amount) and Sinking Fund Account, the funds lying in each such account and any investment(s) made from these account(s); (e) First and exclusive charge by way of hypothecation over the investments made in terms of paragraph 10 and paragraph 11 under the head of term 'Structured Payment Mechanism' below and the investments made by utilising the AMRUT Incentive lying in the Escrow Account as per the Permitted Investments. The Issuer shall, till any of the Debentures are outstanding, maintain the minimum-security cover of 1.25 times of the outstanding Secured Obligations ("Minimum Security Cover"). Secured Obligations refers to all obligations at any time due, owing or incurred by the Issuer to the Debenture Trustee and the Bond Holders in respect of the Bonds and shall include, without limitation, the obligation to redeem the Bonds in terms thereof including payment of the Coupon on the Coupon Payment Dates, the Redemption Amounts on the relevant due dates together with any Default Interest (if any), any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other monies payable by the Issuer in respect of the Bonds under the Transaction Documents. 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.
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 Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) 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 the Property tax (or any other tax levied in place of property tax as per Section 173 of the Act) is collected and/ or pooled by the Issuer. 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. Accordingly, the Interest Payment Account meets the requirement of interest payment account and the debt service reserve account as directed under the order of the GoUP dated July 30, 2019 bearing reference no. M-103/9-9-19-58 J/18 ("**Governmental Order**").

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 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.

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, 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.

   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)** – Half-yearly interest amount shall be divided into five equal parts and each part shall be transferred to IPA every month for 5 months. Accordingly, 20% of the half yearly coupon payment (along with any further interest payable (by whatsoever name called) as per the terms of the issuance and any shortfall in earlier contribution) shall be transferred to IPA each month as follows:-

(i) 1st half year - from 1st to 5th Month

(ii) 2nd half year - from 6th to 10th Month

b. **Sinking Fund Account (SFA)** – Total issue size of the Debentures (Rs 50 Crore) shall be divided into 7 parts and each part (₹ 7.143 Crore) shall be transferred to SFA in each of the 1st to 7th year. Further, this one part shall be sub-divided into 10 sub-parts and each sub-part (₹ 0.7143 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA each month for 10 months. Accordingly, 14.28% of STRPP size shall be transferred each year out of which 1.43 % shall be transferred each month for 10 months

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 final redemption of the STRPP (upto the excess DSRA amount) on the respective Redemption Date and at the end of the tenure of the Debentures ("Final Redemption"). 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 Final 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. 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 (d) above.

f. 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 Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) being collected/pooled by the Issuer, the Interest Payment Account (including the DSRA Amount) and Sinking Fund Account.

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), and Sinking Fund Account 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) and Sinking Fund Account 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) and Interest Payment Account (including the DSRA Amount) can be kept in fixed deposits with any scheduled commercial bank with a dual rating of AA+ (Fixed Deposit Programme) 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 Uttar Pradesh Municipal Corporation Act, 1959, to the extent applicable.

11. The funds lying to the credit of Sinking Fund Account can be deposited (a) in government securities, or (b) such other instruments which may be permitted both in terms of the SEBI Circulars and also Uttar Pradesh Municipal Corporation Act, 1959. 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) may be utilised 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.

13. The Escrow Account, Interest Payment Account (including the Required DSRA Amount) and Sinking Fund Account shall be maintained with a scheduled commercial bank rated at least AA+ (Fixed Deposit Programme) 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+ (Fixed Deposit Programme) 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.

Replenishment of Required DSRA Amount as well as funding of shortfall in the sinking fund account in terms of the Tripartite Agreement executed/ to be executed with the GoUP

In terms of the Governmental Order, the GoUP has created a policy for utilisation of the funds in the Infrastructure Development Fund (IDF) for credit enhancement and other needs of local bodies to promote/ incentivise issuance of municipal bonds. One of the terms of the Governmental Order requires the opening of an escrow account, sinking fund account, interest payment account and debt service reserve account by the urban local bodies issuing municipal bonds. As stated above, the Interest Payment Account is a combination of two accounts as required under the Governmental Order, being the interest payment account and the debt service reserve account. Accordingly, the Interest Payment Account will be the account from which the interest payments on the Debentures will be serviced and the account in which the Required DSRA Amount will be maintained.

Pursuant to the Governmental Order, the Issuer has approached the GoUP for entering into the Tripartite Agreement with the Debenture Trustee and the Issuer in respect of the Debentures, for agreeing and covenanting to make payment of funds from the Infrastructure Development Fund in terms of such agreement:

(a) into the Interest Payment Account on the occurrence of a DSRA Amount Shortfall; and

(b) into the Sinking Fund Account on the occurrence of a Sinking Fund Mismatch.

The GoUP shall make payment of such amounts as may be required to make good any DSRA Amount Shortfall. In case the DSRA Amount lying in the Interest Payment Account is utilized to fund the shortfall in Interest Payment Account at the time of the Coupon payment, the GoUP shall remit the funds (to the extent that the DSRA Amount utilized to fund the shortfall in the Interest Payment Account for meeting the Coupon payment on such Coupon Payment Date) to replenish the Required DSRA Amount, in terms of the Tripartite Agreement, as per the 'Interest Payment Mechanism' as mentioned below.

Further, the GoUP shall make payment of such amounts as may be required to make good any Sinking Fund Mismatch. In case of shortfall in the Sinking Fund Account at the end of each year, the GoUP shall remit the funds to fund the shortfall in the Sinking Fund Account, in terms of the Tripartite Agreement, as per the 'Principal Repayment (Sinking Fund) Mechanism' as mentioned below.

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 shortfall in the Interest Payment Account prior to the date falling 10 (Ten) days prior to the Coupon Payment Date (T-10 days). 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 notice in writing to the Issuer (and the GoUP shall be informed of the same, by the Debenture Trustee marking a copy of such notice to the GoUP). On the issuance of such notice, the Issuer shall make good the DSRA Amount Shortfall prior to the date falling on the relevant Coupon Payment Date (T). In the event that the shortfall is not made good by the Issuer on the relevant Coupon Payment Date (T), the Debenture Trustee shall issue a notice to the Issuer (and GoUP shall be informed by marking a copy to GoUP) on the date immediately succeeding the relevant Coupon Payment Date (T+1). On issuance of such notice, the GoUP shall remit funds required to replenish the Required DSRA Amount (such that the amount in the Interest Payment Account (calculated on the basis of the amounts available in addition to the Minimum Balance) is at least equivalent to the Required DSRA Amount) within 15 (Fifteen) days from the relevant Coupon Payment Date (T+15) by depositing such amounts in to the Interest Payment Account. 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 25 (Twenty Five) days prior to the end of each 12 Month Block (T-25 days). In case of any Sinking Fund Mismatch, the Debenture Trustee shall intimate the Issuer of the shortfall (and the GoUP shall be informed by marking a copy to the GoUP) and the Issuer shall make good the Sinking Fund Mismatch prior to the date falling 15 (Fifteen) days prior to end of each 12 Month Block (T-15 days). In case of shortfall in any amount still persists 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 issue a notice to the Issuer (and the GoUP shall be informed by marking a copy to the GoUP). On the issuance of such notice, the GoUP shall remit funds to fund the shortfall into the Sinking Fund Account prior to the end of each 12 Month Block (T). 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) and Sinking Fund Account.
Government incentive	ANN is expected to receive incentive from Government of India in terms of notification number and any subsequent notification K-14012/01/2022-AMRUT-IIB dated May 31, 2024 **("AMRUT Incentive")**. The AMRUT Incentive, as and when received by the Issuer, shall be deposited in

	the Escrow Account. Within 10 (Ten) working days of receipt of the AMRUT Incentive in the Escrow Account, the Issuer shall utilise such amounts to create fixed deposits with any scheduled commercial bank with a dual rating of AA+ (Fixed Deposit Programme) or above; provided however that, the Issue shall not utilise the AMRUT Incentive for any purpose other than for creation of such fixed deposits. However, the conditions of the fixed deposits shall not restrict premature withdrawal from the fixed deposit. A lien shall be created in favor of Debenture Trustee over such fixed deposits throughout the tenor of the Debentures. Interest amounts earned on such fixed deposits shall be utilisable by the Issuer, in accordance with the terms set out in the Transaction Documents.
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 (DSCR) shall mean the ratio of operating surplus to total debt servicing, which shall not be less than 1.50 times of operating surplus calculated as on 31st March for each year financial year (starting from 31st March 2026 till the time bonds are outstanding) as below: **DSCR** = operating surplus / total debt service i. Operating surplus calculated as the below: **Operating Surplus** = Total Income — Adjusted Expenditure a. **Total income** = Total income of the corporation as per the audited Income and Expenditure statement. b. **Adjusted Expenditure** = Total expenditure as per the audited Income and Expenditure statement - Depreciation - Finance charges - Provisions and Write offs - other non-cash expenditures ii. **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 mortgaged property and hypothecated property without the express prior written consent of the debenture trustee subject to Applicable Law. For the purpose of this term sheet, the term 'Eligibility Conditions' shall mean the following conditions: (a) the Annual Payments Ratio is maintained by the Issuer; (b) the Minimum DSCR of 1.5 times 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) and/or the Sinking Fund Account 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 documents executed in relation to or which are relevant to the Issue including the Preliminary Placement Memorandum/ this Placement Memorandum, along with all annexures, the Debenture Trustee Agreement, the Escrow Agreement, the Issue Proceeds Agreement, Debenture Trust Deed, Deed of Hypothecation, Memorandum of Deposit of Title Deeds, Tripartite Agreement with the Debenture Trustee and the Government of Uttar Pradesh, 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)
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	The following shall constitute an Event of Default under the Transaction Documents: 1. Any payments due in respect of the Bonds have not been paid on the relevant Due Date; 2. The Issuer breaches any representation or warranty provided by the Issuer in terms of the Transaction Documents or fails to duly perform any other obligation arising from the Bonds and such breach or failure which continues for more than 30 (Thirty) days after the Issuer has received a notice thereof from the Debenture Trustee; 3. The Issuer commits a breach of any Financial Covenants as provided above; 4. Any change in the constitution of the Issuer which results in change in status of the Issuer; 5. Failure of the Issuer/GoUP to replenish the Required DSRA Amount and to fund the Sinking Fund Mismatch as per the timelines set out under the Transaction Documents; 6. The credit rating assigned to the Debentures by the Rating Agencies falls below the rating assigned by them at the time of the Issuance of the debentures; 7. Failure of the Issuer to list the Debentures on NSE within a period of 3

(Three) working days from the Issue Closing date;

8. Failure of the Issuer to deposit the amounts into Payment Accounts in terms of the Transaction Documents;
9. Failure of the Issuer to create and/or perfect the Security in the manner and within the time period prescribed therefor;
10. It is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents or if the Transaction Documents or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect;
11. If the Issuer repudiates the Debenture Trust Deed or any of the other Transaction Documents, to which it is a party;
12. If any regulatory or statutory approval, permit, license or other certificate required by the Issuer under Applicable Law, is withdrawn or not granted or not renewed;
13. Any step is taken by Government Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Issuer;
14. Execution of distress being enforced or levied by against whole or substantial part of the assets of the Issuer and any order relating thereto is not discharged or stayed within a period of 30 (thirty) days from the date of enforcement or levy;
15. If the Issuer fails to make payment of any Financial Indebtedness when due or otherwise commits any breach of the provisions of any agreement entered into in respect of any Financial Indebtedness availed of by it (in respect of which breach either no cure period is available or where a cure period is available fails to cure such breach within the available cure period);
16. The Issuer has admitted in writing that the Issuer is unable to pay its debts as they fall due and/ or the Issuer stops, suspends or threatens to stop payment of all or any of its Financial Indebtedness or proposes or makes an arrangement for the deferral, re-scheduling or other re-adjustment of all or any of its Financial Indebtedness or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such Financial Indebtedness or a moratorium is agreed or declared in respect of or affecting all or any parts of the Financial Indebtedness of the Issuer;
17. In the event that any legal proceedings or governmental proceedings are initiated against the Issuer or claims are made against the Issuer, which, in the opinion of the Debenture Trustee, may impair the Issuer's ability to perform its obligations undertaken in terms of the Transaction Documents;
18. Any information given by the Issuer is misleading or incorrect in any respect;
19. The occurrence of any event which constitutes a Material Adverse Change;
20. If in the opinion of the Debenture Trustee, the Security is in jeopardy;
21. If the Issuer voluntarily creates or attempts to create any encumbrance on the Mortgaged Property and Hypothecated Property or any part thereof, other than as expressly permitted under the Transaction Documents;
22. In the event that the Security Cover falls below the Minimum Security Cover and the Issuer falls to provide additional assets to ensure maintenance of such security cover requirements within the timelines and in the manner stipulated under the Transaction Documents;

	23. If the Security (or any part thereof) becomes unenforceable, illegal or invalid or any restriction, imposition, attachment or any similar event has been levied on the Mortgaged Property and Hypothecated Property; and 24. If the Issuer ceases without the consent of the Debenture Holder(s), or threatens to cease to carry on its business or gives notice of its intention to do so. 25. Other events as may be 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 Chapter IV of the Master Circular for Debenture Trustee bearing no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 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 provided under the head "Events of Default" above and will be set out in 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, ANN 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) as specified in Chapter VII of the SEBI Master Circular. (d) Other provisions as set out in the Transaction Documents.
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 and SEBI Master Circular for Debenture Trustees.
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 Agra. 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.

Schedule of the fixed assets charged:

Description of the Municipal Land

Brief description of the Municipal Land	Location of the Municipal Land	Area of the Land	Estimated Value of Land*
Non-agricultural land	Mauza Naraich, Tehsil Etmadpur, District Agra (U.P.) Latitude: 27°12'56.8"N Longitude: 78°04'02.6"E	40,969 square meters	₹ 73.42 Crore

**Charge to be created only to the extent of 1.25 times of the outstanding Secured Obligations. Surplus value of the land can be utilized for any subsequent borrowings of the Issuer, without affecting the rights and security of the existing Bond Holders. Subject to applicable law, the consent of the Debenture Trustee would be sufficient*

for utilizing the surplus land for any future borrowing against it.

The estimated value is as per the valuation report by Sudhanshu Srivastava, Chartered Engineer dated February 11, 2025. If any fresh borrowing is planned against this Municipal Land, Issuer would submit a fresh valuation report to the Debenture Trustee to re-access the likely market value of the Municipal Land.

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 February 17, 2025 between CDSL, the Issuer and the Registrar to the Issue.

b. Copy of Tripartite Agreement dated February 17, 2025 between NSDL, the Issuer and the Registrar to the Issue.

c. Debenture Trustee Agreement dated February 17, 2025 between the Issuer and the Debenture Trustee;

d. Issue Agreement dated February 17, 2025, between the Issuer and the Merchant Banker/Arranger to the Issue.

e. Registrar Agreement dated February 17, 2025, between the Issuer and the Registrar to the Issue.

f. Debenture Trust Deed to be executed between the Issuer and the Debenture Trustee.

g. Memorandum of Deposit of Title Deeds dated [●] between the Issue and the Debenture Trustee

h. Deed of Hypothecation dated [●] to be executed by the Issuer and the Debenture Trustee

i. Tripartite Agreement dated [●] executed by and between the Issuer, GoUP and the Debenture Trustee

j. Escrow Agreement dated [●], 2025 between the Issuer, the Debenture Trustee and the Escrow Banker to the Issue.

k. Issue Proceeds Agreement dated [●], 2025 between the Issuer, the Merchant Banker, Registrar and the Banker to the Issue.

The Issuer hereby undertakes to ensure execution of the balance Transaction Documents before the date of opening of the issue/ day of bidding on the EBP Platform.

B. Material Documents

a. Copy of Letter dated May 24, 1994 read with Notification dated May 24, 1994 bearing reference number 1743A/9-7-94-14J/94 pursuant to which the Issuer is constituted.

b. Copy of Uttar Pradesh Municipal Corporation Act, 1959.

c. Notification no. D.O. No. K-14012/01/2022-AMRUT-IIB dated May 31, 2024 and any subsequent notification in relation to AMRUT Incentive issued by Ministry of Housing and Urban Affairs.

d. State Government Order dated February 6, 2025 approving the issuance of Debentures.

e. Copy of the Resolution of the Executive Committee dated December 28, 2022 forming the Bond Issue Committee with respect to discussions and decisions for the proposed Issue.

f. Resolution of the House of the Issuer dated September 25, 2023 approving the Issue, formation of the Bond Issue Committee and delegating power to the Municipal Commissioner with regard to the re-constitution of the Bond Issue Committee.

g. Copy of notification of the Municipal Commissioner bearing reference number 201/D/CFAO/2023-24 dated October 26, 2023 read with the letters of the Municipal Commissioner dated February 7, 2025 and March 28, 2025, confirming the members of the Bond Issue Committee.

h. Resolution passed by the House of the Issuer dated July 16, 2024 approving the Projects.

i. Order of the Uttar Pradesh Government dated November 14, 2024 approving the Projects for the Issue.

j. Copy of the resolution of the Bond Issue Committee dated February 17, 2025 approving the Issue.

k. Copy of the resolution of the Bond Issue Committee dated February 17, 2025 authorizing the creation of security by way of mortgage of property for securing the Municipal Bonds.

l. Resolution passed by the Bond Issue Committee, approving the appointment of intermediaries dated February 17, 2025.

m. Resolution passed by the Bond Issue Committee dated February 17, 2025, approving the appointment of the Compliance Officer

n. Resolution passed by the Bond Issue Committee, approving the Objects of the Issue dated February 17, 2025

o. Copy of the Resolution of the Bond Issue Committee dated March 17, 2025 approving the revised Term Sheet.

p. Certificates dated February 17, 2025 and March 28, 2025 issued by Envirobrace Sustainable Solution Pvt. Ltd and Sharma & Associates, project consultants for all projects.

q. Copy of Order issued by GoUP dated July 30, 2019 wherein the GoUP has created a policy for utilization of IDF and Order of GoUP dated February 06, 2025 approving the use of IDF for the proposed Issue.

r. Consents of the Merchant Banker, Debenture Trustee, Rating Agencies, Registrar to the Issue, Legal Advisor, Escrow Bank and Banker to the Issue to include their names in this Placement Memorandum.

s. Copy of the resolution of the Bond Issue Committee dated February 17, 2025 approving the Materiality Policy.

t. Examination report dated March 28, 2025 issued by the Auditor of the Issuer.

u. Statement of tax benefits dated March 28, 2025 Issued by the Auditor of the Issuer.

v. Rating letter dated April 2, 2024 and a revalidation letter dated February 10, 2025, March 21, 2025 and March 28, 2025 by India Ratings and rating rationale dated March 28, 2025.

w. Rating letter dated March 29, 2024 and revalidation letters dated February 5, 2025, March 24, 2025, and March 27, 2025 by Acuite and rating rationale dated March 27, 2025.

x. Copy of the resolution of the Bond Issue Committee dated February 17, 2025 approving the Preliminary Placement Memorandum.

y. Copy of the resolution of the Bond Issue Committee dated March 24, 2024 approving the updated Preliminary Placement Memorandum filed with SEBI after incorporating changes and updates as per SEBI observation letter.

z. Copy of the resolution of the Bond Issue Committee dated March 28, 2025 approving this Placement Memorandum and the Term Sheet.

aa. Due diligence certificates dated February 17, 2025 and March 28, 2025 filed by the Merchant Banker with SEBI in relation to the Preliminary Placement Memorandum and Placement Memorandum, respectively.

bb. Due Diligence Certificate from the Debenture Trustee in relation to the Issue dated February 17, 2025.

cc. In-principle approval of the NSE dated bearing reference number NSE/LIST/8671 dated February 21, 2025.

dd. Observation Letter from SEBI bearing reference no.SEBI/HO/DDHS/DDHS-RAC-1/P/OW/2025/0000008707/1 dated March 19, 2025

आगरा नगर निगम
AGRA MUNICIPAL CORPORATION
Website – www.nagarnigamagra.com
Phone-0562-2850670 | Fax-0562-2850499 | E-Mail - bondsann2022@gmail.com

DECLARATION

I, Ankit Khandelwal, IAS, Municipal Commissioner of Agra Nagar Nigam (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/20 15-16/006 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.

Name : Ankit Khandelwal, IAS
Designation: Municipal Commissioner
Date: March 28, 2025

HEMLATA DIWAKAR
Mayor, AGRA

DECLARATION

I, Hemlata Diwakar, Mayor of Agra Nagar Nigam (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/20 15-16/006 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 Agra Nagar Nigam

Name: Hemlata Diwakar
Designation: Mayor
Date: March 28, 2025

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 Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) is 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 the Property tax (or any other tax levied in place of property tax as per Section 173 of the Act) is collected and/ or pooled by the Issuer.

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. Accordingly, the Interest Payment Account meets the requirement of interest payment account and the debt service reserve account as directed under the order of the GoUP dated July 30, 2019 bearing reference no. M-103/9-9-19-58 J/18 ("**Governmental Order**").

   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 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.

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, 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.

   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) –** Half-yearly interest amount shall be divided into five equal parts and each part shall be transferred to IPA every month for 5 months. Accordingly, 20% of the half yearly coupon payment (along with any further interest payable (by whatsoever name called) as per the terms of the issuance and any shortfall in earlier contribution) shall be transferred to IPA each month as follows:-

   (i) 1st half year - from 1st to 5th Month

   (ii) 2nd half year - from 6th to 10th Month

   (b) **Sinking Fund Account (SFA) –** Total issue size of the Debentures (Rs 50 Crore) shall be divided into 7 parts and each part (₹ 7.143 Crore) shall be transferred to SFA in each of the 1st to 7th year. Further, this one part shall be sub-divided into 10 sub-parts and each sub-part (₹ 0.7143 Crore) (along with any shortfall in earlier contribution) shall be transferred to SFA each month for 10 months. Accordingly, 14.28% of STRPP size shall be transferred each year out of which 1.43 % shall be transferred each month for 10 months

   (c) The total amount required to be accumulated by the Issuer in the Escrow Account towards minimum balance during the period of 1st April to 31st May each year shall be accumulated by the Issuer in the month of March only starting from the 1st March of each year such that the entire amount for the said period gets accumulated upfront before 31st March.

   (d) 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 final redemption of the STRPP (upto the excess DSRA amount) on the respective Redemption Date and at the end of the tenure of the Debentures ("Final Redemption"). 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 Final 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) 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 (d) above.

   (f) 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 Property Tax (or any other tax levied in place of property tax as per Section 173 of the Act) is being collected/pooled by the Issuer, the Interest Payment Account

(including the DSRA Amount) and Sinking Fund Account.

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), and Sinking Fund Account 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) and Sinking Fund Account 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) and Interest Payment Account (including the DSRA Amount) can be kept in fixed deposits with any scheduled commercial bank with a dual rating of AA+ (Fixed Deposit Programme) 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 Uttar Pradesh Municipal Corporation Act, 1959, to the extent applicable.

11. The funds lying to the credit of Sinking Fund Account can be deposited (a) in government securities, or (b) such other instruments which may be permitted both in terms of the SEBI Circulars and also Uttar Pradesh Municipal Corporation Act, 1959. 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) may be utilised 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.

13. The Escrow Account, Interest Payment Account (including the Required DSRA Amount) and Sinking Fund Account shall be maintained with a scheduled commercial bank rated at least AA+ (Fixed Deposit Programme) 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+ (Fixed Deposit Programme) 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.

Replenishment of Required DSRA Amount as well as funding of shortfall in the sinking fund account in terms of the Tripartite Agreement executed/ to be executed with the GoUP

In terms of the Governmental Order, the GoUP has created a policy for utilisation of the funds in the Infrastructure Development Fund (IDF) for credit enhancement and other needs of local bodies to promote/ incentivise issuance of municipal bonds. One of the terms of the Governmental Order requires the opening of an escrow account, sinking fund account, interest payment account and debt service reserve account by the urban local bodies issuing municipal bonds. As stated above, the Interest Payment Account is a combination of two accounts as required under the Governmental Order, being the interest payment account and the debt service reserve account. Accordingly, the Interest Payment Account will be the account from which the interest payments on the Debentures will be serviced and the account in which the Required DSRA Amount will be maintained.

Pursuant to the Governmental Order, the Issuer has approached the GoUP for entering into the Tripartite Agreement with the Debenture Trustee and the Issuer in respect of the Debentures, for agreeing and covenanting to make payment of funds from the Infrastructure Development Fund in terms of such agreement:

(a) into the Interest Payment Account on the occurrence of a DSRA Amount Shortfall; and

(b) into the Sinking Fund Account on the occurrence of a Sinking Fund Mismatch.

The GoUP shall make payment of such amounts as may be required to make good any DSRA Amount Shortfall. In case the DSRA Amount lying in the Interest Payment Account is utilized to fund the shortfall in Interest

Payment Account at the time of the Coupon payment, the GoUP shall remit the funds (to the extent that the DSRA Amount utilized to fund the shortfall in the Interest Payment Account for meeting the Coupon payment on such Coupon Payment Date) to replenish the Required DSRA Amount, in terms of the Tripartite Agreement, as per the 'Interest Payment Mechanism' as mentioned below.

Further, the GoUP shall make payment of such amounts as may be required to make good any Sinking Fund Mismatch. In case of shortfall in the Sinking Fund Account at the end of each year, the GoUP shall remit the funds to fund the shortfall in the Sinking Fund Account, in terms of the Tripartite Agreement, as per the 'Principal Repayment (Sinking Fund) Mechanism' as mentioned below.

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 shortfall in the Interest Payment Account prior to the date falling 10 (Ten) days prior to the Coupon Payment Date (T-10 days). 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 notice in writing to the Issuer (and the GoUP shall be informed of the same, by the Debenture Trustee marking a copy of such notice to the GoUP). On the issuance of such notice, the Issuer shall make good the DSRA Amount Shortfall prior to the date falling on the relevant Coupon Payment Date (T). In the event that the shortfall is not made good by the Issuer on the relevant Coupon Payment Date (T), the Debenture Trustee shall issue a notice to the Issuer (and GoUP shall be informed by marking a copy to GoUP) on the date immediately succeeding the relevant Coupon Payment Date (T+1). On issuance of such notice, the GoUP shall remit funds required to replenish the Required DSRA Amount (such that the amount in the Interest Payment Account (calculated on the basis of the amounts available in addition to the Minimum Balance) is at least equivalent to the Required DSRA Amount) within 15 (Fifteen) days from the relevant Coupon Payment Date (T+15) by depositing such amounts in to the Interest Payment Account.

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 25 (Twenty Five) days prior to the end of each 12 Month Block (T-25 days). In case of any Sinking Fund Mismatch, the Debenture Trustee shall intimate the Issuer of the shortfall (and the GoUP shall be informed by marking a copy to the GoUP) and the Issuer shall make good the Sinking Fund Mismatch prior to the date falling 15 (Fifteen) days prior to end of each 12 Month Block (T-15 days).

In case of shortfall in any amount still persists 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 issue a notice to the Issuer (and the GoUP shall be informed by marking a copy to the GoUP). On the issuance of such notice, the GoUP shall remit funds to fund the shortfall into the Sinking Fund Account prior to the end of each 12 Month Block (T).

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) and Sinking Fund Account.

ANNEXURE II

RATING LETTERS AND RATIONALE

India Ratings & Research
A Fitch Group Company

Fitch Group

Shri Ankit Khandelwal, IAS
Municipal Commissioner
Agra Nagar Nigam
1, M.G. Road, Near Sursadan,
Agra, Uttar Pradesh- 282002

March 28, 2025

Dear Sir/Madam,

Re: Rating Letter for BONDS of Agra Nagar Nigam

India Ratings and Research (Ind-Ra) has affirmed Agra Nagar Nigam's (ANN) proposed municipal bonds as follows:

Instrument Type	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Proposed Municipal Bonds	INR500	Provisional IND AA/Stable	Affirmed

*The rating is provisional and contingent upon execution of certain documents and/occurrence of certain steps.

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

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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.

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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

India Ratings & Research
A Fitch Group Company

Fitch Group

Shri Ankit Khandelwal, IAS
Municipal Commissioner
Agra Nagar Nigam
1, M.G. Road, Near Sursadan,
Agra, Uttar Pradesh- 282002

March 21, 2025

Dear Sir/Madam,

Re: Rating Letter for Proposed Municipal Bond of Agra Nagar Nigam

This is in reference to the rating action commentary released on 2 April 2024.

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of Agra Nagar Nigam

Instrument Type	Size of Issue (million)	Rating/Outlook
Proposed municipal bond*	INR500	Provisional IND AA/Stable

*The rating is provisional and contingent upon execution of certain documents and/occurrence of certain steps.

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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.

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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

India Ratings & Research Pvt. Ltd. Fitch Group

Ananda Bhoumik
Managing Director

India Ratings & Research
A Fitch Group Company

Fitch Group

Shri Ankit Khandelwal, IAS
Municipal Commissioner
Agra Nagar Nigam
1, M.G. Road, Near Sursadan,
Agra, Uttar Pradesh- 282002

February 10, 2025

Dear Sir/Madam,

Re: Rating Letter for Proposed Municipal Bond of Agra Nagar Nigam

This is in reference to the rating action commentary released on 2 April 2024.

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of Agra Nagar Nigam

Instrument Type	Size of Issue (million)	Rating/Outlook
Proposed municipal bond*	INR500	Provisional IND AA/Stable

*The rating is provisional and contingent upon execution of certain documents and/occurrence of certain steps.

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Sincerely,

India Ratings



Dr Devendra Pant
Senior Director

India Ratings & Research
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Shri Ankit Khandelwal, IAS
Municipal Commissioner
Agra Nagar Nigam
1, M.G. Road, Near Sursadan,
Agra, Uttar Pradesh- 282002

April 02, 2024

Dear Sir/Madam,

Re: Rating Letter for Proposed Municipal Bond of Agra Nagar Nigam

India Ratings and Research (Ind-Ra) has rated Agra Nagar Nigam's (ANN) proposed municipal bond as follows:

Instrument Type	Size of Issue (million)	Rating/Outlook	Rating Action
Proposed municipal bond*	INR500	Provisional IND AA/Stable	Assigned

*The rating is provisional and contingent upon execution of certain documents and/occurrence of certain steps.

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.

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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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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

India Ratings Affirms Agra Nagar Nigam's Proposed Municipal Bonds at 'Provisional IND AA'/Stable

Mar 28, 2025 | Urban Local Bodies

India Ratings and Research (Ind-Ra) has affirmed Agra Nagar Nigam's (ANN) proposed municipal bonds as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Proposed Municipal Bonds	-	-	-	INR500	Provisional IND AA/Stable	Affirmed

*The rating is provisional and contingent upon execution of certain documents and/occurrence of certain steps. Please refer to the section, DISCLOSURES FOR PROVISIONAL RATING, for additional details as per the Securities and Exchange Board of India's (SEBI) Master Circular dated 6 July 2023.

Analytical Approach

Ind-Ra continues to take a standalone view of ANN while reviewing the rating.

Detailed Rationale of the Rating Action

The rating reflects ANN's continued moderate operational and financial performance and stable performance of escrowed assets (property taxes) during 1HFY25 and FY24, the enforceable nature of these collections by the corporation, strength of the trustee-monitored structured payment mechanism and an adequate debt service coverage ratio (DSCR) during the bond tenor.

The structured payment mechanism would be backed by an interest payment account (IPA) and a sinking fund account (SFA). The IPA shall be pre-funded with the required amount in the debt service reserve account (DSRA), equivalent to four semi-annual interest instalments, one day before the pay in date, to be maintained during the tenor of the bonds. The bonds shall be issued at a fixed rate of interest that mitigates the interest rate risk.

Ind-Ra takes comfort from the presence of an infrastructure development fund (IDF), which is available to replenish the amount in IPA on account of a DSRA shortfall and any mismatch in SFA. IDF is funded out of the additional stamp duty paid on the transfer of records of immovable properties in Uttar Pradesh. ANN is entitled to receive its own share during the year from IDF, which resides with the state government, based on the property registrations under its jurisdiction.

Ind-Ra expects ANN to maintain adequate receivables from property tax to cover its debt service obligations. ANN shall set up a separate no-lien escrow account into which the funds lying in account(s), in which the property tax is collected by ANN, shall be transferred for debt servicing. The government of Uttar Pradesh (GoUP) has approved the bond issuance. In Ind-Ra's assessment of the structured payment mechanism of the bond is strong.

List of Key Rating Drivers

Strengths

- Adequacy of escrowed revenue stream

- Structured debt servicing mechanism
- Trustee monitoring
- IDF support
- Improvement in collection efficiency
- Consistent operating revenue surpluses; moderate operating margin

Weaknesses
- Low capital utilisation
- Moderate civic service delivery

Detailed Description of Key Rating Drivers

Adequacy of Escrowed Revenue Stream: Ind-Ra expects the receivables from property tax, which will be under escrow, to sufficiently cover ANN's debt service obligations during the bond tenor. Under the proposed bond structure, the property tax revenue would be escrowed for servicing debt obligations. The escrowed collections will be first utilised for meeting the minimum balance required to be transferred to IPA and SFA. The revenue from property tax grew at a CAGR of 19.9% over FY21-FY24 to INR769.82 million on cash basis.

Structured Debt Servicing Mechanism: Under the structure, a DSRA funded one day prior to the pay-in date with an amount equal to four half-yearly interest payments will be put in place. At all times, DSRA is to be maintained at four succeeding half-yearly interest payments. ANN shall set up a separate no-lien escrow account, into which the funds that are lying in the account(s), in which the property tax is collected by ANN, shall be transferred for debt servicing. The tenor of the bond is proposed to be four-to-seven years in four sub-series.

On the transfer date (transfer date here means the last date of any monthly period), the funds parked in the escrow account shall be used in the following order of priority:

- On each of the first five transfer dates of the 12-month block, an amount equivalent to 20% of the coupon payment shall be transferred on the first coupon payment date, and any further interest payable as per the terms of the issuance, and any shortfall in the earlier contribution shall be transferred to IPA. On each of the sixth to the 10th transfer dates of the year, an amount equivalent to 20% of the coupon payment shall be transferred on the second coupon payment date in such 12-month block, and any further interest payable and any shortfall in the earlier contribution shall be transferred to IPA.

- On each of the first 10 transfer dates occurring in each 12-month block, an amount equivalent to 1/10th of 14.28% of the issue size and any shortfall in the earlier contribution shall be transferred to SFA. The account will be duly monitored on an ongoing basis, including on each of the first 10 transfer dates occurring in each 12-month block.

- Any shortfall in the funds available in the escrow account to complete the aforesaid transfers to the above accounts shall be made good by ANN by the transfer from its other account(s).

- As per the revised term sheet, the clause requiring the recouping of the minimum balance in March for the period from 1 April to 31 May each year has been removed due to sufficient property tax collections in April and May for FY23-FY24 and 1HFY25.

Trustee Monitoring: The debenture trustees, on behalf of the debenture holders, will have an exclusive first charge on the escrow account, IPA, SFA and any permitted investments made from these accounts for the exclusive benefit of the debenture holders. The amount deposited in the IPA and SFA will be used solely for meeting the debenture holders' dues. Any surplus available in the escrow account can be transferred to ANN's general account only after obtaining the written consent of the debenture trustees. No amount is withdrawn from these accounts without the prior approval of the debenture trustee.

IDF Support: The GoUP, via an order issued on 30 July 2019, created a policy for the utilisation of funds in IDF for credit enhancement and other needs of local bodies to promote/ incentivise the issuance of municipal bonds. Furthermore, the GoUP will enter into a tripartite agreement with the debenture trustees and ANN for making funds available from IDF, in case of any shortfall in DSRA for interest payments or SFA for principal redemption. Out of the 2% additional stamp duty paid on the transfer of immovable properties in Uttar Pradesh, 0.5% is allocated to urban local bodies (ULBs) in the form of IDF and the remaining 1.5% is allocated to other parastatals engaged in urban development in the ULB area. ANN receives these funds from the state government as per its requirements.

Improvement in Collection Efficiency: Ind-Ra expects implementation of the planned measures to improve the property tax collections in the medium term. During FY24, the property tax collection efficiency stood at 78.7% (FY23: 45.2%; FY22: 50.2%) which eventually led to an improvement in the overall collection efficiency, despite the slowdown in property tax arrears collection.

ANN uses geographic information system surveys to bring unassessed properties under the tax net and has undertaken various steps to improve the efficiency levels such as enabling an online payment gateway, sending frequent WhatsApp messages for making the citizens aware and updating the status as well for timely and digital-based submission of bills.

Ind-Ra expects ANN to enhance its own revenue and reduce its dependence on the GoUP. The proportion of ANN's own income in the total revenue income ratio moderated to 32.5% in FY24 (FY23: 36.2%; FY22: 26.9%). In FY24, property tax constituted 49.7% of the tax revenue (FY23: 53.9%; FY22: 50.7%) and 9.2% of the total revenue income (12.4%; 8.2%). In FY24, water tax constituted the second major source of tax revenue at 36.3% (FY23: 33.6%; FY22: 35.4%).

Consistent Operating Revenue Surplus; Moderate Operating Margin: Ind-Ra expects ANN's revenue balance position to remain in surplus over the medium term. ANN maintained its revenue surplus position at INR2,247.86 million in FY24 (FY23: INR747.28 million, FY22: INR2,312.08 million) including the impact of prior period adjustments. Excluding the impact of the same, ANN maintained revenue surplus position of INR2,210.41 million in FY24 (FY23: 744.01 million; INRFY22: INR426.10 million). The rent receivable for prior years from Torrent Power Limited (debt rated at 'IND AA+'/Stable; electricity provider for ANN) was received, and a revision in the house and water tax arrears resulted in a net prior period adjustment. The final adjustments are unlikely to have a significant impact on ANN's income statement.

During FY20-FY24, the revenue expenditure grew at a CAGR of 11.3%, while revenue income grew at a CAGR of 25.7%. The corporation funded its entire revenue expenditure out of the revenue income. The operating margin was moderate at around 25.1% during FY21-FY24. Ind-Ra expects ANN's operating margin to have remained moderate in FY25 and will continue to do so in the medium term, supported by tax revenue, non-tax revenue and grants. Ind-Ra will closely monitor the coverage adequacy during the entire tenure of the bond.

Low Capital Utilisation: Ind-Ra expects ANN's capital utilization to remain in line to previous years. The capital utilisation (capital expenditure/capital grant) has been less than 1.0x during FY21-FY24. A lower capital utilisation ratio is likely to impact the speed of infrastructural improvement in the city. The capital utilisation ratio stood at 0.26x in FY24 (FY23: 0.48x, FY22: 0.64x). The low capital utilisation ratio has been owing to receipt of capital grants towards the end of the fiscal year. The proportion of capital expenditure in the total expenditure was also low at 11.9% in FY24 (FY23: 16.8%, FY22: 14.6%).

Moderate Civic Service Delivery: Ind-Ra believes civic service delivery in ANN's area to improve as the corporation has undertaken several projects in the field of water supply and sewerage, and construction of parks under the AMRUT scheme. Given the quality of civic infrastructure and with the new areas being merged with ANN, the demand for capital expenditure is likely to increase. The corporation's service delivery levels for water, sewerage and solid waste segments remained average. The Ministry of Housing and Urban Affairs has set benchmark levels of 100% for each parameter, whereas the corporation has a water supply coverage network of 85.0% in 1HFY25 (FY24: 72.5%), household level coverage of solid waste management of 100%, and extent of solid waste segregation of 85% (70%). The per capita daily water supply remained consistent in line with benchmark at 135 litres per capita daily since FY20.

However, ANN's performance was less than adequate in areas such as continuity of water supply (FY24: 8 hours against benchmark of 24 hours per day), extent of non-revenue water (1HFY25: 30% and FY24: 35%, against benchmark of 20%), coverage of sewerage network (85% and 72% against benchmark of 100%) and collection efficiency of sewerage network

services (77% and 72% against benchmark of 100%).

Liquidity

Liquidity Indicator – **Adequate**: Ind-Ra expects ANN's liquidity profile to be adequate over the medium term, supported by capital grants to fund capex, sizeable cash and bank balances and unencumbered investments. Debt servicing requirement pertaining to the bonds will be backed by way of escrow of receivables from property taxes. The corporation's cash, bank balances and investments stood at INR4,990.18 million as on 30 September 2024 (FYE24: INR6,124.35 million).

Rating Sensitivities

Positive: Events that could collectively lead to a positive rating action are:
- total house tax collection efficiency increasing to or exceeding 75% 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 could, 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 the DSCR 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 40% on a sustained basis,
- failure or breach to comply with Securities and Exchange Board of India's listing requirements with regards to timely disclosure on a sustained basis.

Disclosures for Provisional Rating

1) Rating that would have been assigned in absence of the pending steps/ documentation

Ind-Ra would have assigned an 'IND A'/Stable rating in the absence of the pending steps/documentation.

2) Pending steps/ documentation considered while affirming provisional rating and risks associated with the provisional nature of the credit rating:

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.	Tripartite agreement	
6.	Statement of interest payment account showing two annual instalments 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

* Any other relevant documents executed for the transaction should be provided to the agency.

3) Validity Period

The final rating, upon the receipt of 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.

Any Other Information

Bond Usage: On the advice of the state government, ULB has decided to utilise the proceeds from the bond issuance to fund utility and revenue-generating projects. ANN plans to enhance its own income to reduce the dependence on the state and central governments for financial aid for undertaking developmental works for the city. ULB proposes to construct co-working spaces, and recreation centres and citizen facilitation centres at the zonal office, Tajganj and a working women's hostel in Lohamandi. Additionally as part of its green energy initiative, solar power plants will be set up at four locations - Kanha Gaushala, Tedhi Bagiya, Jalkal 1st and 2nd Jeoni Mandi and Kuberpur. The aggregate capacity of four plants would be 7.5MW.

The total cost of the project is INR704.80 million, funded through the proposed bond issuance of INR500 million and remaining through ULB's internal accruals.

ESG Issues

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 ANN, due to either their nature or the way in which the entity is managing them. 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.

About the Company

ANN is the chief municipal body responsible for the civic infrastructure and administration of Agra city. The Agra city is one of the famous cities of Uttar Pradesh, attracting a huge number of visitors both domestically and internationally. The city is divided into four zones and has 100 wards covering an area of 157.12 square km. It had a population of 1.58 million as per Census of India 2011.

Key Financial Indicators

Particulars	FY24	FY23
Revenue income (INR million)	6,680.76	5,186.96
Revenue expenditure (INR million)	4,432.90	4,439.68
Revenue surplus/(deficit) before depreciation* (INR million)	2,247.86	747.28
DSCR (x)	NM	NM
Debt payment/revenue income (%)	NM	NM

NM: Not meaningful, no debt as on FYE24
Source: ANN, Ind-Ra
*Including the impact of prior period adjustments

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook
	Rating Type	Rated Limits (million)	Rating	2 April 2024
Proposed municipal bonds	Long-term	INR500	Provisional IND AA/Stable	Provisional IND AA/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Proposed municipal bonds	Moderate

Annexure

ANNEXURE - I

INSTRUMENT COVENANTS

Financial Covenants

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 2.0x 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.

'Eligibility conditions' shall mean the following conditions:

1. the annual payments ratio is maintained by the issuer;
2. there is no shortfall in the contribution to the escrow account, IPA (including towards maintenance of the required DSRA amount) and/or SFA which has not been made good by the issuer in terms of the transaction documents.

Annexure - II

Interest Payment Mechanism (T-interest date)	
Trigger Date	**Action**
T-25	The trustee shall check the amount lying to the credit of IPA over and above the required DSRA amount. In case of any shortfall in the requisite amount for coupon payment, the trustee shall intimate the issuer.
T-10	The issuer makes good the shortfall in IPA, if required.
T-9	In case of shortfall, the trustee shall trigger the payment mechanism and instruct the banks to utilise the DSRA amount for meeting the shortfall in IPA.
T-8	The bank shall transfer the shortfall amount, if applicable*.
T	Interest payment service
*Any amount drawn from DSRA should be deposited back in the account before T.	

DSRA	
Trigger Date	**Action**
T-7	DSRA amount to be used for interest payment in the event of shortfall, immediately after the trustee instruction to the bank.
	The issuer shall make good the DSRA amount shortfall prior to the date falling on T. In case the DSRA shortfall is not replenished by T date, then trustee shall issue a notice to ANN and marking a copy to the GoUP on the date immediately succeeding the relevant coupon payment date (T+1) day. Post issuance of the notice, the GoUP shall remit funds required to replenish required DSRA amount (such that the amount in IPA (calculated on the basis of the amounts available in addition to the minimum balance) is at least equivalent to the required DSRA amount) within 15 days from the relevant coupon payment date (T+15) by depositing such amounts in to the interest payment account.
Redemption Mechanism (T-redemption date)	
Trigger Date	**Action**

T-25	The trustee shall check the amount lying to the credit of SFA. In case of any shortfall, the trustee shall intimate ANN and the GoUP of the same.
T-15	ANN shall make good the shortfall in SFA.
T-14	In case any shortfall still persists in SFA, the trustee shall trigger the payment mechanism and issue notice to ANN and the GoUP. Post issuance of the notice, the GoUP shall remit funds to fund the shortfall into SFA prior to T.
T	Redemption payment is done.

Contact

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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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For more information, visit www.indiaratings.co.in.

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.

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APPLICABLE CRITERIA AND POLICIES

Local and State Government Rating Criteria

Evaluating Corporate Governance

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Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : March 27, 2025
Letter Expires on : October 12, 2025
Annual Fee valid till : October 12, 2025

AGRA NAGAR NIGAM
1, M. G. ROAD,
NEAR SURSADAN
Agra 282002
UTTAR PRADESH

Kind Attn.: Mr. Mr. Brijesh Singh, Chief financial officer (Tel. No.9415845099)

Sir / Madam,

Sub.: Rating(s) Reaffirmed - Debt Instruments of AGRA NAGAR NIGAM

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
BOND	50.00	Provisional | ACUITE AA | Stable | Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	50.00	-	-

Acuit® reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuit® believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuit® as required under prevailing SEBI guidelines and Acuit® ís policies.

This letter will expire on or on the day when Acuit® takes the next rating action, whichever is earlier. It may be noted that the rating(s) is subject to change anytime even before the expiry date of this letter. Hence lenders / investors are advised to visit https://www.acuite.in/ OR scan the QR code given above to confirm the current outstanding rating(s).

Acuit® will re-issue this rating letter on subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before , Acuit® will issue a new rating letter.

Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the ínNo Default Statementî on the first working day of every month.

Sd/-
Chief Rating Officer

This is a system generated document. No signature is required.

Annexures: A. Details of the Rated Instrument

Annexure A. Details of the rated instrument			
Instruments	**Scale**	**Amt. (Rs. Cr)**	**Rating Assigned (Outlook) | Rating Action**
Proposed Bond	Long-term	50.00	ACUITE Provisional AA (Stable) | Reaffirmed
Total Quantum Rated		**50.00**	-

DISCLAIMER

An Acuit® rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy , sell or hold any security. Acuit® ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuit® , in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuit® is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings.Acuit® ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuit® , Acuit® is rating scale and its definitions.

Any inadvertent omission or error in the rating letter which is discovered or brought to the notice of Acuite shall be rectified as soon as reasonably practicable not later than 48 hours of such discovery or notice. Such error or omission shall not render Acuite liable to any person for any kind of loss or damage including, but not limited to, any special, incidental, indirect or consequential damages caused by errors or omissions, provided such omission or error is rectified as soon as possible after discovery/notice.

Rating Revalidation Letter

Letter Issued on: March 24, 2025
Letter Expires on: October 12, 2025
Fees Valid till: October 12, 2025

Scan this QR Code to verify authenticity of this rating

AGRA NAGAR NIGAM
1, M. G. ROAD,
NEAR SURSADAN,
AGRA 282002,
UTTAR PRADESH

Kind Attn.: - Mr. Brijesh Singh, Chief financial officer (Tel. No. 9415845099)

Sir,

Sub.: Credit Rating of Bond Issued by AGRA NAGAR NIGAM aggregating to Rs. 50.00 Cr

Acuité Ratings & Research Limited has an outstanding rating of **'Provisional ACUITE AA | Reaffirmed'** read as [**Provisional ACUITE double A**] with a **'Stable'** outlook for the mentioned debt instrument [see annexure 1].

Acuité reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuité believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuité as required under prevailing SEBI guidelines and Acuité's policies. Hence lenders / investors are advised to visit https://www.acuite.in/ to confirm the current outstanding rating(s). Acuité ratings are not recommendations to buy, sell or hold any security.

Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the 'No Default Statement' on the first working day of every month.

Kindly inform us the details of the bonds being issued by you, immediately, but not later than 7 days from the date of such issuances in the following format:

Type of Instrument	ISIN	Issue Size (Rs. Cr.)	Date of issue	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Names of top 10 investors

Yours truly,
For Acuité Ratings & Research Limited

Antony Jose

Chief Rating Officer

ANNEXURE – 1

Instrument	Scale	Amount (Rs. Cr)	Ratings
Proposed Bond	Long-term	50.00	Provisional ACUITE AA (Stable) | Reaffirmed

DISCLAIMER

An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité, Acuité 's rating scale and its definitions. Any inadvertent omission or error in the rating letter which is discovered or brought to the notice of Acuite shall be rectified as soon as reasonably practicable not later than 48 hours of such discovery or notice. Such error or omission shall not render Acuite liable to any person for any kind of loss or damage including, but not limited to, any special, incidental, indirect or consequential damages caused by errors or omissions, provided such omission or error is rectified as soon as possible after discovery/notice.

Rating Revalidation Letter

Letter Issued on: February 05, 2025
Letter Expires on: March 29, 2025
Fees Valid till: October 11, 2025

Scan this QR Code to verify authenticity of this rating

AGRA NAGAR NIGAM
1, M. G. ROAD,
NEAR SURSADAN,
AGRA 282002,
UTTAR PRADESH

Kind Attn.: - Mr. Brijesh Singh, Chief financial officer (Tel. No. 9415845099)

Sir / Madam,

Sub.: Credit Rating of Bond Issued by AGRA NAGAR NIGAM aggregating to Rs. 50.00 Cr

Acuité Ratings & Research Limited has an outstanding rating of **'Provisional ACUITE AA | Assigned'** read as [**Provisional ACUITE double A**] with a **'Stable'** outlook for the mentioned debt instrument [see annexure 1].

Acuité reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuité believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuité as required under prevailing SEBI guidelines and Acuité's policies. Hence lenders / investors are advised to visit https://www.acuite.in/ to confirm the current outstanding rating(s). Acuité ratings are not recommendations to buy, sell or hold any security.

Kindly inform us the details of the bonds being issued by you, immediately, but not later than 7 days from the date of such issuances in the following format:

Type of Instrument	ISIN	Issue Size (Rs. Cr.)	Date of issue	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Names of top 10 investors

Yours truly,
For Acuité Ratings & Research Limited

Antony Jose

Chief Rating Officer

ANNEXURE – 1

Instrument	Scale	Amount (Rs. Cr)	Ratings
Proposed Bond	Long-term	50.00	Provisional ACUITE AA (Stable) | Assigned

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Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : March 29, 2024
Letter Expires on : March 29, 2025
Annual Fee valid till : October 11, 2025

AGRA NAGAR NIGAM
1, M. G. ROAD,
NEAR SURSADAN
Agra 282002
UTTAR PRADESH

Kind Attn.: Mr. Mr. Brijesh Singh, Chief financial officer (Tel. No.9415845099)

Sir / Madam,

Sub.: Rating(s) Assigned - Debt Instruments of AGRA NAGAR NIGAM

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

	Long Term Instruments	Short Term Instruments
Total Rated Quantum (Rs. Cr.)	50.00	0.00
Quantum of Enhancement (Rs. Cr.)	0.00	0.00
Rating(s)	ACUITE Provisional AA	Not Applicable
Outlook	Stable	Not Applicable
Most recent Rating Action(s)	Assigned	Not Applicable
Date of most recent Rating Action(s)	March 29, 2024	Not Applicable
Rating Watch	Not Applicable	Not Applicable

Acuité reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuité believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuité as required under prevailing SEBI guidelines and Acuité 's policies.

This letter will expire on **March 29, 2025** or on the day when Acuité takes the next rating action, whichever is earlier. It may be noted that the rating(s) is subject to change anytime even before the expiry date of this letter. Hence lenders / investors are advised to visit https://www.acuite.in/ OR scan the QR code given above to confirm the current outstanding rating(s).

Acuité will re-issue this rating letter on **March 30, 2025** subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before **March 29, 2025**, Acuité will issue a new rating letter.

Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the 'No Default Statement' on the first working day of every month.

Sd/-
Chief Rating Officer

This is a system generated document. No signature is required.

Annexures: A. Details of the Rated Instrument

Annexure A. Details of the rated instrument			
Instruments	**Scale**	**Amt. (Rs. Cr)**	**Rating Assigned (Outlook) | Rating Action**
Proposed Bond	Long-term	50.00	ACUITE Provisional AA (Stable) | Assigned
Total Quantum Rated		**50.00**	-

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Any inadvertent omission or error in the rating letter which is discovered or brought to the notice of Acuite shall be rectified as soon as reasonably practicable not later than 48 hours of such discovery or notice. Such error or omission shall not render Acuite liable to any person for any kind of loss or damage including, but not limited to, any special, incidental, indirect or consequential damages caused by errors or omissions, provided such omission or error is rectified as soon as possible after discovery/notice.

Press Release
AGRA NAGAR NIGAM
March 27, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Sh Rating
BOND	50.00	Provisional | ACUITE AA | Stable | Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	50.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of **'Provisional ACUITE AA' (read as Provisional ACUITE double A)** on the Rs.50.00 Crore Bond of Agra Nagar Nigam(ANN). The Outlook is **'Stable'**.

The rating on the Rs.50.00 Cr. proposed Bond is provisional and the final rating is subject to receipt of pending documentation:

- Final Bond term sheet
- Executed agreement with debenture trustee and trust deed
- Any other document relevant to the issue

Rationale for Rating

The reaffirmation in the rating takes into consideration that bonds haven't placed yet and are expected to be placed in short term. The rating takes into consideration the consistent support from both the state and central government towards development of the city, the stable revenue income and healthy cash surplus. Uttar Pradesh continues to strengthen its position on the global tourism map, with the number of tourists visiting UP in 2022 was 31.85 crore. Agra is the fourth most popular city in Uttar Pradesh & considered as one of the most popular tourism place in India for domestic, national and international tourist. The rating derives further comfort from the structured payment mechanism including DSRA, Interest Payment Account and Sinking Fund Account. However, the rating to be constrained by the elevated level of receivables of ANN and high dependence on tourism.

About the Company

Agra Nagar Nigam (ANN) is a local government body incorporated in 1979 for providing necessary community services like health care, sanitation, education, housing, roads, transport etc. to the people of the Agra city. ANN is very well known for the managing the city by using private sector participation as well as introduction of innovative mechanism in management to serve people efficiently. City has prepared different plans for improving services and to nullify gap between services and demands. The AMC is responsible for public education, correctional institutions, libraries, public safety, recreational facilities, sanitation, water supply, local planning and welfare services. The mayor and councillors are elected to five-year terms.

Unsupported Rating

ACUITE A/Stable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of Agra Nagar Nigam (ANN) to arrive at the rating.

Key Rating Drivers

Strengths

Advantages of being Uttar Pradesh's fourth-most populous city

Another name for Agra is "The Taj City." It is the twenty-third most populated city in India and the fourth most

populous city in Uttar Pradesh. Furthermore, Agra's tourism business is flourishing and its royal crafts are in high demand because of the Taj Mahal and other historical landmarks. The oldest and most well-known leather company, Taj Leather World, is located in the city, which is well-known for its leather items. Additionally, the city's excellent road, rail, and aviation access to other significant regions of the state is drawing investments. Agra's infrastructure has recently undergone remarkable expansion. The popularity of Agra's first mall, the TDI Mall-cum-multiplex on Fatehabad Road, among locals and visitors alike suggests that there is a desire for such expenditures. Over the next five years, the retail sector in Agra is projected to increase by 40% relative to its current size, with organized retail growing at a rate of 15% in the Agra metropolitan area.
The receipts generated by ANN stood at Rs.632.10 Crore during FY24 against Rs.493.82 Crore during FY23. The major segment of the revenue has been contributed by the property tax collection along with revenue grants and subsidies.

Structured Payment Mechanism
ANN has access to various income sources out of which Property tax shall be deposited every month in a separate no-lien Escrow account for debt servicing of the bonds. The funds should be first utilized to meet the Minimum Balance in Escrow Account which entails maintenance of a Debt Service Reserve Account (DSRA), Sinking fund Account(SFA) and Interest Payment Account (IPA) The minimum balance shall not be used for any purpose other than transfer to the DSRA, IPA and SFA.

Terms of the Bonds

- The DSRA shall be created in an any event prior to seven days with an amount equivalent to the four coupon payments (2 years' interest) need to be maintained.
- The funds (Owned Revenue) received in the Escrow Account will be transferred to IPA and SFA on a monthly basis as per the terms of the bond. As regards the interest payments (expected to be half yearly), the IPA will be funded on a monthly basis.
- SFA, which shall be funded monthly equivalent to the amount as per the terms of bond issuances

IPA (Interest Payment Account)
An amount, as specified in the terms of bonds/loans agreements, will be transferred to IPA from Escrow Account on a monthly basis. The debenture trustee shall check the amount in IPA at least 25 (T-25) days prior to the interest payment date. In case of any shortfall in the amount the trustee shall intimate the ANN of the shortfall and ANN shall cover the shortfall prior to 10 days (T-10 days) of the interest payment day. If the corporation fails to cover the shortfall at 09 days (T-09 days) prior to interest servicing day. 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). If shortfall is not made good by ANN on T date, the DT shall issue a notice to ANN marking a copy to GoUP following which the GoUP shall remit funds required to replenish the Required DSRA Amount within 15 (Fifteen) days from the relevant Coupon Payment Date i.e. by T+15 days.

SFA (Sinking Fund Account)
The debenture trustee shall check the amount in SFA at least 25 (T-25) days prior to end of each 12-month block. In case of any shortfall in the amount the trustee shall intimate the ANN of the shortfall and ANN shall cover the shortfall prior to 15 days (T-15 days) prior to end of each 12 months' block. If the corporation fails to cover the shortfall at 14 days (T-14 days) prior to end of each 12 months' block, then the trustee shall trigger the payment mechanism and issue a notice to the Issuer (and the GoUP shall be informed by marking a copy to the GoUP). On the issuance of such notice, the GoUP shall remit funds to fund the shortfall into the Sinking Fund Account prior to the end of each 12 Month Block (T).

Weaknesses

Significant build-ups of receivables
The debtors position as on 31 March, 2024 stood at Rs. 758.32 Cr. i.e. 1853 days against Rs. 662.71 Cr. as on 31 March, 2023 i.e. 1927 days for FY23. Acuité believes that any significant build-up in receivables beyond existing levels will be a key rating sensitivity factor.

Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the "CE" suffix)
GoUP has created a policy for utilisation of the funds in the IDF (Infrastructure Development Fund) for credit enhancement and other needs of local bodies to promote/ incentivise issuance of municipal bonds. Pursuant to the Governmental Order, the issuer shall approach the GoUP for entering into the Tripartite Agreement with the Debenture Trustee and the Issuer in respect of the Debentures, for agreeing and covenanting to make payment of funds from the IDF in terms of such agreement:

(a) into the Interest Payment Account for creation of the upfront Required DSRA Amount;

(b) into the Sinking Fund Account on the occurrence of a Sinking Fund Mismatch.

The GoUP shall make payment of such amounts as may be required to make good any DSRA Amount Shortfall. In case the DSRA Amount lying in the Interest Payment Account is utilized to fund the shortfall in Interest Payment Account at the time of the Coupon payment, the GoUP shall remit the funds (to the extent that the DSRA Amount utilized to fund the shortfall in the Interest Payment Account for meeting the Coupon payment on such Coupon Payment Date) to replenish the Required DSRA Amount, in terms of the Tripartite Agreement.

Further, the GoUP shall make payment of such amounts as may be required to make good any Sinking Fund Mismatch. In case of Sinking Fund Mismatch, the GoUP shall remit the funds to fund the shortfall in the Sinking Fund Account.

Stress Case Scenario
Acuite believes that if the property tax which is expected to be collected would adjust it by 50%, still the corporation would be having sufficient cash flow over and above to make the coupon payments and DSRA. Further, the corporation is required to maintain DSRA for four coupon payments.

Rating Sensitivities

- Significant improvement in collection efficiency.
- Significant improvement in civic coverage indicators.

All Covenants

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);
(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.

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 Interest Payment Account (including towards maintenance of the Required DSRA Amount) and/or the Sinking Fund Account which has not been made good by the Issuer in terms of the Transaction Documents;
(c) no Event of Default has occurred.

Liquidity Position

Adequate
ANN has adequate liquidity marked by healthy net cash accruals of Rs.224.79 crore for FY2024. Currently, ANN does not have any repayment in near to medium term. ANN's cash and bank balances of ANN stood at Rs.499.59 crore as on March 31, 2024. Further, it had investments in fixed deposits of about Rs. 4.84 Crore as on 31 st March 2024. ANN did not avail any borrowings. However, the city requires huge investments to improve the quality of its civic services. ANN has cash buffers, which can be utilized to fund capex for the betterment of the city. Acuite expects the liquidity to be adequate considering the ANN has not availed any external debt.

Outlook - Stable

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	632.10	493.82
PAT	Rs. Cr.	120.98	52.75
PAT Margin	(%)	19.14	10.68
Total Debt/Tangible Net Worth	Times	0.00	0.00
PBDIT/Interest	Times	41748.06	13032.11

Status of non-cooperation with previous CRA (if applicable)

Not Applicable.

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any other information

Supplementary disclosures for Provisional Ratings Risks associated with the provisional nature of the credit rating

In case there are material changes in the terms of the transaction after the initial assignment of the provisional rating and post the completion of the issuance (corresponding to the part that has been issued) Acuité will withdrawthe existing provisional rating and concurrently assign afresh final rating in the same press release, basis the revised terms of the transaction.

Rating that would have been assigned in absence of the pending steps/documentation

The structure would have become null and void for the instrument. The rating of the instrument would have been equated to the Unsupported rating of the issuer (ACUITE A).

Timeline for conversion to Final Rating for a debt instrument proposed to be issued

The provisional rating shall be converted into a final rating within 90 days from the date of issuance of the proposed debt instrument. Under no circumstance shall the provisional rating continue upon the expiry of 180 days from the date of issuance of the proposed debt instrument.

Applicable Criteria

- Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
- Group And Parent Support: https://www.acuite.in/view-rating-criteria-47.htm
- Public Finance - Urban Local Bodies: https://www.acuite.in/view-rating-criteria-57.htm
- Explicit Credit Enhancements: https://www.acuite.in/view-rating-criteria-49.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Feb 2025	Proposed Bond	Long Term	50.00	ACUITE Provisional AA | Stable (Reaffirmed)
29 Mar 2024	Proposed Bond	Long Term	50.00	ACUITE Provisional AA | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Bond	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	Provisional | ACUITE AA | Stable | Reaffirmed

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company name
1	Agra Nagar Nigam
2	Government of Uttar Pradesh

Mohit Jain Senior Vice President-Rating Operations Kartik Arora Analyst-Rating Operations	**Contact details exclusively for investors and lenders** Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit https://www.acuite.in/faqs.htm to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.

ANNEXURE III
RESOLUTIONS AND APPROVALS

SECRETARIAT, MUNICIPAL CORPORATION, AGRA

Minutes

of

Twenty-Fifth Session

of

Municipal Corporation Executive

(Pages 01 to 12)

Date : 28th December, 2022

Nikhil Tikaram Funde,
Municipal Commissioner,
Municipal Corporation, Agra.

Naveen Jain,
Mayor,
Municipal Corporation, Agra.

Chief Finance & Accounts Officer,
Municipal Corporation Agra

Mr. Karmveer Singh, Councillor said that a dairy is operated in the neighbourhood near Hotel Radisson. These people leave their animals on the road which obstructs traffic. This is done daily.

The Municipal Commissioner said that information about the said areas should be given. Action will be taken.

Necessary Proposal Number - 01

Regarding issuance of municipal bonds vide Government Order No. 1558/9-9-2021-58J/18T.C. dated 26th August, 2021 of Urban Development Section-9, various Government Orders No. 2495/9-9-20-58J/18T.C. dated 09.12.2020, 1454/A-9-20-58J/18T.C. dated 20.07.2021 and 1301/9-9-22-58J/18T.C. dated 18.07.2022 with regard to the action taken by the Municipal Corporation Agra alongwith Municipal Corporation Kanpur, Prayagraj and Varanasi, are to be completed within the stipulated period

There is a provision for issuing municipal bonds to improve the infrastructure facilities of urban local bodies and increase financial resources under the Amrit 2.0 scheme as per the Government Order-1301/9-9-22-58J/18T.C. dated 18th July 2022 issued earlier by the Urban Development Department. There is a system to give incentive amount of Rs. 13 crores for every 100 crores to encourage the bodies issuing municipal bonds.

Orders have been given to complete the said work by issuing municipal bond, wherein Chief Finance and Accounts Officer has been nominated as Nodal Officer vide Government Order No. 2073/9-9-2022-58J/18T.C. Lucknow dated 11.10.2022 of the Government of Uttar Pradesh, Urban Development Section-9 and instructions have been given to complete the necessary preparations and legal arrangements by coordinating. Along with this, all the information given by Municipal Corporation, Agra has been directed to be forwarded with the signature of the committee.

Therefore, in series of the given instructions, in relation to the issuance of municipal bonds by Municipal Corporation, Agra, by the sanction of Municipal Commissioner dated 10.11.2022 and under the Chairmanship of the Hon'ble Municipal Commissioner, a Bond Committee has been constituted which is as follows:-

1.	Mr. Nikhil Tikaram Funde	Municipal Commissioner	Chairman
2.	Mr. Vinod Kumar Gupta	Additional Municipal Commissioner	Member

Chief Finance & Accounts Officer
Municipal Corporation Agra

3.	Mr. Radheshyam Yadav	General Manager, Waterworks	Member
4.	Mr. Vikas Sen	Property In-charge	Member
5.	Mr. Uday Veer Singh	Chief Finance and Accounts Officer	Nodal Officer
6.	Mr. Bindra Lal Gupta	Chief Engineer (Civil)	Member
7.	Mr. Rohan Singh	Chief Tax Assessment Officer	Member

The above stated Bond Committee is kindly forwarded to the Hon'ble House for approval. The Municipal Commissioner said that the Government of India and the Uttar Pradesh government are insisting on making all municipal corporations independent. In this series, the Municipal Corporation has been directed to issue Municipal Bonds. Government orders are also being issued for this from time to time. Since the government and the municipal body also have limited funds. In this connection itself, Agra Municipal Corporation had received instructions to constitute a committee for issuing municipal bonds. The government is monitoring this. A committee has been constituted under my Chairmanship, but according to the government order, this committee has to be approved by the Municipal Corporation House. The reason for this is that if the Municipal Corporation issues bonds, no matter what the interest rate is, it will first have to be approved by the House. If any such proposal is brought in the future, there should be a proper committee. It is necessary to form a committee. Apart from the constitution of the committee, the formalities related to making the balance sheet and its assessment have been started. If a municipal corporation issues bonds, we take money from the market at an interest rate. That amount will also have to be returned on time along with that interest. The project in which money is invested should be used in public interest so that we do not incur any losses while returning the money.

Hon'ble Mayor said that municipal bonds have been issued by Municipal Corporation of Lucknow and Ghaziabad for the special project.

Decision: After due consideration by the Executive Committee, the above motion was unanimously passed and recommended to the House.

Chief Finance & Accounts Officer
Municipal Corporation Agra

SECRETARIAT, MUNICIPAL CORPORATION AGRA

MINUTES

OF

THIRD SESSION

OF THE

MUNICIPAL CORPORATION HOUSE

(Page 01 to 56)

Date: 25.09.2023

Ankit Khandelwal,
Municipal Commissioner,
Municipal Corporation, Agra

Hemlata Diwakar,
Mayor,
Municipal Corporation, Agra

Chief Finance & Accounts Officer
Municipal Corporation Agra

{English Extract of the resolution dated 25-09-2025}

Page:-12

Proposal No. - 04

Section-154 of the Uttar Pradesh Municipal Corporation Act, 1959 directs the arrangement of loan in the Corporation with the prior approval of the State Government and under the provisions of Section-31 of the Reserve Bank of India Act, 1934. In continuation of the above, vide the instructions of the State Government and the Government Order of the Urban Development Department, Uttar Pradesh-1301/9-9-22-58J/18TC dated 18th July 2022, the Municipal Corporation, Agra has been directed to issue municipal bonds with financial discipline, in which, on issuance of municipal bonds of every 100 crores, an incentive amount of Rs. 13 crore shall be given to the body which would help in financial discipline as well as work integrity and efficiency of employees. In order to smoothly implement the process of issuing municipal bonds and to comply with the post issue of municipal bonds issued by Nagar Nigam, Agra till the maturity of the municipal bonds, a bond committee was constituted on 11.10.2022 under the chairmanship of the then Municipal Commissioner to complete the proceedings regarding the municipal bonds of the Municipal Corporation. Which included the following members-

1. Shri Ankit Khandelwal, Municipal Commissioner — Chairman
2. Shri Vinod Kumar Gupta, Additional Municipal Commissioner — Member
3. Shri Kuldeep Singh, General Manager, Water Works — Member
4. Shri Bindra Lal Gupta, Chief Engineer (Construction) — Member
5. Shri Vikas Sen, Deputy Municipal Commissioner (Property-in-Charge) — Member

Chief Finance & Accounts Officer
Municipal Corporation Agra

6. Shri Rohan Singh, Chief Assessing Officer — Member
7. Shri Brijesh Singh, Chief Finance and Accounts Officer — Member/Nodal Officer

The necessary proposal number-1 has been passed unanimously by the 25th session of the Municipal Corporation Executive of the said committee dated 28.12.2022 and forwarded with recommendation for the approval of the House. On behalf of the Municipal Corporation, the Chairman of the Committee-the Municipal Commissioner shall have the authority to sign all the necessary documents and sanction necessary approvals. The Municipal Commissioner can also delegate these powers to any other officer of the Municipal Corporation who is not below the rank of Additional Municipal Commissioner / Chief Finance and Accounts Officer. In case of transfer or retirement of any member of the Bond Committee, the Municipal Commissioner shall have the right to nominate a new officer to the Bond Committee.

The Municipal Bonds to be issued by Municipal Corporation, Agra amounting to Rs. 50 crores is proposed to be used in the following projects :-

Sr.	Name of the Project	Project Cost	ULB Share
1	Agra Water Supply Scheme Phase-3 (Amrit-1.0)	10973.14 lakh	3047.47 lakh
2	Agra Water Supply Scheme Phase-4 (Amrit-1.0)	5622.57 lakh	1655.27 lakh
3	Western Zoone sewerage network in agra (Amrit-1.0)	27951.47 lakh	8385.44 lakh
4	Establishment of solar plant in Kanha Cowshed (1.2 mwh) & Water Works Office (0.5 mwh)	800.00 lakh	-----
5	Construction of Banquet Hall in Chamrauli, Tajganj	325.00 lakh	-----

According to SEBI Guidelines, a maximum of 80% of the total project cost can be obtained through the Municipal Bond. The progress of the preparation of the Municipal Bond is being continuously reviewed by the Chief Municipal Development Section. In pursuance of this, the relevant firms like Internal Advisor, Merchant Banker, Legal Counsel, Bond Trustee etc. have been selected and appointed.

Chief Finance & Accounts Officer
Municipal Corporation Agra

The approval of the House is planned for issuing municipal bonds of the above proposal, approval of these projects as per their cost and presented D.P.R. alongwith issuing of bonds on behalf of the Hon'ble House and Municipal Corporation to the Bond Committee, to get it listed, allotted and to ensure all compliances after the bond is issued and to keep all decision-making rights with the Bond Committee. This Bond Committee shall decide the work from time to time as per the guidelines of the State Government and the Urban Development Department.

Under Section-154 of Uttar Pradesh Municipal Corporation Act 1959, the Municipal Corporation can issue debentures/bonds with the approval of the State Government. All the fees etc. levied by the Municipal Corporation can be used for building a security infrastructure. As per SEBI Regulation-2015 (Issue and listing of municipal debt securities), it is proposed to keep an asset cover amounting to 1.25 times the amount taken from municipal bonds, in favour of the trustee.

Hence, the approval of the House is expected for allotment of any such immovable property of the Municipal Corporation in favour of trustees/ investors. The Bond Committee shall allocate such immovable property in favour of the trustees/investors at the appropriate time.

Decision

Hon'ble House discussed the proposal, in which approval was given to use the amount of Rs. 50 crore through municipal bond in the proposed 3 projects under Amrit Yojana in relation to the pending body share (Municipal Corporation) of the projects of Kanha Cowshed and solar installation works in Water Works office. The actual cost of the work will be decided only after the tender of solar installation work. Chamrauli, Tajganj site was not found suitable in relation to the proposal of construction of banquet hall. Approval was given to use the amount of municipal bond as per the following details.

Sr.	Name of Project	Amount to be released via Municipal Bond
1	Agra Water Supply Scheme Phase-3 (Amrit-1.0)	759.54 lakh
2	Agra Water Supply Scheme Phase-4 (Amrit-1.0)	565.27 lakh
3	Western Zoone sewerage network in Agra (Amrit-1.0)	3,147.83 lakh
4	Establishment of solar plant in Kanha Cowshed (1.2 mwh) & Water Works Office (0.5 mwh)	527.36 lakh
	Total	5,000.00 lakhs

The proposal is presented for the consideration/approval of the House.

Chief Finance & Accounts Officer
Municipal Corporation Agra

Shri Hemant Prajapati, Councillor – Is there no provision to include Hon'ble Mayor and elected councillors in the committee? Any of the senior population of the city should be included. Is there any such instruction from the government level? The House should request the government to include Hon'ble Mayor in the committee.

Shri Suhail Qureshi, Councillor - said that Honorable Mayor and Councillors of the Municipal Corporation should also be included in the said committee.

The Municipal Commissioner - said that your suggestion is praiseworthy, but as per the instructions of the government, the said committee has been formed to discharge administrative tasks. This proposal has been placed in the House so that whatever proposals are taken by the committee should be passed after the approval of the Hon'ble House.

Decision:- After due deliberation, the above proposal was passed unanimously with amendments by the Municipal Corporation House and recommended to the Government.

Chief Finance & Accounts Officer
Municipal Corporation Agra

GREEN AGRA

AGRA NAGAR NIGAM
AGRA MUNICIPAL CORPORATION
OFFICE, MUNICIPAL COMMISSIONER, AGRA
Phone-0562-2850670 | Fax-0562-2850499 | E-MAIL—AMCAGRA1@GMAIL.COM

CLEAN AGRA

OON :–1201 /D/CFAO/2023-24 DATE :– 26.10.2023

To whomsoever it may concern

This is to inform and certify that Agra Nagar Nigam has constituted a bond committee for the issuance of Municipal bonds. The same has been approved by Executive Committee on 28.12.2022 and by Municipal Board on 25.09.2023

The members of this bond committee are as follows-

1. Nagar Ayukt - Chairman
2. Apar Nagar Ayukt - Member
3. General Manager - Member
4. Property Incharge - Member
5. Chief Finance & Account Officer - Member/Nodal Officer
6. Chief Enggineer - Member
7. Chief Tax Assessment Officer - Member

Municipal Commissioner
Municipal Corporation
Agra

आगरा नगर निगम
AGRA MUNICIPAL CORPORATION
Website – www.nagarnigamagra.com
Phone-0562-2850670 | Fax-0562-2850499 | E-Mail - bondsann2022@gmail.com

Dated: February 7, 2025

To,
A.K. Capital Services Limited,
Unit No. 603, 6th floor,
Windsor, Off CST Road,
Kalina, Santacruz-(East),
Mumbai- 400 098, India.

Subject: Proposed issue by Agra Nagar Nigam ("Issuer") of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds, in the nature of debentures, of face value of ₹ 4,00,000/- each (Rupees Four Lakhs) ("Bonds"/"NCDs"/"Debentures"), (comprising of 4 (four) separately transferable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 50 crores (Rupees Fifty Crores Only) on private placement basis ("Issue").

Dear Sir/Ma'am,

I, Shri, Ankit Khandelwal (I.A.S), hereby confirm the following:

The Executive Committee vide its Resolution dated December 28, 2022 and the House vide its resolution dated September 25, 2023, had approved the issuance of bonds, formation of Bond Issue Committee and delegation of power with regard to the reconstitution of the Bond Issue Committee in case of transfer or retirement of the officers of respective designations.

The Government of Uttar Pradesh vide its Order bearing number 158/9-9-2025-58J/18TC-1 dated February 6, 2025, had approved the proposed bond issuance by Issuer for issuing rated, listed, taxable, secured, redeemable, non-convertible municipal bonds, in the nature of debentures up to Rs. 50 Crores (Rupees Fifty Crores Only) under section 154 of UPMC Act and authorised the Municipal Commissioner for various decisions, activities and signing documents/ appointments/ agreements related to the bond issuance process ("**State Approval**").

The Bond Issue Committee currently consists of the following members:

S. No.	Designation	Name
1.	Shri. Ankit Khandelwal	Municipal Commissioner
2.	Shri. Satyendra Kumar Tiwari	Additional Municipal Commissioner
3.	Shri. Arunendra Kumar Rajput	General Manager (Jal Kal Department)
4.	Shri. Bindra Lal Gupta	Chief Engineer (Civil)
5.	Shri. Ashok Priya Gautam	Assistant Municipal Commissioner (Property In Charge)
6.	Shri. Brijesh Singh	Chief Finance and Accounts Officer

The Bond Issue Committee shall also include the Chief Tax Assessment Officer of the Corporation; however the post is currently vacant.

Yours sincerely,

Name: Ankit Khandelwal, IAS
Designation: Municipal Commissioner

आगरा नगर निगम
AGRA NAGAR NIGAM

Copy to:
Legal Advisor

आगरा नगर निगम
AGRA MUNICIPAL CORPORATION
Website – www.nagarnigamagra.com
Phone-0562-2850670 | Fax-0562-2850499 | E-Mail - bondsann2022@gmail.com

Dated: March 28, 2025

To,
A.K. Capital Services Limited,
Unit No. 603, 6th floor,
Windsor, Off CST Road,
Kalina, Santacruz-(East),
Mumbai- 400 098, India.

Subject: Proposed issue by Agra Nagar Nigam ("Issuer") of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds, in the nature of debentures, of face value of ₹ 4,00,000/- each (Rupees Four Lakhs) ("Bonds"/"NCDs"/"Debentures"), (comprising of 4 (four) separately transferable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 50 crores (Rupees Fifty Crores Only) on private placement basis ("Issue").

Dear Sir/Ma'am,

I, Ankit Khandelwal (I.A.S), hereby confirm the following:

The Executive Committee vide its Resolution dated December 28, 2022 and the House of Issuer vide its resolution no dated September 25, 2023, had approved the issuance of bonds, formation of Bond Issue Committee and delegation of power with regard to the reconstitution of the Bond Issue Committee in case of transfer or retirement of the officers of respective designations.

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5.	Shri. Ashok Priya Gautam	Assistant Municipal Commissioner (Property In Charge)
6.	Shri. Brijesh Singh	Chief Finance and Accounts Officer

The Bond Issue Committee shall also include the Chief Tax Assessment Officer of the Corporation; however the post is currently vacant.

Yours sincerely,

Name: Ankit Khandelwal, IAS
Designation: Municipal Commissioner

Copy to:
Legal Advisor

आगरा नगर निगम AGRA NAGAR NIGAM

Important/Urgent
Number- 158/9-9-2025-58J/18 TC-1

From,

Amrit Abhijat,
Principal Secretary,
Government of Uttar Pradesh.

To,

Municipal Commissioner,
Municipal Corporation,
Prayagraj, Varanasi and Agra.

Urban Development Section-9 **Lucknow: Date: 06 February, 2025**

Subject: Regarding issuing of Municipal Bonds for Municipal Corporation, Prayagraj, Varanasi and Agra and providing funds from Infrastructure Development Fund for Credit Rating Enhancement.

Sir,

This is to kindly inform that the Government of India has given incentive to issue Municipal Bonds for development of better infrastructure facilities, strong fiscal management, market orientation and to enhance credit worthiness in urban bodies.

2. In continuation of the above, a proposal has been made available for granting permission from the Government regarding issuance of long term municipal bonds for various projects of Municipal Corporation, Prayagraj, Varanasi and Agra vide letter No. 105/CFO/2024, dated 05.09.2024 of Municipal Commissioner, Municipal Corporation, Prayagraj, letter No. 218/12 Accounts/2024-25, dated 30.07.2024 of Municipal Commissioner, Municipal Corporation, Varanasi and letter No. 149/D/NA/2024, dated 05.10.2023, letter No. 549/D/NA/2024, dated 05.09.2024 and letter No. 589/D/NA/2024, dated 20.09.2024 of Municipal Commissioner, Municipal Corporation, Agra. The details of the amounts of municipal bonds in the above mentioned municipal corporations are as follows:-

(1) Municipal Corporation, Prayagraj	-	50 crores
(2) Municipal Corporation, Varanasi	-	50 crores
(3) Municipal Corporation, Agra	-	50 crores

3. It is to be informed that the project proposals made available through the above-mentioned letters of Municipal Corporation, Prayagraj, Varanasi and Agra have been approved vide Government letter No. 1342/9-9-2024-58J/18TC-E-1820120 dated 14.11.2024 as per the provisions of Section-136 of the UP Municipal Corporation Act, 1959.

4. In this connection, I am directed to say that under the powers conferred in Section-154 of the Uttar Pradesh Municipal Corporation Act, 1959 and under the

Chief Finance & Accounts Officer
Municipal Corporation Agra

provisions of Section-31 of the Reserve Bank of India Act, 1934, on the above proposals received from the Municipal Corporations of Prayagraj, Varanasi and Agra, the Government, after due consideration, has decided for issuing municipal bonds as per the amount in question, subject to the following conditions and restrictions:-

i. The Municipal Corporation concerned will be solely responsible for repayment/repayment of principal/interest of the Municipal Bond loan and the loan will be serviced by escrowing the property taxes and/or user charges.

ii. The concerned Municipal Corporations shall be provided an amount equivalent to one year's interest on the Municipal Bond in the Debt Service Reserve Account (DSRA which is kept in the interest payment account under SEBI rules) from the funds of the Infrastructure Development Fund. This amount shall remain in DSRA for the entire tenure of the bond.

iii. In the unavoidable situation of shortage of funds in Escrow Account including Sinking Fund and Interest Payment Account and DSRA in the payment of instalment of interest and principal amount to be paid against Municipal Bond, the said gap will be fulfilled from the funds of Infrastructure Development Fund. This provision shall remain available for the full tenure of the Municipal Bond.

iv. In unavoidable circumstances, for example, in the event of shortage in Sinking Fund, Interest Payment Account and DSRA, funds from the Infrastructure Development Fund can be directly made available at the Government level for meeting the due payments (principal and interest) against Municipal Bonds.

v. This incentive shall be only be available to those bodies which issues municipal bonds in accordance with the latest guidelines prescribed by SEBI.

vi. Escrow Account, Interest Payment Account, Sinking Fund Account, Debt Service Reserve Account shall be opened by the urban local bodies.

vii. From the revenue stream received in the Escrow Account, a minimum prescribed amount shall be transferred on monthly basis to the Interest Payment Account and Sinking Fund Account on the transfer date as per the timeline of the Structured Payment Mechanism.

viii. In respect of municipal bonds issued by urban bodies, an amount equivalent to interest for two consecutive half years shall be made available to the concerned bodies in DSRA from the amount collected as additional stamp duty available for urban bodies in the Infrastructure Development Fund established, as per the timeline of Structured Payment Mechanism, as per the relevant rules and regulations.

ix. In the event of short fall in the Interest Payment Account at the time of payment of interest, the amount equivalent to the short fall will be transferred from DSRA to the Interest Payment Account as per the timeline of Structured Payment Mechanism.

x. The amount equivalent to the DSRA amount shall be transferred to DSRA by the concerned urban body as soon as the revenue is received by them.

xi. In the event of short fall at the time of redemption of principal amount from the Sinking Fund Account, an equivalent amount shall be transferred from the Escrow Account as per the timeline of Structured Payment Mechanism.

Chief Finance & Accounts Officer
Municipal Corporation Agra

xii. The municipal bodies (Municipal Corporations of Prayagraj, Varanasi and Agra) issuing Municipal Bonds shall comply with the relevant provisions of the Uttar Pradesh Municipal Corporation Act, 1959 and SEBI (Issue & Listing of Municipal Debt Securities) Regulations-2015 (as amended).

xiii. The concerned Municipal Corporation shall ensure that regular repayment of loan will be ensured from the revenue obtained by taking appropriate action/provisions regarding Revenue Augmentation/Revenue Realisation and Revenue Utiliziation.

xiv. The funds available in the Infrastructure Development Fund shall be used only in case of contingency and unavoidable circumstances when the bodies find it difficult to return the principal amount/interest to the investor.

xv. After issuance of Municipal Bonds, interest shall be payable on half-yearly basis and principal amount shall be payable on yearly basis.

xvi. The concerned Municipal Corporations shall ensure that all escrow accounts relating to the bonds are always maintained with required funds.

xvii. The Revenue Cell constituted at the Urban Local Body Directorate level shall monitor the tax and non-tax revenue receipts and analyse the receipts etc. and ensure that the revenue receipts are remitted to the escrow account of the concerned Municipal Corporations.

xviii. Before issuing municipal bonds, a tripartite agreement shall be executed between the Government, Municipal Corporation and the Bond Trustee regarding provision of necessary funds from the Infrastructure Development Fund, a draft of which shall be made available to the Government by the body.

5. To monitor the progress of the projects selected under Municipal Bond and to ensure the process of timely repayment of interest/principal under the bond, a committee is constituted under the chairmanship of the concerned Municipal Commissioner, Municipal Corporation as follows-

(1) Additional Municipal Commissioner	-	Member
(2) Senior-most officer of the Finance Controller/Finance & Accounts cadre	-	Member
(3) Engineer concerned with the project/Chief Engineer	-	Member
(4) Special Invitee nominated by Municipal Commissioner	-	Member

The monthly progress report will be provided by the said committee to the government through the Director, Urban Body Directorate. The responsibility of providing the said report shall be of the Finance Controller/Senior most officer of Finance and Accounts cadre posted in the Municipal Corporation.

6. The financial and physical progress of the projects related to municipal bonds will be monitored on a monthly basis through the committee constituted at the ULB level and from time to time by the committee constituted at the State level under the Chairmanship of Special Secretary, Urban Development Department vide Government Order No.-373/9-2023-58J/18TC, dated-03.03.2023.

Chief Finance & Accounts Officer
Municipal Corporation Agra

Please ensure necessary action as mentioned above.

Sincerely,
Sd/-
(Amrit Abhijat)
Principal Secretary.

Number and date such.

Copy - Sent to the following for information and necessary action:

1- Divisional Commissioner, Prayagraj, Varanasi and Agra, Uttar Pradesh.

2- Director, Urban Bodies Directorate, Uttar Pradesh, Lucknow.

3- District Magistrate, Prayagraj, Varanasi and Agra, Uttar Pradesh.

4- Accountant General, Prayagraj, Uttar Pradesh.

5- Finance (Expenditure Control) Section-9/Finance (Income-Expenditure) Section-4.

6- Guard file/Web master for uploading it on the website.

By order,
Sd/-
(Arun Prakash)
Special Secretary.

Chief Finance & Accounts Officer
Municipal Corporation Agra

E-mail

Number- 1342/NO-9-2024-58J/18T.C.-E-1820120

From,

Arun Prakash,

Special Secretary,

Government of Uttar Pradesh.

To,

Municipal Commissioner,

Municipal Corporation,

Prayagraj, Varanasi and Agra.

Urban Development Section-9 **Lucknow: Dated 14th November, 2024**

Subject- Regarding issuance of Municipal Bonds in Municipal Corporation Prayagraj, Varanasi and Agra.

Sir,

Kindly take the reference of letter No. 105/C.F.O./24 dated 05.09.2024 of Municipal Corporation, Prayagraj, letter No. 218/12Account/2024-25, dated 30.07.2024 of Municipal Corporation, Varanasi and letter No. 549/D./N.A/2024 dated 05.09.2024 of Municipal Corporation, Agra regarding the above subject, through which, while forwarding proposal/DPR regarding the projects financed by Municipal Bonds in the said Municipal Corporations, it has been requested to grant approval to the following projects under Section 154 of Uttar Pradesh Municipal Corporation Act, 1959 :-

(Amount in Rs. Crore)

Sr. No.	Name of Municipal Corporation	Name of the project to be partially funded by bonds	Estimated project cost	Proposed amount of bonds
1	Prayagraj	Project for construction of Super Specialty Hospital on Municipal Corporation land at Naini on the basis of PPP mode or Management Contract.	76.54	50.00

Chief Finance & Accounts Officer
Municipal Corporation Agra

2	Agra	1. Solar plant project for internal use of the Municipal Corporation. 2. Co-working Space and Recreation Centre with Citizen Facilitation Centre. 3. Project of Working Women Hostel at Loha Mandi, Agra.	36.35 20.68 13.45	29.00 15.00 6.00 Total: 50.00
3	Varanasi	1. Construction of underground parking, hotel and market complex on the land near Dr. Sampurnanand Stadium at Sigra. 2. Construction of market complex and underground parking on Lahuraveer Road.	40.52 34.00	25.00 25.00 Total: 50.00

2. In this regard, I am directed to say that the above proposals made available to the Government regarding the projects financed by municipal bonds have been approved by the Government after due consideration. Please be aware of the above situation and take further necessary action in the matter.

Sincerely,

Signed by

(Arun Prakash)

Special Secretary

G O – s Udhog

Date: 13-11-2024 15:13:29

Chief Finance & Accounts Officer
Municipal Corporation Agra

SECRETARIAT, MUNICIPAL CORPORATION AGRA

Minutes

of

Sixth Session

of

Municipal Corporation House

(Original Budget Income-Expenditure for the Year 2024-25)

(Pages 01 to 20)

Dated **16.07.2024**

Ankit Khandelwal,
Municipal Commissioner,
Municipal Corporation, Agra.

Hemlata Diwakar,
Mayor,
Municipal Corporation, Agra.

SECRETARIAT MUNICIPAL CORPORATION AGRA

While singing the National Anthem and pronouncing Bharat Mata ki Jai, the Hon'ble Mayor announced the commencement of the proceedings of the sixth session of the Municipal Corporation House, the original-budget income expenditure for the year 2024-25. It was stated by the Hon'ble Mayor that persons other than the Hon'ble Councillors, officers and media occupy the place reserved outside the House Chamber. While starting the proceedings of the Municipal Corporation House, the Hon'ble Mayor read out the proposal to confirm the minutes of point-1 of the agenda before the House- fourth session of the Municipal Corporation House dated 12.12.2023 and the fifth session dated *07.02.2024*.

Decision: The minutes of the Municipal Corporation House dated 12.12.2023 and the meeting of the Fifth Session dated 07.02.2024 were unanimously confirmed by the Municipal Corporation House.

Sr. No.	Name	Designation
1	Mrs. Hemlata Divaker	Councillor
2	Mrs. Meena Devi	Councillor
3	Mrs. Pushpa Kumari	Councillor

Chief Finance & Accounts Officer

4	Mrs. Preeti Bharti	Councillor
5	Mrs. Baby	Councillor
6	Mrs. Hemlata Chauhan	Councillor
7	Mrs. Radha Rani Manwani	Councillor
8	Mrs. Nidhi Singh	Councillor
9	Mr. Kishore	Councillor
10	Mrs. Usha	Councillor
11	Mr. Kaptaan Singh	Councillor
12	Mr. Kishan Nayak	Councillor
13	Mrs. Imrana Abbas	Councillor
14	Mrs. Veena	Councillor
15	Mr. Kishwar Jahan	Councillor
16	Mrs. Rajni	Councillor
17	Mr. Bunty	Councillor
18	Mrs. Rekha Bhaskar	Councillor
19	Mrs. Mamta	Councillor
20	Mrs. Pinky	Councillor
21	Mohd. Ashif Khan	Councillor
22	Mrs. Madhu Mahour	Councillor
23	Mr. Harshit Sharma	Councillor
24	Mr. Mithlesh	Councillor
25	Mrs. Pooja	Councillor
26	Mrs. Archana Lavaniya	Councillor
27	Mr. Premdas	Councillor
28	Mr. Guddu Menon	Councillor
29	Mr. Indrapal Singh	Councillor
30	Mr. Yashpal Singh	Councillor
31	Mr. Sunil Sharma	Councillor
32	Mr. Amit Kumar Divaker	Councillor
33	Mr. Munna Singh	Councillor
34	Mr. Rakesh Kumar Kannaujia	Councillor
35	Mr. Gajendra Singh	Councillor
36	Mr. Vijay Singh	Councillor
37	Mr. Mangal Singh	Councillor
38	Mr. Ravi	Councillor
39	Mr. Jaideep Sonkar	Councillor
40	Mr. Manoj Kumar	Councillor
41	Mr. Mata Prasad	Councillor
42	Mr. Badri Prasad	Councillor
43	Mr. Niranjan Singh	Councillor
44	Mr. Ajay Goswami	Councillor
45	Mrs. Sunita Chauhan	Councillor
46	Mr. Nishant Singh (Kanu)	Councillor
47	Mohd. Shehzad	Councillor

Chief Fin

48	Mr. Prakash Keshwani (Shera bhai)	Councillor
49	Mrs. Renu Gupta	Councillor
50	Mrs. Pooja Bansal	Councillor
51	Mrs. Phool Pyari	Councillor
52	Mr. Sher Singh	Councillor
53	Mrs. Geeta	Councillor
54	Mr. Radhelal	Councillor
55	Mrs. Zarina Begum	Councillor
56	Mr.Bharat Sharma	Councillor
57	Mr. Hemendra Pal Singh	Councillor
58	Mr. Lal Singh	Councillor
59	Mr. Anurag Chaturvedi	Councillor
60	Mr. Arvind Mathuria	Councillor
61	Mrs. Priyanka Agarwal	Councillor
62	Mr. Pravesh Patel	Councillor
63	Mr. Sanjiv Sikarvar	Councillor
64	Mr. Atul Awasthi	Councillor
65	Mr. Banwari Lal	Councillor
66	Mr. Suresh Kushwah	Councillor
67	Mrs. Meenakshi	Councillor
68	Mr. Gaurav Sharma	Councillor
69	Mr. Deepak Verma	Councillor
70	Mr. Rakesh Jain	Councillor
71	Mr. Vikrant Singh	Councillor
72	Mr. Amit	Councillor
73	Mr. Sajjan Ali	Councillor
74	Mrs. Manju	Councillor
75	Mr. Hariom Goyal	Councillor
76	Mr. Hemant Kumar Prajapati	Councillor
77	Mr. Rishabh Gupta	Councillor
78	Mrs. Kanchan Banasal	Councillor
79	Mr. Ashish Kumar Singh	Councillor
80	Mr. Praveen Rajawat	Councillor
81	Mr. Murari Lal	Councillor
82	Mr. Anuj	Councillor
83	Mr. Pradeep Agarwal	Councillor
84	Mr. Sharad Chauhan	Councillor
85	Mrs. Aarti Sharma	Councillor
86	Mr. Vimlesh	Councillor
87	Mr. Sudhir Kumar Rathore	Councillor
88	Mr. Ravi Vihari Mathur	Councillor
89	Mr. Suhail Quraishi	Councillor

Chief Finance & Accounts Officer

Officers:-

Sr. No.	Name	Designation
1	Mr. Ankit Khandelwal	Municipal Commissioner
2	Mr. Surendra Prasad Yadav	Additional Municipal Commissioner
3	Mr. Vinod Kumar Gupta	Additional Municipal Commissioner
4	Mr. B. L. Gupta	Chief Engineer, Civil
5	Mr. Brijesh Singh	Chief Finance & Accounts Officer
6	Mr. Arun Rajput	General Manager, Jalkal
7	Dr. Sanjeev Sharma	City Health Officer
8	Mr. Vikas Sain	Joint Municipal Commissioner
9	Dr. Sarita Singh	Deputy Municipal Commissioner
10	Mr. Ashok Priya Gautam	Assistant Municipal Commissioner
11	Mr. Nirvikar Goyal	Chief City Auditor
12	Mr. Vipin Kumar Yadav	Accounts Officer
13	Mr. Gulshan Raj	Accountant, Jalkal
14	Mr. Ullas Verma	Assistant Accounts Officer
15	Mr. R. K. Lion	Executive Engineer
16	Mr. Pankaj Bhushan	Executive Engineer
17	Mr. Vijay Kumar Singh	Z.O.
18	Mr. C. P. Singh	Tax Assessment Officer
19	Mr. Rajeev Balyan	Z.S.O.

Proposal No.-01

To consider the proposal passed by the Executive Committee regarding proposal No. 01 to extend the time limit of 10% rebate given earlier in house tax till the month of September 2024.

Proposal No.-02

Please note that in the past years, the Hon'ble House and Executive Committee of Agra Municipal Corporation have been passing proposals to provide 10 percent discount on the current demand of house tax for residential and non-residential buildings from 01st April to 31st July 2024, but due to the implementation of the Model Code of Conduct in view of the Lok Sabha general elections, no meeting of the Hon'ble Executive Committee and Hon'ble House was convened and hence the proposal for 10 percent discount on house tax was not passed. The said discount is being given in anticipation of the meeting of the Hon'ble Executive Committee and Hon'ble House.

Chief Finance & Accounts Officer
Municipal

The said proposal is therefore submitted to the Hon'ble Executive Committee for acceptance and approval.

Shri Ravi Bihari Mathur, Deputy Chairman said that the time limit for 10 percent discount on the said proposal be extended till September 2024.

Decision:- After due consideration by the Executive Committee, the above resolution was unanimously passed with amendments and recommended for the House.

Sd/- (Hemlata),

Mayor

Municipal Corporation, Agra

210-20-03 Expenditure sheet on page number-2 should be increased from one crore to two and a half crores. The House directs the Municipal Commissioner for the above.

Decision:- After due consideration by the Municipal House, a reasonable decision on the above proposal will be taken.

Necessary Proposal No.-03 **Proposer- Mr. Prakash Keshwani**

In the amendment passed by the House regarding the policy on shops built by the Municipal Corporation, it is stated that two-three shops located in Sindhi Bazaar were sealed by the Municipal Corporation. Under the new policy, the sealed shops should also be opened. Therefore, this House decides and directs the Municipal Commissioner.

Decision:- The above resolution was passed unanimously after due consideration by the Municipal Corporation House.

Necessary Proposal No.-04

In the meeting of the Hon'ble House held on 25.09.2023, proposal number-04 regarding municipal bonds was passed unanimously, in which it is proposed to select the following projects in place of the projects selected as per the order given by the Government:-

1. Installation of solar plants at 04 sites (Kanha Gaushala located at Tedhi Bagiya, Jalkal office located at Jeevani Mandi, Jalkal office located at

Chief Financial Officer
Municipal

Chhalesar and MSW plant located at Chhalesar). Estimated cost Rs. 42 crores.

2. Construction of guest house and zonal office in Tajganj zonal office complex. Estimated cost Rs. 20.68 crores.
3. Construction of women's hostel at zonal office located at old Loha Mandi. Estimated cost Rs. 13.46 crores.

The actual cost of the projects will be determined after the valuation report and tender etc., hence it is also proposed to give the power to sanction the actual cost and project-wise bond amount to the Municipal Bond Committee.

Therefore, the said proposal is presented before the Municipal Corporation House for approval/sanction.

Decision:- The above resolution was passed unanimously after due consideration by the Municipal Corporation House.

Sd/- (Hemlata)

Mayor

Municipal Corporation, Agra

Chief Finance & Accounts Officer
Municipal Corporation Agra

ANNEXURE IV
DEBENTURE TRUSTEECONSENT

37318/CL/MUM/23-24/BT/201
Date: February 14, 2025

Agra Nagar Nigamp
1, M.G. Road,
Near Sursadan, Agra,
Uttar Pradesh– 282002, India

Dear Ma'am/Sir,

Subject: Proposed issue by Agra Nagar Nigam ("Issuer") of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds, in the nature of debentures of face value of ₹ 4,00,000/- each (Rupees Four Lakhs), (comprising of 4 (four) separately transferable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 50 crores (Rupees Fifty Crores only) ("Bonds"/"NCDs"/"Debentures") on private placement basis ("Issue").

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 placement memorandum to be filed with the Securities and Exchange Board of India **("SEBI**") and the stock exchange where the NCDs are proposed to be listed **("Stock Exchange")** and also in all related advertisements and communications sent pursuant to the Issue, subject to execution of the Debenture Trustee Agreement as per regulation 13 of SEBI (Debenture Trustee) Regulations, 1993.

1. The following details with respect to us may be disclosed:

Logo:	BEACON
Name:	Beacon Trusteeship Limited
Address:	5W, 5th Floor, The Metropolitan, E-Block, Bandra Kurla Complex, Bandra (E),Mumbai-400051
Telephone:	022-46060278
Fax:	-
Email:	compliance@beacontrustee.co.in
Investor Grievance Email:	investorgrievances@beacontrustee.co.in
Website:	https://beacontrustee.co.in/
Contact Person:	Mr. Kaustubh Kulkarni
Compliance Officer:	Mr. Kaustubh Kulkarni
Tel. (Compliance Officer)	022-46060278
Email (Compliance Officer):	kk@beacontrustee.co.in
SEBI Registration No.:	IND000000569
CIN:	L74999MH2015PLC271288

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 have we been debarred 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 similar to 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 Merchant Banker to the Issue of any changes in the aforementioned details until the listing and trading of the NCDs 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 NCD on the Stock Exchange.

7. This letter may be relied upon by the Issuer and the merchant bankers and the legal advisors to the Issue.

Sincerely,
For Beacon Trusteeship Limited



Bhagyashree Korpade
Relationship Manager
Authorised Signatory

CC:

Khaitan & Co
One World Centre
10th & 13th Floor, Tower 1C,
Senapati Bapat Marg, Mumbai
400 013 Maharashtra, India

Annexure A

प्ररूप ख
FORM-B

डिबेंचर न्यासी

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते 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

Beacon Trusteeship Limited,
5W, 5th floor, The Metropolitan,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051

को नियमों 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 **IND000000569**

This certificate of registration shall be valid till it is suspended or cancelled by the Board.

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।

3) Unless renewed, the certificate of registration is valid from to

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By Order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : Mumbai

तारीख Date : September 12, 2024

RACHNA ANAND
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

Annexure B

37318/CL/MUM/23-24/BT/201
Date: February 14,2025

Agra Nagar Nigam
1, M.G. Road,
Near Sursadan, Agra,
Uttar Pradesh– 282002, India

Dear Ma'am/Sir,

Subject: Proposed issue by Agra Nagar Nigam ("Issuer") of rated, listed, taxable, secured, redeemable, non-convertible municipal bonds, in the nature of debentures of face value of ₹ 4,00,000/- each (Rupees Four Lakhs), (comprising of 4 (four) separately transferable and redeemable principal parts ("STRPP") namely 1 STRPP A of face value of ₹ 1,00,000, 1 STRPP B of face value of ₹ 1,00,000, 1 STRPP C of face value of ₹ 1,00,000 and 1 STRPP D of face value of ₹ 1,00,000) for an amount aggregating up to ₹ 50 crores (Rupees Fifty Crores only) ("Bonds"/"NCDs"/"Debentures") on private placement basis ("Issue").

1. We refer to our consent letter dated February 14,2025 **("Consent Letter").** 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 a Debenture Trustee are true and correct:

1.	Registration Number	IND000000569
2.	Date of Registration/Renewal of Registration	12th September 2024
3.	Date of expiry of registration	Permanent Certificate
4.	If applied for renewal, date of application	NA
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	Nil
6.	Any enquiry/investigation being conducted by SEBI	As disclosed in **Annexure C**
7.	Details of any penalty imposed by SEBI	As disclosed in **Annexure C**

2. We shall immediately intimate the Issuer and 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 NCDs 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 NCDs on the Stock Exchange.

Sincerely,
For Beacon Trusteeship Limited



Bhagyashree Korpade
Relationship Manager
Authorised Signatory

CC:

Khaitan & Co
One World Centre
10th & 13th Floor, Tower 1C,
Senapati Bapat Marg, Mumbai
400 013 Maharashtra, India

Annexure C

I. Any disciplinary action taken by SEBI or any other regulatory authority (including overseas regulators, if any):

Regulator	Securities Exchange Board of India (SEBI)
Order No. & Date	Order/AN/RG/2023-24/30183 Dated: March 27, 2024
Findings	Violation with respect to Reg. 59 of SEBI LODR Regulations and Reg. 15(r) & (s), 16 of SEBI Debenture Trustee Regulations.
Penalty	INR 3,00,000/-
Current Status	The order was passed on March 27, 2024. We have paid the applicable penalty under protest on May 10, 2024.

Regulator	Securities Exchange Board of India (SEBI)
Order No. & Date	Order/BM/RK/2024-25/31013-31014 Dated: November 28, 2024
Findings	Violation of Clause 3 (b) of Schedule IV of the AIF Regulations regarding the Code of Conduct for the trustee of the Regulations and Clause 13.2.2 (ii) of Master Circular dated July 31, 2023, read with Regulation 20(1) and Regulation 20(2) of AIF Regulations.
Penalty	INR 5,00,000/-
Current Status	The order was passed on November 28, 2024. The Company has filed an appeal vide Appeal no. 0036/2025 on January 10, 2025 under section 15T of SEBI Act, 1992, against the said Order before the Hon'ble Securities Appellate Tribunal ("SAT"). The Appeal has been admitted by Hon'ble SAT and is pending for decision.

II. For Ongoing proceedings:

NIL

III. Operational actions such as advisory letter / administrative warning / deficiency letter.

The Trustee, in its capacity as a debenture trustee, has received communications dated October 24, 2019, May 31, 2022, September 5, 2022, September 8, 2023, October 26, 2023, September 2, 2024, & November 14, 2024, from SEBI in the nature of advisory letter, administrative warning and / or deficiency letter. The company has taken the necessary corrective actions to remedy the said deficiencies / non-compliances and reported the same to SEBI from time to time.

Notes:

The Trustee has no other litigation against or for in its beneficiary capacity. However, the Trustee is acting in a fiduciary capacity as trustee to various transactions where the Trustee is representing/defending the interest of the claimant/beneficiary. Hence, in these matters, there is no direct claim or liability as such on the Trustee and accordingly not disclosed.

Sincerely,
For Beacon Trusteeship Limited

Beacon Trusteeship Limited

Bhagyashree Korpade
Relationship Manager
Authorised Signatory

CC:

Khaitan & Co
One World Centre
10th & 13th Floor, Tower 1C,
Senapati Bapat Marg, Mumbai
400 013 Maharashtra, India

ANNEXURE V
Illustration of Bond Cash Flow

ILLUSTRATION OF CASH FLOWS

STRPP A- Tenure 4 Years	
Company	Agra Nagar Nigam
Face Value per STRPP A (in Rs.)	100000
Number of STRPP A held	1
Deemed date of allotment (assumed)	April 15, 2025
Tenor	4 Years
Coupon Rate for all Categories of Investors (p.a)	[●]%
Redemption Date/Maturity Date	April 15, 2029
Frequency of interest payment	Semi-Annually
Effective Yield for all Categories of Investor	[●]%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Date of allotment	Tuesday, 15 April, 2025	Tuesday, 15 April, 2025		-100000
Coupon/Interest Payment 1	Wednesday, 15 October, 2025	Wednesday, 15 October, 2025	183	[●]
Coupon/Interest Payment 2	Wednesday, 15 April, 2026	Wednesday, 15 April, 2026	182	[●]
Coupon/Interest Payment 3	Thursday, 15 October, 2026	Thursday, 15 October, 2026	183	[●]
Coupon/Interest Payment 4	Thursday, 15 April, 2027	Thursday, 15 April, 2027	182	[●]
Coupon/Interest Payment 5	Friday, 15 October, 2027	Friday, 15 October, 2027	183	[●]
Coupon/Interest Payment 6	Saturday, 15 April, 2028	Saturday, 15 April, 2028	183	[●]
Coupon/Interest Payment 7	Sunday, 15 October, 2028	Monday, 16 October, 2028	183	[●]
Coupon/Interest Payment 8	Sunday, 15 April, 2029	Friday, 13 April, 2029	182	[●]
Principal	Sunday, 15 April, 2029	Friday, 13 April, 2029		100000

STRPP B- Tenure 5 Years	
Company	Agra Nagar Nigam
Face Value per STRPP B (in Rs.)	100000
Number of STRPP B held	1
Deemed date of allotment (assumed)	April 15, 2025
Tenor	5 Years
Coupon Rate for all Categories of Investors (p.a)	[●]%
Redemption Date/Maturity Date	April 15, 2030
Frequency of interest payment	Semi-Annually
Effective Yield for all Categories of Investor	[●]%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Date of allotment	Tuesday, 15 April, 2025	Tuesday, 15 April, 2025		-100000
Coupon/Interest Payment 1	Wednesday, 15 October, 2025	Wednesday, 15 October, 2025	183	[●]
Coupon/Interest Payment 2	Wednesday, 15 April, 2026	Wednesday, 15 April, 2026	182	[●]
Coupon/Interest Payment 3	Thursday, 15 October, 2026	Thursday, 15 October, 2026	183	[●]
Coupon/Interest Payment 4	Thursday, 15 April, 2027	Thursday, 15 April, 2027	182	[●]
Coupon/Interest Payment 5	Friday, 15 October, 2027	Friday, 15 October, 2027	183	[●]
Coupon/Interest Payment 6	Saturday, 15 April, 2028	Saturday, 15 April, 2028	183	[●]
Coupon/Interest Payment 7	Sunday, 15 October, 2028	Monday, 16 October, 2028	183	[●]
Coupon/Interest Payment 8	Sunday, 15 April, 2029	Monday, 16 April, 2029	182	[●]
Coupon/Interest Payment 9	Monday, 15 October, 2029	Monday, 15 October, 2029	183	[●]
Coupon/Interest Payment 10	Monday, 15 April, 2030	Monday, 15 April, 2030	182	[●]
Principal	Monday, 15 April, 2030	Monday, 15 April, 2030		100000

STRPP C- Tenure 6 Years	
Company	Agra Nagar Nigam
Face Value per STRPP C (in Rs.)	100000
Number of STRPP C held	1
Deemed date of allotment (assumed)	April 15, 2025
Tenor	6 Years
Coupon Rate for all Categories of Investors (p.a)	[●]%
Redemption Date/Maturity Date	April 15, 2031
Frequency of interest payment	Semi-Annually
Effective Yield for all Categories of Investor	[●]%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Date of allotment	Tuesday, 15 April, 2025	Tuesday, 15 April, 2025		-100000
Coupon/Interest Payment 1	Wednesday, 15 October, 2025	Wednesday, 15 October, 2025	183	[●]
Coupon/Interest Payment 2	Wednesday, 15 April, 2026	Wednesday, 15 April, 2026	182	[●]
Coupon/Interest Payment 3	Thursday, 15 October, 2026	Thursday, 15 October, 2026	183	[●]
Coupon/Interest Payment 4	Thursday, 15 April, 2027	Thursday, 15 April, 2027	182	[●]
Coupon/Interest Payment 5	Friday, 15 October, 2027	Friday, 15 October, 2027	183	[●]
Coupon/Interest Payment 6	Saturday, 15 April, 2028	Saturday, 15 April, 2028	183	[●]
Coupon/Interest Payment 7	Sunday, 15 October, 2028	Monday, 16 October, 2028	183	[●]
Coupon/Interest Payment 8	Sunday, 15 April, 2029	Monday, 16 April, 2029	182	[●]
Coupon/Interest Payment 9	Monday, 15 October, 2029	Monday, 15 October, 2029	183	[●]
Coupon/Interest Payment 10	Monday, 15 April, 2030	Monday, 15 April, 2030	182	[●]
Coupon/Interest Payment 11	Tuesday, 15 October, 2030	Tuesday, 15 October, 2030	183	[●]
Coupon/Interest Payment 12	Tuesday, 15 April, 2031	Tuesday, 15 April, 2031	182	[●]
Principal	Tuesday, 15 April, 2031	Tuesday, 15 April, 2031		100000

STRPP D- Tenure 7 Years	
Company	Agra Nagar Nigam
Face Value per STRPP D (in Rs.)	100000
Number of STRPP D held	1
Deemed date of allotment (assumed)	April 15, 2025
Tenor	7 Years
Coupon Rate for all Categories of Investors (p.a)	[●]%
Redemption Date/Maturity Date	April 15, 2032
Frequency of interest payment	Semi-Annually
Effective Yield for all Categories of Investor	[●]%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Date of allotment	Tuesday, 15 April, 2025	Tuesday, 15 April, 2025		-100000
Coupon/Interest Payment 1	Wednesday, 15 October, 2025	Wednesday, 15 October, 2025	183	[●]
Coupon/Interest Payment 2	Wednesday, 15 April, 2026	Wednesday, 15 April, 2026	182	[●]
Coupon/Interest Payment 3	Thursday, 15 October, 2026	Thursday, 15 October, 2026	183	[●]
Coupon/Interest Payment 4	Thursday, 15 April, 2027	Thursday, 15 April, 2027	182	[●]
Coupon/Interest Payment 5	Friday, 15 October, 2027	Friday, 15 October, 2027	183	[●]
Coupon/Interest Payment 6	Saturday, 15 April, 2028	Saturday, 15 April, 2028	183	[●]
Coupon/Interest Payment 7	Sunday, 15 October, 2028	Monday, 16 October, 2028	183	[●]
Coupon/Interest Payment 8	Sunday, 15 April, 2029	Monday, 16 April, 2029	182	[●]
Coupon/Interest Payment 9	Monday, 15 October, 2029	Monday, 15 October, 2029	183	[●]
Coupon/Interest Payment 10	Monday, 15 April, 2030	Monday, 15 April, 2030	182	[●]
Coupon/Interest Payment 11	Tuesday, 15 October, 2030	Tuesday, 15 October, 2030	183	[●]
Coupon/Interest Payment 12	Tuesday, 15 April, 2031	Tuesday, 15 April, 2031	182	[●]
Coupon/Interest Payment 13	Wednesday, 15 October, 2031	Wednesday, 15 October, 2031	183	[●]
Coupon/Interest Payment 14	Thursday, 15 April, 2032	Thursday, 15 April, 2032	183	[●]
Principal	Thursday, 15 April, 2032	Thursday, 15 April, 2032		100000

Assumptions:

- The Deemed Date of Allotment is assumed to Tuesday, April 15, 2025. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.

- The above-mentioned bond cash flows are illustrative and indicative. The scheduled Due Dates and bond cash flows will be as stipulated under the row titled 'Business Day Convention' in Summary Term Sheet in this Placement Memorandum.

- The amount of coupon payment on each Due Date will be incorporated above once the final coupon rate payable on these bonds is finalised after the bidding on the electronic bidding platform of NSE.

ANNEXURE VI
BUDGET DOCUMENTS

A - 77

Passed

AGRA MUNICIPAL CORPORATION

Brief Description of Income & Expenditure (2024-25)

(Amount in lakh rupees)

Item	Actual Fiscal Year 2021-2022	Actual Fiscal Year 2022-2023	Original Budget Fiscal Year 2023-2024	Revised Budget Fiscal Year 2023-2024	Actual Fiscal Year 2023-2024	Original Budget Fiscal Year 2024-2025	Revised Budget for the year 2024-2025 for consideration before the Hon'ble Executive Committee	Revised Budget for the year 2024-2025 for consideration before the Hon'ble House by the Executive Committee
Opening Balance	19995.57	22917.36	32405.24	30070.24	30070.24	42847.05	47729.62	47729.62
Income	44281.25	60116.37	105627.97	104608.46	81154.53	126878.34	126826.34	126526.34
Total	**64276.82**	**83033.73**	**138033.21**	**134678.70**	**111224.77**	**169725.39**	**174555.96**	**174255.96**
Expenditure	41359.46	52963.49	82610.65	91831.65	63495.15	105940.50	104769.75	106219.75
Closing Balance	**22917.36**	**30070.24**	**55422.56**	**42847.05**	**47729.62**	**63784.89**	**69786.21**	**68036.21**

Sd/-
Assistant Accounts Officer
Municipal Corporation Agra

Sd/-
Accounts Officer
Municipal Corporation Agra

Sd/-
Chief Finance & Accounts Officer
Municipal Corporation Agra

Sd/-
Municipal Commissioner
Municipal Corporation Agra

Chief Finance & Accounts Officer
Municipal Corporation Agra

Passed

AGRA MUNICIPAL CORPORATION

Brief Description of Income & Expenditure (2023-24)

(Amount in lakh rupees)

Item	Actual Fiscal Year 2020-2021	Actual Fiscal Year 2021-2022	Actual Fiscal Year 2022-2023	Original Budget Fiscal Year 2023-2024	Till Month September 2023	Revised Budget for the year 2023-2024 for consideration before the Hon'ble Executive Committee	Revised Budget for the year 2023-2024 for approved by the Hon'ble Executive Committee	Revised Budget for the year 2023-2024 for consideration before the Hon'ble House by the Executive Committee
Opening Balance	13448.78	20174.46	23447.97	32405.24	32405.24	32405.24	32405.24	32405.24
Income	42335.78	44281.25	60116.37	105627.97	34205.28	104804.47	104644.47	104608.46
Total	**55784.56**	**64455.71**	**83564.34**	**138033.21**	**66610.52**	**137209.71**	**137049.71**	**137013.70**
Expenditure	35788.77	41359.46	62694.19	82610.65	26887.92	91731.65	91631.65	91831.65
Closing Balance	**19995.79**	**23096.25**	**20870.15**	**55422.56**	**39722.60**	**45478.06**	**45418.06**	**45182.05**

Sd/-
Assistant Accounts Officer
Municipal Corporation Agra

Sd/-
Accounts Officer
Municipal Corporation Agra

Sd/-
Chief Finance & Accounts Officer
Municipal Corporation Agra

Sd/-
Municipal Commissioner
Municipal Corporation Agra

Chief Finance & Accounts Officer
Municipal Corporation Agra

Passed

AGRA MUNICIPAL CORPORATION

Brief Description of Income & Expenditure (2022-23)

(Amount in lakh rupees)

Item	Actual Fiscal Year 2019-20	Actual Fiscal Year 2020-21	Actual Fiscal Year 2021-22	Original Budget Fiscal Year 2022-23	Till Month September 2022	Revised Budget for the year 2022-23 for consideration by Municipal Commissioner	Revised Budget for the year 2022-23 for consideration before the Hon'ble House by the Executive Committee
Opening Balance	19864.08	13448.78	20174.46	19000.00	23426.88	23426.88	23426.88
Income	38314.48	42335.78	44281.25	81444.40	17562.51	81644.40	81644.40
Total	**58178.56**	**55784.56**	**64455.71**	**100444.40**	**40989.39**	**105071.28**	**105071.28**
Expenditure	45634.78	35788.77	41359.46	72930.65	15582.19	80375.65	80375.65
Closing Balance	**12543.78**	**19995.79**	**23096.25**	**27513.75**	**25407.20**	**24695.63**	**24695.63**

Sd/-
Assistant Accounts Officer
Municipal Corporation Agra

Sd/-
Accounts Officer
Municipal Corporation Agra

Sd/-
Chief Finance & Accounts Officer
Municipal Corporation Agra

Sd/-
Municipal Commissioner
Municipal Corporation Agra

Chief Finance & Accounts Officer
Municipal Corporation Agra

A - 80

Passed

AGRA MUNICIPAL CORPORATION

Brief Description of Income & Expenditure (2021-22)

(Amount in lakh rupees)

Item	Actual Fiscal Year 2019-20	Actual Fiscal Year 2020-21	Revised Budget Fiscal Year 2020-21	Original Budget Fiscal Year 2021-22	Till Month September 2021	Revised Budget for the year 2021-22 for considerati on before the Hon'ble Executive Committee	Revised Budget for the year 2021-22 for approved by the Hon'ble Executive Committee	Revised Budget for the year 2021-22 for consideration before the Hon'ble House by the Executive Committee
Opening Balance	19864.08	13448.78	16000.00	18000.00	20174.46	18000.00	18000.00	18000.00
Income	38314.48	42335.78	59257.40	57299.40	18378.09	61389.40	61389.40	61389.40
Total	**58178.56**	**55784.56**	**75257.40**	**75299.40**	**38552.55**	**79389.40**	**79389.40**	**79389.40**
Expenditure	45634.78	35788.77	60451.10	70737.60	17259.65	77616.85	77616.85	77616.85
Closing Balance	**12543.78**	**19995.79**	**14806.30**	**4561.80**	**21292.90**	**1772.55**	**1772.55**	**1772.55**

Sd/-
Assistant Accounts Officer
Municipal Corporation Agra

Sd/-
Accounts Officer
Municipal Corporation Agra

Sd/-
Chief Finance & Accounts Officer
Municipal Corporation Agra

Sd/-
Municipal Commissioner
Municipal Corporation Agra

Chief Finance & Accounts Officer
Municipal Corporation Agra

ANNEXURE – VII

DESCRIPTION OF THE MUNICIPAL LAND

ANNEXURE – VII: DESCRIPTION OF THE PROPERTY

Brief description of the Municipal Land	Location of the Municipal Land	Area of the Land	Estimated Value of Land*
Non-agricultural land	Mauza Naraich, Tehsil Etmadpur, District Agra (U.P.) Latitude: 27°12'56.8"N Longitude: 78°04'02.6"E	40,969 square meters	₹ 73.42 Crore

*The estimated value is as per the valuation report by Sudhanshu Srivastava, Chartered Engineer dated February 11, 2025. If any fresh borrowing is planned against this Municipal Land, Issuer would submit a fresh valuation report to the Debenture Trustee to re-access the likely market value of the Municipal Land.

Charge to be created only to the extent of 1.25 times of the outstanding Secured Obligations. Surplus value of the land can be utilized for any subsequent borrowings of the Issuer, without affecting the rights and security of the existing Bond Holders. Subject to Applicable Law, the consent of the Debenture Trustee would be sufficient for utilizing the surplus land for any future borrowing against it.