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

Dated: August 13, 2018



GREATER HYDERABAD MUNICIPAL CORPORATION

(Constituted under the Greater Hyderabad Municipal Corporation Act, 1955)

CC Complex Tank Bund Road, Lower Tank Bund Hyderabad: 500063

Contact Person cum Compliance Officer: Sri D. Jaya Raj Kennedy, Additional Commissioner (Finance);

Tel: + 91 40-23225397.

E-mail: taxable.phms@telangana.gov.in; Website: www.ghmc.gov.in

PRIVATE PLACEMENT OF UNSECURED, TAXABLE NON-CONVERTIBLE, REDEEMABLE BONDS IN THE NATURE OF DEBENTURES ("BONDS") OF FACE VALUE OF RS. 10 LAKHS EACH AT PAR AMOUNTING TO RS. 100 CRORES WITH GREEN SHOE OPTION OF ADDITIONAL RS. 100 CRORES SUCH THAT AGGREGATE ISSUE SIZE DOES NOT EXCEED RS. 200 CRORES ("ISSUE") BY GREATER HYDERABAD MUNICIPAL CORPORATION PROPOSED TO BE LISTED ON BSE LIMITED

GENERAL INFO.

For taking an investment decision, investors must rely on their own examination of the Issue, the Issuer and this Information Memorandum including the risks involved as mentioned in this Information Memorandum. The Bonds have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Information Memorandum.

CREDIT RATING.

The Bonds proposed to be issued by the Greater Hyderabad Municipal Corporation have been assigned a rating of CARE AA; Stable (Double A; Outlook Stable) by CARE vide its letter dated July 24, 2018 and IND: AA/Stable by IRRPL vide its dated July 20, 2018.

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.

Registrar for the Bonds	Trustee for the Bonds	Registrar for the Bonds	Transaction Adviser for Bonds
	 SBICAP Trustee Company Ltd.		
SBICAP Capital Markets Limited 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005 Tel: +91 22 22178300 Facsimile: +91 22 2218 8332 Contact Person: Mr. Sanjay Sethia Email: dem@sbicaps.com Website: www.sbicaps.com SEBI Registration No.: INM000003531	Apeejay House, 6 th floor, 3, West Wing, Dinshaw Wacha Road, Churchgate, Mumbai 400 020 Tel: +91 22 4302 5555 Facsimile: +91 22 2204 4065 Contact Person: Mr. Ajit Joshi Email: corporate@sbicaptrustee.com Website: www.sbicaptrustee.com SEBI Registration No.: IND000000636	Karvy Selenium Tower B, Plot No. 31-32, Gachibowli Financial District Nanakramguda, Hyderabad Tel: +91 40 6716 2222 Facsimile: +91 40 2343 1551 Contact Person: Sh. S. P. Venugopal, DGM (Corp. Reg.) Email: venu.sp@karvy.com Website: www.karvycomputershare.com SEBI Registration No.: INR000000221	SPA Capital Advisors Ltd. 25, C Block Community Centre, Janakpuri, New Delhi - 110058 Tel: +91 11 45675500 Facsimile: +91 11 2557 2763 Contact Person: Mr. Anurag Arun Email: anurag@spagroupindia.com Website: www.spacapital.com SEBI Registration No.: INM000010825
Issue Date / Issuance	Listing Date / Listing	Date of Allotment	
August 13, 2018	August 13, 2018	August 14, 2018	
Listing: The Bonds are proposed to be listed on Wholesale Debt Market segment of BSE Limited.			

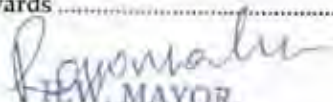
The Issuer reserves its sole and absolute right to modify (pre-poner/postpone) the above Issue schedule without giving any reasons or prior notice.

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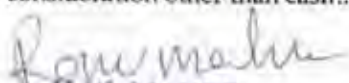
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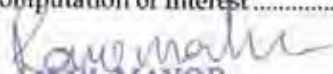

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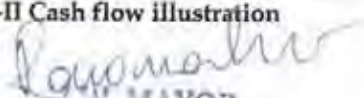

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Any material event / development or change having implications on the financials / credit quality (e.g. any material regulatory proceedings against the Issuer, resulting in material liabilities, restructuring event etc.) at the time of the issue which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities.....	50
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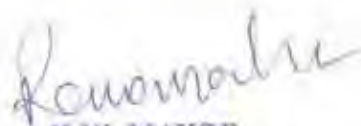
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DISCLAIMER

1. Disclaimer of the Greater Hyderabad Municipal Corporation ("GHMC" or "Corporation"):

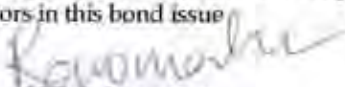
This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus and is prepared in accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities by Municipalities) Regulations, 2015 issued vide notification No. SEBI/LAD-NRO/GN/2015-16/006 dated July 15, 2015, as amended from time to time. This Information Memorandum does not constitute an offer to the public in general to subscribe for or otherwise acquire the Bonds to be issued by Greater Hyderabad Municipal Corporation. This Information 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). This Issue is being made strictly on a private placement basis. Apart from this Information Memorandum, no other offer document has been prepared in connection with the offering of this Issue or in relation to the Bonds.

This Information 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 Information Memorandum has been prepared to give general information regarding Greater Hyderabad Municipal Corporation to parties proposing to invest in this issue of Bonds and it does not purport to contain all the information that any such party may require. Greater Hyderabad Municipal Corporation believes that the information contained in this Information Memorandum is true and correct as of the date hereof.

Greater Hyderabad Municipal Corporation does not undertake to update this Information Memorandum to reflect any subsequent events and thus prospective subscribers must confirm the accuracy and relevance of any information contained herein with Greater Hyderabad Municipal Corporation. However, Greater Hyderabad Municipal Corporation reserves its right for providing the information at its absolute discretion. Greater Hyderabad Municipal Corporation accepts no responsibility for statements made in any advertisement or any other material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility. 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. It is the responsibility of the prospective subscribers to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Bonds. Nothing in this Information Memorandum should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the Bonds. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the bonds. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Bonds and matters incidental thereto.

The Issuer reserves the right to withdraw the private placement of the Bonds Issue prior to the Issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

The Corporation, its Officers and employees do not take any responsibility for the investments made by the investors in this bond issue.


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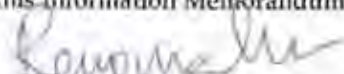
It is the responsibility of the Issuer to comply with all laws, rules and regulations and obtain all regulatory, governmental and other necessary approvals for the issuance of the Bonds. The Arranger has not verified whether the regulatory requirements have been fulfilled and necessary approvals have been obtained by the Issuer.

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The Eligible Investors should carefully read this Information Memorandum. This Information Memorandum is for general information purposes only, without regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation and the Eligible Investors are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and the Eligible Investors should consult with its own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Bonds. This Information 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 therein, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

This Information 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 Information Memorandum for any purpose other than in assisting to decide whether or


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Please note that:

- a) the Arranger and/or their affiliates may, now and/or in the future, have other investment and commercial banking, trust and other relationships with the Issuer and other entities related to the Issuer;
- b) as a result of those other relationships, the Arranger and/or their affiliates may get information about the Issuer and/or the Issue or that may be relevant to any of them. Despite this, the Arranger and/or their affiliates will not be required to disclose such information, or the fact that it is in possession of such information, to any recipient of this Information Memorandum;
- d) the Arranger and/or their affiliates may, now and in the future, have fiduciary or other relationships under which it, or they, may exercise voting power over securities of various persons. Those securities may, from time to time, include securities of the Issuer;
- e) the Arranger and/or their affiliates may exercise such voting powers, and otherwise perform its functions in connection with such fiduciary or other relationships, without regard to its relationship to the Issuer and/or the securities;
- f) the Arranger is not acting as trustee or fiduciary for the investors or any other person; and
- g) the Arranger is under no obligation to conduct any "know your customer" or other procedures in relation to any person.

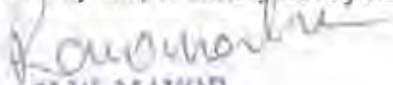
Nothing in this Information Memorandum constitutes an offer of securities for sale in the United States of America or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation. No action is being taken to permit an offering of the bonds in the nature of debentures or the distribution of this Information Memorandum in any jurisdiction where such action is required. The distribution/taking/sending/dispatching/transmitting of this Information Memorandum and the offering and sale of the Bonds may be restricted by law in certain jurisdictions, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

Each person receiving this Information Memorandum acknowledges that:

- a) Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein; and
- b) Has not relied on the Arranger and/or its affiliates that may be associated with the Bonds in connection with its investigation of the accuracy of such information or its investment decision.

Issuer hereby declares that the Issuer has exercised due-diligence to ensure complete compliance of applicable disclosure norms in this Information Memorandum. The Arranger: (a) is not acting as trustee or fiduciary for the investors or any other person; and (b) is under no obligation to conduct any "know your customer" or other procedures in relation to any person. The Arranger is not responsible for (a) the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Issuer or any other person in or in connection with this Information Memorandum; or (b) the legality, validity, effectiveness, adequacy or enforceability of this Information Memorandum or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with this Information Memorandum; or (c) any determination as to whether any information provided or to be provided to any investor is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

The Arranger or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection


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with the use of any of the information contained in this document. By accepting this Information Memorandum, investor(s) agree(s) that the Arranger will not have any such liability.

4. Disclaimer of the Stock Exchanges

As required, a copy of the Information Memorandum shall be filed with the WDM segment of BSE in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities by Municipalities) 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 Information Memorandum to the Stock Exchange should not in any way be deemed or construed to mean that the Information Memorandum has been cleared or approved by BSE; nor does it take any responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer.

This Document is to facilitate investors to take an informed decision for making investment in the proposed Issue.

5. Disclaimer of the Rating Agencies:

A CARE rating reflects CARE's current opinion on the likelihood of timely payment of the obligation under rated instrument and does not contribute an audit of the rated entity by CARE. CARE ratings are based on the information provided by the Issuer or obtained by CARE from sources it considers reliable. CARE does not guarantee the completeness or accuracy of the information on which the rating is based. A CARE rating is not a recommendation to buy, sell or hold the rated instrument, it does not comment on the market price or suitability for a particular investor. All CARE ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CARE is not responsible for any errors and especially, states that it has no financial liability whatsoever to the subscribers/users/transmitters/distributors of this product. CARE Ratings rating criteria are available without charge to the public on the CARE website www.care.com.

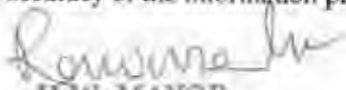
An India Ratings and Research's rating reflects IRRPL's current opinion on the likelihood of timely payment of the obligation under rated instrument and does not contribute an audit of the rated entity by India Ratings and Research. India Ratings and Research's ratings are based on the information provided by the Issuer or obtained by India Ratings and Research from sources it considers reliable. India Ratings and Research does not guarantee the completeness or accuracy of the information on which the rating is based. An India Ratings and Research's Rating is not a recommendation to buy, sell or hold the rated instrument, it does not comment on the market price or suitability for a particular investor. Ratings are revised as and when circumstances so warrant. India Ratings and Research is not responsible for any errors and especially, states that it has no financial liability whatsoever to the subscribers/users/transmitters/distributors of this product. India Ratings and Research's rating criteria are available without charge to the public on the India Ratings and Research website www.indiaratings.co.in.

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to obtain all necessary approvals for issuance of the Bonds.

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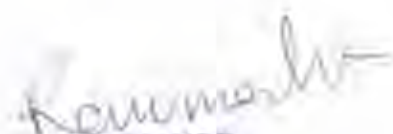
Issuer declares that it has made necessary due diligence to ensure complete compliance regarding disclosure norms for the information as per applicable law and Legal Counsel is not responsible

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8. Disclaimer of the Transaction Advisor:

Role of the Transaction Advisor in present transaction is limited to advising the Issuer in relation to market scenarios, coordination with the external agencies, assisting in framing of the credit rating enhancement, etc., in respect of the Bonds. The Transaction Advisor has not done any independent verification of the information provided and relied on the information provided by Issuer. Transaction Advisor cannot guarantee the accuracy of the Information provided in this document. It is the responsibility of the Issuer to obtain all necessary approvals for issuance of the Bonds.

The investors should take their own informed decision for investment in these bonds and in no way are the transaction advisors or any of its directors and employees are responsible for any investment decision by prospective investors, based on this document


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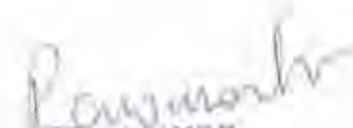
FORWARD LOOKING STATEMENTS

All statements in this Information Memorandum that are not statements of historical facts constitute "forward looking statements". Readers can 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. All statements regarding the Issuer's expected financial condition and results of operations, business, plans and prospects are forward looking statements. These forward looking statements and any other projections contained in this Information 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 Information 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 Information 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.

INDUSTRY AND MARKET DATA

Market data and certain industry forecasts used throughout this Information Memorandum have been obtained from market research, publicly available information and industry publications. Industry publications generally state that the accuracy and completeness of that information is not guaranteed. Similarly, industry forecasts and market research while believed to be reliable have not been independently verified and the Issuer does not make any representation as to the accuracy of that information.


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DEFINITIONS AND ABBREVIATIONS

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

General Terms

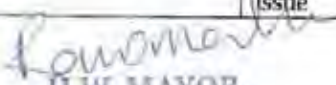
TERM	DESCRIPTION
"GHMC" or "Issuer" or "Corporation"	Greater Hyderabad Municipal Corporation established under Greater Hyderabad Municipal Corporation having its Head Office at CC Complex Tank Bund Road, Lower Tank Bund, Hyderabad
"we", "us", "our"	Unless the context otherwise requires, the Corporation

Issuer related Terms

TERM	DESCRIPTION
Act/GHMC Act	Greater Hyderabad Municipal Corporation Act, 1955, as amended from time to time
Commissioner	Commissioner, Greater Hyderabad Municipal Corporation
Committee Member	Member of the Standing Committee or any other duly constituted committee of the Corporation
Committee	Standing Committee or any other committee as mentioned in this Information Memorandum
CARE	Credit Analysis & Research Limited.
EBS	Online E-business Suite
HRMS	Human Resources Management System
Head Office	Head Office of GHMC at CC Complex Tank Bund Road, Lower Tank Bund, Hyderabad
IRRPL	India Ratings and Research Private Limited
JNNURM	Jawaharlal Nehru National Urban Renewal Mission
MoUD	Ministry of Urban Development

Issue Related Terms

TERMS	DESCRIPTION
AY	Assessment Year
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 Information 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


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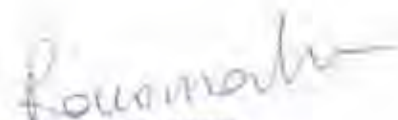

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TERMS	DESCRIPTION
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996)
Bond(s)	Unsecured, Taxable, Non-Convertible, Redeemable Bonds in the nature of Debentures of face value Rs. 10 lakhs each, at par to be issued by GHMC proposed to be listed on BSE Limited through private placement route under the terms of this Information Memorandum
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Coupon/Interest Payment Date	As mentioned in the Summary Term Sheet
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.
Date of Allotment	The date on which bonds are allotted to Bondholders.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time, in present case, being NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant	A Depository Participant as defined under the Depositories Act
Information Memorandum	Information Memorandum dated August 13, 2018 for private placement of Unsecured, Taxable, Non-Convertible, Redeemable Bonds in the nature of Debentures of face value Rs. 10 Lakhs each, at par amounting to Rs. 100 crores with green shoe option of additional Rs. 100 crores such that aggregate issue size does not exceed Rs. 200 crores
DP	Depository Participant
DRR	Bond/ Debenture Redemption Reserve
Financial Year/ FY	Period of twelve months beginning from April 1 of a calendar year and ending on March 31 of the subsequent calendar year
GIR	General Index Registration Number
Govt	Government of India/ Central Government
I.T. Act	The Income Tax Act, 1961, as amended from time to time
IT	Information Technology
MF	Mutual Fund
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
Rs./INR	Indian National Rupee

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TERMS	DESCRIPTION
RTGS	Real Time Gross Settlement
Record Date	As mentioned in the Summary Term Sheet
Registrar	Registrar to the Issue, in this case being, Karvy Computershare Private Limited
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Municipal Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities by Municipalities) Regulations, 2015, as amended from time to time
TDS	Tax Deducted at Source
The Issue/the Offer/Private Placement	Private Placement of Unsecured, Taxable, Non-Convertible, Redeemable Bonds in the nature of Debentures of face value of Rs. 10 lakhs each, at par amounting to Rs. 100 crores with green shoe option of additional Rs. 100 crores such that aggregate issue size does not exceed Rs. 200 crores by GHMC.
Trustee/Bond Trustee	Trustees for the Bondholders, in this case being, SBICAP Trustee Company Limited


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CHAPTER-I
GENERAL INFORMATION ABOUT THE ISSUER

i. Name of the Issuer: Greater Hyderabad Municipal Corporation

ii. Name and Address of the following:

i) Head Office of the Issuer:

Greater Hyderabad Municipal Corporation Limited
CC Complex, Tank Bund Road,
Lower Tank Bund,
Hyderabad-500063
Ph: +914023225397
Website: www.ghmc.gov.in

ii) Chief Finance Officer and Compliance Officer of the Issuer:

Sri D. Jaya Raj Kennedy,
Additional Commissioner, Finance
Greater Hyderabad Municipal Corporation Limited
CC Complex, Tank Bund Road,
Lower Tank Bund,
Hyderabad-500063
Ph: +91-91 40-23225397
E-mail: bonds-ghmc@telangana.gov.in

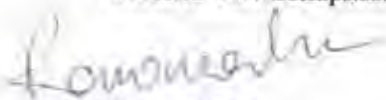
(Compliance Officer shall be the official in charge of dealing with investor grievances related to the Bonds)

iii) Chief Accounts Officer

Sh. T. Vijaya Kumar (I/C)
Greater Hyderabad Municipal Corporation Limited
CC Complex, Tank Bund Road,
Lower Tank Bund,
Hyderabad-500063
Ph: +91-9963199984
E-mail: tah.ghmc@gmail.com

iv) Arranger to the Issue:

SBI Capital Markets Limited
202, Maker Tower 'E', Cuffe Parade,
Mumbai - 400 005
Tel: +91-22-22178300
Facsimile: +91-22-2218 8332
Contact Person: Mr. Sanjay Sethia
E-mail: dcm@sbicaps.com
Website: www.sbicaps.com


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v) **Trustee to the Issue:**

SBICAP Trustee Company Limited
Apeejay House, 6th floor,
3, West Wing, Dinshaw Wachha Road,
Churchgate, Mumbai 400 020
Tel: +91-22-4302 5555
Facsimile: +91-22-2204 0456
Contact Person: Mr. Ajit Joshi (Company Secretary and Compliance Officer)
E-mail: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

vi) **Registrar to the Issue:**

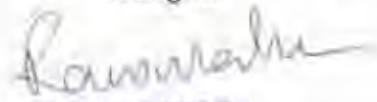
Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot No. 31-32,
Gachibowli Financial District Nanakramguda, Hyderabad
Tel: +91 40 6716 2222
Facsimile: +91 40 2343 1551
Contact Person: Sh. S.P. Venugopal, DGM (Corp. Reg.)
Email: venu.sp@karvy.com
SEBI Registration No.: INR000000221

vii) **Credit Rating Agencies for the Issue:**

1. **India Ratings and Research Private Limited**
601-9, Prakash Deep Building, 7, Tolstoy Marg,
New Delhi - 110 001
Tel: +91 -11 4165 7230
Facsimile: +91-11-4356 7231
E-mail: investor.services@indiaratings.co.in
Website: www.indiaratings.co.in;
2. **Credit Analysis & Research Ltd**
4th Floor, Godrej Coliseum,
Somaiya Hospital Road,
Off Eastern Express Highway,
Sion (East), Mumbai - 400 022.
Tel: +91-022- 6754 3456
Facsimile: +91-022- 6754 3457
E-mail: care@careratings.com
Website: www.careratings.com

viii) **Auditors of the Issuer:**

State Audit Department
Directorate of State Audit, 6th floor,
Insurance Bld, Abids, Hyderabad,
Telangana


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ix) **Transaction Advisor of the Issuer:**

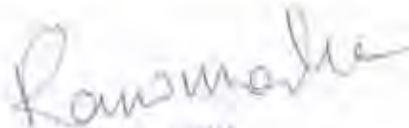
SPA Capital Advisors Ltd.
25, C Block Community Centre, Janakpuri,
New Delhi - 110058
Tel: +91 11 45675500
Facsimile: +91 11 25572763
Contact Person: Mr. Anurag Arun
Email: anurag@spagroupindia.com;
SEBI Registration No.: INM000010825

x) **Legal Counsel to the Issue:**

MVKini, Law Firm
Kini House
6/39, Jungpura B
New Delhi-110014
Ph: +91 11 2437 1038/39/40
Facsimile: +91 11 24379484
E-mail: delhi@mvkini.com

xi) **The relevant Act under which the Issuer is incorporated and governed**

Greater Hyderabad Municipal Corporation is incorporated under and governed by the Greater Hyderabad Municipal Corporation Act, 1955.


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RISK FACTORS

The prospective Investors should consult their own tax, financial and legal advisors about the risks associated with investment in bonds and suitability of investment in such bonds. Investment in these bonds include a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment in bonds if the bonds are not held till or for any reason sold before their maturity. For taking an investment decision, investors must rely on their own examination of the Issue, the Issuer and this Information 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 Information Memorandum.

1. Credit Risk

The credit rating assigned to us may be downgraded.

This is the second issue by the Issuer since its establishment in 2007. The Bonds have been given a rating of CARE AA; Stable (Double A; Outlook Stable) by CARE vide its letter dated July 24, 2018 and IND AA/Stable by IRRPL vide its dated July 20, 2018 which is considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk as well. 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 and credit rating assigned to the Bonds may be downgraded. Any downgrading in our credit rating or credit rating of instruments will result in an enhanced risk to the Bondholders. However, to safeguard the interest of the Bondholders, a structured payment mechanism has been formulated to prioritize the revenues earned by the Corporation towards a timely payment of interest and repayment of the principal.

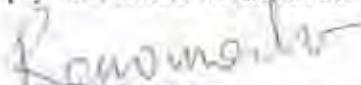
2. Project Risk

The Strategic Road Development Project (SRDP) is not a revenue generating Project and we may not be able to adhere to timelines.

SRDP is a project to provide better traffic flow facilities to citizens of GHMC and to provide world class transportation facilities including skyways, conflict free corridors and improving journey speeds without traffic jams and as such is not a revenue generating project.

The Project is proposed to be financed through bonds, bank loan and own funds of GHMC. A funding gap due to cost overruns, should it develop, could pose a contingent budgetary risk for GHMC, or result in a request to the Standing Committee for additional borrowing authority for these Project. There is also a possibility that the implementation of the Project might get delayed due to workforce issues or due to contractor issues.

GHMC has obtained the requisite approvals for various works for SRDP Project. However for certain works tender process is still under, which will be funded by the proceeds of the bonds, approval for tender process is still awaited, any delay in obtaining such approvals may delay the project timelines. Further, the Project is susceptible to policy risk by the State and cost overruns, however, these will not affect the payment of debt service for the bonds, which are backed by the property taxes and Fees & User Charges to be collected and remitted to the escrow agent for payment of debt service for the tenure of the bonds.


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3. Financial Risk

GHMC may not be able to pay interest accrued on the Bonds and/ or the principal amount outstanding from time to time

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.

GHMC's ability to 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 GHMC's financial condition, profitability, revenue generation and the general economic conditions prevailing in India and in the global financial markets. GHMC cannot assure that GHMC would be able to repay the principal amount outstanding from time to time on the Debentures and/ or the interest accrued thereon in a timely manner, or at all. GHMC will create an appropriate escrow account in favour of the Bond Trustee for the Bondholders to ensure sufficient funds for repayment of principal and interest accrued thereon. The realizable value of the Bonds may be lower than the outstanding principal and/ or interest accrued thereon and consequently the potential investor may not be able to recover on a timely basis or at all, the full value of the outstanding amounts and/ or the interest accrued thereon in connection with the Bonds.

Inconsistent Revenue Collections

Generally, our revenue collection through property tax, user charges and other fees are not consistent throughout the year and may be higher in certain parts of the financial year.

Financial Statements

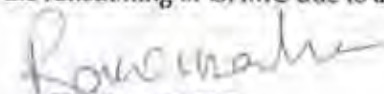
The audited financial statements through FY 2016-17 and derived ratios there from contained in the Information Memorandum have been prepared / computed as per the permissible practices. The unaudited accounts for FY 2017-18 are also provided in this Information Memorandum. While due care has been taken to reflect the true economic reality regarding the financials of the Corporation as far as possible, the investors may want to make their own adjustments to the same before arriving at an investment decision in this Bond issue.

4. General Risk

4.1 External factors like natural calamities, terrorism etc. may affect our operation and may delay the Project implementation.

Natural calamities like floods, etc. could hamper the Project implementation.

Floods and Flash Floods : Hyderabad is situated on the banks of Musi River and has some major reservoirs like Osman Sagar, Himayath Sagar, Singur, Manjira etc. In recent times, Hyderabad has seen severe rain falls, resulting in submergence of large areas of Hyderabad under water. Water released from the reservoirs also resulted in swelling of the Musi River, which generally remains dry. A major reason for this is blocking of the water bed of Musi River through unauthorized construction and clogging of the drains. Such conditions may result in hampering the functioning of GHMC due to additional cost burden for retrieving the city back to normalcy.


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Chairman
G.H.M.C., HYDERABAD.

4.2 Terrorism:

Hyderabad has a high probability of terrorism. A series of bomb blasts in recent years have placed it on the terrorism map. With several key defense installations and huge presence of MNCs, Hyderabad is a potential target for national and international terrorism.

4.2.1 Disaster Management Planning :

Disaster Management Cell, GHMC has been established to ensure that the jurisdiction maintains its preparedness to implement the Disaster Management Plan and to work towards enhancing and improving the capabilities to respond to disaster situations. They respond and coordinate immediately as and when a disaster occurs to take effective actions by providing relief and aid to the affected, and enhance the preparedness of the municipal corporation in the event of a disaster.

The main control room of the city is located on the 4th floor of GHMC Head Office. The City control room is responsible for triggering alerts, dissemination of information and coordination during disasters.

However, the level of preparedness needs to be adequately scaled up for tackling any unforeseen emergencies.

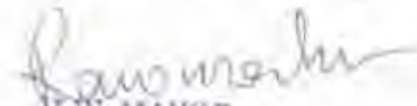
4.2.2 Decentralization and Municipal Corporations

GHMC has legislative and administrative control over its operating revenues, expenditures and capital plans, as permitted under the GHMC Act. Nevertheless, changes in State and Central Government revenue sources and regulatory frameworks could have an effect on the credit profile of GHMC (positive and negative), should those changes result in devolution of power, of revenues or of spending mandates. Recent examples include investment and institutional reform initiatives by the MoUD under the JNNURM program and under its successor, the Smart Cities program, and the adoption of the GST by the Government of India and by the states. The GST may result in discontinuation of some of the existing revenue sources like entertainment tax. Although it is provisioned that the State Government would be making good any losses to GHMC, however, the extent and the timings of disbursement of such amount is not fixed, thus may result in some financial losses or delay in receipt of the amount by GHMC.

Additionally, being a government organization, GHMC 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 GHMC.

4.3 GHMC Policy Focus

Periodic elections and/ or rotation of the Commissioner and other officers can result in changes in policy focus for the municipal corporation, which can affect the distribution of resources devoted to both operating services and capital projects. While such changes in policy focus might affect the relative priority of capital expenditures for the Project, this will not affect the payment of debt service on the bonds, which are secured by escrow on property taxes to be collected and remitted to the escrow agent for payment of debt service for the life of the bonds.


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5. **We are involved in large number of litigations and adverse decisions in the same may impact our functions**

As on date, it is estimated that the GHMC is involved in approximately 108 pending cases with the aggregate amount being approx. Rs. 26 Crores in the Land Acquisition Department. These cases, if decided against us, can have an impact on the financial position of the Issuer. There are other cases relating to administrative issues etc. also but they do not involve any amount.

It may be noted that the number of proceedings in which GHMC is involved is not unusual for a corporation of its size in the context of functioning as a municipal body of one of the major cities in India.

6. **Risk in relation to the Bonds**

- 6.1 **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 rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest which frequently accompany inflation and/ or a growing economy, are likely to have a negative effect on the price of the Debentures.

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

- 6.2 **Bonds are unsecured.**

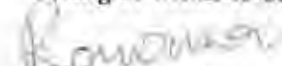
As the proposed debentures/bonds are unsecured in nature, investors may find it difficult to recover their money in case of any default by the issuer. The Debenture Trustee is not a guarantor and will not be responsible for any loss or claim.

7. **Any downgrading in credit rating of the Bonds may affect the value of Bonds and thus the Issuer's ability to raise further debts.**

The Bonds proposed to be issued under this Issue have been rated CARE AA; Stable (Double A; Outlook Stable) by CARE vide its letter dated July 24, 2018 and IND AA/Stable by IRRPI vide its dated July 20, 2018. The Issuer cannot guarantee that these Credit ratings will not be downgraded by the rating agencies in future. The ratings provided by these Credit Rating Agencies may be suspended, withdrawn or revised at any time. Any revision or downgrading in the above credit rating may lower the value of the Bonds and may also affect the Issuer's ability to raise further debt.

8. **There is no guarantee that the Bonds issued pursuant to this Issue will be listed on the stock exchanges 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 this Issue will not be granted until after the Bonds have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Bonds to be submitted. There could be a failure or delay in listing the Bonds on the

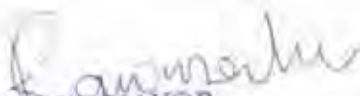

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stock exchange. However, the Corporation shall do all necessary actions for listing of the bond in timely manner.

9. **There may be a delay in making refunds to applicants**

The Issuer cannot assure that the monies refundable to applicants on account of (a) withdrawal applications, (b) withdrawal of the Issue, or (c) failure to obtain the final approval from the exchanges for listing of Bonds, (d) non-allotment due to technical rejections or over subscriptions will be refunded to the applicants in a timely manner.


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ORGANISATION STRUCTURE

1. Details of the Corporation

The Greater Hyderabad Municipal Corporation has been established under Section 3 of the Greater Hyderabad Municipal Corporation Act, 1955. In accordance with Section 5 of the Act, the Corporation shall consist of such number of elected members as may be notified from time to time. Presently, the Corporation consists of 150 elected members.

Every member of the legislative assembly of the State and every Member of the House of the People representing a constituency of which the Corporation or a portion thereof forms part and every Member of the Legislative Council of the State registered as an elector within the area of the Corporation as on the date of filing of nomination for becoming Member of Legislative Council or on the date of nomination by the Governor, as the case may be shall be ex-officio members of the Corporation.

GHMC Act also mandates Corporation to have 5 co-opted members. Three members, one of whom shall be a woman, having special knowledge of municipal administration shall be co-opted as members of the Corporation. Also, two persons belonging to the minorities of whom one shall be a woman, shall be co-opted as members of the Corporation in prescribed manner.

Municipal Authorities charged with carrying out the provisions of the GHMC Act are:-

- (i) a Corporation;
- (ii) a Standing Committee;
- (iii) a Commissioner;
- (iv) the Wards Committee.

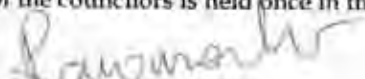
Elected members of the Corporation are required to select the Mayor and Deputy Mayor from amongst themselves.

Elected representatives in GHMC

The city is divided into 6 Zones (L. B. Nagar, Charminar, Khairathabad, Seri Lingampally, Kukatpally, Secunderabad) and 30 Circles with a total no. of 150 corporators as elected members. These councilors and 5 co-opted members comprise the general body and are headed by the Mayor. The governance is distributed in terms of responsibilities as follows (i) policy making as a responsibility of the General Body (ii) financial decision making as a responsibility of the Standing Committee and (iii) The Commissioner as a Chief Executive of the GHMC.

Standing Committee is the most powerful body in GHMC as per the Municipal Act, and is responsible for all the decisions pertaining to municipal finance matters. The Standing Committee comprises of 15 Members out of the 150 elected members. The Mayor or in his absence, the Deputy Mayor of the Corporation shall be the ex-Officio Chairperson of the Standing Committee. While preparation of the civic budget is one of the significant functions, it is a stake holder in almost all financial decisions such as approval of the project tenders etc.

In the elected wing, the Mayor is the head. Councilors are elected representatives of 150 electoral wards of the city, who are elected every 5 years, if elections are delayed due to any unforeseen reasons, then the councilors' term is not extended and the Commissioner takes care of the proceedings of GHMC and the meeting of the councilors is held once in three months.


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The Mayor, the first citizen of the city, is elected by the councilors and holds office till he resigns or is removed in accordance with provisions of GHMC Act. The Mayor presides over the General Body Meetings of the councilors. Along with the General Body there are different committees which work in the city. Wards are represented by the Wards Committees, whose main function is to approve the cost of works for the wards, incorporate the expenses in the budget etc.

Administrative Cadre in GHMC

The Administrative wing of the GHMC works under the command of the Commissioner who heads a team of officials of Zonal Commissioner, Additional Commissioner, Deputy Commissioner and other officials who administer their respective domains. The Administrative wing is responsible for all the development works in the city, maintenance of infrastructure, collection of taxes, preparation of development plans and budgets. Other than the contractual and outsourced personnel, GHMC has more than 6700 permanent employees in several cadres.

2. Details of Mayor/Deputy Mayor

Sl. No.	Particulars	Designation	Date of appointment
1.	Sri Bonthu Rammohan	Mayor	February 11, 2016
2.	Sri Baba Fasiuddin Md.	Deputy Mayor	February 11, 2016

3. Details of Commissioner/Deputy Commissioners

Sl. No.	Particulars	Designation	Date of appointment
1.	Dr. B Janardhan Reddy, IAS	Commissioner	October 31, 2015
2.	Sri S. Srinivas Reddy	Zonal Commissioner L.B. Nagar	January 01, 2018.
3.	N Ravi Kiran	Zonal Commissioner, Charminar	May 21, 2018
4.	Sri C N Raghu Prasad	Zonal Commissioner, Secunderabad	June 09, 2017
5.	Smt. Harichandana Dasari, IAS	Zonal Commissioner, Serilingampally	May 21, 2018
6.	Sri Shankaraiah	Zonal Commissioner Kukatpally	August 06, 2016.
7.	Smt. Bharathi Hollikeri, IAS	Zonal Commissioner, Khairathabad	May 21, 2018
8.	Smt. Bharati Hollikeri, IAS	Additional Commissioner, Housing, Nala Enchorment& SRDP	January 03, 2018
9.	Sri D. Jaya Raj Kennedy	Additional Commissioner (Finance, IT & Elections)	July 01, 2017
10.	Sri Adwait Kumar Singh, IAS	Additional Commissioner (Sports, Legal and Health (NUHM))	December 7, 2016
11.	Ms. SiktaPatnaik, IAS	Additional Commissioner (NUHM, Supervision of UBD Works, Entomology	04-01-2018
12.	Ms.Shruthiojha	Additional Commissioner (SWM-HIMWS & Sanitation)	05-01-2018
13.	Sri. V. Bhaskara Chary	Additional Commissioner (Urban Community Development)	December 17, 2015
14.	Sri Md. Musharraf Ali Faruqui, IAS	Additional Commissioner Information Technology (IT),Waste to Energy, SDP-CPP (Special Project Director - Charminar Pedestrian Project)	January 5, 2018
15.	Sri J Shankaraiah	Additional Commissioner, Administration	July 1, 2017
16.	Smt Harichandana Dasari, IAS	Additional Commissioner, CSR	July 1, 2018
17.	Sri V. Krishna	Additional Commissioner	August 24, 2017
18.	Sri N. Ravi Kiran	Additional Commissioner Veterinary, C&D (Construction & Demolition waste)	February 17, 2014

Lawrence
H.W. MAYOR,
G.H.M.C. HYDERABAD,

Commissioner,
Greater Hyderabad Municipal Corporation

Sr. No.	Particulars	Designation	Date of appointment
19.	Sri G. Ramesh	Additional Commissioner, Estate	November 30, 2016
20.	Sri K Suresh Kumar	Additional Commissioner, Electrical	March 30, 2012
21.	Sri Mohan Reedy	Dy. Commissioner, Chandrayangutta Cir-08	June 09, 2017.
22.	Sri Ashok Samrat	Dy. Commissioner, Charminar Cir-09	July 5, 2013
23.	Sri. B Suman Rao	Dy. Commissioner, Falaknuma Cir-10	July 19, 2017
24.	Sri V Vijaya Bhasker Kumar	Dy. Commissioner, Malakpet Cir-06	June 09, 2017.
25.	Smt. A Vijay Laxmi	Dy. Commissioner, Rajendranagar Cir-11	2012,
26.	Sri P. Ravinder Kumar	Dy. Commissioner, Sontoshnagar Cir-07	June 9, 2017.
27.	Sri. D. Balaiah	Dy. Commissioner, Amberpet Cir-16	December 14, 2017
28.	Sri. Seva Eslavath	Dy. Commissioner, Goshamahal Cir-14	June 9, 2017.
29.	Smt. B. Geetha Radhika	Dy. Commissioner, Jubilee Hills Cir-18	June 28, 2018
30.	Sri D Pradeep Kumar	Dy. Commissioner, Karwan Cir-13	June 9, 2017.
31.	Sri J Srinivas Rao	Dy. Commissioner, Khairthabad Cir-17	Dec, 2010
32.	Sri Tipparthi Yadaiah	Dy. Commissioner, Mehdiapatnam Cir-12	Nov-17
33.	Sri B. Krishna Shekar	Dy. Commissioner, Mushheerabad Cir-15	June 9, 2017
34.	Sri. A Ramesh	Dy. Commissioner, Yousufguda Cir-19	June 9, 2017
35.	Sri Mukund Reddy	Dy. Commissioner, Hayathnagar Cir-03	June 9, 2016
36.	Sri. N. Yadagiri Rao	Dy. Commissioner, Kapra & Uppal Cir-01&02	June 9, 2016
37.	Sri K.J Vijay Krishna	Dy. Commissioner, LB Nagar Cir-04	June 9, 2017.
38.	Sri. H. Krishnaiah	Dy. Commissioner, Saroornagar Cir-05	June 9, 2017.
39.	Smt. V. Mamatha	Dy. Commissioner, Serilingampally Cir-20	June 9, 2017.
40.	Sri. T. Dasharath	Dy. Commissioner, Moosapet Cir-23	June 9, 2017.
41.	Smt K Alivelu Mangathayaru	Dy. Commissioner, Kukatpally Cir-24	August 31, 2017
42.	Sri Venkanna	Dy. Commissioner, Chandanagar Cir-21	June 9, 2017.
43.	Sri M. Vijay Kumar	Dy. Commissioner, Galularamaram Cir-26	June 9, 2017.
44.	Sri. K. Ravi Kumar	Dy. Commissioner, Secunderabad Cir-29	June 9, 2017.
45.	Sri. Sudhamsh	Dy. Commissioner, Qutubullapur Cir-25	June 10, 2017
46.	Smt Nalini Padmavathi	Dy. Commissioner, Alwal Cir-27	June 9, 2017.
47.	Sri K Venugopal	Dy. Commissioner, Malkajgiri Cir-28	June 9, 2017.
48.	Smt. A. Shailaja	Dy. Commissioner, Begumpet Cir-30	June 9, 2017.
49.	Sri. K. Bhoja Raju	Dy. Commissioner, RC Puram & Patancheru Cir-22	June 9, 2017.

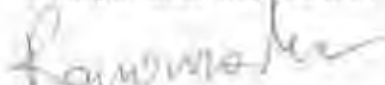
4. Details of any Reorganization or Reconstruction in the last 1 year

Issuer has not undergone any reorganization or reconstruction in last one year.

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

Standing Committee

Standing Committee comprises of members chosen by Corporation amongst themselves. Standing Committee shall comprise of a minimum of 5 and a maximum of 15 members. The Mayor or in his absence, the Deputy Mayor of the Corporation shall be the ex-Officio Chairperson of the Standing Committee. The Standing Committee looks into finances and other activities of the Corporation 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 the Corporation, reviewing annual administration and revenue reports, recommendation of budget grants, recommending increase or decrease in municipal taxes, water courses to be vested in Corporation. Various other functions are also


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R.H.M.C. HYDERABAD

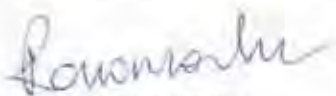
subject to approval of the Standing Committee. The Standing Committee has to prepare and approve budget estimate of the income expenditure of the Corporation.

Presently the constitution of the Standing committee is as follows:

Name and Designation	Date of Appointment / Resignation	Member of the Committee since (in case of resignation)	Remarks
Sri Bonthu Rammohan, HW Mayor & Chairperson, GHMC	June 14, 2018	-	
Sri Abdul Wahab, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri A Krishna, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Golluri Anjaiah, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Jagdeeshwara Goud, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Thumu Shravan Kumar, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Nasreen Sultana, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Mudagouni Laxmi Prasanna, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Mohd. Mazid Hussain, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Mohammed Mubeen, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Mohd. Murtuza Ali, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Mohd. Rasheed Farazuddin, Member, Standing Committee, GHMC	June 14, 2018	-	
Ms. N. Sheshu Kumari, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri Srinivas Reddy, Member, Standing Committee, GHMC	June 14, 2018	-	
Sri A Saraswathi, Member, Standing Committee, GHMC	June 14, 2018	-	
MS. Swarna Latha Singireddy, Member, Standing Committee, GHMC	June 14, 2018	-	

6. Details of the Auditor

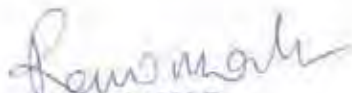
Name	Address	Auditor Since
State Audit Department	Directorate of State Audit, 6th floor, Insurance Bld, Abids, Hyderabad, Telangana Ph: +91 40 2475 4877 Email: director_sa@telangana.gov.in	State Audit Department has been designated as auditor of the Issuer under GHMC Act.


H.W. MAYOR,
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Chairman,
Greater Hyderabad Municipal Corporation

7. Details of Trustee

Name	Address	Contact person
SBICAP Trustee Company Limited	Apeejay House, 6th floor, 3, West Wing, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel: +91-22-4302 5555 Facsimile: +91-22-2204 0456 E-mail: corporate@sbicaptrustee.com Website: www.sbicaptrustee.com	Mr. Ajit Joshi (Company Secretary and Compliance Officer)


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Greater Hyderabad Municipal Corporation

BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND THE PROJECT

I. Overview of the Issuer

About Hyderabad

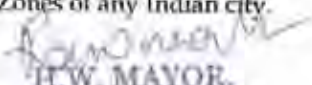
Hyderabad is the capital of the southern Indian state of Telangana and also short term capital of Andhra Pradesh. Occupying 650 square kilometers along the banks of the Musi River, it has a population of about 6.7 million and a metropolitan population of about 7.75 million, making it the fourth most populous city and sixth most populous urban agglomeration in India. At an average altitude of 542 meters, much of Hyderabad is situated on a hilly terrain around artificial lakes, including Hussain Sagar—predating the city's founding—north of the city Centre.

Established in 1591 by Muhammad Quli Qutb Shah, Hyderabad remained under the rule of the Qutb Shahi dynasty for nearly a century before the Mughals captured the region. In 1724, Mughal viceroy Asif Jah I declared his sovereignty and created his own dynasty, known as the Nizams of Hyderabad. From the Nizam's dominion Hyderabad became a princely state during the British Raj, and remained so for 150 years, with the city serving as its capital. The city continued as the capital of Hyderabad State after it was brought into the Indian Union in 1948, and became the capital of Andhra Pradesh after the States Reorganization Act, 1956. Since 1956, Rashtrapati Nilayam in the city has been the winter office of the President of India. In 2014, the newly formed state of Telangana split from Andhra Pradesh and the city became the joint capital of the two states, a transitional arrangement scheduled to end by 2025.

Relics of Qutb Shahi and Nizam rule remain visible till today; the Charminar—commissioned by Muhammad Quli Qutb Shah—has come to symbolize Hyderabad. Golconda fort is another major landmark. The influence of Mughlai culture is also evident in the region's distinctive cuisine, which includes Hyderabadi biryani and Hyderabadi haleem. The Qutb Shahis and Nizams established Hyderabad as a cultural hub, attracting men of letters from different parts of the world. Hyderabad emerged as the foremost center of culture in India with the decline of the Mughal Empire in the mid-19th century, with artists migrating to the city from the rest of the Indian subcontinent. The Telugu film industry based in the city is the country's second-largest producer of motion pictures.

Hyderabad was historically known as a pearl and diamond trading center, and it continues to be known as the "City of Pearls". Many of the city's traditional bazaars remain open, including Laad Bazaar, Begum Bazaar and Sultan Bazaar. Industrialization throughout the 20th century attracted major Indian manufacturing, research and financial institutions, including Bharat Heavy Electricals Limited, the National Geophysical Research Institute and the Centre for Cellular and Molecular Biology. Special Economic Zones dedicated to Information Technology (IT) have encouraged companies from India & around the world to set up operations in Hyderabad. The emergence of pharmaceutical & biotechnology industries in the 1990s led to the area's naming as India's "Genome Valley". With an output of US\$74 billion, Hyderabad is the fifth-largest contributor to India's overall gross domestic product.

Hyderabad is also global hub for IT and ITES firms and companies like Microsoft, Apple, Amazon, Google, IBM, Yahoo, Oracle Corporation, Dell, Facebook, CISCO and major Indian firms including Tech Mahindra, Infosys, Tata Consultancy Services, Polaris, Cyient and Wipro have offices here. In 2009 the Doing Business Project, World Bank Group, ranked the city as number 1 in enforcing contracts and resolving insolvency and overall the second best Indian city for doing business. The city and its suburbs contain the highest number of Special Economic Zones of any Indian city.


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Commissioner,
Greater Hyderabad Municipal Corporation

History of GHMC

In the year 1869, the Kotwal-e-Baldia, the City Police Commissioner, began to look after the Municipal Administration of the city at that time. In 1869, Sir Salar Jung-I, the then Nizam, constituted the department of municipal and road maintenance and a municipal commissioner was appointed for Hyderabad board and Chaderghat board. In the year 1933, the two boards were amalgamated into a corporation and were given statutory status under the Hyderabad Municipal Act. In the year 1934, first elections were held for Municipal Corporation, and a standing committee was appointed. In the year 1937, Banjara Hills and Jubilee Hills merged into Jubilee Hills Municipality. In the year 1942, corporation status was removed. In the year 1945, Secunderabad municipality was formed.

In 1950 two separate corporations were created under the Hyderabad Corporation Act, 1950 i.e. one for the city of Hyderabad and another for the city of Secunderabad. In 1960, the two Corporations again merged into a single Corporation by the Hyderabad Municipal Corporation Act, 1955. In April 2007, Hyderabad Municipal Corporation was converted into Greater Hyderabad Municipal Corporation by virtue of notification dated April 16, 2007 issued by the Government of Andhra Pradesh.

Today, GHMC is the largest Corporation in the State of Telangana. Presently, the GHMC area is divided into 6 Zones (L. B. Nagar, Charminar, Khairathabad, Seri Lingampally, Kukatpally, Secunderabad) and 30 Circles.

Constitution of Corporation

GHMC has been constituted under Section 3 of the GHMC Act and in accordance with Section 4 of the GHMC Act, following municipal authorities have been entrusted with the functions of carrying the functions of the Corporation are:-

- (a) a Corporation;
- (b) a Standing Committee;
- (c) a Commissioner;
- (d) the Wards Committee;

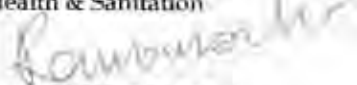
Corporation is a general body of all elected members.

Functions of the Corporation

The GHMC Act has entrusted GHMC with the responsibility for the maintenance, operation and development of certain public utilities in the city. Various services being provided are as follows:

Services provided by GHMC

- Town Planning
- Disaster Management
- Grievance Redressal
- Urban Community Development
- Property Tax
- Vacant Land Tax
- Trade License
- Health & Sanitation

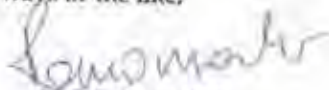

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- > Advertisements
- > Parks & Urban Biodiversity
- > Sports & Playgrounds
- > Engineering Works
- > Election
- > Traffic & Transportation etc.

However, this is not an exhaustive list, the Corporation has to provide functions as mentioned in Section 112 of GHMC Act as enumerated below:

- (1) Erection of boundary marks of such description and in such positions as shall be approved by the Government defining the limits or any alteration in the limits of the City;
- (2) Watering, scavenging and cleaning of all public streets and places in the City and the removal of all sweepings therefrom;
- (3) Collection, removal, treatment and disposal of sewage, offensive matter and rubbish and the preparation of compost manure therefrom;
- (4) Construction of drains and drainage works;
- (5) Maintenance and cleansing of drains and drainage works, and the construction, maintenance and cleaning of public latrines, water-closets, urinals and similar conveniences.
- (6) Lighting of public buildings vested in the Corporation, public streets and municipal markets;
- (7) Maintenance of a municipal office and of all public monuments and open spaces and other property vesting in the Corporation;
- (8) Naming or numbering of streets and of public places in the Corporation and the numbering of premises;
- (9) Regulation of offensive and dangerous trades or practices;
- (10) Maintaining, charging and regulating places for the disposal of the dead and the provision of new places for the said purpose and disposing of unclaimed dead bodies;
- (11) Construction or acquisition and maintenance of public markets and slaughter houses and the regulation of all markets and slaughter houses;
- (12) Construction or acquisition and maintenance of cattle pounds;
- (13) Public vaccination in accordance with the provisions of the Andhra Pradesh (Telangana Area) Vaccination Act, 1951;
- (14) Reclamation of unhealthy localities, the removal of noxious vegetation and generally the abatement of all nuisances;
- (15) Registration of births and deaths;
- (16) Construction, maintenance, alteration and improvement of streets, bridges, sub-ways, culverts, cause ways or the like;


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C.M.C., HYDERABAD.

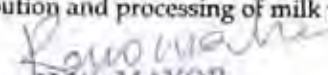

Commissioner,
Greater Hyderabad Municipal Corporation

- (17) Removal of obstructions and projections in or upon streets, bridges and other public places;
- (19) Preventing the spread of infectious diseases;
- (20) Securing or removal of dangerous buildings and places;
- (21) Improvement of the City;
- (22) Provision of public parks, gardens, playgrounds and recreation grounds;
- (23) Fulfilling any obligation imposed by or under GHMC Act or any other law for the time being in force;
- (24) Subject to abovementioned 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.
- (25) Planning economic and social development;
- (26) Providing for urban forestry, protection of the environment and promotion of ecological aspects;
- (27) Safeguarding the interests of weaker sections of society including the disabled and mentally retarded;
- (28) Promoting cultural, educational and aesthetic aspects;
- (29) Slum improvement and upgradation; and
- (30) Urban poverty alleviation.

Discretionary functions of Corporation

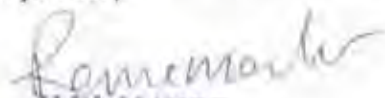
Section 115 of the GHMC Act, also provides for functions which may be provided by the Corporation wholly or partly. These discretionary functions of the Corporation are as mentioned below:

- (1) Organization, maintenance or management of institutions within or outside the city for the care of persons who are infirm, sick or incurable, or for the care and training of blind, deaf, mute or otherwise disabled persons or of handicapped children;
- (2) Organization, maintenance or management of maternity and infant welfare centers;
- (3) Providing milk to expectant or nursing mothers or infants or school children;
- (4) Organization, maintenance or management of chemical or bacteriological laboratories for the examination or analysis of water, food or drugs, for the detection of disease or for researches connected with public health;
- (5) Providing swimming pools, public wash-houses, bathing places and other institutions designed for improvement of public health;
- (6) Making necessary arrangements for dairies or farms within or outside the city for the supply, distribution and processing of milk products for the benefit of the residents of the city;


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G.M.C., HYDERABAD.


Commissioner,
Greater Hyderabad Municipal Corporation

- (7) Construction and maintenance of drinking fountains for human beings and water troughs for animals;
- (8) Planting and maintenance of trees on road sides and elsewhere;
- (9) Providing of entertainments in public places or places of public resort;
- (10) Organizing exhibitions, athletics or games;
- (11) Regulating lodging houses, camping grounds and rest-houses in the city;
- (12) Maintenance of ambulance services;
- (13) Construction, establishing and maintaining theatres, places of entertainment, rest-houses and other public buildings;
- (14) Organization or maintenance of shops or stalls for the sale of life necessities in times of scarcity;
- (15) Building, purchasing and maintenance of dwellings for municipal officers and servants;
- (16) Granting loans to the municipal officers and servants for purposes of constructing houses and for purchasing of house sites and vehicles on such terms and subject to such conditions as may be prescribed;
- (17) Organizing, maintaining or managing transport facilities for the conveyance of the public or goods;
- (18) Furthering educational objects and the making of grants to educational institutions;
- (19) Establishing and maintaining or the aiding of libraries, museums and art galleries, botanical or zoological collections and the purchase or construction of buildings therefor;
- (20) Destructing of vermin, birds or animals causing a danger or nuisance, and the confinement or destruction of stray dogs;
- (21) Making contributions towards any public fund raised for the relief of human suffering outside the city;
- (22) Granting rewards for information which may tend to secure the current registration of vital statistics.
- (23) Acquiring and maintaining grazing grounds and the establishing and maintaining a stud farm;
- (24) Establishing and maintaining a farm or factory for the disposal of sewage;
- (25) Supplying, constructing and maintaining in accordance with the general system approved by the Corporation, receptacles, fittings, pipes and other appliances whatsoever on or for the use of premises for receiving and conducting the sewage thereof into drains under the control of the Corporation;


H.W. MAYOR,
G.H.M.C., HYDERABAD.

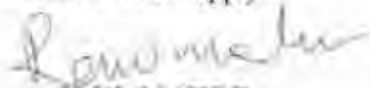

Corporation of Hyderabad
General Manager, Municipal Corporation

- (26) Granting rewards for information regarding the infringement of any provisions of GHMC Act, or of the rules, bye-laws, regulations or standing orders made thereunder;
- (27) Laying out new streets and acquiring land for that purpose or required for the construction of buildings or curtilages thereof to/ about/ on such street or streets;
- (28) Building, purchasing and maintaining suitable dwellings for the poor and working classes;
- (29) Providing shelter to destitute or homeless persons and any form of poor relief;
- (30) Building or purchase and maintenance of sanitary stables, or byres for horses, ponies, cattle used in hackney carriages carts or for milch-kine;
- (31) Surveying of buildings or lands;
- (32) Taking measures to meet any calamity affecting the public in the city;
- (33) Contributing towards any public ceremony or entertainment in the city;
- (34) Constructing, purchasing, organizing, maintaining, extending and managing tramways, trackless trams, mechanically propelled transport facilities for the conveyance of the public;
- (35) Purchasing, maintaining, managing undertaking for the supply of electric energy or gas to the public or the subsidizing of any such undertaking;
- (36) Acquiring immovable or movable property for any of the purposes before mentioned including payment of the cost of investigation, surveys or examinations in relation thereto or the construction or adaptation of buildings necessary for such purposes;
- (37) Preparation and presentation of address to persons of distinction;
- (38) Maintaining, aiding and suitably accommodating schools for primary education, subject always to the grant of building grants by the Government.
- (39) Taking of any measure to promote public safety, health, convenience or instruction.
- (40) Providing parking places, public landing places, halting places, for vehicles of any description including motor vehicles and levying fees for their use.

Strengths of GHMC

GHMC is known for and is characterized by several comprehensive strengths including but not limited to the following:

- It is the largest corporation of the largest city of the State
- It has an excellent connectivity with all leading metro cities
- It has an established and wide presence of Multinationals
- It is a major hub of information technology & allied services
- It has had reliable and consistent financial performance
- It has an upgraded telecom facility
- It has a healthy industrial climate
- There is a healthy availability of technical manpower
- It has a reliable water supply


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GJMLC, HYDERABAD

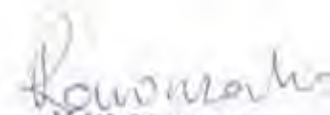

Commissioner
Greater Hyderabad Municipal Corporation

- There are no major Law & Order issues
- It is a known academic and cultural center

Awards

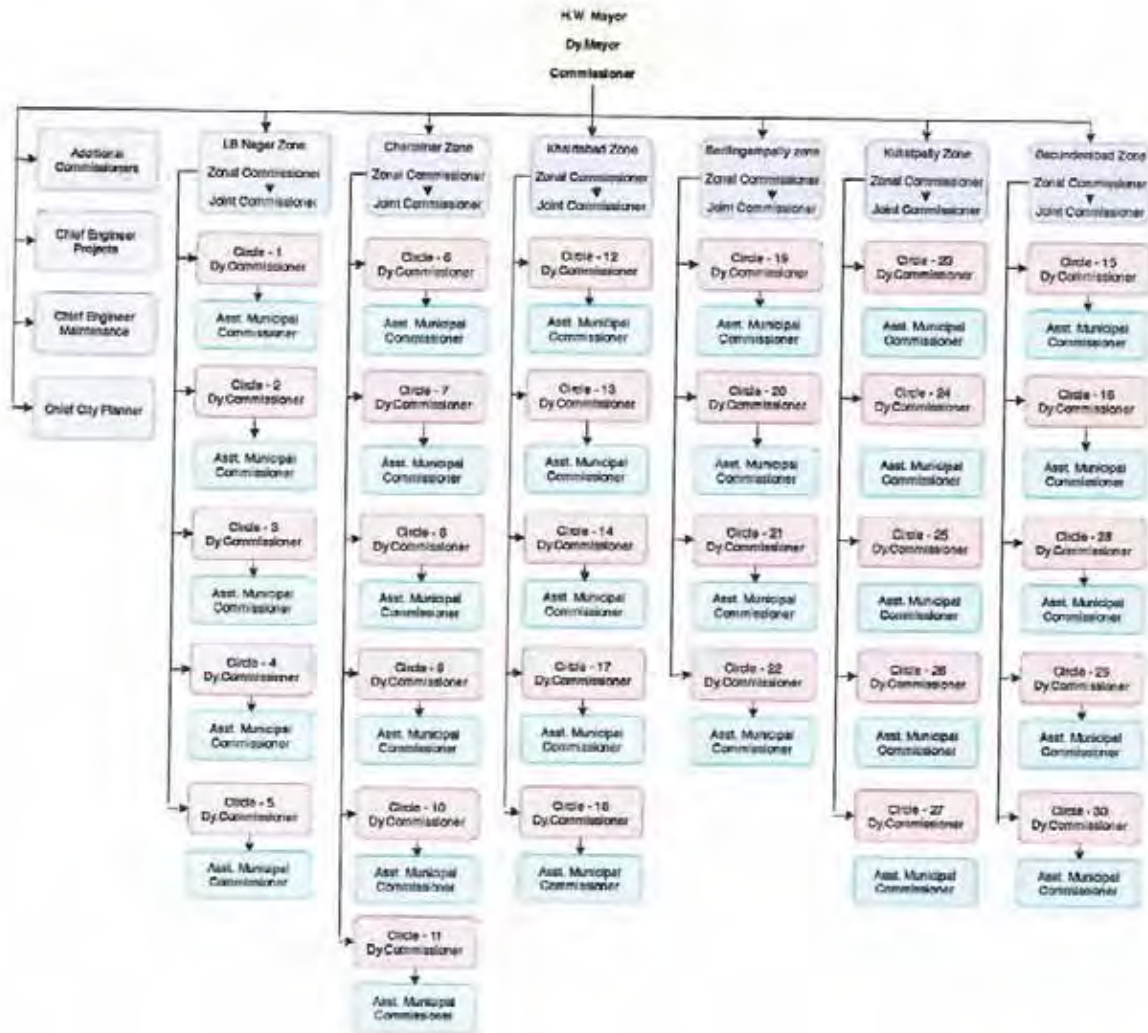
GHMC has been the recipient of several prestigious awards for its achievements and continued work. Some of which are enlisted below;

- Award for best practice projects in urban transportation under the 'Best Intelligent Transport System Project' category;
- 49 Skoch summit award for increased collection in trade license fee;
- 45 Skoch summit award for increased collection in trade license fee;
- Waste Management Excellence Award from Government of India;
- Best award for civic management of a tourist destination in India;
- winner of the 'Janaagraha G2C' for best services to citizens through online among all civic bodies in the country;
- 'mBillionth Award' for South Asia under the 'm-Governance' category;
- "Best City" for its improvement in Solid Waste Management under the Jawaharlal Nehru National Urban Renewal Mission for 2009-10;
- e- Gov Champion award 2007.


H.W. MAYOR,
G.H.M.C., HYDERABAD


G.H.M.C., HYDERABAD

MANAGEMENT STRUCTURE



H.W. Mayor
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner
Commissioner,
Greater Hyderabad Municipal Corporation

DEPARTMENT ISSUING THE BONDS

COMMISSIONER

**ADDITIONAL COMMISSIONER
(FINANCE)**

CHIEF FINANCIAL ADVISOR

**ACCOUNTS OFFICER AND
FINANCIAL ADVISORS-7**

6 ZONES AND HEAD OFFICE

DETAILS OF ALL THE PROJECTS UNDERTAKEN

1. STORM WATER DRAINS

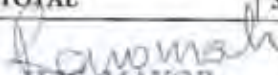
For the past few years, Hyderabad has seen heavy flooding and inundation of low lying areas during monsoon season due to incessant and heavy rains. As a result there was loss of human lives and property. Due to insufficient carriage capacity of existing solid waste management ("SWD") network, the storm water has over flown onto the roads and the road network also got damaged. In view of the above, it was proposed to remodel/ widen the existing SWD network. Presently, as a part of improvement, 46 bottleneck stretches are identified on various Nalas and taken up with an amount of Rs.230.00 Crores. Further 14 major stagnation points which newly came up during recent rains are also taken up with a cost of Rs. 60.23 crores. Apart from these works, another 24 works were taken up with an amount of Rs.102.56 Crores. All these works are at various stages.

Means of financing

The total amount of Rs.392.79 Crores required for all the above works will be met from GHMC funds.

Below table provides an indicative status of the project:

Sl. No	Description	Completed/ Closed	Progress	Agreement Stage	Tender Stage	Estimate Stage	Administrative Sanction Stage
		No	No	No	No	No	No
1	46 SWD Bottleneck Stretches	-	10	18	18	-	-
2	14 Major Water Stagnation	-	4	4	3	1	2
3	24 Other Nala Works	3	10	1	7	2	1
	TOTAL	3	24	23	28	3	3


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(General Administration)

2. 2BHK Housing Scheme in GHMC:

The Government of Telangana has initiated a flagship program of "2BHK Housing Scheme" for providing Two Bed Room Houses, free of cost, to shelter less poor people living Below the Poverty Line (BPL) and in abysmal conditions.

As per "Samagra Kutumba Survey" it was ascertained that there is a requirement of about 4.57 Lakhs houses in GHMC area. Therefore, to meet the requirement of housing, the State Government fixed a target to construct 1,00,000 (One Lakh) dwelling units (DUs) in first phase, by dovetailing with PMAY-HFA (Urban) Scheme of GOI, for the beneficiaries of GHMC area.

The GHMC is the implementing agency of this prestigious flagship program for providing dignity housing to the beneficiaries of GHMC. These Housing projects are being taken up existing In-situ slums & in Government vacant lands. Each house of this program consists of 2 Bed rooms, a Hall, a Kitchen and 2 toilets (WC cum bath) with a total built up area of 560 Sq. ft.

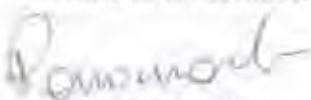
Based on the availability of sites, the houses are being taken up in patterns of Cellar + Stilt + 9 floors (C+S+9), Stilt +5 floors (S+5), G+3 floors. The total cost per unit including infrastructure cost is Rs.8.65 Lakhs, Rs.8.50 Lakhs & Rs.7.75 Lakhs respectively. Lift facility is proposed for C+S+9 and S+5 patterns. The Civic infrastructure works include laying of CC Roads, storm water drains, underground drainage system, protected water supply arrangements and electrification works. Similarly, the Socio infrastructure works include community centers, Health centers, schools, bus stands, parks, play grounds, Tot-lots etc. Spaces have been earmarked for them and these will be taken up under respective Government programs.

The Govt. in Municipal Administration & Urban Development Department, have accorded administrative sanction duly dovetailing with Pradhan Mantri Awas Yojana (Urban) (PMAY-HFA (Urban)) for taking up total 1,00,000 houses by GHMC in Hyderabad, Ranga Reddy, Medchal & Sanga Reddy Districts with a total project outlay of Rs. 8,598.58 Crores.

The details of pattern of works taken up and cost sharing pattern are as below:

S. No.	Government Order detail	Number of houses sanctioned	Subsidy by Government		GHMC Share		Total (Rs. in crores)
1	G.O. Rt No, 586 dated August 26, 2016 (Phase-I)	5050	353.50	37.88	37.48	-	428.85
2	G.O. Rt No. 764 dated November 1, 2016 (Phase-II)	15519	1086.33	116.39	96.23	-	1298.95
3	G.O. Rt No, 212 dated April 6, 2017 (Blanket Administrative sanction)	69535	4867.45	521.5	625.81	-	6014.78
4	G.O. Rt No, 581 dated September 21, 2017 (Blanket Administrative sanction)	9,896	781.78	-	-	74.22	856.00
Total		1,00,000	7764.83		833.74		8598.58

It is proposed to complete the construction of these 1,00,000 DUs in a phased manner from March, 2018 to December, 2018.


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Indicative status of work is as below:

Tenders finalized	Number of location	Number of houses
In -situ	41	10269
Vacant	68	89731
Work in progress		
In situ slums	29	8186
Vacant lands	59	83465
Stage of works		
Excavation for foundation	37	50041
Foundation wok	27	27532
Frame work level	22	13470
Brick work level	1	432
Finishing level	1	176
Work to be started		
In -situ	8	1279
Vacant	6	4372

DETAILS OF THE PROJECTS FOR WHICH FUNDS ARE BEING RAISED

Strategic Road Development Plan: Hyderabad is a growing city and faces traffic congestion due to inadequate road capacity, closely spaced intersections, frontage access for the road side developments, on street parking, lack of pedestrian facilities. The Strategic Road Development Program ("SRDP" or "SRDP Project" or "Project") is part of a larger plan of GHMC where in it is proposed to provide skyways, conflict free corridors and improving journey speeds without traffic jams. The Strategic Road Development Plan comprises of five phases. However presently, only 12 works, have been identified, wherein land acquisition is comparably easy, to be taken up to be financed by proceeds of the Bonds. Objectives of SRDP are as follows:

- **National Level Objective:** Construction and improvement of traffic & transport infrastructure to reduce traffic jams and make the corridors as far as possible conflict free by providing world class transport facilities.
- **City Level Objective:** to provide world class transportation facilities including skyways, conflict free corridors and improving journey speeds without traffic jams.

Project Brief: On the basis of critical evaluation of the present levels of traffic loads and the congestion being experienced in Hyderabad, SRDP is identified to provide relief to the traffic problem. Closely spaced traffic junctions are the major cause of delay in journeys, for providing continuous traffic movement, SRDP, a conflict free road network is planned with an objective to:

- minimize the travel time increase the average journey speeds
- reduce the air pollution levels by minimizing the fuel consumption and decrease the stopped delay

Existing Transport Scenario

On an average 1.2 trips (including walking trips) are made per person in a day in and around Hyderabad. This means everyday there are about one crore trips made by the residents of Hyderabad for various purposes like work, shopping, education, health, recreation etc. The study conducted by LEA Associates indicated that about 36 percent of these trips are made by city buses and Multi-Modal Transport System, about 8 percent are made by cars, about 40 percent are made by two wheelers, about 12 percent are made by auto rickshaw and about 4 percent are made by taxis. All these trips are made on the road network of Hyderabad city.

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Estimated cost and Funding Pattern:

In the initial stage, 12 works which involve minimum acquisition of properties are proposed with an amount of Rs.3518.64 crores. The works will be funded through internal accruals of GHMC.

Current Status of Progress:

S. No.	Description	No. of Works	Cost (Rs. in Crores)
(1)	Progress	7	2325.64
(2)	Tender Stage	1	225.00
(3)	Administrative Sanction Stage	4	968.00
TOTAL		12	3518.64

Approach of the Project:

Initially the important Corridors / Junctions which involve minimum acquisition of properties are proposed to be taken up. Subsequently, all the works will be taken up and completed.

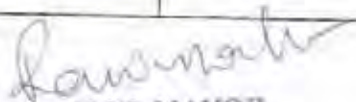
An investment plan for the Project components indicating phasing as well as financing approved by the local authority or the agency as the case may be:

A summary of capital cost and sources and contribution of funds for the proposed Project are presented in the Table below:

S. No.	Project Component	Rs. in Crores
1)	Structural Cost	2255.94
2)	At-Grade Development of Roads	184.30
3)	Land Acquisition	220.94
4)	Shifting of Utilities	196.16
5)	Dismantling of Structures // Shifting of Trees	10.79
6)	Statutory Compliances/ Provisions	372.45
7)	PMC Charges	67.38
8)	Tender Premium/ Price Escalation	210.68
TOTAL		3518.64

Financing of the Project and Capital structure relating to Projects for which funds are proposed to be mobilized:

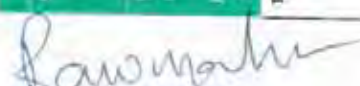
S. No.	Description	Total Amount (Rs. in Crores)
1)	Capital Expenditure	3518.64
2)	GHMC Contribution	1018.64
3)	Grants	--
4)	External Borrowing	2500
	4.1 Bonds	1000
	4.2 Loan	1500
Total Outflow		3518.64

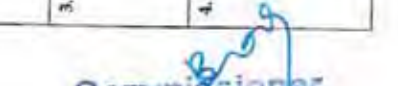

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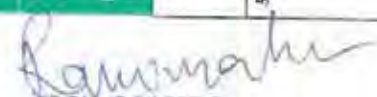
Schedule of implementation of the Project:

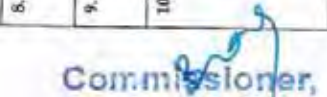
S. No	Name of the Work	Project Cost Rs. In Crores	Physical Progress achieved	Expenditure incurred (Rs. in Cr.)	Schedule of Implementation of the Project											
					2018-19				2019-20				2020-21			
					I Qtr	II Qtr	III Qtr	IV Qtr	I Qtr	II Qtr	III Qtr	IV Qtr	I Qtr	II Qtr	III Qtr	IV Qtr
Work order of Project					Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress
1.	Construction of Multilevel/ Grade separators at Four junctions at LB Nagar and surroundings in Hyderabad under Engineering procurement and construction (EPC) Turnkey	448.00	34.60%	155.00	11.16%	11.16%	11.16%	11.16%	9.60%	11.16%	11.16%	0%	0%	0%	0%	0%
2.	Construction of Multi level Flyover/Grade Separators at Four junctions Namely 1.Biodiversity Junction 2.Mind space Junction 3.Ayyappa Society 4.Rajiv Gandhi Statue Junction including widening and Strengthening of existing at grade road at Mind Space junction in Hyderabad under Engineering Procurement and Construction (EPC)- Turnkey(P-V)	379.00	49.90%	189.14	10.55%	10.55%	7.92%	13.16%	7.92%	7.92%	0%	0%	0%	0%	0%	0%
3.	Construction of Cable stayed Bridge across Durgam Cheruvu Lake at Madhapur in Hyderabad under(EPC) Turnkey basis-Phase-II	194.00	19.70%	36.25	27.17%	27.17%	0%	25.95%	0%	0%	0%	0%	0%	0%	0%	0%
4.	A. Construction of multilevel/grade separator at Owasai Hospital junction and Bhadar pura junction in Hyderabad under EPC (PKG-V)	63.00	0.10%	0.06	11.11%	14.19%	11.11%	11.11%	15.87%	15.87%	15.87%	15.87%	0%	0%	0%	0%


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S. No.	Name of the Work	Proposed Cost (Rs. In Crores)	Planned Progress (in %)	Expenditure incurred (Rs. in Cr.)	Percentage of Implementation of the Project											
					2018-19				2019-20				2020-21			
					1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr
Work order or Project name					Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress
	B. Construction of multi-level/grade separator at and beyond pura junction	69.00	0%	0.00	13.04%	14.49%	14.49%	14.49%	14.49%	14.49%	14.49%	14.49%	0%	0%	0%	0%
5.	A. Construction of Multi-level Flyovers around KBR Park including Peripheral Road -SRDP Package-	436.00	0.35%	1.52	0%	0%	9.28%	14.68%	14.68%	13.26%	14.49%	11.47%	11.47%	11.47%	11.47%	11.47%
	B. Construction of 4 lane Elevated corridor from Road No.45 Jubilee Hills to Durgam Cheruvu	150.00	3.37%	5.06	16%	16%	24.67%	21.96%	21.96%	0%	0%	0%	0%	0%	0%	0%
6.	Construction of 6 lane two way flyover crossing 7 Tombs in Shankarpet, Film Nagar road jn., O.U.Colony jn. and Whisper Valley Jn	333.55	1.61%	5.40	9.81%	9.81%	9.74%	9.74%	9.74%	9.74%	9.74%	7.50%	7.50%	7.50%	7.50%	7.50%
7.	Construction of Multi level flyovers/Grade Separators at Botanical Garden, Kotlaguda and Koradpur junctions	263.09	0%	0.00	7.60%	7.60%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.75%	8.38%	
8.	Construction of Grade Separator at Cyber Towers (Phase-I) under SRDP	225.00	0%	0.00	0%	0%	11.11%	11.11%	11.11%	11.11%	11.11%	11.11%	11.11%	11.11%	22.22%	
9.	Lb Nagar To Aramgarh Corridor-Extension of Chandrayangutta Flyover	37.00	0%	0.00	13.51%	13.51%	18.92%	18.92%	18.92%	21.62%	0%	0%	0%	0%	0%	0%
10.	Construction of 4-Lane Elevated corridor from Indira Park to VST main road junction crossing NTR stadium junction, Ashok Nagar Cross Road Junction, RTC Cross Road Junction and Baghlingampally	426.00	0%	0.00	2.35%	4.69%	9.39%	9.39%	9.39%	9.39%	11.74%	11.74%	11.74%	11.74%	15.49%	


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S&P Schedule of Implementation of the Project															
S. No	Name of the Work	Project Cost Rs. In Crores	Physical Progress (H/T %)	Expenditure incurred (Rs. In Cr.)	Funds Required (Rs. In Crore)										
					2018-19				2019-20						
					II Qtr	III Qtr	IV Qtr	I Qtr	II Qtr	III Qtr	IV Qtr	I Qtr	II Qtr	III Qtr	IV Qtr
Work under Project					Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress
	Junction, Phase I and Construction of 2nd level 3-lane bidirectional independent flyover from Ramnagar Road to Beghlingampally Road via VSI main Road Junction in Phase II														
11.	Construction of Flyovers at Redhibowli Junction, Nana Nagar & underpass at Nana Nagar Junction	175.00	0%	0.00	2.86%	2.86%	2.86%	14.29%	14.29%	14.29%	14.29%	11.43%	11.43%	11.43%	0%
12.	Construction of 6 lane two way flyover from Shilpa Layout to Cachibowli Junction	330.00	0%	0.00	3.03%	3.03%	3.03%	7.58%	7.58%	7.5%	7.58%	15.15%	15.15%	15.15%	15.15%
	Grand-Total(Amount in Crores)	3518.64		392.43											

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Capital grant for the proposed Project and the amount received in this regard:

Presently, there is no capital grant for the Project and the amount required for the Project is proposed to be met from GHMC funds and external borrowings as mentioned above.

However, GHMC has approached Government for grant, if the same is received capital structure of the project will change accordingly.

Details of State Finance Commission Grant on annual basis:

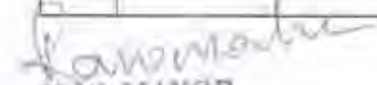
There is no State Finance Grant to be received for the Project on annual basis.

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

As mentioned in schedule of implementation of Project.

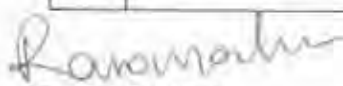
Details and status of the regulatory approval (if required):

No.	Name of works	Standing Committee Approval	Commissioner Approval	G.O. Details	Folder Approval
1	Construction of Multilevel/Grade separators at Four junctions at LB Nagar and surroundings in Hyderabad under Engineering procurement and construction (EPC) Turnkey	Resolution No:25 Dt: March 31, 2015	Resolution No:40 Dt: March 31, 2015	G.O.Ms.No.121 MA&UD (F2) Dept., Dt: September 08, 2015	G.O.Ms.No.16 MA&UD (F) Dept., Dt: January 06, 2016
2	Construction of Multi level Flyover/Grade Separators at Four Junctions Namely 1. Biodiversity Junction, 2. Mind space Junction, 3. Ayyappa Society, 4. Rajiv Gandhi Statue Junction including widening and Strengthening of existing at grade road at Mind Space Junction in Hyderabad under Engineering, Procurement and Constructions (EPC)- Turnkey (Package-IV)	Resolution No:25 Dt: March 31, 2015	Resolution No:40 Dt: March 31, 2015	G.O.Ms.No.121 MA&UD (F2) Dept., Dt: September 08, 2015	G.O.Ms.No.17 MA&UD (F) Dept., Dt: January 06, 2016
3	Construction of Cable stayed Bridge across Durgam Cheruvu Lake at Madhapur in Hyderabad under(EPC) Turnkey basis-Phase-II	Resolution No:117 Dt: October 28, 2015	Resolution No:73 Dt: November 04, 2015	G.O.Rt.No.243 MA&UD (F2) Dept., Dt: April 21, 2016	G.O.Rt.No.760 MA&UD (F2) Dept., Dt: October 28, 2016
4	Construction of multilevel/grade separator at Owaisi Hospital Junction and Bhadurpura Junction in Hyderabad under EPC (PKG-V)	Resolution No:25 Dt: March 31, 2015	Resolution No:40 Dt: March 31, 2015	G.O.Ms.No.121 MA&UD (F2) Dept., Dt: September 08, 2015	G.O.Ms.No.18 MA&UD (F) Dept., Dt: January 06, 2016
5	A.Multilevel flyovers around KBR Park including Peripheral Road -SRDP Package-I	Resolution No:25 Dt: March 31, 2015	Resolution No:40 Dt: March 31, 2015	G.O.Ms.No.121 MA&UD (F2) Dept., Dt: September 08, 2015	G.O.Ms.No.15 MA&UD (F) Dept., Dt: January 06, 2016


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No.	Material works	Standing Committee Approval	Corporation Approval	G.O. Number	Tender Approval
	Construction of 4 lane Elevated corridor from Road No.45 Jubilee Hills to Durgam Cheruvu	G.O.Rt.No.217 MA&UD (F2) Dept., Dt:10.04.2017. Duly utilizing the amount of savings in the sanctioned amount of Package-I which is sanctioned vide G.O.Ms.No.121, MA&UD Dept., Dt September 08, 2015			G.O.Rt.No.511 MA&UD (F2) Dept., Dt: August 24, 2017
6	Construction of 6 lane two way flyover crossing 7 Tombs in (Shaikpet), Film Nagar road Jn., O.U. Colony Jn. and Whisper Valley Junction	Resolution No:182 Dt: March 30, 2017	Resolution No:100 Dt: April 13, 2017	G.O.Rt.No.334 MA&UD (F2) Dept., Dt: June 06, 2017	G.O.Rt.No.710 MA&UD (F2) Dept., Dt: November 18, 2017
7	Construction of Multi level flyovers/Grade Separators at Botanical Garden, Kothaguda and Kondapur junctions	Resolution No:181 Dt: March 30, 2017	Resolution No:99 Dt: April 13, 2017	G.O.Rt.No.342 MA&UD (F2) Dept., Dt: June 17, 2017	G.O.Rt.No.666 MA&UD (F2) Dept., Dt: October 25, 2017
8	Construction of Grade Separator at Cyber Towers (Phase-I) under SRDP	Resolution No:25 Dt: March 31, 2015	Resolution No:40 Dt: March 31, 2015	G.O.Ms.No.121 MA&UD (F2) Dept., Dt: September 08, 2015	A letter has been addressed to Govt. for approval of tenders. Tender approval G.O is to be received from Govt. Further, a meeting was held on 11.09.2017 by the Chief Secretary to Govt., Telangana during which it was instructed by the Chief Secretary to get Cyber Towers scheme vetted through IIT professors. Accordingly site visit was done by IIT Hyderabad professor along with CE Projects, GHMC on November 04, 2017. The report will be received by the end of January 2018
9	LB Nagar To Aramgarh Corridor-Extension of Chandrayangutta Flyover	Resolution No:57 Dt: October 12, 2017	Resolution No:169 Dt: December 07, 2017	Sanction of the Govt. awaited.	To be obtained after Government approval.
10	Elevated Corridor form Indira Park to VST and Baghlingampally Jn	Resolution No:138 Dt: December 14, 2017	Resolution No:193 Dt: December 07, 2017	Sanction of the Govt.	To be obtained after Government approval.


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No.	Name of Project	Standing Committee Approval	Corporation Approval	U.O. Dated:	Final Approval
11	Nanal Nagar & Rethibowli Junction	Resolution No:136 Dt: December 14, 2017	Resolution No:191 Dt: December 07, 2017	awaited.	To be obtained after Government approval.
12	Shilpa Layout to Gachibowli	Resolution No:137 Dt: December 14, 2017	Resolution No:137 Dt: December 14, 2017	Sanction of the Govt.	To be obtained after Government approval.
Approval for Borrowing					
1.	The Corporation vide its resolution dated April 13, 2017 has been authorised to issue bonds up to Rs. 1000 crores.				
2.	The Standing Committee vide its resolution dated August 31, 2017 has also accorded its approval for raising the Bonds.				
3.	The Government of Telangana vide its order dated November 9, 2017 has also authorised Corporation to raise Bonds				

Financial viability of the Project showing the stage wise cost and revenue flows for the Project:

The Project is of a completely capital nature and there will be no revenue inflow.

Revenue generation/ resources and sufficiency for timely servicing and redemption:

The bonds issued under this Information Memorandum are proposed for servicing through a structured payment mechanism. Under the structured payment mechanism property tax and Fees & User charges collected by and due to GHMC will be deposited every month in a separate no-lien escrow account for debt serving of bonds. Please refer to Annexure I for detailed Structured Payment Mechanism.

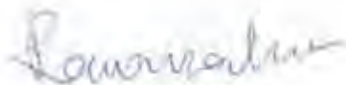
In order to ensure timely servicing and redemption, the GHMC shall establish three accounts solely for the purpose of servicing the debt. The Debt Service Reserve Account shall be established with a deposit such that at any point of time the DSRA holds an amount equivalent to 2 semi-annual interest payments. The Interest Payment Account shall be opened where GHMC shall deposit an amount mentioned in Schedule I towards interest every month. To ensure adequacy of funds for redemption of bonds, a Sinking Fund Account shall be opened where an amount mentioned in Schedule-I shall be deposited.

Details of the independent trustee of the escrow account:

Not applicable.

Latest Audit report of the escrow and Project account by a firm of chartered accountants appointed by the concerned State Urban Development Departments from a panel of CA's approved by the C& AG:

Not applicable.


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**KEY FINANCIAL AND OPERATIONAL PARAMETERS
ABRIDGED BALANCE SHEET**

Particulars	Financial Year		(Rs. in Crores)	
	2014-15	2015-16	2016-17	2017-18
LIABILITIES				
Reserve & Surplus				
Municipal (General) Fund	2,650.49	2,711.71	2,884.35	3,092.65
Earmarked Funds	157.44	157.44	157.44	157.44
Reserves	2,325.45	2,669.17	2,804.86	3,531.63
Total Reserves & Surplus	5,133.38	5,538.32	5,846.64	6,781.72
Grants, Contributions for specific purposes	1,440.25	1,410.33	1,780.54	2,022.58
Loans				
Secured Loans	-	-	-	-
Unsecured Loans	69.85	69.85	-	297.50
Total Loans**	1510.10	1480.18	1780.54	2320.08
Current Liabilities and Provisions				
Deposits Received	293.91	326.74	343.19	408.08
Deposit works	0.08	0.08	0.08	0.08
Other Liabilities (Sundry Creditors)	814.30	1,129.90	905.46	1,259.08
Provisions	29.22	29.22	29.22	29.22
Total Current Liabilities and Provisions	1,137.50	1,485.94	1,277.94	1,696.45
TOTAL LIABILITIES	7,780.99	8,504.45	8,905.13	10,798.25
ASSETS				
Fixed Assets				
Gross Block	6,984.04	8,101.07	8,713.90	9,150.29
Less: Accumulated Depreciation	2,405.88	2,716.38	3,042.32	3,354.73
Net Block	4,578.16	5,384.70	5,671.58	5,795.56
Capital Work-in-Progress	799.00	930.47	1,057.32	2,418.22
Total Fixed Assets	5,377.16	6,315.17	6,728.90	8,213.78
Investments				
Investment - General Fund	2.13	2.13	2.13	2.13
Investments - Other Funds	-	-	-	-
Total Investments	2.13	2.13	2.13	2.13
Current Assets, Loans and Advances				
Stock in Hand (Inventories)	1.72	-	-	-
Sundry Debtors (Receivables)				
Gross amount outstanding	261.65	310.33	2,030.00	2,354.42
Less: Accumulated provision against bad & doubtful Receivables	-	-	1,685.52	1,910.50
Net amount outstanding	261.65	310.33	344.48	443.92
Prepaid Expenses				
Cash and Bank Balances	1,816.15	1,471.94	1,370.38	1,505.27
Loans, advances and deposits	322.19	404.88	459.25	633.16
Less: Accumulated provision against Loans	-	-	-	-
Net Amount outstanding				
Total Current Assets, Loans & Advances	2,401.71	2,187.16	2,174.11	2,582.35
Other Assets	-	-	-	-
Miscellaneous Expenditure (to the extent not written off)	-	-	-	-
TOTAL ASSETS	7,780.99	8,504.45	8,905.13	10,798.25

* Provisional figures provided, subject to reconciliation and accounting of Commissions and misclassifications, if any.

** Total Loan includes grant amount also.

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INCOME & EXPENDITURE ACCOUNT

(Rs. in crores)

Major Head of Account Particulars	Financial Years			
	2014-15	2015-16	2016-17	2017-18*
Income				
Tax Revenue	1,077.97	1,129.33	1,311.06	1,392.66
Assigned Revenues & Compensation	447.38	461.77	172.56	273.54
Rental Income from Municipal Properties	6.92	8.57	8.47	8.85
Fees & User Charges	664.38	655.54	877.87	860.54
Sale & Hire Charges	0.50	1.70	0.92	3.55
Revenue Grants, Contributions & Subsidies	37.96	20.99	14.13	3.14
Income from Investments	-	-	0.11	-
Interest Earned	116.30	95.59	41.88	20.21
Other Income	2.28	8.24	12.62	7.90
Total - Income	2,353.69	2,381.72	2,439.63	2,570.38
Expenditure				
Establishment Expenses	821.13	1,096.42	1,090.35	1,167.37
Administrative Expenses	45.52	190.93	275.82	71.51
Operations & Maintenance	611.22	612.29	661.30	678.48
Interest & Finance Charges	0.02	0.03	1.05	7.07
Programme Expenses	15.16	22.95	13.90	14.72
Revenue Grants, Contributions & subsidies	-	87.39	-	0.35
Provisions & Write off	-	-	-	-
Miscellaneous Expenses	-	-	-	-
Depreciation	286.36	310.50	325.94	312.41
Total - Expenditure	1,779.40	2,320.50	2,368.36	2,251.93
Gross surplus/ (deficit) of income over expenditure before Prior Period Items	574.30	61.22	71.27	318.46
Add: Prior period Items (Net)	-	-	(101.37)	110.15
Gross surplus/ (deficit) of income over expenditure after Prior Period Items	574.30	61.22	172.64	208.30
Less: Transfer to Reserve Funds	-	-	-	-
Net balance being surplus/ deficit carried over to Municipal Fund	574.30	61.22	172.64	208.30

*Provisional figures provided, subject to reconciliation and accounting of Commissions and misclassifications if any.

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CASH FLOW STATEMENT

(Rs. in crores)

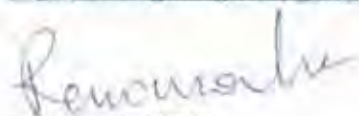
PARTICULARS	FINANCIAL YEARS			
	2016-15	2015-14	2014-13	2013-12
A. Cash flows from Operating Activities:				
Gross surplus/ (deficit) over expenditure	374.30	61.22	172.64	208.30
Add:				
Depreciation	286.36	310.50	325.94	312.41
Interest & finance expenses	0.02	0.03	1.05	7.07
Less:				
Interest Earned	116.30	95.59	41.88	20.21
Adjusted income over expenditure before effecting changes in current assets and current liabilities and extra-ordinary items.	744.37	276.15	457.74	507.58
Changes in current assets and current liabilities				
(Increase) / decrease in Sundry debtors	(61.47)	(48.68)	(34.15)	(99.44)
(Increase) / decrease in other current assets	(122.50)	(80.98)	(54.36)	(173.91)
(Decrease)/ increase in Deposits received	43.26	32.83	16.45	64.89
(Decrease)/ increase in other current liabilities	97.93	315.60	(224.44)	353.62
Net cash generated from/ (used in) operating activities (A)	701.59	494.93	161.24	652.74
B. Cash flows from Investing Activities				
(Purchase) of fixed assets & CWIP	(1,357.82)	(1,248.50)	(739.67)	(1,797.29)
Increase / (Decrease) in Special Funds/ Grants	242.58	(29.92)	370.21	242.04
Increase / (Decrease) in Reserves & Capital Contributions	566.15	343.72	135.69	726.77
Net cash generated from/ (used in) investing activities (B)	(549.08)	(934.70)	(233.77)	(828.49)
C. Cash flows from Financing Activities				
Add:				
Loans from banks/others received			(69.85)	297.50
Interest Earned	116.30	95.59	41.88	20.21
Less:				
Finance expenses	0.02	0.03	1.05	7.07
Net cash generated from (used in) financing activities (C)	116.29	95.56	(29.02)	310.64
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	268.80	(344.21)	(101.56)	134.89
Cash and cash equivalents at beginning of period	1,547.35	1,816.15	1,471.94	1,370.38
Cash and cash equivalents at end of period	1,816.15	1,471.94	1,370.38	1,505.27

* Provisional figures provided, subject to reconciliation and accounting of Commissions and misclassifications, if any.

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

The financial information regarding the Corporation can be obtained from following link:

<http://www.ghmc.gov.in/ghmc/budget.aspx>


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FINANCIAL PARAMETERS

(Rs. in crores)

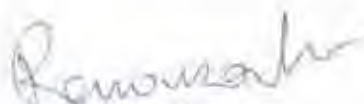
Key Financial Figures	FY 2015	FY 2016	FY 2017	FY 2018
Revenue Income	2,353.69	2,381.72	2,439.63	2,570.38
Revenue expenditure (Excl. Interest & Depreciation)	1,493.02	2,009.97	2,041.39	2,042.59
Operating revenue Surplus	860.68	371.74	398.24	527.79
Interest expense	0.02	0.03	1.05	7.07
Principal repayment (outside sinking Fund)	-	-	-	-
Contribution to Sinking fund	-	-	-	-
Revenue Surplus	860.66	371.71	498.57	520.72
Capital Income	808.74	313.80	505.90	968.80
Capital Expense	1,357.82	1,248.50	739.67	1,797.28
Capital Surplus	(549.08)	(934.70)	(233.77)	(828.48)
Overall Surplus	311.58	(562.99)	264.80	(307.76)
Deposits and Advances (net)	43.26	32.83	16.45	64.89
Initial Cash / Bank balance	1,547.35	1,816.15	1,471.94	1,370.38
Change in Cash/Bank balance	268.80	(344.21)	(69.43)	134.89
Final Cash/ Bank Balance	1,816.15	1,471.94	1,402.51	1,505.27
Loan repayment from sinking fund	-	-	-	-
Initial Sinking fund Balance	157.44	157.44	157.44	157.44
Change in sinking fund	-	-	-	-
Final sinking fund balance	157.44	157.44	157.44	157.44
Total Debt	69.85	69.85	-	297.50
Total Expenditure	2,850.85	3,258.51	2,680.73	3,846.95
Total Revenue	3,162.43	2,695.52	2,945.53	3,539.19
Ratio of Total Expenditure/ Total Revenue	90.15%	120.89%	91.01%	108.70%
Cash Surplus / Total Revenue	57.43%	54.61%	47.61%	42.53%
Ratio of Debt Service/ Total Revenue	2.21%	2.59%	0.00%	8.41%

Operational Parameters

Details of top 5 revenue sources for last years

(Rs. in crores)

Revenue Receipt type	Actual FY 2014-15	Actual FY 2015-16	Actual FY 2016-17	Provisional FY 2017-18
Tax Revenue	1,077.97	1,129.33	1,311.06	1,392.66
Fees & User Charges	664.38	655.54	877.87	860.54
Assigned Revenues & Compensation	447.38	461.77	172.56	273.54
Interest Earned	116.30	95.59	41.88	20.21
Revenue Grants, Contributions & Subsidies	37.96	20.99	14.13	3.14


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Details of property tax collection

(Rs. in crores)

Particulars	Demand Collected			Collection at all levels			Total % of Total	Total Collection	Demand Collection Ratio	% of Collection Ratio
	House	Commercial	Total	House	Commercial	Total				
Financial Year 2015	1,581.91	1104.26	2686.17	224.59	736.91	961.50	116.48	1077.98	35.79	66.73
Financial Year 2016	1618.34	1140.18	2758.52	154.75	844.29	999.04	130.29	1129.33	36.22	74.05
Financial Year 2017	1853.23	1311.06	3164.29	167.71	899.22	1066.93	154.73	1221.66	33.72	68.59
Financial Year 2018*	2144.28	1392.66	3536.94	233.78	853.78	1087.56	159.26	1246.82	30.75	61.31

*Provisional Figures

Note: Demand includes private properties, State Government properties, State/Central PSU's and Railways

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

GHMC 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 GHMC 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. GHMC also has official twitter handle to update citizens about various developments. Under e-governance, GHMC has developed various web and mobile applications like GHMC App. Details of the major e-governance initiative are provided below:

i) MyGHMC App

MyGHMC Mobile App targeted to ease out the problems which a citizen encounters, day in and day out promptly, promoting greater transparency and enabling ordinary citizens to access the quality, adequacy and effectiveness of basic services. The App was launched on 15.07.2016. As on date 2,70,174 citizens have downloaded the App. It is an integrated App where citizen can lodge their grievances, pay their property tax and trade license fees online, download birth and death certificates and know their layout regularization scheme (LRS)/building regularization scheme (BRS) Application Status.

Earlier citizens were required to lodge their grievance only manually or through website and there was no proper tracking of their grievance. After deployment of project, the contact details of both citizens and officers are shared with each other through SMS and real time reports are available. Citizens can download their birth and death certificates without visiting meeseva centres or circle offices. Citizens can directly reach the concerned officer to get their grievances solved. Grievance redressal efficiency of an individual officer can be monitored easily through the web based reports.

(ii) GHMC Corporate Social Responsibility(CSR) Portal

GHMC CSR portal was launched with the intention of tapping the CSR contributions of companies and foundations. Section 135 of the Companies Act, 2013 makes it mandatory for every company to spend at least two percent of their average net profits made during preceding three financial years on CSR activities. However many companies are put off by the need to make rounds to government offices and are most often confused about the processes to be followed. To simplify the process and to provide a single window online point of contact system the CSR portal was launched. GHMC was receiving sporadic requests for CSR investments/ philanthropic contributions randomly. There was no structured forum for investments and also projects to be invested in were not clearly charted out. Through the

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online portal, the companies can directly reach out to CSR website and can submit the details of their organization. The projects are made available on CSR website for easy information. The companies can submit the project in which they are interested and can contact the GHMC CSR cell for more details. They can monitor the progress of the project online through the portal. This is also a first of its kind initiative wherein companies can directly meet their commitment to the CSR rules of Govt without channeling their funds through an NGO. Within 6 months of launch of the portal Rs 62.04 crores were raised for various projects.

(iii) **e-OFFICE**

The GHMC was first ever civic body in the country to have implemented the e-Office in a comprehensive manner. The GHMC has become important contributor to the National e-Government Programme through eOffice. The eOffice has facilitated enhanced transparency, accountability, assured data security and data integrity, and above all provided a platform for reinventing and re-engineering the government. It brought in accountability and reduced indecisiveness. Status of documents / files can be checked over net by authorities concerned even when the concerned person holding them is on leave which used to be long pending in earlier times.

(iv) **Digitization of physical files/records in GHMC**

GHMC has digitized all old & new files in electronic mode from November, 2014 till date. Due to digitalization of all files, the GHMC has become the first ever Civic Body in the country to have implemented eOffice and become important contributor to the National e-Government Programme through Digitization. Post digitization of the files their disposal rate has increased. Digitization of all new and old physical files have also helped GHMC in implementing eOffice successfully.

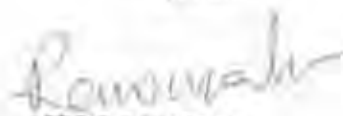
(v) **Development Permission Management System**

Development Permission Management System (DPMS) is a major Information and Communication Technology (ICT) initiative undertaken to re-engineer the process of providing development and layout permissions. This ICT initiative/solution integrates the critical processes such as electronic submission of applications, automated technical scrutiny, approval of applications/proposals online, online payments, intimations online and a comprehensive data information system. Now application can be submitted online and the proposal is uploaded. File number generated for accepted applications is notified through SMS/email (also updated on the website) file tracking. Payment can be made online. Citizen does not need to visit offices and citizen is informed in advance for physical inspection. The status of application can be checked online.

The system has brought a leap in transparency, the organizational turnaround time, productivity and quality ensuring hassle free IT enabled citizen centric service delivery. The DPMS system has also lead to good governance and ease of doing business.

(vi) **GPS/ RFID project for GHMC (Vehicle Tracking System)**

This project is aimed at keeping a real-time track of collection and management of municipal solid waste. The project is on pilot basis currently for 150 Vehicles and 1065 bins. Under the project, vehicles will be fitted with GPS/RFID, bin location will be mapped through GIS. GHMC will have the access to the GIS based tracking application and all the reports related to the vehicles tracking and waste collection management. Through the web application the GHMC will be able to monitor all the vehicles and bins on the map with their current location on real time basis. This is proposed to increase the effectiveness of solid waste management system.


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(vii) **Aadhar based Biometric Attendance System**

GHMC has implemented Aadhar Based Biometric Attendance system to capture the attendance of Sanitation and Entomology workers. Sanitary Field Assistants (SFA)/ Entomology Field Assistant(EFA) will take the attendance of the workers working under him/her through Biometric Hand held PoS devices. The attendance is taken ward wise at the work location and updated immediately from the field using GPRS Network on real time authentication of the biometrics with UIDAI database. Attendance will be calculated based on number of days attended by the worker and will be consolidated for the entire month. Presently the attendance is being taken 2 times in a day. This has led to increased attendance and improved sanitation.

(viii) **GHMC Mosquito App**

To take up large scale awareness campaign to create awareness among people on mosquito control practices and mosquito borne diseases, GHMC launched Mosquito APP on August 17, 2017 with 16 informative questions on Dengue, Malaria and Mosquito life cycle, egg laying capacity etc. This is an innovative attempt to familiarize the public with mosquito control and preventive methods. Amongst participants who answer all questions correctly, lucky draw is to be taken for 10 members where Rs.10,000/- cash prize is given to each lucky draw winner every month.

(ix) **Hotel Inspection App**

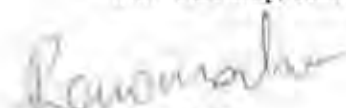
GHMC launched Hotel Inspection App to bring about transparency, cut down corruption and ensure qualitative checks. The launch of this app eliminates human errors of random or erroneous fining, loss of revenue to the Corporation and also ensures that the hotels are not fined unduly without a scientific evaluation of the sanitation standards maintained by the hotel. The app was designed by GHMC based on the health, food safety and sanitation standards prescribed for eating establishments in the GHMC Act, the FSSAI Act and PCB norms. The App, with abundant use of ICT, eliminates the discretion of the food inspector. The locations to be inspected are predetermined by a schedule set by the head office. Then on getting to the location the location is geo-tagged. Then the 24 questions have to be filled up by the inspector. After filling up with yes or no the app by itself calculates the fine amount to be paid and gives a computer generated receipt, which is also captured at the backend and the entire process can be cross verified by senior officials. This leads to decrease in corruption, cuts down escapism by Hotels and reduces their non-compliance.

REFORMS ON DOUBLE ENTRY ACCOUNTING SYSTEM

Due to need of improvements in system existing at that time by deploying integrated solution for greater reach across organization and quality of information erstwhile Hyderabad Municipal Corporation took up 'Modified Accrual Based Double Entry Accounting System' from April 2002. Oracle EBS was chosen to implement across the Organization to capture financial transaction from inception itself, with future plan of implementing HRMS, payroll, projects and business intelligence. Erstwhile corporation switched over to Oracle EBS designed in line with National Municipal Accounting Manual in April 2006. Decentralized Accounting System was implemented for Financial Transaction Process from 2007. The accounting transactions are captured using Oracle e-Business Suite financial module integrated with Property Tax Module and Works Module. The accounts are maintained as per the guidelines of National Municipal Accounts Manual guidelines. It is also proposed to upgrade the existing system to Oracle e-Business Financial Modules to Version R12 and Oracle Hyperion planning & budgeting to 11.1.2.

REFORMS ON PROPERTY TAX COLLECTION

GHMC has introduced online self-assessment system in order to avoid hardships to citizens. Government has also introduced Integration of online mutation process. GHMC is also working with National Remote Sensing Centre (NRSC) for Geo Tagging of all the properties. The proposed geo tagging will include updation of revenue data base, integration of database with base map, collection of data through standard application, monitoring and updation


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through dash board. With Geo tagging, all properties will be brought into tax net and there is huge scope of increase in GHMC revenues.

Some other Solid Waste management programs are as below:

SWACHH AUTO TIPPERS

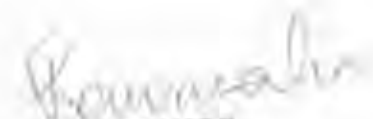
2000 Swachh Auto Tippers were launched across Hyderabad city for increasing the efficiency of House-to-House Collection of Wet & Dry Garbage. These Swachh Auto Tippers were allotted to the existing Rickshaw Pullers (Waste Collectors). The launch of these autos has seen an increase of 1200MT extra garbage being collected daily. The autos have enabled removal of 1116 open garbage points across the city contributing to a cleaner Hyderabad. We have a requirement for 500 more such autos across the city. The cost of each auto is 4 Lakh. NTPC has partnered with GHMC and contributed to extra swachh autos for sanitation.

SHE TOILETS

'She toilets' is a unique effort by GHMC to provide toilets exclusively for women keeping in mind their safety requirements as well as their special hygiene needs. Installed in 20 Locations presently, they come with the advantage of Auto cleaning (pre-flush/platform washing/after use flush) without any manual assistance. These toilets incorporate full cycle approach in sustainable sanitation by integrating Electrical, Mechanical and web technologies. They offer women friendly accessories like, sanitary napkin vending machines and sanitary napkin incinerator. The Bharat Dynamics Limited has entered into an agreement with the GHMC with regard to 30 She-Toilets in the city as part of its Corporate Social Responsibility.

DRY RESOURCE CENTRES

Dry waste collected by Swachh autos has a huge potential as recyclable waste. They have dual environmental and livelihood benefits. Not only is recycle and reuse a mantra for future, collecting and segregating this waste can provide additional economic benefit to waste collectors. GHMC has 24 transfer stations wherein segregated waste is brought by Swachh auto tippers. Dry resource centres (DRCs) can be facilitated at all these locations. Godrej and ITC Limited have come forward to sponsor 24 DRCs to ensure 100% segregation of waste. We are partnering with ITC and Godrej who are spending for the 24 DRCs and also involved in intensive segregating programme for dry resource and sanitation programme.


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DETAILS OF ISSUER'S OUTSTANDING BORROWING

I. Details of borrowings of the Issuer, as on the latest quarter end:-

Total borrowings of the Issuer as on June 30, 2018 was Rs. 295 crores.

II. Details of Secured Loan Facilities:-

There are no secured loan facilities outstanding as on June 30, 2018.

III. Details of Unsecured Loan Facilities:-

Rs. in crores

Lender's Name	Type of facilities	Amount Sanctioned	Principal Amount Outstanding	Repayment Date/schedule
HUDCO	Unsecured	Rs. 140.00 crores amount Sanctioned. Actual Amount disbursed is Rs. 100 crores.	95.00	14 years in 56 quarterly instalments from second year. Interest payment is going on.

IV. Details of NCDs/Bonds:-

S. No.	Nature of the Bonds	Date of Allotment	Total value of bonds (7 crores)	Amount outstanding As on June 30, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
8	GHMC Series -1 Unsecured, Taxable Non-Convertible, Redeemable Bonds	February 16, 2018	200.00	200.00	8.90% p.a. payable semi annually.	10 years	February 16, 2028	AA stable by CARE and India ratings	Unsecured	NA
Total of Bonds -				Rs 200 crores						

List of Top 10 Debenture Holders as on June 29, 2018

Name of the Bondholders	Amount in Rs.
APEPDCL Pension & Gratuity Trust	610000000
Food Corporation of India CPF Trust	474000000
NPS Trust A/c SBI Pension Fund Scheme C- Tier I	250000000
Chaitanya Godavari Grameena Bank	140000000
Centre for Development of Telematics Emp PF	90000000
APEPDCL PF Trust	80000000
Secretary EPF Trust UP Forest Corp	78000000
National Fertilizers Limited EPF	75000000
Hindustan Aeronautics Ltd Nashik Division	54000000
Max Life Insurance Co Ltd	50000000

V. The amount of charge created along with name of the counterparty (like name of the project etc.)

Nil

VI. Details of Commercial Paper:- The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup in following table:-

Nil

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VII. Details of Rest of Borrowings

Nil

VIII. Estimated Scenarios of Asset Liability Mis-matches,

As there is sufficient tax collection there does not seem to be any scenario of asset liability mismatch.

With respect to the repayment of debt and revenue generation, the Bonds are to be paid from the collection of Property Tax and Fees & user Charges of the GHMC. The current collections are sufficient to ensure the redemption of the Bonds. The Structured Payment Mechanism as mentioned in Annexure-I shall ensure that the funds deposited over period will be sufficient to service the Bonds.

IX. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial instrument issued by the Issuer, in the past 3 years .

Nil

X. An undertaking that the issuer has obtained lenders consent for creating charges on assets in case of issuance of Secured Bonds:

Not applicable as the present issue of bonds is unsecured

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

There has been no change in terms and conditions of past borrowing .

XII. Details of any outstanding borrowings taken/ 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

XIII. 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 investor's decision to invest/ continue to invest in the debt securities.

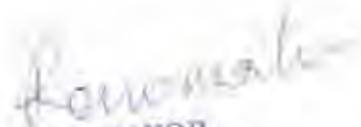
There does not seem to be any material event or development which will affect the investors' decisions to invest in these Bonds.

XIV. Rating and detailed Rating Rationale.

For rating rational and credit rating letters of IRRPL and CARE, please refer to Annexure II.

XV. Credit Enhancement Mechanisms, if any.

Nil


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- XVI. The security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

The Bonds are not backed by a guarantee or letter of comfort from state government or any other party. However, the bonds are supported by a structured payment mechanism to ensure timely payment of interest and principal. Please refer Annexure I for details structured payment mechanism.

- XVII. Escrow mechanism for the repayment of the interest/principal

The Bonds are supported by a structured payment mechanism to ensure timely payment of interest and principal. Please refer to Annexure-I for details of structured payment mechanism through escrow account.

- XVIII. Name of the Trustee and Consent thereof:

In accordance with the provisions of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, GHMC has appointed SBICAP Trustee Company Limited to act as Bond Trustee ("Bond Trustee") for and on behalf of the holder(s) of the Bonds. The address and contact details of the Trustee are as under:



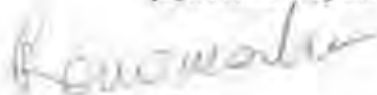
SBICAP Trustee Company Limited

Apeejay House, 6th floor,
3, West Wing, Dinshaw Wacha Road,
Churchgate, Mumbai 400 020
Tel: +91-22-4302 5555
Facsimile: +91-22-2204 0456
Contact Person: Mr. Ajit Joshi (Company Secretary and Compliance Officer)
E-mail: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

A copy of letter from SBICAP Trustee Company Limited conveying their consent to act as Bond Trustee for the current issue of Bonds is attached as Annexure IV.

GHMC hereby undertakes that the rights of the Bondholders will be protected as per the GHMC Act, agreement/deed executed/to be executed between GHMC and the Bond Trustee. The Bond Trustee Agreement/Deed shall contain such clauses as may be prescribed under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further the Bond Trustee Agreement/Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Bond Trustee or GHMC 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 GHMC 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 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 Trustees may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Bonds. Any payment made by the Issuer to the Trustees on behalf of the Bondholder(s) shall discharge the


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Chairman,
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Issuer pro-tanto to the Bondholder(s). No Bondholder shall be entitled to proceed directly against the Issuer unless the Trustees, having become so bound to proceed, fail to do so.

The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the 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 Trustees. The 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.

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

The Bonds are proposed to be listed on the Wholesale Debt Market (WDM) segment of BSE Ltd. BSE shall be the designated stock exchange.

XX. Penal interest payable by Municipal Corporation in case of delay in execution of Trust Deed and charge documents

In case of delay in execution of Bond/ Debenture Trust Deed and/or other security document(s), no penal interest will be paid by the Issuer.

XXI. 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.

XXII. Penal interest payable by the Municipal Corporation in case of delay in listing of Bonds from Date of Allotment

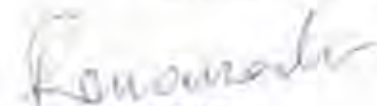
In case of delay in listing of the Bonds no penal interest will be payable.

XXIII. Future Borrowings

The Issuer shall, as long as the financial covenants are met, be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue bonds/ debentures or other securities in any manner with ranking on pari passu basis or otherwise, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Trustees in this connection.

It is clarified that as long as both the financial covenants are met, the Issuer shall be entitled to borrow such further amounts against the Structured Payment Mechanism as necessary without any consent of the Bondholder(s). Further, in case the Issuer complies with financial covenant related to DSCR on Operating Surplus but does not comply with the other financial covenant, the Issuer shall without the consent of the Bondholder(s) be allowed to borrow further amount without recourse to the Structured Payment Mechanism.

Provided, however, no amount shall be borrowed by the GHMC without the consent of the Trustees, in case such borrowing is likely to result in breach of any covenant mentioned in Information Memorandum.


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XXIV. Other details

N.A.

XXV. DRR/Sinking Fund

The Issuer shall create a Sinking Fund as mentioned in the Structured Payment Mechanism for redemption of the Bonds. Please refer to Annexure I for details.

XXVI. Issue/instrument specific regulations - relevant details

The GHMC Act provides borrowing powers to GHMC. The issue of Bonds is being made pursuant to Section 149 of the GHMC Act, 1955. The present issue of Bonds is being made pursuant to Corporation's resolution dated 13.04.2017, Standing Committee's resolution dated 31.08.2017 and Government's order dated 9.11.2017. The Issuer can undertake the present issue of Bonds in light of above approvals and no further approval is required.

Section 149 provides that the Corporation may from time to time borrow or re-borrow and take up at interest from the Central or the State Government or with the sanction of the Government, from any other person for the purpose of:

- (a) defraying any costs, charges or expenses incurred or to be incurred by them in the execution of this Act.
- (b) discharging any loan contracted under this Act or any other loan or debt for the repayment of which they are liable;
- (c) making good any deficit in budget estimate, framed under Section 184;
- (d) generally, carrying out the purposes of this Act.

Further in accordance with Section 168, any money borrowed by the Corporation from the Government, whether before or after the commencement of this Act, or any interest or costs due in respect thereof, be not repaid according to the conditions of the loan, the Government may attach the Municipal fund or any part thereof.

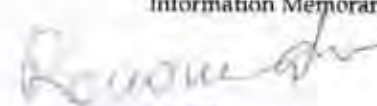
XXVII. APPLICATION PROCESS

I. Who Can Apply

The categories of investors who are eligible to apply for the Bonds are mentioned in the Term Sheet of this Information Memorandum. However, the prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the issue of Bonds as per the norms approved by Government of India, RBI or any other statutory body from time to time.

However, out of the aforesaid class of investors eligible to invest, this Information Memorandum is intended solely for the use of the persons to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Information Memorandum from the Issuer).


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2. Documents to be provided by Investors

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

- Memorandum and Articles of Association/ Constitution/ Bye-laws/ Trust Deed;
- Board Resolution authorizing the investment and containing operating instructions;
- Power of Attorney/relevant resolution/authority to make application;
- Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- Government Notification (in case of Primary Co-operative Bank and Regional Rural Banks);
- Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

3. How to Apply

4. Who can bid / invest / apply?

All QIBs and any non-QIB Investors specifically mapped by the Issuer on the BSE BOND – 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.

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.

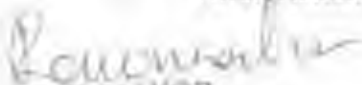
The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income -Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 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 Summary Term Sheet and the Application Form.

TERMS OF PAYMENT

- Payment shall be made in accordance with operational guidelines issued by BSE for, regarding 'Electronic Bidding Platform for Issuance of Debt Securities on Private Placement Basis'.


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XXX. 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/ Depository Participants from time to time and other applicable laws and rules notified in respect thereof. The Bonds shall be allotted in dematerialized form only.

XXXI. DEPOSITORY ARRANGEMENTS

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

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

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

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

XXXII. PROCEDURE FOR APPLYING FOR DEMAT FACILITY

- a. Applicant(s) should have/ open a Beneficiary Account with any Depository Participant of NSDL or CDSL.
- b. The applicant(s) must specify their beneficiary account number and Depository Participant's ID in the relevant columns of the Application Form.
- c. If incomplete/incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, the allotment of Bonds shall be held in abeyance till such time satisfactory demat account details are provided by the applicant.
- d. The Bonds shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/refund order, if any, would be sent directly to the applicant by the Registrar to the Issue but the confirmation of the credit of the Bonds to the applicant's Depository Account will be provided to the applicant by the Depository Participant of the applicant.
- e. 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 Issuer as on the Record Date. In case, the Beneficial Owner is not identified by the Depository on the Record Date due to any reason what so ever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the Beneficial Owner is identified by the Depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.


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- Successful bidders must do the funds pay-in to the designated bank account of ICCL as provided below up to "Pay-in Time" in accordance with operational guidelines of BSE Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE BOND - EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE BOND - EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back.

Designated bank accounts of ICCL

	HDFC BANK	YES BANK	INDIAN BANK
Beneficiary name	INDIAN CLEARING CORPORATION LIMITED	INDIAN CLEARING CORPORATION LIMITED	INDIAN CLEARING CORPORATION LIMITED
Account No.	ICCLEB	ICCLEB	ICCLEB
IFSC Code	ICIC0000106	YESB0CMSNOC	HDFC0000060
Mode	NEFT/RTGS	NEFT/RTGS	NEFT/RTGS

- Note:** In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the ICCL's Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to the successful bidder.
- Application by Successful Bidder(s)**

All Application Forms, duly completed, must be delivered by the Pay-in Time to the Issuer by the successful bidder(s). Applications for the Debentures must be in the prescribed form and completed in BLOCK LETTERS in English and as per the instructions contained therein.

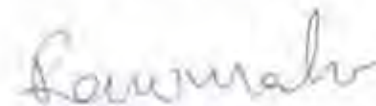
XXVIII. DATE OF ALLOTMENT

All benefits under the Bonds including payment of interest will accrue to the Bondholders from and including Date of Allotment, August 14, 2018 Issuer also reserves the right to change/modify the issue program or structure at its own discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (pre-poned/ postponed), the Date of Allotment may also be changed (pre-poned/ postponed) by the Issuer at its sole and absolute discretion, subject to relevant regulations.

Face Value per Bond	Minimum Application for	Amount Payable on Application per Bond
Rs. 10 lakhs	5 Bonds and in multiples of 1-Bond thereafter	Face Value

XXIX. CREDIT TO DEMAT ACCOUNT

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant shall be done as per operational guidelines of BSE on EBP


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- I. Applicants may please note that the Bonds shall be allotted and traded on the stock exchange(s) only in dematerialized form.

XXXIII. FICTITIOUS APPLICATIONS

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

XXXIV. MARKET LOT

The market lot 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.

XXXV. TRADING OF BONDS

The marketable lot for the purpose of trading of Bonds shall be 1 (one) Bond of face value of Rs.10 lakhs each. Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.10 lakhs and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

XXXVI. MODE OF TRANSFER OF BONDS

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

XXXVII. BASIS OF ALLOCATION / ALLOTMENT

The Issuer reserves the right to reject any/all applications at its sole discretion, without assigning any reason whatsoever. The decision of GHMC in this regard will be final and binding on all the applicants and shall not be called into question, whatsoever.

XXXVIII. COMMON FORM OF TRANSFER

The Issuer undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Information Memorandum.

XXXIX. INTEREST ON THE BONDS

The face value of the Bonds outstanding shall carry interest at the coupon rate from 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.


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Public Works

The interest payment shall be made through electronic mode to the Bondholders whose names appear on the list of Beneficial Owners given by the Depository Participant 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 cheques/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 Depository Participant to the Registrar as on the Record Date.

XL. 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, interest shall be computed on 366 days-a-year basis, on the face value amount of Bonds outstanding.

XLI. RECORD DATE

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

XLII. DEDUCTION OF TAX AT SOURCE

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source out of interest payable on Bonds.

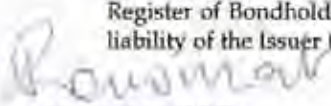
Tax exemption certificate/declaration of non-deduction of tax at source, if applicable, on interest on Bonds or interest on application money should be submitted along with the Application Form. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s). In case of tax deducted at source, the Corporation will issue the TDS certificate to the investors.

XLIII. 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.

XLIV. REDEMPTION

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


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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.

XLV. 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.

XLVI. 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/ Depository Participant 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/Depository Participant shall be adjusted.

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

XLVII. LIST OF BENEFICIAL OWNERS

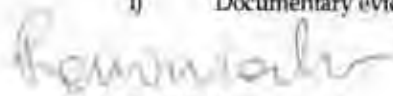
The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

XLVIII. SUCCESSION

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

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

- i) Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that


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G. S. SRINIVAS
General Hyderabad

- 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.

XLIX. WHO CAN APPLY

The following categories of investors are eligible to apply for this Issue of Bonds. However, the prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue.

Eligible Institutions	Qualified Institutional Buyers ("QIBs")
	• Mutual Funds registered with SEBI;
	• Public Financial Institutions as defined in Section 2(72) of the Companies Act, 2013;
	• Scheduled Commercial Banks;
	• State Industrial Development Corporations;
	• Multilateral and Bilateral Development Financial Institutions;
	• Insurance Companies registered with the Insurance Regulatory and Development Authority;
	• Provident Funds ;
	• Pension Funds ;
	• National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
	• Insurance Funds set up and managed by army, navy or air force of the Union of India
	• Companies within the meaning of sub-section 20 of Section 2 of the Companies Act, 2013;
	• Statutory Bodies/ Corporations;
	• Cooperative Banks;
	• Regional Rural Banks;
	• Limited Liability Partnerships;
	• Trusts including Public/Private/Charitable/Religious Trusts;
	• Societies registered under the applicable laws in India and authorized to invest in Bonds;
	• Any other legal entities authorized to invest in Bonds, subject to compliance with the relevant regulations applicable to such entities.

L. WHO ARE NOT ELIGIBLE TO APPLY FOR BONDS

This Issue is not being offered to the following categories of investors and any application from such investors will be deemed an invalid application and rejected:

Not Eligible Classes of Investors	
	• Venture Capital Funds;
	• Foreign Nationals;
	• Minors without a guardian name;
	• Persons resident outside India;
	• Overseas Corporate Bodies;
	• Person ineligible to contract under applicable statutory/regulatory requirements;
	• Resident Individual Investors, Hindu Undivided Families through Karta, Non Resident Indians

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H.W. MAYOR,
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Gover *Hyder*
Hyder *Hyder*

LI. DOCUMENTS TO BE PROVIDED BY INVESTORS

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

- i) Memorandum and Articles of Association/Constitution/ Bye-laws/ Trust Deed;
- ii) Board Resolution authorizing the investment and containing operating instructions;
- iii) Power of Attorney/ relevant resolution/ authority to make application;
- iv) Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- v) Government Notification (in case of Primary Co-operative Bank and RRBs);
- vi) Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- vii) Copy of a cancelled cheque for ECS payments;
- viii) Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

LII. HOW TO BID

All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) under the BSE BOND – EBP Platform offered by BSE for participating in the electronic book mechanism. Eligible Investors will also have to complete the mandatory KYC verification process. Investors should refer to the Operational Guidelines.

The Issuer will set up the Issue details on the BSE BOND – EBP Platform by the Issuer, 2 (two) working days prior to the Issue / Bid Opening Date, in accordance with the operational 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 BSE BOND – EBP Platform 1 (one) working days before the start of the Issue / Bid Opening Date.

A bidder has to enter the bid amount and the coupon. The coupon will be decided as per the cut off rate decided based on the BSE EBP bidding platform.

Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:

(a) Modification of Bid:

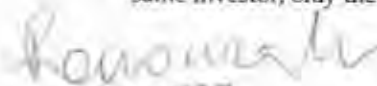
Investors may note that modification of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, revision of bid is only allowed for upward revision of the bid amount placed by the Investor and/or reduction in coupon/rate of interest.

(b) Cancellation of Bid

Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

(c) Multiple Bids

Investors may note that multiple bid is not permitted. If multiple bids are entered by the same Investor, only the first bid will be considered as valid.


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(d) Withdrawal of Issue

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

- i. non-receipt of bids upto the Issue Size;
- ii. bidder has defaulted on payment towards the allotment, within the stipulated timeframe, due to which the Issuer is unable to fulfil the Issue Size.

Provided that the Issuer shall accept or withdraw the Issue on the BSE BOND – EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 1 pm on the Issue/Bidding Closing Date.

However, Investors should refer to the Operational Guidelines of BSE on EBP, as prevailing on the date of the bid.

LIII. 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.

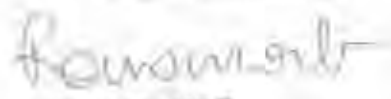
For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the Application Form.

LIV. 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.

LV. APPLICATIONS 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 authorized signatories and the tax exemption certificate/ document, 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 the Registrar 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.


H.W. MAYOR,
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Commissioner,
Greater Hyderabad Municipal Corporation

LVI. APPLICATION BY MUTUAL FUNDS

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

LVII. ACKNOWLEDGEMENTS

No separate receipts will be issued for the application money.

LVIII. RIGHT TO ACCEPT OR REJECT APPLICATIONS

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realization of funds till one day prior to the date of refund. The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a) Number of bonds applied for is less than the minimum application size;
- b) Applications exceeding the issue size;
- c) Bank account details not given;
- d) Details for issue of Bonds in electronic/ dematerialized form not given;
- e) PAN not given;
- f) In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Bond(s) applied for is/ are not allotted in full, the excess application monies of such Bonds will be refunded, as may be permitted.

LIX. PAN

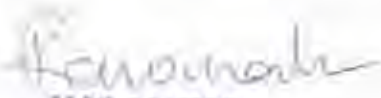
Every applicant should mention its Permanent Account Number ("PAN") allotted under the Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application Forms without PAN will be considered as incomplete and are liable to be rejected.

LX. 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.

LXI. 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.


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Committee Member

LXII. RIGHT OF BONDHOLDER(S)

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 provisions of GHMC Act, the terms of this Information Memorandum and other terms and conditions as may be incorporated in the Bond/ Debenture Trusteeship Agreement and other documents that may be executed in respect of these Bonds.

LXIII. MODIFICATION OF RIGHTS

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of 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, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Issuer.

LXIV. FUTURE BORROWINGS

The Issuer shall, as long as the financial covenants are met, be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue bonds/ debentures or other securities in any manner with ranking on pari passu basis or otherwise, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Trustees in this connection.

It is clarified that as long as both the financial covenants are met, the Issuer shall be entitled to borrow the such further amounts against the Structured Payment Mechanism as necessary without any consent of the Bondholder(s). Further, in case the Issuer complies with financial covenant related to DSCR on Operating Surplus but does not comply with the other financial covenant, the Issuer shall without the consent of the Bondholder(s) be allowed to borrow further amount without recourse to the Structured Payment Mechanism.

Provided, however, no amount shall be borrowed by the GHMC without the consent of the Trustees, in case such borrowing is likely to result in breach of any covenant mentioned in Information Memorandum.

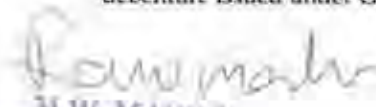
LXV. NOTICES

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 ordinary post/ courier to the original sole/ first allottee of the Bonds and/ or if published in one All India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s), including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

LXVI. JOINT-HOLDERS

Notwithstanding anything in Section 45 of the Indian Contract Act, 1872, when any debenture issued under GHMCs Act is payable to two or more persons jointly and either or


H.W. MAYOR
Chairman, GHMC


Commissioner
General Manager, GHMC

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 GHMC's Act, any one of those persons may give an effectual receipt for any interest or dividend payable in respect of such debenture unless notice to the contrary has been given to the Commissioner by other holders.

LXVII. 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 court of Hyderabad, India.

LXVIII. PROCEDURE FOR DECIDING AND ADJUSTING PAYMENT DATES.

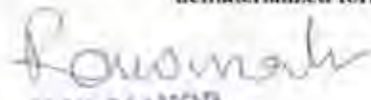
If the interest payment date falls on a holiday, the payment may be made on the following working day. However, the calculation of payment of interest will be only till the day prior to that holiday. Also, the dates of the future coupon payments would be as per the schedule stipulated in the Information Memorandum/ Term Sheet in line with SEBI circular No CIR/IMD/DF-1/122/2016 dated November 11, 2016.

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

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

LXIX. List of documents which have been executed/ will be executed in relation to the issue

- a) Copy of letter/resolution appointing Arrangers to the Issue.
- b) Copy of letter appointing Registrars
- c) Copy of letter appointing Trustees to the Bondholders.
- d) Copy of the Greater Hyderabad Municipal Corporation Act, 1955
- e) Corporation Resolution dated 13.04.2017, Standing Committee resolution dated 31.08.2017.
- f) Government order dated November 9, 2017 authorizing GHMC to issue Bonds.
- g) Letter of consent from the Trustees for acting as trustees for and on behalf of the holder(s) of the Bonds.
- h) Application made to the BSE for grant of in-principle approval for listing of Bonds.
- i) Letter from BSE conveying their in-principle approval for listing of Bonds.
- j) Letter from CARE conveying the credit rating for the Bonds.
- k) Letter from IRRPL conveying the credit rating for the Bonds.
- l) Tripartite Agreement between the Issuer, NSDL and Registrars for issue of Bonds in dematerialized form.
- m) Tripartite Agreement between the Issuer, CDSL and Registrars for issue of Bonds in dematerialized form.


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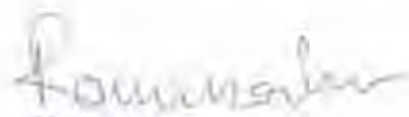

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LXX. INVESTOR RELATIONS AND GRIEVANCE REDRESSAL

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer endeavors to resolve the investor's grievance within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Bonds applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at head office of the Issuer. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Information Memorandum. The Corporation has already got itself registered with the SCORES platform of SEBI for the convenience of the investors for filing of any complaint.

LXXI. ANY OTHER DETAILS FOR THE INVESTORS

Nil


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Compliance Officer,
Greater Hyderabad Municipal Corporation

LXXII. Issue Details

SUMMARY TERM SHEET

Security Name	9.38% GHMC 2028 Series-II
Issuer	Greater Hyderabad Municipal Corporation
Type of Instrument	Unsecured, Listed, Taxable, Non-Convertible, Redeemable, Bonds in the nature of Debentures
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	• Mutual Funds registered with SEBI; • Public Financial Institutions as defined in Section 2(72) of the Companies Act, 2013; • Scheduled Commercial Banks; • State Industrial Development Corporations; • Multilateral and Bilateral Development Financial Institutions; • Insurance Companies registered with the Insurance Regulatory and Development Authority; • Provident Funds; • Pension Funds; • National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; • Insurance Funds set up and managed by army, navy or air force of the Union of India; • Companies within the meaning of sub-section 20 of Section 2 of the Companies Act, 2013; • Statutory Bodies/ Corporations; • Cooperative Banks; • Regional Rural Banks; • Limited Liability Partnerships; • Trusts including Public/ Private/ Charitable/ Religious Trusts; • Societies registered under the applicable laws in India and authorized to invest in Bonds; • Any other legal entities authorized to invest in Bonds, subject to compliance with the relevant regulations applicable to such entities.
Investors not eligible to approach	• Venture Capital Funds; • Foreign Nationals; • Minors without a guardian name; • Persons resident outside India; • Overseas Corporate Bodies; • Person ineligible to contract under applicable statutory/ regulatory requirements; • Resident Individual Investors, Hindu Undivided Families through Karta, Non Resident Indians
Listing	Wholesale debt market segment of BSE
Rating of the Instrument	CARE AA; Stable (Double A: Outlook Stable) by CARE & IND AA/Stable by IRRPL
Issue Size	Rs.100 crores with green shoe option of Rs. 95 crores such that final issue size is Rs. 195 crores
Options to oversubscribe (Amount)	Yes. Upto Rs. 95 crores
Objects of the Issue	The proceeds of the Issue shall be utilized towards capex for implementation of Strategic Road Development Plan (SRDP) project

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	These are General Obligation Bonds and interest payment and principal amount for the Bonds will be serviced through tax proceeds of the Corporation	
Details of the utilization of the Proceeds	As per 'Objects of the Issue'	
Coupon Rate	9.38% p.a.	
Taxable/Tax Free	Taxable	
Step Up/Step Down Coupon Rate	N.A.	
Coupon Payment Frequency	Half Yearly	
Issue Timing		
1. Issuance/Bid Date	Opening	August 13, 2018
2. Issuance/Bid Date	Closing	August 13, 2018
3. Pay-in Date		August 14, 2018
4. Date of Allotment		August 14, 2018
Coupon payment date	February 14 and August 14 of every year till redemption.	
Coupon Type	Fixed	
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	NA	
Day Count Basis	Actual / Actual	
Interest on Application Money	Interest at the Coupon rate (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) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account up to one day prior to the Date of Allotment.	
	Provided that, notwithstanding anything contained hereinabove, Issuer's Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid applications or applications liable to be rejected including Applications made by persons ineligible to apply for and/or hold the Bonds.	
Tenure	10 years	
Redemption Date	August 14, 2028	
Redemption Amount	Rs. 10 lakh per Bond (at par)	
Redemption Premium/Discount	N.A.	
Issue Price	At par	
Discount at which security is issued and the effective yield as a result of such discount	N.A.	
Put option Date	N.A.	
Put option Price	N.A.	
Call Option Date	N.A.	
Call Option Price	N.A.	
Put Notification Time	N.A.	
Call Notification Time	N.A.	
Face Value	Rs. 10,00,000/- (Rupees ten lakhs)	

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G.H.M.C., HYDERABAD.

Minimum Application and its multiple of 1000 Securities Corporation	Minimum 5 Bonds and Multiple of 1 there after
Escrow Account	The funds lying in account(s) in which Property Tax and Fees & User Charges are collected shall be transferred to a separate no-lien Escrow Account for debt servicing (bonds, Loans, etc.). Eligible Bondholders and Lenders shall have first and pari-passu charge over the Escrow Account and the account(s) where Property Tax and Fees & User Charges are collected. - The funds lying in the Escrow Account shall be used in the following priority: - The funds should be first utilised to meet Minimum Balance in Escrow Account. The Minimum Balance to be maintained in any month shall be calculated as per para 3 below. - The Minimum Balance shall not be used for any purpose other than transfer to the Debt Servicing Account. - The surplus funds after meeting the Minimum Balance can thereafter be transferred to GHMC General Fund Account. The above transfer shall be done on a daily basis except on the last business day of every month. On the last business day of every month, the Minimum Balance maintained as indicated above shall be transferred to the Debt Servicing Account. GHMC, with the written consent of the Trustees, can transfer the Minimum Balance maintained in Escrow Account to Debt Servicing Account on any day prior to the last business day of the month. - In case of any shortfall from transfer from Escrow Account to Debt Service Account, GHMC shall make good the shortfall from the funds from other account(s) to Debt Servicing Account. - The funds to be transferred to the Debt Service Account from the Escrow Account ("Minimum Balance") shall be aggregate of the following: - Monthly Contribution to be transferred from the Escrow Account shall be calculated separately for each Loan/Bond as per the terms of the said issuance. - Shortfall in any earlier contribution to the extent not made good by GHMC from other account(s). - The funds lying in the Debt Service Account (DSA) shall be used in the following priority: - Firstly, to transfer funds from Debt Service Account to Debt Service Reserve Account (DSRA), if any, as per terms of bonds/loans to make good any shortfall in DSRA account. At all times the DSRA should be

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H.W. MAYOR,
G.H.M.C., HYDERABAD.

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maintained as per the terms of the bond issuance/loans.

- b. Secondly, transfer to Interest Payment Account on monthly basis such sums as may be required by the terms of bond issuance/loan and any shortfall in earlier contributions.
 - c. Thirdly, transfer to Sinking Fund Account/Debt Repayment Account on monthly basis such sums as may be required by the terms of the bond issuance/loans and any shortfall in earlier contributions.
5. GHMC, at its sole discretion but with prior intimation to the Trustees, can expedite payment of any succeeding future month(s) contribution into the Debt Servicing Account such that at no time the contribution to Debt Service Account is less than as calculated in para 3 above (including the contribution for the month to be expedited).
 6. Bondholder(s) and lender(s) shall have first, exclusive and pari-passu charge over Debt Service Account. Each Bond Series or Loan shall have exclusive charge in its favour on the funds lying in DSRA, Interest Payment Account and Sinking Fund Account/Debt Repayment Account created specifically for the series or any investments made from those accounts.
 7. Any surplus funds lying in DSRA, Interest Payment Account and Sinking Fund Account/Debt Repayment Account after the bond is redeemed in full or loan has been repaid shall be transferred to the Escrow Account.

Current Bond Issue

1. GHMC shall open the following accounts for servicing the interest and principal of the proposed bonds for the exclusive benefit of the Bondholders:
 - a. Debt Service Reserve Account - Series II,
 - b. Interest Payment Account - Series II
 - c. Sinking Fund Account - Series II
2. GHMC shall set up the Escrow Account and Debt Servicing Account as mentioned above and shall cause the following funds to be transferred:
 - a. The Debt Service Reserve Account - Series II shall be funded one day before the pay-in date with an amount equal to two interest payments for bonds structure.
 - b. At the end of each month, any shortfall from the amount mentioned in Schedule I mentioned of the Information Memorandum dated August 13, 2018 in the Debt Service


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Commissioner

Reserve Account - Series II shall be transferred.

- c. At the end of each month, an amount as mentioned in Schedule I of the Information Memorandum dated August 13, 2018, any further interest payable (by whatsoever name called) as per the terms of the issuance and any shortfall in earlier contribution shall be transferred to the Interest Payment Account - Series II.
 - d. At the end of each month, an amount as mentioned in Schedule I of the Information Memorandum dated August 13, 2018 and any shortfall in earlier contribution shall be transferred to the Sinking Fund Account - Series II.
 - e. Any shortfall in the above account(s) shall be made good by GHMC by transfer from other account(s) of GHMC.
3. The funds lying in the above account(s) shall be utilized in the following manner:
- a. The funds lying in Debt Service Reserve Account - Series II can be used to meet any shortfall in Interest Payment Account - Series II and thereafter can be used to meet any shortfall at the time of final redemption of bonds. However, the Debt Service Reserve Account - Series II cannot be utilized to meet any shortfall in contribution to Sinking Fund Account - Series II except at the time of final redemption of bonds.
 - b. The funds lying in the Interest Payment Account - Series II can be used to make interest payment of the bondholder(s) of the bonds issued pursuant to the Information Memorandum dated August 13, 2018. Any surplus after making the payment to bondholder(s) should be first used to make good any shortfall in Debt Service Reserve Account - Series II and thereafter be used to make good any shortfall in contribution to Sinking Fund Account - Series II.
 - c. The funds lying in the Sinking Fund Account - Series II can be used to redeem the bonds issued pursuant to the Information Memorandum dated August 13, 2018
 - d. Any funds lying in the above account(s) can be used for making investment(s). However, the funds (including investment(s)) shall not, without the approval of the Debenture Trustees, be utilized for any purpose other than mention in points (a) to (c) above.
 - e. Any surplus funds lying in the above account(s) after the bonds issued pursuant to Information Memorandum dated August 13, 2018 have been redeemed in full and all dues to the Bondholder(s) have been paid can be transferred to the Escrow Account after obtaining


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Greater Hyderabad Municipal Corporation

written consent of the Debenture Trustee.

4. The Debenture Trustee, on behalf of the Bondholder(s) shall have first and pari passu charge over the Escrow Account, account(s) where Property Tax and Fees & User Charges are being collected and Debt Servicing Account. The Bondholder(s) shall have first and exclusive charge on the funds lying in Debt Service Reserve Account - Series II, Interest Payment Account - Series II and Sinking Fund Account - Series II and any investment(s) made from these account(s).
5. The Debenture Trustee, on behalf of the Bondholder(s), shall have lien on the Debt Service Reserve Account - Series II, Interest Payment account - Series II, and Sinking Fund Account - Series II and any investment(s) made from these account(s) for the exclusive benefit of the Bondholder(s) for the bond issued under the Information Memorandum dated August 13, 2018. The amount deposited in Debt Service Reserve Account - Series II, Interest Payment Account - Series II and Sinking Fund Account - Series II shall be used solely for meeting the dues to these Bondholder(s). Any surplus in the account after meeting the dues to the Bondholder(s) can be transferred to the Escrow Account. No amount can be withdrawn from these account(s) without the approval of Debenture Trustees to the bondholder(s).
6. The Funds lying credited in the Interest Payment Account - Series II and Debt Service Reserve Account - Series II can be kept in Fixed Deposits with any scheduled commercial bank with a dual rating of AA+ or above. However, the conditions of the fixed deposits shall not restrict premature withdrawal from the Fixed Deposit. The lien shall be created in favor of debenture trustee on all the investments made above.
7. The funds lying to the credit of Sinking Fund Account - Series II can be deposited in Fixed Deposit with any scheduled commercial bank with a dual rating of AA+ and above and/or in Government Securities, state development loans and Treasury Bills. The lien shall be created in favor of debenture trustee on all the investments made above.
8. Any actual interest income earned and received on these investment(s) can be utilized towards the future dues in the respective account(s).
9. Escrow Account, Debt Service Account, Debt Service Reserve Account - Series II, Interest Payment Account - Series II and Sinking Fund Account - Series II shall be maintained with a scheduled commercial bank rated at least AA+ by two rating agencies throughout the tenor of the instrument. In case, at any point of time, the rating of senior debt of the Bank falls below AA+ by any rating agency GHMC shall, with written consent of Debenture Trustees,


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G.H.M.C., HYDRABAD,


Committee Member,
G.H.M.C., Hyderabad

move the funds to any other bank satisfying the rating criteria.

10. The Bank shall share statement(s) of these account(s) with Debenture Trustee and the Rating Agencies for such period as may be specified by the Debenture Trustee and/or Rating Agencies but not greater than 12 months in any case till such time as the bonds are redeemed. GHMC and Debenture Trustee shall keep the Rating Agencies informed in case of change in the Bank.

Interest Payment Mechanism

The Trustees shall check the amount lying to the credit of Interest Payment Account - Series II at 25 days prior to the interest payment date. In case of any shortfall in amount, the trustees shall intimate GHMC of the shortfall and GHMC shall make good the shortfall in the Interest Payment Account - Series II by 15 days prior to the interest payment date. In case of shortfall in any amount in Interest Payment Account - Series II at 14 days prior to the Interest Payment date, the Trustee shall trigger the payment mechanism and instruct bank to transfer the shortfall amount from Debt Service Reserve Account - Series II to the Interest Payment Account - Series II by 10 days prior to the interest payment date. The Interest shall be paid by GHMC on the due date. Any amount drawn from the Debt Service Reserve Account - Series II should be deposited back in the Debt Service Reserve Account - Series II as per the mechanism indicated above. The debenture trustee shall check the balance in the Sinking Fund Account - Series II at the end of the month and in case of any shortfall in the Sinking Fund Account - Series II, GHMC shall replenish the Sinking Fund Account - Series II with the necessary amount to fill the shortfall. The Trustees shall check the amount lying to the credit of Sinking Fund Account - Series II at 25 days prior to the redemption date. In case of any shortfall in amount, the trustees shall intimate GHMC of the shortfall and GHMC shall make good the shortfall in the Sinking Fund Account - Series II by 15 days prior to the redemption date. The Trustees shall keep the Rating Agencies informed of any shortfall in Interest Payment Account - Series II, Debt Service Reserve Account - Series II, Sinking Fund Account - Series II and any transfer from Debt Service Reserve Account - Series II to Interest Payment Account - Series II,

Other covenants

Restriction on the total borrowing

- (A) DSCR on operating Surplus: Debt Service Coverage Ratio ("DSCR") for the GHMC will not be less than 1.25 times of operating surplus calculated as the below:

DSCR on operating Surplus = operating surplus / total debt service

- i) Operating surplus calculated as the below:

Operating Surplus = total income - expenditure


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G.E.M.C., Hyderabad.

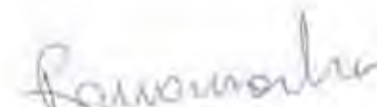
	total income = Total income of the corporation expenditure = Total expenditure - Depreciation ii) total debt service = interest payment of loans and bonds + principal repayment deposited in the sinking funds or installment of principal repayment + transfer to debt service reserve account (B) The total amount collected in escrow account shall be atleast 1.25 times of the Debt Service Amount on an annual basis. In case, the ratio falls below 1.25 times, GHMC shall not borrow any further amount against the cash flow(s) of the escrow account. No permission to borrow further amount(s) by GHMC shall be required, under this head, from the bondholder(s) as long as this condition is satisfied DSA is defined as follows: DSA = Interest payment for the month + proportionate principal deposited in sinking fund or installment of principal redemption (C) GHMC shall not borrow any further funds against the cash flow of the Escrow Account in case there is a shortfall in contribution to Debt Service Account and the shortfall has not been made good by GHMC.
Issuance mode of the Instrument	Private placement
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	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/ RTGS/ Fund Transfer/ NECS/ NEFT or any other electronic mode offered by the Banks.
Depository	NSDL & CDSL
Business Day Convention	'Business Day' shall be a day on which commercial banks are open for business in the city of Hyderabad and the days when the money market is functioning in Mumbai. If the date of payment of interest does not fall on a Business Day, then the payment shall be made on the following business day in line with SEBI circular No CIR/IMD/DF-1/122/2016 dated November 11, 2016 as amended.
Record Date	15 days prior to each Coupon Payment Date and repayment date. In the event the Record Date falls on a day which is not a Business Day, the succeeding Business Day will be considered as Record Date.
Security	NA
Transaction Documents	a) Copy of letter appointing Arranger to the Issue b) Copy of letter appointing Registrar to the Issue c) Copy of letter appointing Bond Trustee d) Copy of the Standing Committee Resolution dated 31.08.2017 authorizing issue of Bonds e) Copy of Standing Committee resolution dated 28.12.2017 authorizing structured payment mechanism. f) Copy of the General Body Resolution dated 13.04.2017 authorizing issue of Bonds g) Copy of the State Government approval dated 09.11.2017 authorizing issue of Bonds

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Commissioner,
Greater Hyderabad Municipal Corporation

	h) Letter of consent from the Trustees for acting as trustees for and on behalf of the holder(s) of the Bonds. i) Letter from BSE conveying their in-principle approval for listing of Bonds. j) Letter from CARE Ratings conveying the credit rating for the Bonds. k) Letter from IRRPL conveying the credit rating for the Bonds. l) Tripartite Agreement between the Issuer, NSDL and Registrar to the issue of Bonds in dematerialized form. m) Tripartite Agreement between the Issuer, CDSL and Registrar to the issue of Bonds in dematerialized form.
Conditions Precedent to Disbursement	The subscription from applicants shall be accepted for allocation and allotment by the Bank, subject to the following: a) Rating Letters from CARE and IRRPL. b) Consent Letter from the Trustees to act as Trustee to the Bondholder(s) c) BSE in-principle approval for listing of Bonds.
Conditions Subsequent to Disbursement	The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Information Memorandum : a) Ensuring that the payment made for subscription to the Bonds is from the bank account of the person/ entity subscribing to the Bonds. b) Credit of demat account(s) of the allottee(s) by number of Bonds allotted within the stipulated time period c) Taking steps for listing of Bonds with BSE within stipulated time; d) Shall execute Debenture Trust Deed with in applicable time Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Information Memorandum
Events of Default	If the Issuer commits a default in making payment of any instalment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an "Event of Default" by the Issuer. Further detailed list of events of default shall be specified in the Debenture/ Bond Trust Deed to be entered into by the Issuer and Debenture Trustee. Remedies upon the occurrence of an Event of Default will be specified in the Debenture/ Bond Trust Deed 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.
Exemptions related to Tax and Default Dates	N.A.
Role and Responsibilities of Bondholder	As defined in Debenture/ Bond Trust Deed to be executed between Issuer and Debenture Trustee
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the laws of India. Any dispute arising thereof shall be subject to the jurisdiction of Courts of Hyderabad.

The Issuer also reserves its sole and absolute right to change the Date of Allotment of the above issue without giving any reasons or prior notice.


H.W. MAYOR,
G.H.M.C., HYDERABAD.


Commissioner,

Declaration

The Issuer undertakes that this Information Memorandum contains full disclosures in accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities by Municipalities) Regulations, 2015, issued vide No. SEBI/ LAD-NRO/GN/2015-16/006 dated 15th July, 2015 as amended from time to time.

The Issuer also confirms that to the best of its knowledge and beliefs this Information 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 Information Memorandum also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Information Memorandum or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

The Issuer undertakes that the Issuer would, till the redemption of the debt securities, submit the details relating to the financials of the issuer to the Trustee within the timelines prescribed by SEBI for furnishing /publishing its half yearly/ annual result. The Issuer shall execute the Trust Deed within the time frame prescribed in the relevant regulations/act/rules etc. and upload the same on the website of the BSE, within five working days of execution of the same.

For Greater Hyderabad Municipal Corporation

Commissioner
Place: Hyderabad
Date: August 13, 2018


Commissioner,
Greater Hyderabad Municipal Corporation

Declaration

The Issuer undertakes that this Information Memorandum contains full disclosures in accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities by Municipalities) Regulations, 2015, issued vide No. SEBI/ LAD-NRO/GN/2015-16/006 dated 15th July, 2015 as amended from time to time.

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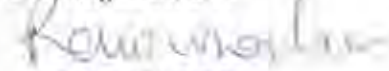
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For Greater Hyderabad Municipal Corporation

Mayor

Place: Hyderabad

Date: August 13, 2018



H.W. MAYOR,
G.H.M.C., HYDERABAD

SCHEDULE-I

Name of the Issuer	Greater Hyderabad Municipal Corporation
Issue Amount	195 Crores
Date of Allotment	August 14, 2018
Pay-In Date	August 14, 2018
Redemption Date	August 14, 2028
Tenor	10 years
Interest Payment Frequency	Semi Annual
Interest Payment Date	February 14 and August 14 of every year till redemption.
Coupon	9.38%

Amount to be Transferred to DSRA Account, Interest Payment Account and Sinking Fund Account

Date Month	DSRA Service Reserve Account			Interest Payment Account			Sinking Fund Account		
	Amount (₹ Crores)	Transfer to Escrow	Cumulative Amount	Amount	Transfer to Escrow	Cumulative Amount	Amount	Transfer to Escrow	Cumulative Amount
13-Aug-18	18.29		18.29						
31-Aug-18	-		18.29	1.83		1.83	1.64		1.64
30-Sep-18	-		18.29	1.83		3.66	1.64		3.28
31-Oct-18	-		18.29	1.83		5.49	1.64		4.92
30-Nov-18	-		18.29	1.83		7.32	1.64		6.55
31-Dec-18	-		18.29	1.83		9.15	1.64		8.19
31-Jan-19	-		18.29	1.52		10.67	1.64		9.83
14-Feb-19			18.29	9.15		1.52	-		9.83
28-Feb-19	-		18.29	1.52		3.05	1.64		11.47
31-Mar-19	-		18.29	1.52		4.57	1.64		13.11
30-Apr-19	-		18.29	1.52		6.10	1.64		14.75
31-May-19	-		18.29	1.52		7.62	1.64		16.39
30-Jun-19	-		18.29	1.52		9.15	1.64		18.03
31-Jul-19	-		18.29	1.52		10.67	1.64		19.66
14-Aug-19			18.29	9.15		1.52	-		19.66
31-Aug-19	-		18.29	1.52		3.05	1.64		21.30
30-Sep-19	-		18.29	1.52		4.57	1.64		22.94
31-Oct-19	-								

H.W. Mayor
H.W. MAYOR,
G.H.M.C., HYDERABAD.

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Commissioner,
Greater Hyderabad Municipal Corporation

Date/ Month	Debt Service Reserve Account			Interest Payment Account			Sinking Fund Account		
	Amount	Transfer to Escrow	Cumulative Amount	Amount	Transfer to Escrow	Cumulative Amount	Amount	Transfer to Escrow	Cumulative Amount
19			18.29	1.52		6.10	1.64		24.58
30-Nov-19	-		18.29	1.52		7.62	1.64		26.22
31-Dec-19	-		18.29	1.52		9.15	1.64		27.86
31-Jan-20	-		18.29	1.52		10.67	1.64		29.50
14-Feb-18			18.29	9.15		1.52	-		29.50
29-Feb-20	-		18.29	1.52		3.05	1.64		31.13
31-Mar-20	-		18.29	1.52		4.57	1.64		32.77
30-Apr-20	-		18.29	1.52		6.10	1.64		34.41
31-May-20	-		18.29	1.52		7.62	1.64		36.05
30-Jun-20	-		18.29	1.52		9.15	1.64		37.69
31-Jul-20	-		18.29	1.52		10.67	1.64		39.33
14-Aug-20			18.29	9.15		1.52	-		39.33
31-Aug-20	-		18.29	1.52		3.05	1.64		40.97
30-Sep-20	-		18.29	1.52		4.57	1.64		42.61
31-Oct-20	-		18.29	1.52		6.10	1.64		44.24
30-Nov-20	-		18.29	1.52		7.62	1.64		45.88
31-Dec-20	-		18.29	1.52		9.15	1.64		47.52
31-Jan-21	-		18.29	1.52		10.67	1.64		49.16
14-Feb-21			18.29	9.15		1.52	-		49.16
28-Feb-21	-		18.29	1.52		3.05	1.64		50.80
31-Mar-21	-		18.29	1.52		4.57	1.64		52.44
30-Apr-21	-		18.29	1.52		6.10	1.64		54.08
31-May-21	-		18.29	1.52		7.62	1.64		55.71
30-Jun-21	-		18.29	1.52		9.15	1.64		57.35
31-Jul-21	-								

Kanwar
H.H. BLAIR,
J.H.M.C., HYDERABAD.

Date Month	Life Saving Reserve Account			Interest Payment Account			Sinking Fund Account		
	Amount ₹	Transfer to ₹	Cumulative Amount	Amount ₹	Transfer to ₹	Cumulative Amount	Amount ₹	Transfer to ₹	Cumulative Amount
			18.29	1.52		10.67	1.64		58.99
14-Aug-21			18.29	9.15		1.52	-		58.99
31-Aug-21	-		18.29	1.52		3.05	1.64		60.63
30-Sep-21	-		18.29	1.52		4.57	1.64		62.27
31-Oct-21	-		18.29	1.52		6.10	1.64		63.91
30-Nov-21	-		18.29	1.52		7.62	1.64		65.55
31-Dec-21	-		18.29	1.52		9.15	1.64		67.18
31-Jan-22	-		18.29	1.52		10.67	1.64		68.82
14-Feb-22			18.29	9.15		1.52	-		68.82
28-Feb-22	-		18.29	1.52		3.05	1.64		70.46
31-Mar-22	-		18.29	1.52		4.57	1.64		72.10
30-Apr-22	-		18.29	1.52		6.10	1.64		73.74
31-May-22	-		18.29	1.52		7.62	1.64		75.38
30-Jun-22	-		18.29	1.52		9.15	1.64		77.02
31-Jul-22	-		18.29	1.52		10.67	1.64		78.66
14-Aug-22			18.29	9.15		1.52	-		78.66
31-Aug-22	-		18.29	1.52		3.05	1.64		80.29
30-Sep-22	-		18.29	1.52		4.57	1.64		81.93
31-Oct-22	-		18.29	1.52		6.10	1.64		83.57
30-Nov-22	-		18.29	1.52		7.62	1.64		85.21
31-Dec-22	-		18.29	1.52		9.15	1.64		86.85
31-Jan-23	-		18.29	1.52		10.67	1.64		88.49
14-Feb-23			18.29	9.15		1.52	-		88.49
28-Feb-23	-		18.29	1.52		3.05	1.64		90.13
31-Mar-	-								

Law mahr
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner
Greater Hyderabad Municipal Corporation

Date / Month	Debt Service Reserve Account			Interest Payment Account			Sinking Fund Account		
	Amount	Transfer to	Cumulative Amount	Amount	Transfer to	Cumulative Amount	Amount	Transfer to	Cumulative Amount
23			18.29	1.52		4.57	1.64		91.76
30-Apr-23	-		18.29	1.52		6.10	1.64		93.40
31-May-23	-		18.29	1.52		7.62	1.64		95.04
30-Jun-23	-		18.29	1.52		9.15	1.64		96.68
31-Jul-23	-		18.29	1.52		10.67	1.64		98.32
14-Aug-23			18.29	9.15		1.52			98.32
31-Aug-23	-		18.29	1.52		3.05	1.64		99.96
30-Sep-23	-		18.29	1.52		4.57	1.64		101.60
31-Oct-23	-		18.29	1.52		6.10	1.64		103.24
30-Nov-23	-		18.29	1.52		7.62	1.64		104.87
31-Dec-23	-		18.29	1.52		9.15	1.64		106.51
31-Jan-24	-		18.29	1.52		10.67	1.64		108.15
14-Feb-24			18.29	9.15		1.52			108.15
29-Feb-24	-		18.29	1.52		3.05	1.64		109.79
31-Mar-24	-		18.29	1.52		4.57	1.64		111.43
30-Apr-24	-		18.29	1.52		6.10	1.64		113.07
31-May-24	-		18.29	1.52		7.62	1.64		114.71
30-Jun-24	-		18.29	1.52		9.15	1.64		116.34
31-Jul-24	-		18.29	1.52		10.67	1.64		117.98
14-Aug-24			18.29	9.15		1.52			117.98
31-Aug-24	-		18.29	1.52		3.05	1.64		119.62
30-Sep-24	-		18.29	1.52		4.57	1.64		121.26
31-Oct-24	-		18.29	1.52		6.10	1.64		122.90
30-Nov-24	-		18.29	1.52		7.62	1.64		124.54
31-Dec-	-								

Law mahr
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Date/ Month	Debt Service Reserve Account			Imprest Payment Account			Sinking Fund Account		
	Amount	Transfer to Interest	Cumulative Amount	Amount	Transfer to Interest	Cumulative Amount	Amount	Transfer to Interest	Cumulative Amount
24			18.29	1.52		9.15	1.64		126.18
31-Jan-25	-		18.29	1.52		10.67	1.64		127.82
14-Feb-25			18.29	9.15		1.52	-		127.82
28-Feb-25	-		18.29	1.52		3.05	1.64		129.45
31-Mar-25	-		18.29	1.52		4.57	1.64		131.09
30-Apr-25	-		18.29	1.52		6.10	1.64		132.73
31-May-25	-		18.29	1.52		7.62	1.64		134.37
30-Jun-25	-		18.29	1.52		9.15	1.64		136.01
31-Jul-25	-		18.29	1.52		10.67	1.64		137.65
14-Aug-25			18.29	9.15		1.52	-		137.65
31-Aug-25	-		18.29	1.52		3.05	1.64		139.29
30-Sep-25	-		18.29	1.52		4.57	1.64		140.92
31-Oct-25	-		18.29	1.52		6.10	1.64		142.56
30-Nov-25	-		18.29	1.52		7.62	1.64		144.20
31-Dec-25	-		18.29	1.52		9.15	1.64		145.84
31-Jan-26	-		18.29	1.52		10.67	1.64		147.48
14-Feb-26			18.29	9.15		1.52	-		147.48
28-Feb-26	-		18.29	1.52		3.05	1.64		149.12
31-Mar-26	-		18.29	1.52		4.57	1.64		150.76
30-Apr-26	-		18.29	1.52		6.10	1.64		152.39
31-May-26	-		18.29	1.52		7.62	1.64		154.03
30-Jun-26	-		18.29	1.52		9.15	1.64		155.67
31-Jul-26	-		18.29	1.52		10.67	1.64		157.31
14-Aug-26			18.29	9.15		1.52	-		157.31
31-Aug-	-								

Ram Mohan
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Mayor
Greater Hyderabad Municipal Corporation

Time Month	Debit Service Revenue Account			Interest Payment Account			Sinking Fund Account		
	Amount -	Transfer to Expense	Cumulative Amount	Amount	Transfer to Reserve	Cumulative Amount	Amount	Transfer to Expense	Cumulative Amount
26			18.29	1.52		3.05	1.64		158.95
30-Sep-26	-		18.29	1.52		4.57	1.64		160.59
31-Oct-26	-		18.29	1.52		6.10	1.64		162.23
30-Nov-26	-		18.29	1.52		7.62	1.64		163.87
31-Dec-26	-		18.29	1.52		9.15	1.64		165.50
31-Jan-27	-		18.29	1.52		10.67	1.64		167.14
14-Feb-27			18.29	9.15		1.52			167.14
28-Feb-27	-		18.29	1.52		3.05	1.64		168.78
31-Mar-27	-		18.29	1.52		4.57	1.64		170.42
30-Apr-27	-		18.29	1.52		6.10	1.64		172.06
31-May-27	-		18.29	1.52		7.62	1.64		173.70
30-Jun-27	-		18.29	1.52		9.15	1.64		175.34
31-Jul-27	-		18.29	1.52		10.67	1.64		176.97
14-Aug-27			18.29	9.15		1.52			176.97
31-Aug-27	-		18.29	1.52		3.05	1.64		178.61
30-Sep-27	-		18.29	1.52		4.57	1.64		180.25
31-Oct-27	-		18.29	1.52		6.10	1.64		181.89
30-Nov-27	-		18.29	1.52		7.62	1.64		183.53
31-Dec-27	-		18.29	1.52		9.15	1.64		185.17
31-Jan-28	-		18.29	1.52		10.67	1.64		186.81
14-Feb-28			18.29	9.15		1.52			186.81
29-Feb-28	-		18.29	1.52		3.05	1.64		188.45
31-Mar-28	-		18.29	1.52		4.57	1.64		190.08
30-Apr-28	-		18.29	1.52		6.10	1.64		191.72
31-May-	-								

H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner,
Greater Hyderabad Municipal Corporation

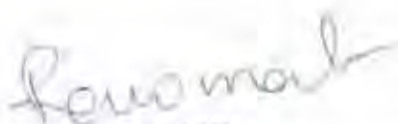
Date/ Month	Debt Service Reserve Account			Interest Payment Account			Sinking Fund Account		
	Amount	Transfer to Escrow	Cumulative Amount	Amount	Transfer to Escrow	Cumulative Amount	Amount	Transfer to Escrow	Cumulative Amount
28			18.29	1.52		7.62	1.64		193.36
30-Jun-28	-		18.29	1.52		9.15	1.64		195.00
31-Jul-28	-		18.29	-		9.15	-		195.00
14-Aug-28		-18.29	-	-9.15	0.00	-	-195	0.00	-

Ransingh
H.W. MAYOR,
G.H.M.C., HYDERABAD.

[Signature]
Commissioner,
Greater Hyderabad Municipal Corporation

Notes

- a) Any Shortfall in the cumulative amount needs to be met from Escrow Account in priority mentioned in the Summary TermSheet and GHMC should make good of any shortfall by transfer from other account(s) of GHMC
- b) Shortfall = Cumulative Amount - Amount lying in relevant Account (including Fixed Deposits/Investment at cost only)
- c) Accrued Interest or interest not realised by way of cash flow needs to be excluded
- d) Any Fixed Deposit/Investment Interest Realised and deposited in Interest Payment Account or Debt Service Reserve Account or Sinking Fund Account can be used towards the months installment
- e) The effect of Holidays have not been factored in while creating the Schedule


H.W. MAYOR,
G.H.M.C., HYDERABAD.


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Annexure- I
Structure Payment Mechanism

The funds lying in account(s) in which Property Tax and Fees & User Charges are collected shall be transferred to a separate no-lien Escrow Account for debt servicing (bonds, Loans, etc.). Eligible Bondholders and Lenders shall have first and pari-passu charge over the Escrow Account and the account(s) where Property Tax and Fees & User Charges are collected.

1. The funds lying in the Escrow Account shall be used in the following priority:
 - a. The funds should be first utilised to meet Minimum Balance in Escrow Account. The Minimum Balance to be maintained in any month shall be calculated as per para 3 below.
 - b. The Minimum Balance shall not be used for any purpose other than transfer to the Debt Servicing Account.
 - c. The surplus funds after meeting the Minimum Balance can thereafter be transferred to GHMC General Fund Account.

The above transfer shall be done on a daily basis except on the last business day of every month. On the last business day of every month, the Minimum Balance maintained as indicated above shall be transferred to the Debt Servicing Account. GHMC, with the written consent of the Trustees, can transfer the Minimum Balance maintained in Escrow Account to Debt Servicing Account on any day prior to the last business day of the month.

2. In case of any shortfall from transfer from Escrow Account to Debt Service Account, GHMC shall make good the shortfall from the funds from other account(s) to Debt Servicing Account.
3. The funds to be transferred to the Debt Service Account from the Escrow Account ("Minimum Balance") shall be aggregate of the following:
 - i) Monthly Contribution to be transferred from the Escrow Account shall be calculated separately for each Loan/Bond as per the terms of the said issuance.
 - ii) Shortfall in any earlier contribution to the extent not made good by GHMC from other account(s).
4. The funds lying in the Debt Service Account (DSA) shall be used in the following priority:
 - a. Firstly, to transfer funds from Debt Service Account to Debt Service Reserve Account (DSRA), if any, as per terms of bonds/loans to make good any shortfall in DSRA account. At all times the DSRA should be maintained as per the terms of the bond issuance/loans.
 - b. Secondly, transfer to Interest Payment Account on monthly basis such sums as may be required by the terms of bond issuance/loan and any shortfall in earlier contributions.
 - c. Thirdly, transfer to Sinking Fund Account/Debt Repayment Account on monthly basis such sums as may be required by the terms of the bond issuance/loans and any shortfall in earlier contributions.
5. GHMC, at its sole discretion but with prior intimation to the Trustees, can expedite payment of any succeeding future month(s) contribution into the Debt Servicing Account such that at no time the contribution to Debt Service Account is less than as calculated in para 3 above (including the contribution for the month to be expedited).
6. Bondholder(s) and lender(s) shall have first, exclusive and pari-passu charge over Debt Service Account. Each Bond Series or Loan shall have exclusive charge in its favour on the funds lying in


H.W. MAYOR,
GH.M.C., HYDERABAD


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DSRA, Interest Payment Account and Sinking Fund Account/Debt Repayment Account created specifically for the series or any investments made from those accounts.

7. Any surplus funds lying in DSRA, Interest Payment Account and Sinking Fund Account/Debt Repayment Account after the bond is redeemed in full or loan has been repaid shall be transferred to the Escrow Account.

Current Bond Issue

8. GHMC shall open the following accounts for servicing the interest and principal of the proposed bonds for the exclusive benefit of the Bondholders:
 - a. Debt Service Reserve Account - Series-II,
 - b. Interest Payment Account - Series-II
 - c. Sinking Fund Account - Series-II
9. GHMC shall set up the Escrow Account and Debt Servicing Account as mentioned above and shall cause the following funds to be transferred:
 - a. The Debt Service Reserve Account - Series-II shall be funded one day before the pay-in date with an amount equal to two interest payments for bonds structure.
 - b. At the end of each month, any shortfall from the amount mentioned in Schedule I mentioned of the Information Memorandum dated August 13, 2018 in the Debt Service Reserve Account - Series-II shall be transferred.
 - c. At the end of each month, an amount as mentioned in Schedule I of the Information Memorandum dated August 13, 2018, any further interest payable (by whatsoever name called) as per the terms of the issuance and any shortfall in earlier contribution shall be transferred to the Interest Payment Account - Series-II.
 - d. At the end of each month, an amount as mentioned in Schedule I of the Information Memorandum dated August 13, 2018 and any shortfall in earlier contribution shall be transferred to the Sinking Fund Account - Series-II.
 - e. Any shortfall in the above account(s) shall be made good by GHMC by transfer from other account(s) of GHMC.
10. The funds lying in the above account(s) shall be utilized in the following manner:
 - a. The funds lying in Debt Service Reserve Account - Series-II can be used to meet any shortfall in Interest Payment Account - Series-II and thereafter can be used to meet any shortfall at the time of final redemption of bonds. However, the Debt Service Reserve Account - Series-II cannot be utilized to meet any shortfall in contribution to Sinking Fund Account - Series-II except at the time of final redemption of bonds.
 - b. The funds lying in the Interest Payment Account - Series-II can be used to make interest payment of the bondholder(s) of the bonds issued pursuant to the Information Memorandum dated August 13, 2018. Any surplus after making the payment to bondholder(s) should be first used to make good any shortfall in Debt Service Reserve Account - Series-II and thereafter be used to make good any shortfall in contribution to Sinking Fund Account - Series-II.
 - c. The funds lying in the Sinking Fund Account - Series-II can be used to redeem the bonds issued pursuant to the Information Memorandum dated August 13, 2018.
 - d. Any funds lying in the above account(s) can be used for making investment(s). However, the funds (including investment(s)) shall not, without the approval of the Debenture Trustees, be utilized for any purpose other than mention in points (a) to (c) above.
 - e. Any surplus funds lying in the above account(s) after the bonds issued pursuant to Information Memorandum dated August 13, 2018 have been redeemed in full and all dues to the Bondholder(s) have been paid can be transferred to the Escrow Account after obtaining written consent of the Debenture Trustee.

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Greater Hyderabad Municipal Corporation

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11. The Debenture Trustee, on behalf of the Bondholder(s) shall have first and pari passu charge over the Escrow Account, account(s) where Property Tax and Fees & User Charges are being collected and Debt Servicing Account. The Bondholder(s) shall have first and exclusive charge on the funds lying in Debt Service Reserve Account - Series-II, Interest Payment Account - Series-II and Sinking Fund Account - Series-II and any investment(s) made from these account(s).
12. The Debenture Trustee, on behalf of the Bondholder(s), shall have lien on the Debt Service Reserve Account - Series-II, Interest Payment account - Series-II, and Sinking Fund Account - Series-II and any investment(s) made from these account(s) for the exclusive benefit of the Bondholder(s) for the bond issued under the Information Memorandum dated August 13, 2018. The amount deposited in Debt Service Reserve Account - Series-II, Interest Payment Account - Series-II and Sinking Fund Account - Series-II shall be used solely for meeting the dues to these Bondholder(s). Any surplus in the account after meeting the dues to the Bondholder(s) can be transferred to the Escrow Account. No amount can be withdrawn from these account(s) without the approval of Debenture Trustees to the bondholder(s).
13. The Funds lying credited in the Interest Payment Account - Series-II and Debt Service Reserve Account - Series-II can be kept in Fixed Deposits with any scheduled commercial bank with a dual rating of AA+ or above. However, the conditions of the fixed deposits shall not restrict premature withdrawal from the Fixed Deposit. The lien shall be created in favor of debenture trustee on all the investments made above.
14. The funds lying to the credit of Sinking Fund Account - Series-II can be deposited in Fixed Deposit with any scheduled commercial bank with a dual rating of AA+ and above and/or in Government Securities, state development loans and Treasury Bills. The lien shall be created in favor of debenture trustee on all the investments made above.
15. Any actual interest income earned and received on these investment(s) can be utilized towards the future dues in the respective account(s).
16. Escrow Account, Debt Service Account, Debt Service Reserve Account - Series-II, Interest Payment Account - Series-II and Sinking Fund Account - Series-II shall be maintained with a scheduled commercial bank rated at least AA+ by two rating agencies throughout the tenor of the instrument. In case, at any point of time, the rating of senior debt of the Bank falls below AA+ by any rating agency GHMC shall, with written consent of Debenture Trustees, move the funds to any other bank satisfying the rating criteria.
17. The Bank shall share statement(s) of these account(s) with Debenture Trustee and the Rating Agencies for such period as may be specified by the Debenture Trustee and/or Rating Agencies but not greater than 12 months in any case till such time as the bonds are redeemed. GHMC and Debenture Trustee shall keep the Rating Agencies informed in case of change in the Bank.

Interest Payment Mechanism

The Trustees shall check the amount lying to the credit of Interest Payment Account - Series-II at 25 days prior to the interest payment date. In case of any shortfall in amount, the trustees shall intimate GHMC of the shortfall and GHMC shall make good the shortfall in the Interest Payment Account - Series-II by 15 days prior to the interest payment date. In case of shortfall in any amount in Interest Payment Account - Series-II at 14 days prior to the Interest Payment date, the Trustee shall trigger the payment mechanism and instruct bank to transfer the shortfall amount from Debt Service Reserve Account - Series-II to the Interest Payment Account - Series-II by 10 days prior to the interest payment date. The Interest shall be paid by GHMC on the due date. Any amount drawn from the Debt Service Reserve Account - Series-II should be deposited back in the Debt Service Reserve Account - Series-II as per the mechanism indicated above. The debenture trustee shall check the balance in the Sinking Fund Account - Series-II at the end of every month and in case of any shortfall in the Sinking Fund Account - Series-II, GHMC shall replenish the Sinking Fund Account - Series-II

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Greater Hyderabad Municipal Corporation

Handwritten signature
Greater Hyderabad Municipal Corporation

with the necessary amount to fill the shortfall. The Trustees shall check the amount lying to the credit of Sinking Fund Account - Series-II at 25 days prior to the redemption date. In case of any shortfall in amount, the trustees shall intimate GHMC of the shortfall and GHMC shall make good the shortfall in the Sinking Fund Account - Series-II by 15 days prior to the redemption date. The Trustees shall keep the Rating Agencies informed of any shortfall in Interest Payment Account - Series-I, Debt Service Reserve Account - Series-II, Sinking Fund Account - Series-II and any transfer from Debt Service Reserve Account - Series-II to Interest Payment Account - Series-II.

Restriction on the total borrowing

- (A) DSCR on operating Surplus: Debt Service Coverage Ratio ("DSCR") for the GHMC will not be less than 1.25 times of operating surplus calculated as the below:

DSCR on operating Surplus = operating surplus / total debt service

- i) Operating surplus calculated as the below:

Operating Surplus = total income - expenditure

total income = Total income of the corporation

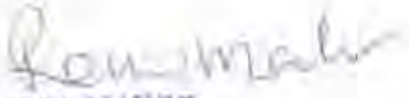
expenditure = Total expenditure - Depreciation

- ii) total debt service = interest payment of loans and bonds + principal repayment deposited in the sinking funds or installment of principal repayment+ transfer to debt service reserve account
- (B) The total amount collected in escrow account shall be atleast 1.25 times of the Debt Service Amount on an annual basis. In case, the ratio falls below 1.25 times, GHMC shall not borrow any further amount against the cash flow(s) of the escrow account. No permission to borrow further amount(s) by GHMC shall be required, under this head, from the bondholder(s) as long as this condition is satisfied

DSA is defined as follows:

DSA = Interest payment for the month + proportionate principal deposited in sinking fund or installment of principal redemption

GHMC shall not borrow any further funds against the cash flow of the Escrow Account in case there is a shortfall in contribution to Debt Service Account and the shortfall has not been made good by GHMC.


H.W. MAYOR


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Greater Hyderabad Municipal Corporation

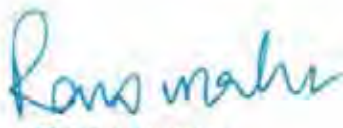
ANNEXURE 2

CASH FLOW ILLUSTRATION

Name of the Issuer	Greater Hyderabad Municipal Corporation
Issue Amount	Rs. 195 crores
Deemed Date of Allotment	Tuesday, 14 August, 2018
Pay-in Date	Tuesday, 14 August, 2018
Redemption Date	Monday, 14 August, 2028
Tenor	10 Years
Interest Payment Frequency	Semi Annual
Interest Payment Date	14th August & 14th February every year till redemption
Coupon	9.38% p.a

Coupon	Interest	Principal	Total
1st Coupon	Thursday, 14 February, 2019	Thursday, 14 February, 2019	92,206,685.00
2nd Coupon	Wednesday, 14 August, 2019	Wednesday, 14 August, 2019	90,703,315.00
3rd Coupon	Friday, 14 February, 2020	Friday, 14 February, 2020	91,954,754.00
4th Coupon	Friday, 14 August, 2020	Friday, 14 August, 2020	90,955,216.00
5th Coupon	Sunday, 14 February, 2021	Monday, 15 February, 2021	92,206,685.00
6th Coupon	Saturday, 14 August, 2021	Monday, 16 August, 2021	90,703,315.00
7th Coupon	Monday, 14 February, 2022	Monday, 14 February, 2022	92,206,685.00
8th Coupon	Sunday, 14 August, 2022	Monday, 15 August, 2022	90,703,315.00
9th Coupon	Tuesday, 14 February, 2023	Tuesday, 14 February, 2023	92,206,685.00
10th Coupon	Monday, 14 August, 2023	Monday, 14 August, 2023	90,703,315.00
11th Coupon	Wednesday, 14 February, 2024	Wednesday, 14 February, 2024	91,954,754.00
12th Coupon	Wednesday, 14 August, 2024	Wednesday, 14 August, 2024	90,955,216.00
13th Coupon	Friday, 14 February, 2025	Friday, 14 February, 2025	92,206,685.00
14th Coupon	Thursday, 14 August, 2025	Thursday, 14 August, 2025	90,703,315.00
15th Coupon	Saturday, 14 February, 2026	Monday, 16 February, 2026	92,206,685.00
16th Coupon	Friday, 14 August, 2026	Friday, 14 August, 2026	90,703,315.00
17th Coupon	Sunday, 14 February, 2027	Monday, 15 February, 2027	92,206,685.00
18th Coupon	Saturday, 14 August, 2027	Monday, 16 August, 2027	90,703,315.00
19th Coupon	Monday, 14 February, 2028	Monday, 14 February, 2028	91,954,754.00
20th Coupon	Monday, 14 August, 2028	Monday, 14 August, 2028	90,955,216.00
Principal Payment	Monday, 14 August, 2028	Monday, 14 August, 2028	1,950,000,000.00

Note: Note: We have not taken other holidays into account as it is not possible to ascertain the same presently. In case of interest payment day falling on a non working day, same shall be paid on next working day, and in case of day of redemption falling on a non working day payment shall be made on previous working day in accordance with SEBI circular dated November 11, 2016.


H.W. MAYOR,
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Commissioner,
Greater Hyderabad Municipal Corporation

Greater Hyderabad Municipal Corporation

January 31, 2018

Rating

Instruments	Amount (Rs. crore)	Rating	Rating Action
Proposed Bond issue	3300 (Rs. Three thousand three hundred crore only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE AA; Negative (Double A; Outlook: Negative)

*Details of instruments in Annexure-1***Detailed Rationale & Key Rating Drivers**

The rating assigned to the proposed bond issue of Greater Hyderabad Municipal Corporation continue to draw strength from the healthy financial profile of the entity backed by consistent revenue surplus over the years and the Corporation being a self-reliant entity with nearly 93% of its revenue coming from its own sources during FY17 (Provisional, refers to the period April 1 to March 31), moderate property tax collection efficiency during FY17 and strong financial position backed by high level of cash reserves. The rating also factors in increased capital grants by way of receipt of income from regularization scheme and Government grants, significant amount of Grants expected to be received as per the recommendation of 14th Finance Commission and increased revenue receipts and revenue surplus in FY17. The corporation also has good infrastructure in place, has a strong record in terms of coverage and service delivery and has been performing well in the execution of its civic duties. The rating also factors in the strong economic base and further developments in and around Hyderabad city. The rating is, however, constrained by limited autonomy in terms of levying taxes with no revision in tax rates in recent years, large sized debt funded non-revenue generating projects undertaken and risks associated with high capital outlay. The ability of GHMC to maintain its revenue surplus while successfully augmenting its infrastructure needs, improvement in its civic services and execution of high capital outlay envisaged as per the financing plan & without impacting the debt protection indicators are the key rating sensitivities.

Detailed description of the key rating drivers**Key Rating Strengths**

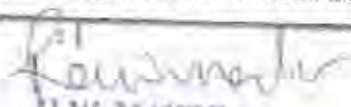
Strong economic base, efficient operations and service delivery track record: GHMC has good infrastructure in place and has a strong track record in terms of coverage and service delivery with about 80% coverage of water supply and 85% coverage of sewerage. Additionally, the level of industrialization of GHMC is high with Hyderabad being a hub for various industrial set ups.

Sustained growth in revenue receipts and fiscal strength: The Corporation has been witnessing growing revenue receipts since the last three years. During FY17, while the tax and non-tax revenue together grew by 22.08% over FY16; the overall revenue receipt registered marginal growth of about 3.1%. Further, GHMC is a self-reliant entity with about 93% of the revenue coming from its own sources during FY17 (vis-à-vis about 80% in FY16).

Consistent revenue surplus and strong financial position: GHMC has been reporting consistent revenue surplus over the years, although the same has narrowed down vis-à-vis levels witnessed prior to FY15. During FY17, the revenue surplus (adjusted for incremental debtors and under assessed property tax due receipts categorized under prior period item) registered a y-o-y growth of about 22% in FY17 and was about 16%. The financial position also remains strong with sufficient cash reserves (1402.51 crore as on March 31, 2017) and expected receipt of funds as per recommendation of 14th Finance Commission.

Satisfactory tax collection efficiency level during FY17: The overall tax collection efficiency of the entity stood at about 70% in FY17 vis-à-vis about 74% in FY16. The Corporation is, however, taking various initiatives to further improve the tax collection efficiency including enhancement in property tax information system and offering rebates for certain categories of property tax payers.

Sustained capital expenditure: The capital expenditure of the corporation, which is mainly incurred towards development of civic amenities and infrastructure projects, has been fairly steady over the years. During the last four years (FY14-FY17), GHMC has incurred capex of average about Rs.1000.0 crore per annum. Majority of the capital expenditure undertaken by the municipal corporation is sourced from its internal accruals with low dependence on the state/central government grants or debt. However, the same has resulted in reduction in cash balance from FY15 and almost stagnant cash balance over the last two years with the revenue surplus getting deployed towards capex.


H.W. MAYOR,
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Comfortable debt coverage: The Corporation has been a debt free entity till March 31, 2017 with small amount of term loan (Rs.100 crore) raised in the current fiscal resulting in a debt to Revenue Receipt of 4.07% (based on FY17). Going forward, the debt coverage indicators of GHMC are expected to remain at a satisfactory level in the medium term despite the debt funded capital expenditure plan through issuance of bonds/term loan. Further, the proposed structured payment mechanism of the bonds/term debt along with creation of Debt Service Reserve Account also is expected to provide some cushion to liquidity.

Key Rating Weaknesses

Limited autonomy in levy of taxes: There has been no revision in the property tax rates since more than a decade with last revision undertaken in 2003 for residential properties and in 2007 for commercial properties. The low base rate has to an extent, hindered the ability of the Corporation to increase the property tax revenue.

Large sized debt funded non-revenue generating capex: GHMC has two major development projects viz. Strategic Road Development Project (SRDP) and 2BHK affordable housing project for families below poverty line. Additionally, the corporation is undertaking NALA project for repairing and maintenance of sewerage. The total capex for these projects is about Rs.12,340 crore spread over the next four years and the same will be funded through debt (Rs.3500 crore), Government grant (Rs.7765 crore), and balance through internal accruals and cash & bank reserves (Rs.1078 crore). Furthermore, GHMC would also have to incur the routine capex to meet the requirement of the large economic base. Given the high capital outlay; the timely receipt of project grant from Government and completion of capex while maintaining the sound financial profile and debt coverage parameters remains important from the credit perspective.

Analytical approach: Standalone

GHMC has proposed a structured payment mechanism for the servicing of bonds. However, given that the repayment will be from operational cash flows of GHMC, CARE has not derived any credit enhancement from the same.

Applicable Criteria

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Rating Methodology - Urban Infrastructure Projects](#)

About the Entity

GHMC was established in 1869 as a Municipality in 1869 and subsequently converted into a Corporation in 1933. During this period up to March 2007, the state of Andhra Pradesh witnessed many changes and eventually the 12 municipalities from Ranga Reddy and Medak districts were merged into Greater Hyderabad Municipal Corporation in April 2007. GHMC is governed as per the Greater Hyderabad Corporation Act, 1955 (Act) and is administered by the Department of Municipal Administration and Urban Development, Government of Telangana. The area under GHMC is currently divided into 5 zones (south, east, north, west, and central) and 30 circles. It has a coverage area of 625 sq. kms and covers 3 districts i.e. Hyderabad, Ranga Reddy and Medak District, with a population of 67.31 lakh (2011 census).

Brief Financials (Rs. crore)	FY16 (A)	FY17 (Prov.)
Revenue Receipts	2381.71	2455.48
Revenue Surplus	323.03	394.58
Revenue Surplus/Revenue Receipts (%)	13.85	15.78
Own Revenue/Revenue Receipts (%)	79.31	92.82

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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CARE Ratings Limited
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**For detailed Rationale Report and subscription information, please contact us at www.careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

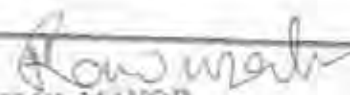
CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds	-	-	September 2028	3300.00	CARE AA; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Bonds	LT	3300.00	CARE AA; Stable	-	1) CARE AA; Negative (08-Mar-17) 2) CARE AA (28-Oct-16)	-	-


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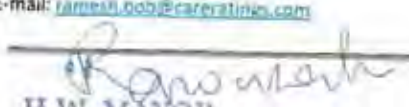
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CARE Ratings Limited
Commissioner,
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CARE/HRO/RL/2018-19/1311

Dr. B. Janardhan Reddy, IAS

Commissioner

Greater Hyderabad Municipal Corporation

CC Complex Tank Bund Road, Lower Tank Bund,

Hyderabad – 500063

July 24, 2018

Confidential

Dear Sir,

Credit rating for Proposed Bond issue

Please refer to our letter dated January 25, 2018 and your request for revalidation of the rating assigned to the *proposed bond issue* of your entity, for a limit of Rs.3300.0 Crore.

2. The following rating has been reviewed:

Instrument	Amount (Rs. crore)*	Rating	Rating Action
Proposed Bond issue	3300 (Rs. Three thousand crore only)	CARE AA; Stable (Double A; Outlook: Stable)	reaffirmed

*of the above, bonds aggregating Rs.200 crore has been placed

3. The NCDs are repayable in 10 years, with repayment in full amount at the end of 10th year from the date of issuance
4. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size [Rs. cr.]	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

CARE Ratings Limited

A company incorporated in India under the Companies Act, 1956

Corporate Office: 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 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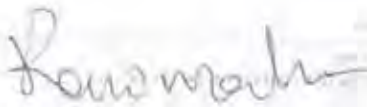
6. CARE reserves the right to undertake a surveillance/review of the rating from time to time based on circumstances warranting such review, subject to at least one such review/surveillance every year.
 7. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by the word "NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
 8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
 9. CARE ratings are **not** recommendations to buy, sell, or hold any securities.
- If you need any clarification, you are welcome to approach us in this regard.

Thanking you,
Yours faithfully,

[Vaibhav Rungta]
Deputy Manager
vaibhav.rungta@careratings.com

[Puja Jalan]
Senior Manager
puja.jalan@careratings.com

Encl.: As above


H.W. MAYOR,
G.H.M.C., HYDERABAD.


Commissioner,
Greater Hyderabad Municipal Corporation

Disclaimer

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Dr. B. Janardhan Reddy (IAS)
Commissioner
Greater Hyderabad Municipal Corporation
CC Complex Tank Bunk Road
Lower Tank Bunk Hyderabad
Hyderabad 500053
Contact: 040-23224564

July 20, 2018

Kind Attn: Dr. B. Janardhan Reddy (IAS), Commissioner

Dear Sir,

Re: Greater Hyderabad Municipal Corporation's (GHMC) Non-Convertible Debentures (NCDs)

India Ratings and Research (Ind-Ra) is pleased to communicate the following rating -

INR2 billion NCDs (Part of INR10 billion NCDs): IND AA/Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

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 the jurisdiction in which the rated security is offered and sold and/or the issuer is located, 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.

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Ratings & Research Private Limited A Fitch Group Company

01-9, Prakashdeep Building, 7 Tolstoy Marg, New Delhi 110001

tel +91 11 4356 7230 | Fax: +91 11 4356 7231 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.co.in

H.W. MAYOR,
G.H.M.C., HYDERABAD.

Addl. Commissioner (Fin)
Greater Hyderabad Municipal Corporation
Hyderabad.

Commis. Jondr,
Greater Hyderabad Municipal Corporation

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.

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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 contact us at +91 22 4000 1700.

Sincerely,

India Ratings

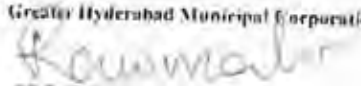


Devendra Kumar Pant
Senior Director



Sunil Kumar Sinha
Director

Greater Hyderabad Municipal Corporation


H.W. MAYOR,
G.H.M.C., HYDERABAD.

20 July 2018


Commissioner
Greater Hyderabad Municipal Corporation

India Ratings Assigns Greater Hyderabad Municipal Corporation's Proposed NCDs 'Provisional IND AA+/Stable'

25

By **INDIA RATING**

India Ratings and Research (Ind-Ra) has rated Greater Hyderabad Municipal Corporation's (GHMC) proposed instruments as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Face of Instrument	Rating/Status	Rating Action
Proposed non-convertible debentures (NCDs)*	-	-	-	INR10	Provisional IND AA+/Stable	Assigned
Proposed bank loans**	-	-	-	INR25	Provisional IND AA+/Stable	Assigned

*The final rating will be assigned upon issuance of the proposed NCDs and receipt of transaction documents by Ind-Ra. The proposed NCDs have a tenor of 10 years with semi-annual coupon payment frequency and bullet principal repayment at the end of the bond term.

**The final rating will be assigned upon receipt of documents confirming to the information already received by the agency.

KEY RATING DRIVERS

Funding for Projects: GHMC plans to raise INR35 billion in a phased manner, on need basis, to construct flyovers, drainages, and to undertake other road development activities in Hyderabad. The government of Telangana, through government order manuscript series No. 121, has given an in-principle approval to GHMC to construct flyover/junction under Strategic Road Development Plan for INR26.31 billion.

Structured Payment Mechanism: The payment mechanism includes: i) escrow account, wherein property tax and fees and user charges collected from circle accounts will be deposited into the account; ii) debt service account (DSA), where in minimum balance amount from the escrow account will be transferred to the DSA, where from funds will be moved to debt service reserve account (DSRA), interest payment account (IPA) and sinking fund account (SFA); iii) DSRA, which should be funded one day prior to the pay-in date with an amount equal to two interest payments for the bond structure; iv) IPA, which shall be funded on a monthly basis as per the terms of the bond issuances; and v) SFA, which shall be funded on a monthly basis equivalent to the amount as per the terms of bond issuances, and any shortfall in the earlier contributions. The debenture trustee shall have a lien on the IPA, DSRA and SFA for the exclusive benefit of the bondholders. The trustee shall keep the rating agency informed of any shortfall in the IPA, DSRA and SFA.

Escrow Account Balance: The funds received in the escrow account shall be first used to meet the minimum balance. This balance shall not be used for any purpose other than transfer to the DSA. In case of any shortfall, GHMC shall make good the shortfall by transferring funds from its other accounts. After meeting the monthly requirement of escrow/DSA only, the funds collected in the escrow account would be transferred to GHMC's municipal general fund account on a daily basis.

Flow of Funds from DSA: The funds, if any, will move into the DSRA from the DSA as per the terms of bonds/loans to make good the shortfall. The funds will then be moved into the IPA on a monthly basis, and finally into the SFA such sums as may be required by terms of bonds and/or to fund any shortfall in earlier contribution.

Management of Funds: Any surplus fund available in the escrow account, after meeting the aforesaid structured payment mechanism, can be transferred to GHMC's general fund account. The DSA, DSRA, IPA and SFA shall be maintained with a scheduled commercial bank, rated at least 'AA+' by two rating agencies, throughout the tenure of the instruments. At any point of time, if the rating of senior debt of the concerned bank falls below 'AA+', GHMC will move the fund to other bank satisfying the aforesaid conditions. The annual statement (not greater than 12 months) of these three accounts will be shared with the debenture trustee and ratings agencies during the tenor of the bonds. The funds credited and lying in the IPA, SFA and DSRA can be kept in fixed deposit with a scheduled commercial bank with a dual rating of 'AA+' or above. The fund lying in the SFA can also be invested in government securities, state development loans and treasury bills. Interest income earned on the investments made from the SFA, DSRA and IPA can be utilised towards future obligations of the respective accounts.

IPA: In amount, as specified in the terms of bonds/loans agreements, will be transferred to the IPA from the DSA transaction date (T+22).

H.W. Mayor
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Comptroller
Comptroller
Greater Hyderabad Municipal Corporation

service. In case of any shortfall, the trustee shall inform GHMC of the shortfall, and the latter shall cover the shortfall by T-15 days. If the corporation is unable to cover the shortfall by T-14 days, then the trustee will instruct the bank to transfer the deficit to the IPA by T-10 days. Any amount drawn from the DSRA should be deposited back into the account from the DSA or in case of surplus in the IPA, the surplus amount can be used to replenish the DSRA. However, the DSRA cannot be utilised to meet any shortfall in the SFA, except at the time of final redemption of bonds. Similarly, any surplus in the IPA will be first utilised to make good any shortfall in the DSRA, and thereafter to cover up the shortfall in the SFA.

SFA: The debenture trustee shall check the balance in the SFA at the end of each year; in case of any shortfall, the trustee shall inform GHMC to replenish the same. Further, the trustee shall check the balance in the SFA in T-25 days from the principal redemption date. In case of any shortfall, the trustee shall ask GHMC to cover up the shortfall and GHMC shall make good the shortfall in T-15 days.

Approval for Additional Borrowing: The ratings also draw comfort from the norms set under the structured payment mechanism for future borrowing by GHMC. Any further borrowing shall be allowed, provided the total amount collected in the escrow account is at least 1.25x of debt servicing requirement on an annual basis, or else GHMC shall be required to take a prior approval from the trustee.

Own Revenue Dependence: GHMC has shown strong own revenue generation to meet its funding requirements, both capital and revenue expenditure. GHMC's ratio of own revenue to total revenue remained above 70% during FY12-FY17 and averaged at 76%. Also, the share of grant in total income was below 17% in FY17 (FY16: 11%). Tax income averaged 45.19% and non-tax income averaged 30.16% during FY12-FY17. Property tax collection grew at a CAGR of 16.76% during FY12-FY17. As of September 2017, the corporation collected INR 6.04 billion in the form of property tax and INR 0.60 billion in Building Penalisation Scheme and Layout Regularisation Scheme.

Sustained Revenue Surplus: GHMC maintained revenue surplus during FY12-FY17. During FY17, revenue surplus was INR 5.66 billion (FY16: INR 3.72) and operating margin was 23.05% (15.60%). Until FY17, GHMC relied on revenue surplus and grants to meet its capital expenditure. However, it plans to borrow funds for Strategic Road Development Plan and drainage project in FY18.

Efficient Civic Service Coverages: GHMC's water supply connection coverage, and sewerage and sanitation coverage remained comfortable at 80% and 85%, respectively, in FY17, against the service level benchmark of 100%. GHMC has projected the water supply connection coverage, and sewerage and sanitation coverage to improve to 85% and 90%, respectively, in FY18. GHMC achieved 100% coverage in terms of toilets; cost recovery in sewerage treatment was 114% in FY17.

Scope for Improvement in Civic Service Delivery: Despite comfortable water supply coverage, Hyderabad got water for merely one hour each day in FY17. This is targeted to improve to 1.5 hours in FY18. Also, water metering coverage at 26.4% in FY17, is much lower than the service level benchmark of 100%. The corporation's collection efficiency for sewerage and solid waste management services was 50% and 35%, respectively, in FY17, leaving ample scope for improvement.

RATING SENSITIVITIES

Positive: A positive rating action could result from a further improvement in service delivery without impacting the revenue and debt ratios.

Negative: A sustained deterioration in revenue surplus leading to higher dependence on grants or deterioration in the coverage ratios could lead to a negative rating action.

COMPANY PROFILE

GHMC is the civic body that oversees Hyderabad, the capital and largest city in the Indian state of Telangana. It is the local government for the cities of Hyderabad and Secunderabad. The corporation is divided into five zones (south, east, north, west and central zones), 17 circles and 150 wards.

FINANCIAL SUMMARY

Key Financials	FY16	FY17 (Provisional)
Revenue income (INR billion)	23.82	24.55
Revenue expenditure (INR billion)	20.10	18.90
Revenue surplus (INR billion)	3.72	5.66
Capital Expenditure to Capital Income (x)	2.08	5.44
Source: GHMC		

COMPLEXITY LEVEL OF INSTRUMENTS

H.W. MAYOR,
G.H.M.C. HYDERABAD.

Commissioner,
Greater Hyderabad Municipal Corporation

For details on the complexity level of the instruments, please 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.

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.

ABOUT INDIA RATINGS AND RESEARCH

India Ratings and Research (Ind-Ra) is India's most respected credit rating agency 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, structured finance 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.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

For more information, visit [www.indiaratings.co.in](#)

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Applicable Criteria

[www.indiaratings.co.in/criteria](#)

Analyst Names

[www.indiaratings.co.in](#)

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Associate Director

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Analyst

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Dr. Sunil Kumar Sinha

H.W. MAYOR
G.H.M.C., HYDERABAD.

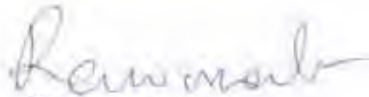
Commissioner
Greater Hyderabad Municipal Corporation

Principal Economist and Director Public Finance
+91 11 43567255

With Ref:

Mihir Mukherjee

Manager Corporate Communications and Investor Relations
+91 22 40356121 >


H.W. MAYOR,
G.H.M.C., HYDERABAD.


Commissioner,
Greater Hyderabad Municipal Corporation



No. 1586/SBICAP/CI/1019/2018-19

Date : 20th July, 2018

Commissioner, Greater Hyderabad Municipal Corporation
Burgula Ramakrishna Rao Bhavan,
Lower Tank Bund,
Near Secretariat, Saifabad,
HYDERABAD - 500004

Dear Sir,

Proposed Bond issue by Greater Hyderabad Municipal Corporation (the "Corporation") of private placement of Bonds (the "Debentures") aggregating to Rs. 200 crores

We SBICAP Trustee Company Ltd., hereby give our consent to act as Debenture Trustee for the proposed captioned Private placement of debentures/bonds and to include our name as Debenture Trustee in the Schedule I as per the Securities and Exchange Board of India guidelines.

We hereby authorise you to deliver this letter of consent to any other regulatory authority as may be required by law.

The following details with respect to us may be disclosed:

Name	: SBICAP Trustee Company Limited
Address	: Apeejay House, 6 th floor 3, Dinshaw Wacha Road, Churchgate, Mumbai 400 020.
Telephone No.	: 022-43025555
Fax No.	: 022- 22040465
E-mail	: corporate@sbicaptrustee.com
Website	: www.sbicaptrustee.com
Contact Person	: Mr. Ajit Joshi (Company Secretary & Compliance Officer) Tel No. 022- 43025503
SEBI Registration No.	: IND000000536

We hold permanent registration certificate under SEBI Debenture Regulations, 1993 (copy enclosed).

Yours faithfully,


Authorised Signatory


Commissioner,
Greater Hyderabad Municipal Corporation

डिबेंचर न्यासी

फॉर्म B
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनियम बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA
(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000255

(विनियम 8)
(Regulation 8)

(Regulation 8A)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अर्धीन डिबेंचर न्यासी के लिए कर्तव्य रूप नियमों और विनियमों के प्रावधानों अंतर्गत अधिनियम की प्रावधान 12 की उपप्रावधान (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

SBICAP TRUSTEE COMPANY LIMITED
202, MAKER TOWER, "E" WING
20TH FLOOR, CUFF PARADE
MUMBAI - 400005
MAHARASHTRA

के नियमों के अर्धीन अंतर्गत रहे हुए, इस विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसमें 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 कोड

2) Registration Code for the debenture trustee is **IND000000636**

81

3) जो नवीकरणीय न होकर अतः, रजिस्ट्रीकरण का प्रमाणपत्र

is

तक विद्यमान रहे।

3) Unless renewed, the certificate of registration is valid from

to

3) This Certificate of Registration shall be valid for permanent, unless suspended or cancelled by the Board

स्थान Place : **MUMBAI**

तारीख Date : **OCTOBER 06, 2015**



आदेश से
भारतीय प्रतिभूति और विनियम बोर्ड
के लिए और उसके ओर से
By order
For and on behalf of
Securities and Exchange Board of India



M. Soufiane
Commissioner
Authorized Signatory

Greater Hyderabad Municipal Corporation

H.W. MAYOR,
G.H.M.C., HYDERABAD.

DCS/COMP/VMIP-PPDI-MC/4/18-19
July 26, 2018

The Compliance Officer
GREATER HYDERABAD MUNICIPAL CORPORATION
CC Complex Tank Bund Road,
Lower Tank Bund
Hyderabad: 500063

Dear Sir,

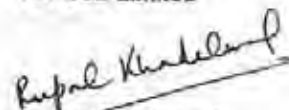
Re: Private Placement of Unsecured, Taxable, Non-Convertible, Redeemable Bonds in the nature of Debentures ("bonds") of face value of Rs. 10,00,000/- each at par amounting to Rs. 100 Crores with Green Shoe Option of additional Rs. 100 crores such that aggregate issue size does not exceed Rs. 200 crores

We acknowledge receipt of your application on the online portal on July 26, 2018 seeking in-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application
2. Payment of fees as may be prescribed from time to time
3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities by Municipalities) Regulations, 2015 and submission of Disclosures and Documents as per Schedule I of the said Regulations. The issuer shall also ensure Compliance with provisions of Companies Act 2013 (as may be applicable)
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, MCA etc. as may be applicable
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time

This In Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its In-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited


Rupat Khandelwal
Manager


Hemlata Agarwal
Associate Manager

S&P BSE
SENSEX

BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai 400 001
T: +91 22 2272 1234/331 E: corp.comm@bseindia.com/www.bseindia.com
Corporate Identity Number: L67120MH2005PT-G155188

Commissioner,
Greater Hyderabad Municipal Corporation


H.W. MAYOR,
G.H.M.C., HYDERABAD.

Office of the Secretary,
Greater Hyderabad Municipal Corporation
Tank Bund Road, Hyderabad

RESOLUTION OF THE STANDING COMMITTEE, GHMC

Item no. 14 of Agenda NO.5

Preamble submitted by the Commissioner, GHMC – F&A – **Fund Raising for various projects** i.e., 2BHK & SRDP Schemes in Hyderabad By GHMC – Quotation received from SBI Capital Markets Limited for Fund Arrangement, Advisory Services and Preparation and submitting of Information Memorandum – Partial modifications to resolution no. 109 dated 13.04.2017 of the Corporation – **SBI Capital Market to raise Rs. 1,000 crores through bonds @ 0.10% and preparation of Information Memorandum** – Revised proposal submitted – Onward submission to Govt. – Approval/permission – Requested.

RESOLUTION NO. 48

DATE:31.08.2017.

In pursuance of the resolution no. 109 dated 13.04.2017 of the Corporation (GHMC), the Standing Committee, GHMC unanimously accorded approval for the following:

- Permission to borrow Rs.1000.00 Crores through Bonds and Rs.2500.00 Crores through Rupee Term Loan (RTL)** as per the requirement of GHMC.
- Approved the **SBI Capital Markets Limited to raise Rs.1000 Crore** through bonds at a fee of 0.1% of the funds raised exclusive of GST.
- Payment of **Rs.15.00 Lakhs + applicable taxes** if any as fee for preparation of Information Memorandum for **Raising Rs.2500.00 Crores through Rupee Term Loan (RTL) on Nomination Basis**. In addition to this, the GHMC (client) should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose.
- Earlier **SBI Capital Markets** was approved as the agency for raising **Rs.2500.00 Crores through Rupee Term Loan**, but now the same will be raised through Tenders.
- To forward the proposal to the Government for permission.

Sd/-

Ex-Officio Chairperson
Standing Committee, GHMC

Attested/
[Signature]
"c SECRETARY, 6/9/2017
GHMC

[Signature] the Chief Financial Advisor, GHMC.



9463/cfa

06/09/17

[Signature]
H.W. MAYOR,
G.H.M.C., HYDERABAD.

[Signature]
Commissioner,
Greater Hyderabad Municipal Corporation

Office of the Secretary,
Greater Hyderabad Municipal Corporation,
Tank Bund Road, Hyderabad.

RESOLUTION OF THE CORPORATION (GHMC)

Extra Item No. 01 of Agenda no. 11 taken with the permission of the Chair:

Preamble submitted by the Commissioner, GHMC - CE(P) - SRDP & 2BHK - **Fund Raising of Rs. 3500 Crores through Bonds and Rupee Term Loan (RTL) for Strategic Road Development Programme and 2BHK Housing Programme and completion of JnNURM Vambay Housing** - Permission to borrow Rs. 1,000/- Crores through bonds and about Rs. 2,500/- crores through Rupee Term Loan (RTL) - SBI Capital Markets Limited as the agency @ 0.1% of funds raised exclusive of Service Tax - Recommended to the Government the Corporation - Approval - Requested.

RESOLUTION NO. 109

DATED: 13.04.2017

The Corporation (GHMC) unanimously accorded permission to borrow Rs. 1,000/- Crores through bonds and about Rs. 2,500/- Crores through Rupee Term Loan (RTL) as per the requirement of GHMC. Further the Corporation accorded approval to the **SBI Capital Markets Limited** as the agency at the lowest bid rate of 0.1% of funds raised exclusive of Service Tax as detailed below:

Bonds	Rupee Term Loan	
Rs. 1,000.00 Crs @ 0.1% i.e., Rs. 1,00,00,000/-	Rs. 2,500.00 Crs @ 0.1% i.e., Rs. 2,50,00,000/-	Exclusive of Service Tax
Total Rs. 3500 Crs.		

The Corporation (GHMC) recommended to the Government for approval for issue of Government Order,

109/MS/CE(P)/2017
13.04.2017

Sd/-
Bonthu Rammohan
H.W. Mayor, GHMC

// Attested //

N. Chinn
SECRETARY,
GHMC

To:
The Chief Engineer (P), GHMC

[Signature]
13/04/2017

[Signature]
H.W. MAYOR,
G.H.M.C., HYDERABAD.

[Signature]
Commissioner,
Greater Hyderabad Municipal Corporation

6. Government after careful examination of the matter, hereby (a) accord permission to borrow Rs.1000.00 Crores through Bonds and Rs.2500.00 Crores through Rupee Term Loan (RTL) as per the requirement of GHMC, subject to without Government Guarantee, and (b) also approve the SBI Capital Markets Limited to raise Rs.1000 Crore through bonds at a fee of 0.1% of the funds raised exclusive of GST and payment of Rs.15.00 Lakhs + applicable taxes if any as fee for Preparation of Information Memorandum for Raising Rs.2500.00 Crores through Rupee Term Loan (RTL) on Nomination Basis. In addition to this, the GHMC (client) should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose.

7. The Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad shall take necessary action accordingly.

8. This order issues with the concurrence of the Finance (DCM) Department vide their U.O. No.11285/318/A3/DCM/2017, dated. 09.10.2017.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

NAVIN MITTAL
SECRETARY TO GOVERNMENT

To
The Commissioner
Greater Hyderabad Municipal Corporation, Hyderabad.
Copy to
The OSD to M(MA&UD),
The P.S. to Secretary to Govt., MA & UD Dept.,
The Finance (DCM) Department
Sc/SI

// FORWARDED :: BY ORDER //

[Signature]
SECTION OFFICER

[Signature]
H.W. MAYOR
G.H.M.C., HYDRABAD

[Signature]
Commissioner
Greater Hyderabad Municipal Corporation

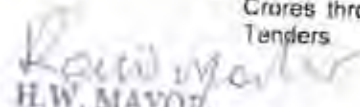
- Overview of the Transaction including the development concept, Government approvals and permits
- Information on the borrowing entities, including history, ownership, management organisation, major business plans.
- Detailed analysis of the proposed financing plan and security structures.
- The financial analysis, including the base case financial model and in-depth sensitivity analysis.

4. The Fees for the services rendered by the SBI Capital Markets Limited (Advisor) under this letter of offer is Rs.15 Lakhs + applicable taxes if any, Rs.5 Lakhs of which would be payable upfront on award of the mandate, which is non refundable i.e. on signing this Letter of Offer as a token of acceptance, and the balance of Rs.10 Lakhs upon submission of Information Memorandum. In addition to this, the client should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose. In addition to that other payment terms and conditions are mentioned.

- If as a result of changes in legislation / Government notifications certain taxes / duties become leviable on the services covered in this offer letter, the Advisor reserves the right to recover the same from the Client. All fees payable to the Advisor are non-refundable.
- The Advisor's bills/claims for fees shall be sent to the designated official of the Client as intimated by the Client and the Client shall make payment within a period of 15 days of the date of bill / claim and shall carry interest at the rate of 15% p.a. from the due date for payment until the date payment is made. The Advisor reserves the right to amend the invoices, suo-moto, in case of discrepancies noticed.
- All amounts are exclusive of any service tax, value added tax or any other tax of similar nature. Service tax, value added tax or such similar taxes, as applicable will be levied and grossed up on such amounts in addition to the amounts otherwise payable.

5. The Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad, has stated that the Standing Committee, GHMC unanimously approved the Revised Proposal vide Resolution No 48, Dt 31-08-2017 and submitted the proposal for approval of following:

- a. Permission to borrow Rs.1000.00 Crores through Bonds and Rs.2500.00 Crores through Rupee Term Loan (RTL) as per the requirement of GHMC.
- b. To approve the SBI Capital Markets Limited to raise Rs 1000 Crore through bonds at a fee of 0.1% of the funds raised exclusive of GST
- c. Payment of Rs.15.00 Lakhs + applicable taxes if any as fee for Preparation of Information Memorandum for Raising Rs.2500.00 Crores through Rupee Term Loan (RTL) on Nomination Basis. In addition to this, the GHMC (client) should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose.
- d. Earlier SBI Capital Markets was approved as the agency for raising Rs.2500.00 Crores through Rupee Term Loan, but now the same will be raised through Tenders


H.W. MAYOR,
G.H.M.C., HYDERABAD


Commissioner,
Greater Hyderabad Municipal Corporation

**GOVERNMENT OF TELANGANA
ABSTRACT**

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT DEPARTMENT – Greater Hyderabad Municipal Corporation - Fund raising of Rs.3500/- Crores through Bonds and Rupee Term Loan (RTL) for various projects i.e 2 BHK Housing Programme & Strategic Road Development Programme in Hyderabad by GHMC - Permission - Accord - Orders - Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (GHMC-II) DEPARTMENT

G.O.R.No.697,

Dated. 09.11.2017
Read.

From the Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad, Lr.No.F/MTS/2016/CFA/F&A/GHMC, dated 25.04.2017 & 04.09.2017.

--o0o--

ORDER:

In the reference read above, the Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad has stated that, as per HMC Act 1955 (Sec 149) "the Corporation may, from time to time borrow or re-borrow and take up at interest from the Central or the State Government or with the sanction of the Government, from any other person, any sum necessary". Further, as per guidelines issued by MoUD, Government of India for Smart Cities, all empanelled agencies were requested to participate in tenders, for raising of Rs.3,500/- crores funds. Among the empanelled (9) nine agencies, the following (3) agencies have submitted their bids.

Sl No	Particulars	Amount in Crores	SBI Capital Market		Yes Bank		Axis Bank	
			Variable (%) of the Amount Mobilised	Fixed Fee	Variable (%) of the Amount Mobilised	Fixed Fee	Variable (%) of the Amount Mobilised	Fixed Fee
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Municipal Bond	Rs.1000 Crores	0.10%+ST	-	0.25%+Taxes	Nil	0.25%+ST	Rs.5 (k) 000+ST
2	Rupee Term Loans	Rs.2500 Crores	0.10%+ST	-	0.20%+Taxes	Nil	0.20%+ST	Rs.25.00.000+ST

2. Among the above (3) three agencies, the SBI Capital Markets Limited being the lowest quoted bidder, has been approved by the General Body of GHMC vide Resolution No. 109, dated.13.04.2017 at following mentioned rates.

Bonds	Rupee Term Loan	
Rs.1000.00 Crores	Rs.2500.00 Crores	Exclusive of Service Tax
@ 0.1% i.e. Rs.1,00,00,000/-	@ 0.1% i.e. Rs.2,50,00,000/-	
Total Rs.3.50 Crores		

3. Further, he has proposed to entrust raising of Bonds for Rs.1000 Crores to SBI Capital Markets Limited as per the tender and also to entrust the preparation of Information Memorandum for raising Term Loans. It was suggested to go for tender for Rs.2500 Cr Rupee Term Loan, as it is more beneficial in terms of less interest due to more competition by participation of all Public sector and private banks. Previously, the SBI Capital vide Letter dated, 30.01.2017, has submitted the proposal for offering the advisory services for the preparation of Information Memorandum and raising funds by combination of term loans to develop various projects. The Scope of Service of the Advisor entails the following areas

Preparation of Information Memorandum

The SBI Capital (Advisor) will, in consultation with the GHMC (Client) prepare the Information Memorandum. The information Memorandum would broadly include inter alia the following:

- 1. Disclaimers, confidentiality undertakings and glossary of terms
- 2. Executive summary, including summary of terms and conditions of the Financing



H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner,
Greater Hyderabad Municipal Corporation

UNT-2017-35252

Office of the Secretary,
Greater Hyderabad Municipal Corporation,
Tank Bund Road, Hyderabad.

RESOLUTION OF THE CORPORATION (GHMC)

Extra Item No. 01 of Agenda no. 11 taken with the permission of the Chair:

Preamble submitted by the Commissioner, GHMC - CE(P) - SRDP & 2BHK - Fund Raising of Rs. 3500 Crores through Bonds and Rupee Term Loan (RTL) for Strategic Road Development Programme and 2BHK Housing Programme and completion of JnNURM Vambay Housing - Permission to borrow Rs. 1,000/- Crores through bond and about Rs. 2,500/- crores through Rupee Term Loan (RTL) - SBI Capital Markets Limited as the agency @ 0.1% of funds raised exclusive of Service Tax - Recommended by the Government the Corporation - Approval - Requested.

RESOLUTION NO. 109

DATED: 13.04.2017

The Corporation (GHMC) unanimously accorded permission to borrow Rs. 1,000/- Crores through bonds and about Rs. 2,500/- Crores through Rupee Term Loan (RTL) as per the requirement of GHMC. Further the Corporation accorded approval to the SBI Capital Markets Limited as the agency at the lowest bid rate of 0.1% of funds raised exclusive of Service Tax as detailed below:

Bonds	Rupee Term Loan	
Rs. 1,000.00 Crs @ 0.1% i.e., Rs. 1,00,00,000/-	Rs. 2,500.00 Crs @ 0.1% i.e., Rs. 2,50,00,000/-	Exclusive of Service Tax
Total Rs. 3500 Crs.		

The Corporation (GHMC) recommended to the Government for approval for issuance of Government Order.

109/M/25/04/2017
25.04.2017

// Attested //

Sd/-
Bonthu Rammohan
H.W. Mayor, GHMC

N. Chinn
SECRETARY,
GHMC

To:
The Chief Engineer (P), GHMC

H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner,
Greater Hyderabad Municipal Corporation

**Office of the Finance & Accounts
Greater Hyderabad Municipal Corporation
F.No.F.MTS 0001/2016-17**

Preamble submitted to the Corporation, GHMC:

Sub:- GHMC – SRDP & 2BHK – Fund Raising of Rs.3,500 – crores through Bonds and Rupee Term Loan (RTL) for Strategic Road Development Programme and 2BHK Housing Programme and completion of JnURM Vambay Housing Submission of Preamble to the Corporation, GHMC – Reg.

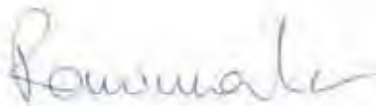
Ref:- Note Orders of the Commissioner, GHMC, Dtd.10.04.2017.

* * * * *

1. GHMC is planning to raise funds to the tune of Rs.3,500/- Crores for utilising the same for various projects like JnNURM Housing, VAMBAY Housing, 2BHK and SRDP in Hyderabad.
2. Credit rating has been done by CARE and ICRA rating agencies and have submitted the ratings "CARE AA" to GHMC for long term debt instrument and ICRA has given "ICRA A+".
3. Further, it is submitted that the Hon'ble Minister for MA&UD in a review meeting conducted on 31-01-2017 at HMR office, Begumpet, has instructed to raise the funds for speedy completion of 2BHK and SRDP Projects.
4. Based on the instructions issued by the Secretary to Government, MA&UD Department tenders have been called to the MOUD empanelled, List of Transaction Advisory Firms for the Assignment, who are providing Technical Assistance to Urban Local Bodies in issuing Municipal Bonds for Smart City Projects as below.

Sl.No.	Agency Name
1.	AK Capital Services Limited
2.	Axis Bank Limited
3.	Darushaw & Company Private Limited
4.	ICICI Bank Limited
5.	ICRA Management Consulting Services Limited
6.	SBI Capital Markets Limited
7.	SPA Capital Advisors Ltd.,
8.	SREI Infrastructure Finance Limited
9.	Yes Bank Limited

5. This office has received (3) bids from the following agencies.
 - i. SBI Capital Markets Limited
 - ii. Yes Bank Limited
 - iii. Axis Bank Limited


H.W. MAYOR,
G.H.M.C., HYDERABAD.


Commissioner,
Greater Hyderabad Municipal Corporation

Notes in the Member's of AC (Finance) on 15-03-2017 at 11.30AM.

Particulars	Amount in Crs	SBI Capital Markets		Yes Bank		Axis Bank	
		Variable (%) of the Amount Mobilised	Fixed Fee	Variable (%) of the Amount Mobilised	Fixed Fee	Variable (%) of the Amount Mobilised	Fixed Fee
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Municipal Bond	Rs.1000 Crs	0.10%+ST	-	0.25% + Taxes	Nil	0.25%+ST	Rs.5,00,000+ST
Rupee Term Loans	Rs.2500 Crs	0.10%+ST	-	0.20% + Taxes	Nil	0.20%+ST	Rs.25,00,000+ST

Among the above three agencies, the SBI Capital Markets Limited has been the lowest for the below mentioned rates.

Bonds	Rupee Term Loan	Exclusive of Service Tax
Rs.1000.00 Crs @ 0.1% i.e. Rs.1,00,00,000/-	Rs.2500.00 Crs @ 0.1% i.e. Rs.2,50,00,000/-	
Total Rs.3.50 Crs		

Further, as the General Body meeting is going to be held on 13-04-2017 and the approval of Government is also necessary for raising the funds, which will take considerable time.

Hence, the following proposals are submitted for approval of General Body directly for forward submission of the same to the Government for approval.

- Permission to borrow Rs.1000/- Crores through bonds and about Rs.2500/- Crores through Rupee Term Loan (RTL) as per the requirement of GHMC.
- To approve the SBI Capital Markets Limited as the agency at the rate of 0.1% of funds raised exclusive of Service Tax as per the above mentioned rates.
- To forward the proposal to the Government for approval and issue of Government Order.

Commissioner
GHMC

The Secretary,
GHMC.

H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner,
Greater Hyderabad Municipal Corporation

16. The Property Tax Non-Residential Buildings is assessed as per ABUR rates vide Gazette Notification No.21, dated:29-01-2008.

17. NUMBER OF PROPERTIES :

Properties in Town	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 as on 25-9-16
Residential	-	-	-	-	-	1177569
Commercial	-	-	-	-	-	230942
Industrial	-	-	-	-	-	-
Other / Open Plots	-	-	-	-	-	17205
Total:	-	1300459	1338386	1375670	1422033	1425716

18. DEMAND COLLECTION BALANCE (DCB) FOR PROPERTY TAX :

Demand Collection Balance (Property Tax) (Rs. Crore)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 as on 25-9-16
Demand						
Arrears	-	465.14	540.84	619.69	568.69	682.77
Current	-	808.82	870.34	976.63	1025.40	1028.32
Total :	-	1273.96	1411.18	1596.32	1594.09	1711.09
Collection						
Arrears	-	160.25	173.48	193.48	135.40	40.72
Current	-	488.80	594.31	697.35	716.44	397.27
Total:	-	649.05	767.79	890.83	851.84	437.99

H.W. Mayor
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner
Commissioner,
Greater Hyderabad Municipal Corporation

**GOVERNMENT OF TELANGANA
ABSTRACT**

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT DEPARTMENT - Greater Hyderabad Municipal Corporation - Fund raising of Rs.3500/- Crores through Bonds and Rupee Term Loan (RTL) for various projects i.e 2 BHK Housing Programme & Strategic Road Development Programme in Hyderabad by GHMC - Permission - Accord - Orders - Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (GHMC-II) DEPARTMENT

G.O.Rt.No.697,

Dated, 09.11.2017

Read:

From the Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad, Lr.No F/MTS/2016/CFA/F&A/GHMC, dated, 25.04.2017 & 04.09.2017.

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ORDER.

In the reference read above, the Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad has stated that, as per HMC Act 1955 (Sec 149) "the Corporation may, from time to time borrow or re-borrow and take up at interest from the Central or the State Government or with the sanction of the Government, from any other person, any sum necessary". Further, as per guidelines issued by MoUD, Government of India for Smart Cities, all empanelled agencies were requested to participate in tenders, for raising of Rs.3,500/- crores funds. Among the empanelled (8) nine agencies, the following (3) agencies have submitted their bids:

Sl. No.	Particulars	Amount in Crores	SBI Capital Market		Yes Bank		Axis Bank	
			Variable (%) of the Amount Mobilised	Fixed Fee	Variable (%) of the Amount Mobilised	Fixed Fee	Variable (%) of the Amount Mobilised	Fixed Fee
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Municipal Bond	Rs.1000 Crores	0.10%+ST	-	0.25%+Taxes	Nil	0.25%+ST	Rs.5,00,000+ST
2	Rupee Term Loans	Rs.2500 Crores	0.10%+ST	-	0.20%+Taxes	Nil	0.20%+ST	Rs.25,00,000+ST

2. Among the above (3) three agencies, the SBI Capital Markets Limited being the lowest quoted bidder, has been approved by the General Body of GHMC vide Resolution No. 109, dated, 13.04.2017 at following mentioned rates:

Bonds	Rupee Term Loan	Exclusive of Service Tax
Rs.1000.00 Crores	Rs.2500.00 Crores	
@ 0.1% i.e., Rs.1,00,00,000/-	@ 0.1% i.e. Rs.2,50,00,000/-	
Total Rs.3.50 Crores		

3. Further, he has proposed to entrust raising of Bonds for Rs.1000 Crores to SBI Capital Markets Limited as per the tender and also to entrust the preparation of Information Memorandum for raising Term Loans. It was suggested to go for tender for Rs.2500 Cr Rupee Term Loan, as it is more beneficial in terms of less interest due to more competition by participation of all Public sector and private banks. Previously, the SBI Capital vide Letter dated, 30.01.2017, has submitted the proposal for offering the advisory services for the preparation of Information Memorandum and raising funds by combination of term loans to develop various projects. The Scope of Service of the Advisor entails the following areas:

Preparation of Information Memorandum:

The SBI Capital (Advisor) will, in consultation with the GHMC (Client) prepare the Information Memorandum. The information Memorandum would broadly include, inter alia the following:

- Disclaimers, confidentiality undertakings and glossary of terms
- Executive summary, including summary of terms and conditions of the Financing Plan,

2.

[Signature]
H.W. MAYOR,
G.H.M.C. HYDRABAD.

[Signature]
Commissioner,
Greater Hyderabad Municipal Corporation

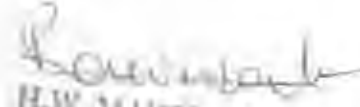
- Overview of the Transaction including the development concept, Government approvals and permits;
- Information on the borrowing entities, including history, ownership, management, organisation, major business plans;
- Detailed analysis of the proposed financing plan and security structures.
- The financial analysis, including the base case financial model and in-depth sensitivity analysis.

4. The Fees for the services rendered by the SBI Capital Markets Limited (Advisor) under this letter of offer is Rs.15 Lakhs + applicable taxes if any. Rs.5 Lakhs of which would be payable upfront on award of the mandate, which is non refundable i.e. on signing this Letter of Offer as a token of acceptance, and the balance of Rs.10 Lakhs upon submission of Information Memorandum. In addition to this, the client should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose. In addition to that other payment terms and conditions are mentioned:

- If as a result of changes in legislation / Government notifications certain taxes / duties become leviable on the services covered in this officer letter, the Advisor reserves the right to recover the same from the Client. All fees payable to the Advisor are non-refundable.
- The Advisor's bills/claims for fees shall be sent to the designated official of the Client as intimated by the Client and the Client shall make payment within a period of 15 days of the date of bill / claim and shall carry interest at the rate of 15% p.a. from the due date for payment until the date payment is made. The Advisor reserves the right to amend the invoices, suo-moto, in case of discrepancies noticed.
- All amounts are exclusive of any service tax, value added tax or any other tax of similar nature. Service tax, value added tax or such similar taxes, as applicable, will be levied and grossed up on such amounts in addition to the amounts otherwise payable.

5. The Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad, has stated that the Standing Committee, GHMC unanimously approved the Revised Proposal vide Resolution No.48. Dt.31-08-2017 and submitted the proposal for approval of following:

- a. Permission to borrow Rs.1000.00 Crores through Bonds and Rs.2500.00 Crores through Rupee Term Loan (RTL) as per the requirement of GHMC.
- b. To approve the SBI Capital Markets Limited to raise Rs.1000 Crore through bonds at a fee of 0.1% of the funds raised exclusive of GST.
- c. Payment of Rs.15.00 Lakhs + applicable taxes if any as fee for Preparation of Information Memorandum for Raising Rs.2500.00 Crores through Rupee Term Loan (RTL) on Nomination Basis. In addition to this, the GHMC (client) should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose.
- d. Earlier SBI Capital Markets was approved as the agency for raising Rs.2500.00 Crores through Rupee Term Loan, but now the same will be raised through Tenders.


H.W. MAYOR,
G.H.M.C. HYDERABAD


Commissioner
G.H.M.C.

6. Government after careful examination of the matter, hereby (a) accord permission to borrow Rs.1000.00 Crores through Bonds and Rs.2500.00 Crores through Rupee Term Loan (RTL) as per the requirement of GHMC, subject to without Government Guarantee, and (b) also approve the SBI Capital Markets Limited to raise Rs.1000 Crore through bonds at a fee of 0.1% of the funds raised exclusive of GST and payment of Rs.15.00 Lakhs + applicable taxes if any as fee for Preparation of Information Memorandum for Raising Rs.2500.00 Crores through Rupee Term Loan (RTL) on Nomination Basis. In addition to this, the GHMC (client) should reimburse all out of pocket expenses of the advisor actually incurred, including inter alia, legal expense, travel, lodging, boarding, telephone, facsimile and photo copying expenses, monthly in arrears, and the claim submitted and duly certified by the SBI Capital Markets Limited (Advisor) will be conclusive for the purpose.

7. The Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad shall take necessary action accordingly.

8. This order issues with the concurrence of the Finance (DCM) Department vide their U.O. No.11285/318/A3/DCM/2017, dated. 09.10.2017.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

NAVIN MITTAL
SECRETARY TO GOVERNMENT

To
The Commissioner
Greater Hyderabad Municipal Corporation, Hyderabad.
Copy to:
The OSD to M(MA&UD).
The P.S. to Secretary to Govt., MA & UD Dept.
The Finance (DCM) Department.
Sc/Sf.

// FORWARDED - BY ORDER //

B. Vinay Kumar
SECTION OFFICER

H.W. Mayor
H.W. MAYOR,
G.H.M.C., HYDERABAD.

Commissioner
Commissioner,
Greater Hyderabad Municipal Corporation