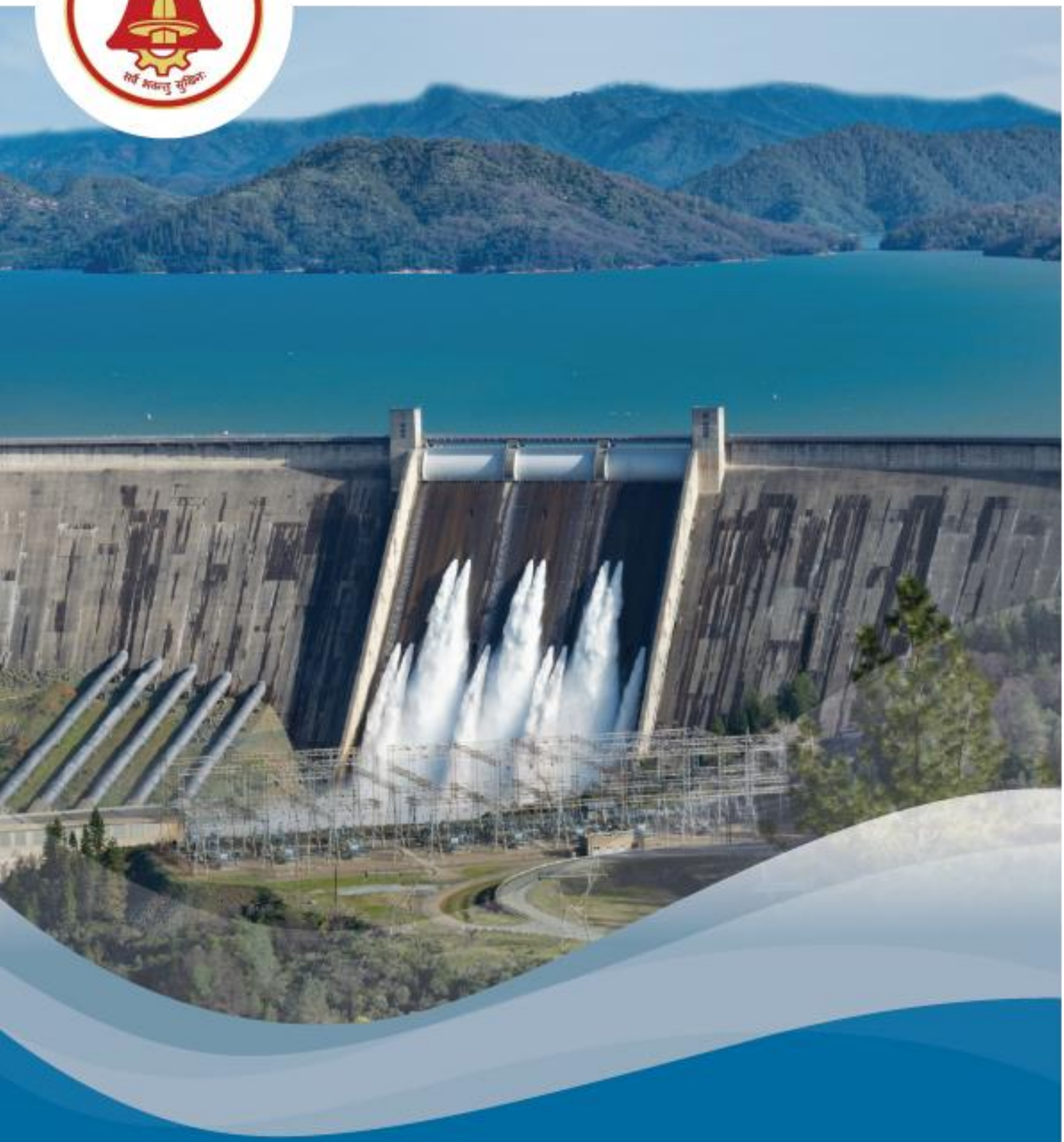
NASHIK MUNICIPAL CORPORATION



GREEN BOND FRAMEWORK

DECEMBER 30, 2025

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1. INTRODUCTION

1.1 Background of the Issuer

The **Nashik Municipal Corporation (NMC)** serves as the principal governing and administrative body responsible for managing the city's civic infrastructure and urban development. Established on **22 October 1982** (effective from **7 November 1982**), NMC was constituted through the amalgamation of three erstwhile municipal councils—**Nashik Municipal Council, Nashik Road–Deolali Municipal Council,** and **Satpur Municipal Council.** The Corporation's jurisdiction also partially encompasses the villages of **Vihitgaon, Vadner,** and **Pimpalgaon Khamb.**

The civic administration operates from its **headquarters at Rajiv Gandhi Bhavan, Sharanpur Road, Nashik**, supported by **six ward offices** located across key zones—Main Road (Nashik East), Pandit Colony (Nashik West), Panchavati, Satpur, CIDCO, and Nashik Road. In 2014, NMC was reclassified as a ***'B' Class Municipal Corporation*** *(Government Notification No. MCO–2014/CR–153/UD–14, dated 1 September 2014).*

1.2 City Profile: Nashik

Nashik, one of the major cities of Maharashtra, is located on the banks of the **Godavari River** in northwestern Maharashtra. Known for its pleasant climate and undulating terrain, the city is surrounded by nine hills and enriched by rivers such as the **Godavari** and **Nasardi**. The region experiences a **tropical climate** characterized by hot summers, mild winters, and a southwest monsoon from June to September, with annual rainfall varying from **500 mm to 3400 mm**. The area's diverse agro-climatic conditions have earned it the name **"Mini Maharashtra."**

The **Godavari River**, often referred to as the *'South Ganges'*, originates at **Trimbakeshwar**, which is also home to one of the **twelve Jyotirlingas**. The city's religious identity is deeply tied to the **Kumbh Mela**, one of the largest spiritual gatherings in the world, held every **twelve years** on the banks of the Godavari. The **Ramkund** and **Godavari Ghats** remain the focal points for daily rituals and religious activities.

2. ABOUT THE PROJECT

2.1 Overview of the Project and Objectives

The **Augmentation of Water Supply Scheme from Mukane Dam, Vilholi Water Treatment Plant (WTP), and Gravity Main to Gandhinagar & Sadhugram areas** is a comprehensive infrastructure initiative aimed at strengthening Nashik city's water supply network. This project involves –

Table 1 - Overview of NMC's Project Components and Objectives[1]

Project Components	Associated Objectives
Augmentation of the Mukane Water Supply Scheme	• Address projected water demand of **686 MLD by 2040** against the current supply of **553.2 MLD** • Enable **optimal utilisation** of reserved Mukane Dam allocation (189.32 MLD by 2031; 452.74 MLD by 2041) • Strengthen bulk water availability for **routine and peak-period demand**, including **Sinhastha Kumbh**
Construction of a New WTP (274 MLD) at Vilholi *(purple arrow in Figure 1)*	• Augment city-wide **water treatment capacity** • Partially **relieve the load of the overstressed Gandhinagar WTP** through supply re-zoning • Reduce energy use and operating costs through **gravity-based conveyance** • Improve operational flexibility via **2 ML Master Balancing Reservoir (MBR)**
Development of Gravity Main from Vilholi to Gandhinagar, Sadhugram, and Nilgiri Baug WTP *(red line in Figure 1)*	• Enable **efficient gravity transmission** of treated water to Gandhinagar, Sadhugram, and Nilgiri Baug • Support reliable supply to **Gandhinagar and New Nashik/Pathardi District Metered Areas (DMAs)** • Ensure dedicated water supply during **Sinhastha Kumbh 2027 and 2039** • Provide post-Kumbh service continuity through **MBR at Nilgiri Baug WTP**

[1] ***Source:*** *Detailed Project Report (DPR) – Augmentation of Mukane Water Supply Scheme, WTP and Gravity Main, Nashik Municipal Corporation*

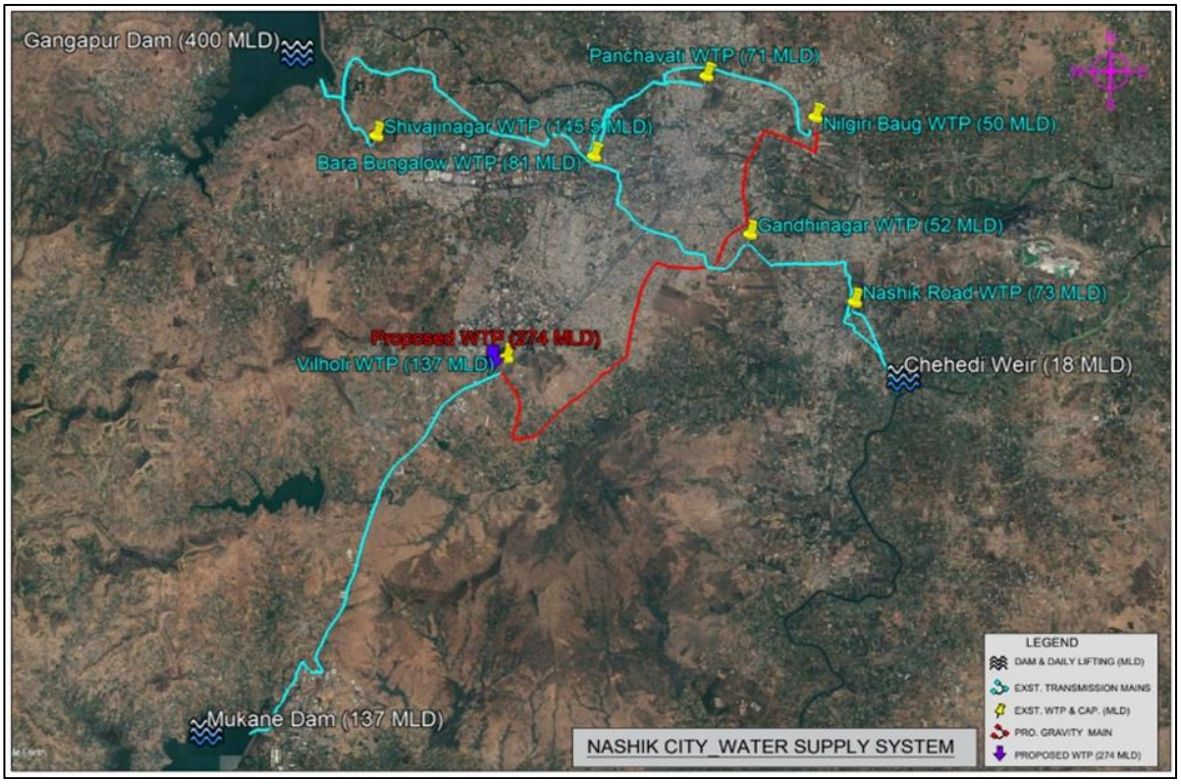

Figure 1 - Schematic of City Water Supply System

2.2 Project Rationale

2.2.1 Urban Water Demand and System Constraints

Nashik's[2] water supply system is under increasing pressure due to population growth, urban expansion, and periodic demand surges. The key demand-related challenges are outlined below:

- The existing water supply of **553.2 MLD** is largely utilised, while projected demand is expected to rise to **686 MLD by 2040.**
- Major treatment facilities, particularly the **52 MLD Gandhinagar WTP**, are operating under full capacity utilization with no scope for expansion
- The existing **137 MLD WTP at Vilholi** is insufficient to fully utilise Nashik's reserved raw-water allocation from the Mukane Dam (189.32 MLD by 2031; 452.74 MLD by 2041)
- Large-scale religious events such as the **Sinhastha Kumbh 2027** create sharp, short-term surges in water demand.

[2] ***Source:*** *Detailed Project Report (DPR) – Augmentation of Mukane Water Supply Scheme, WTP and Gravity Main, Nashik Municipal Corporation*

2.2.2 Existing Water Supply System in Nashik

Nashik's[3] water supply system draws from five major reservoirs — Gangapur, Kashyapi, Gautami-Godavari, Darna, and Mukane Dams — providing about **553.2 million litre per day (MLD)** of water. Water treatment and distribution are supported by **seven WTPs** with a combined treatment capacity of **609.5 MLD**, expected to increase to **661.5 MLD** under the Smart City Project, along with **118 Elevated Service Reservoirs (ESRs)** and an extensive **~2,500 km-long distribution network**, enabling city-wide service coverage.

Nashik is supported by two natural water sources—the **Godavari and Darna rivers**, with the city primarily dependent on the Godavari system. Raw water is abstracted from the Gangapur and Mukane dams, and from the Darna River weir (Chehedi barrage), conveyed to seven WTPs for treatment, and distributed across the city through the municipal supply network.

[3] ***Source:*** *Detailed Project Report (DPR) – Augmentation of Mukane Water Supply Scheme, WTP and Gravity Main, Nashik Municipal Corporation*

2.3 Alignment with National and Global Initiatives

The project is being undertaken as a **100% Authority-driven initiative** under the **Nashik–Trimbakeshwar Simhastha Kumbh Mela Authority Act, 2025**, focusing on the augmentation of treatment capacity at Vilholi, strengthening of pumping capacity at Mukane Dam, and the construction of a gravity-based bulk transmission pipeline to Gandhinagar, Sadhugram, and Nilgiri Baug. The project is structured to meet peak demand during **Sinhastha Kumbh 2027 and 2039**, while enhancing long-term system reliability and supporting Nashik's expanding urban water needs.

At the global level, the project aligns with the **United Nations Sustainable Development Goals (UNSDGs)**[4] by advancing equitable access to safe drinking water and strengthening resilient, efficient, and sustainable urban water infrastructure. Refer *Table 2* and *Table 4*

2.4 Benefits of the Project

The Nashik Water Supply Project is expected to have the following benefits:

The **key environmental benefits** associated with the project are as follows:

1. **Drinking-water supply** to Gandhinagar, New Nashik/Pathardi, Sadhugram, Nilgiri Baug, and adjoining elevated zones catering to residents and the floating population during Sinhastha Kumbh
2. **Improved treated water quality,** ensuring compliance with **BIS 10500/WHO standards**
3. **Enhanced climate resilience**, ensuring **reliable supply** during droughts, floods, seasonal fluctuations, and high-demand events

There are key significant **social co-benefits** like:

1. Access to safe drinking water, contributing to better public health outcomes
2. Local employment generation during the construction phase

For further details, refer *Annexure 1: Benefits of the Project with Strategic Alignment*

[4] https://sdgs.un.org/goals

3. NMC'S GREEN BOND FRAMEWORK

3.1 Objective of the Framework

The **NMC Green Bond Framework ("the Framework")** has been established by NMC as the guiding document for the **issuance of the Green Bond** in relation to the **approved Nashik Water Supply Project**. It outlines a transparent approach for the allocation, management, and reporting of proceeds from the Green Bond.

3.2 Alignment with Domestic and International Financing Framework

The Green Bond Framework has been developed in accordance with the:

1. **SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [Last amended on October 28, 2025][5] *('SEBI NCS')*[6]**
2. **SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, [October 15, 2025] *('SEBI Master Circular, 2025')*[7]**
3. **International Capital Market Association (ICMA) Green Bond Principles, [June 2025] (*'ICMA GBP'*)[8]**

The Framework lays down NMC's mechanism of raising funds from the issuance of Green Bond and to deploy the proceeds consistent with the defined 'Use of Proceeds'. The bonds shall be issued in accordance with the applicable provisions of the *SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015, [Last amended on August 18, 2023]*[9] and *the SEBI Master Circular, 2025*.

[5] As per the SEBI circular dated November 24, 2022 "an issuer under the Issue and Listing of Municipal Debt Securities (ILMDS) Regulations may issue a green debt security if it falls within the definition of "green debt security", as per Regulation 2(1)(q) of the NCS Regulations".
[6] https://www.sebi.gov.in/legal/regulations/dec-2024/securities-and-exchange-board-of-india-issue-and-listing-of-non-convertible-securities-regulations-2021-last-amended-on-december-11-2024-_89954.html
[7] https://www.sebi.gov.in/legal/master-circulars/oct-2025/master-circular-for-issue-and-listing-of-non-convertible-securities-securitised-debt-instruments-security-receipts-municipal-debt-securities-and-commercial-paper_97343.html
[8] https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Green-Bond-Principles-GBP-June-2025.pdf
[9] https://www.sebi.gov.in/legal/regulations/aug-2023/securities-and-exchange-board-of-india-issue-and-listing-of-municipal-debt-securities-regulations-2015-last-amended-on-august-18-2023-_76363.html

3.3 Framework Management

The Green Bond Framework along-with Third-Party Review Report will be made available on the NMC's website. The framework will be reviewed as and when required. The framework will be revised in case of the following points:

1. Significant internal or external regulatory changes affecting impact / allocation reporting and/or,
2. In case of any material change(s) in the four pillars of the framework (refer *Sec. 4*).

Accordingly, the Third-Party Reviewer Report will be obtained for the revised framework.

4. STRUCTURE OF THE FRAMEWORK

The Framework is designed to align with the four core components of the *ICMA GBP, 2025, SEBI NCS Regulations, 2021 and SEBI Master Circular, 2025*. These principles emphasize establishing a transparent process and clear disclosures by the issuer to enable investors, financial institutions, and other stakeholders to assess the key characteristics and environmental integrity of the Green Bond.

The four core components, as outlined by ICMA GBP, are:

i. **Use of Proceeds** (refer *Sec. 4.1*)
ii. **Process for Project Evaluation and Selection** (refer *Sec. 4.2*)
iii. **Management of Proceeds** (refer *Sec. 4.3)*
iv. **Reporting** (refer *Sec. 4.4*)

In addition, the Framework also incorporates the following elements:

v. **Green Bond's alignment with eligibility criteria for projects provided under SEBI Regulations and other International Frameworks** (refer *Sec. 4.1*)
vi. **Benefits arising from the Project** (refer *Sec. 2.4 and Annexure 1: Benefits of the Project with Strategic Alignment)*
vii. **Environmental and Social Risk Mechanism Framework** (refer *Sec. 4.2.3*)

4.1 Use of Proceeds

NMC will allocate **100% of the net proceeds** from the Green Bond issuance towards financing the components of the eligible green project in alignment with SEBI NCS and ICMA GBP, as detailed in *Table 2*

The proceeds will be exclusively utilized for the following components of the Nashik Water Supply Project:

- **Expansion of the existing Mukane Dam Water Supply Scheme**
- Construction of a **new 274 MLD Water Treatment Plant at Vilholi**
- **Development of a Pure Water Gravity Main** from Vilholi to Gandhinagar, Sadhugram, and Nilgiri Baug Water Treatment Plants

NMC commits that the proceeds of the Green Bond issue shall not be utilized for any purpose that contravenes the applicable guidelines / regulations / norms issued by SEBI / Maharashtra Government / Stock Exchange(s).

Table 2 - Alignment of Use of Proceeds with SEBI NCS Regulations, ICMA GBP and UN SDG and Succinct Rationale

Pertinent Regulation and Framework	Eligible Category	Rationale for Alignment	Alignment with UNSDGs
SEBI NCS Regulations, 2021 [Last amended on October 28, 2025] – Reg. 2(1)(q)(iii)	**Climate change adaptation** including efforts to make infrastructure more resilient to impacts of climate change and information support systems such as climate observation and early warning systems	The Upper Godavari basin experiences **significant hydro-climatic stress,** including increasing incidence of floods, high inter-annual variability, and low-flow extremes. The project's design (i.e., upgraded treatment capacity, Supervisory Control and Data Acquisition [SCADA] and telemetry-ready bulk transmission infrastructure) substantially **enhances water quality and service reliability under climate extremes**. Accordingly, the project squarely qualifies for the **climate change adaptation** category, including the **information-support and early-warning systems**, by strengthening NMC's ability to monitor system performance and respond proactively to potential disruptions. Refer *Annexure 3: Climate Resilience*	
ICMA Green Bond Principles (GBP) 2025	**Sustainable water and wastewater management** ***(including sustainable infrastructure for clean and/ or drinking water,*** wastewater treatment, sustainable urban drainage systems and river training and other forms of flooding mitigation)	The said project supports: (a) Sustainable treatment, and transmission of potable water (b) Improves resource efficiency and service coverage	
	Climate change adaptation (including efforts to make infrastructure more resilient to impacts of climate change, as well as information support systems, such as climate observation and early warning systems)	The project strengthens climate adaptation in a hydro-climatically stressed Godavari basin through added treatment capacity, and monitoring-ready bulk systems. Refer to the above rationale mentioned for SEBI NCS Regulations, 2021 and *Annexure 3: Climate Resilience.*	

Note 1: Benefits of the project have been included in Annexure 1: Benefits of the Project with Strategic Alignment separately.

Note 2: Key Performance Indictors (KPIs) of the project have been included in Annexure 2: Impact Reporting separately.

4.2 Process for Project Evaluation and Selection

4.2.1 Selection of the Project

The project, titled ***"Augmentation of Mukane Water Supply Scheme, Water Treatment Plant (WTP), and Construction of Gravity Main from Vilholi to Gandhinagar, Sadhugram, and Nilgiri Baug"***, has been identified as a priority infrastructure initiative to ensure a reliable water supply for Sinhastha Kumbh 2027 and 2039, while also addressing the long-term water supply requirements of Nashik city.

The proposal was initiated by the **Water Supply Department of Nashik Municipal Corporation** and received **technical sanction** from **Maharashtra Jeevan Pradhikaran, Nashik Division,** under **Proposal No. 48, Section No. (63), dated June 2025**. Following technical clearance, the proposal was forwarded to the State Government through the Hon'ble Commissioner and Administrator of NMC for administrative approval. The project was assessed considering its significant public utility, environmental benefits, and contribution to strengthening sustainable and resilient urban water supply.

Table 3 - Key Approvals for Project Implementation and Green Bond Issuance

Authority / Body	Nature of Approval	Reference / Resolution Details	Date
Municipal General Body, NMC	Approval for project implementation	Resolution No. 180 (Ref: Letter No. 1415/2025)	09 July 2025
Municipal General Body, NMC	Approval for financing the project through Green Bond issuance	Resolution No. 252 (Ref: Letter No. 233/2025)	05 August 2025
Nashik–Trimbakeshwar Sinhastha Kumbh Mela Authority	Administrative approval for project implementation	Administrative Approval	09 September 2025
Government of Maharashtra	Administrative approval for raising funds through the issuance of Green Bonds	Government Resolution Ref. No. 202510031856306525	03 October 2025

4.2.2 Bond Issue Committee

A dedicated **Bond Issue Committee ("Bond Committee")** has been constituted by the NMC to manage, oversee, and execute all activities associated with the Green Bond issuance and utilization of proceeds. The composition of the committee is as follows:

- Commissioner - Chairperson
- Additional Commissioner (2) - Member
- Chief Accounts and Finance Officer - Member
- Head of the Department concerned with the project - Member
- Chief Auditor – Member

The Bond Issue Committee meetings are convened in the presence of all designated officials. The Committee meets as per the requirement to review and monitor the progress of the project.

The terms of reference of the Committee are as follows:

The Bond Issue Committee will jointly & severally be responsible for taking all decisions required for the issuance of the Green Bond, including but not limited to:

- Appointing and coordinating with all key intermediaries, including Trustees, Registrars, Credit Rating Agencies, Legal Advisors, Underwriters, Bankers, Depositories (NSDL/CDSL), Stock Exchanges and Third-Party reviewer
- Finalizing key bond parameters such as tenure, coupon rate, repayment structure, and underwriting requirements
- Preparation & Approval of Green Bond Framework, identifying eligible green projects as per the applicable guidelines
- Reviewing bond term sheet and placing the same before the Standing Committee and the Municipal General Body for approval and finalisation
- Establishing payment, escrow, Debt Service Reserve Account (DSRA) and other necessary financial arrangements, and opening dedicated bank accounts for proper fund tracking
- Preparing and executing all necessary agreements, contracts, disclosures, and filings with SEBI, Stock Exchanges, and other statutory bodies
- Overseeing dematerialization and listing formalities, and ensuring continuous regulatory compliance
- Managing allocation, disbursement, and utilisation of proceeds exclusively toward the eligible green project, including temporary investment of unutilized funds in safe interest-bearing instruments

4.2.3 NMC's Environmental, Health, Safety and Social (EHS&S) Risk Mechanism Framework

NMC ensures that all activities financed through Green Bond proceeds are implemented in compliance with applicable Environmental, Health and Safety & Social (EHS&S) regulations. To operationalize this, NMC has identified relevant statutory and contractual requirements and integrated them into **tender documents and contract conditions** for project implementation.

a) Regulatory Compliance

NMC requires all contractors, project management consultants, and implementation partners comply with applicable National and State regulations, including environmental, health & safety regulations, labour laws, and codes. These compliance requirements are embedded into tender documents and contractual obligations to ensure full adherence throughout project execution.

b) Implementation & Supervision of Environmental, Health and Safety (EHS) Contract Conditions

All contractors will be responsible for implementing and maintaining EHS conditions at project sites in accordance with contractual provisions and NMC's EHS requirements.

Project Management Consultants (PMC) undertake regular site supervision to ensure: (i) adherence to contract safety standards, (ii) use of Personal Protective Equipment (PPE), and (iii) maintenance of hygienic working conditions.

c) Monitoring, Reporting, and Accountability

NMC's Environment and Engineering Departments will periodically monitor EHS&S compliance during project construction and operation. The Supervisory Engineer has the power to take curative actions.

4.3 Management of Proceeds

4.3.1 Tracking of Proceeds

NMC will create and maintain a **separate account** to ensure transparent allocation and proper accounting of the Green Bond proceeds. The proceeds will be tracked to ensure that allocations are made exclusively toward the eligible green project in line with the disclosures provided in the Disclosure Documents.

4.3.2 Use of Unallocated Proceeds

The unallocated proceeds will be brought out under the supervision of the concerned department and the Bond Issue Committee. The unallocated proceeds, if any, will be carried forward to successive years for deployment across eligible components of the approved green project. Until allocation, these proceeds will be held in a **fixed deposit with a scheduled bank** and/or as per the provisions of the Maharashtra Municipal Corporation Act, 1949.

4.3.3 Monitoring and Audit Mechanism

An **Independent Chartered Accountant/External Auditor** shall be appointed by NMC, and will certify the allocation reporting (as per **Master Circular[10] Chapter IX Clause 2.1 - Continuous disclosure requirements for listed green debt securities**):

i. the **Parking of Funds** raised through the Green Bond issuance
ii. the **Deployment of Proceeds** in line with the selected Use of Proceeds and,
iii. the **management of Unallocated Proceeds**

The **Internal Auditor** will provide the above-mentioned details to the Independent Chartered Accountant/External Auditor at required intervals.

The Independent Chartered Accountant/External Auditor shall issue an allocation certificate at the end of the financial year over the lifetime of the bond.

[10] https://www.sebi.gov.in/legal/master-circulars/oct-2025/master-circular-for-issue-and-listing-of-non-convertible-securities-securitised-debt-instruments-security-receipts-municipal-debt-securities-and-commercial-paper_97343.html

4.4 Reporting

Over the life of NMC's Green Bond, NMC will **annually report** on its website (https://www.nmc.gov.in/) along with external verification:

i. **Allocation Reporting** – Amounts allocated towards the components of the project, unallocated amount, and investments made through such unallocated amount basis an Independent Chartered Accountant/External Auditor's certification and external verification.

ii. **Impact Reporting** – Performance against the Key Performance Indicators (KPIs) as prescribed in NMC's Green Bond Framework basis external verification.

iii. **BRSR Reporting** – Major Elements of BRSR Reporting as prescribed by SEBI's Green Debt Securities disclosure requirements.

5. EXTERNAL REVIEW

5.1 Third-Party Review

This Green Bond Framework shall be reviewed by **CARE Analytics and Advisory Private Limited ("CareEdge Advisory")** and CareEdge Advisory shall issue an independent Third-Party Reviewer Report.

NMC Green Bond framework will be published on its website (https://www.nmc.gov.in/) along with the Third-Party Reviewer Report.

5.2 Post-Issuance External Verification

To provide timely and transparent information about the reporting of the allocation of funds from the Green Bond issued under this framework, NMC will engage CARE Analytics and Advisory Private Limited ("CareEdge Advisory"), as post issuance impact assessor to provide opinion annually on the following aspects till the bonds are fully redeemed:

i. Verify that **utilization of net proceeds is in accordance with the stated objectives of use of proceeds** as mentioned in the Framework the disclosure documents. (basis the Independent Chartered Accountant/External Auditor's report)

ii. Assess the **management of proceeds and of unallocated proceeds**, if any. (basis the Independent Chartered Accountant/External Auditor's report)

iii. Monitor the **expenditure towards** and **impacts of selected components of the green project**.

NMC will provide the requisite information (e.g. Independent Chartered Accountant/External Auditor's Certificate, Performance against KPIs, Information regarding major elements of BRSR, etc.) to the Third-Party Reviewer for periodic verification and disclosure. The annual verification report will be published on its website (https://www.nmc.gov.in/)

Annexure 1: Benefits of the Project with Strategic Alignment

Table 4 - Environmental benefits associated with the project

Environmental Benefits	What the DPR/Use of Proceeds covers	Primary SDGs	Most relevant SDG targets	Environmental Benefit Rationale
Sustainable drinking-water supply infrastructure	Raw-water abstraction at Mukane Dam, 274 MLD WTP at Vilholi, and bulk gravity mains for potable water transmission		6.1 - Universal access to safe & affordable drinking water 6.3 - Improve water quality 11.1 - Access to basic services 9.1 - Resilient infrastructure	Enables a reliable, treated drinking water supply for residents and the floating population during Sinhastha Kumbh through intake–treatment–transmission assets, supporting basic urban services and resilient infrastructure
Water quality and treatment compliance	Meeting BIS 10500 / WHO drinking-water standards at treatment plant outlets and delivery nodes		6.3 - Improve water quality 3.3/3.9 - Reduce water-borne diseases and illness from hazardous water	Treatment to potability standards links directly to safer water and downstream public-health outcomes
Climate adaptation & service resilience	System redundancy and reliable bulk supply to manage extreme events and surge demand		13.1 - Strengthen resilience and adaptive capacity 11.5 - Reduce disaster impacts on people/economy	Robust conveyance and diversified routing sustain supply during floods/heat stress/surge events

The project is expected to generate key **Social Co-Benefits**, including:

- Improved **access to safe drinking water** for households and institutions, contributing to **better public health outcomes** and reducing exposure to water-borne diseases
- **Generation of local employment** during the construction phase, supporting livelihoods and short-term economic activity in the project area

Annexure 2: Impact Reporting

Table 5 – KPIs identified for Impact Reporting

	KPIs	Unit / Definition	Primary Data Source	ICMA Harmonized Framework for Impact Reporting (HFIR) – Green (June 2024) indicator(s)[11]	UN SDGs targets
1	**Household connections with access to clean drinking water**	Number of households with reliable access to BIS 10500-compliant piped water	Utility MIS (connection database), census/ward-level household size, beneficiary records	HFIR 2024 - Sustainable water access	6.1 - Universal access to safe & affordable drinking water 11.1 - Access to basic services
2	**Annual volume of potable water supplied**	Total m^3 of treated water delivered for human consumption per year (m^3/year)	SCADA systems, flow meters, plant logbooks	HFIR 2024 - Sustainable water – output	6.1 - Universal access to safe & affordable drinking water 6.4 - Increase in water-use efficiency
3	**Water quality compliance**	% of samples compliant with WHO/BIS 10500 potable-water norms	Water quality lab reports, Third-party verification (if any)	HFIR 2024 - Clean drinking water	6.3 - Improve water quality

[11] https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf

Annexure 3: Climate Resilience

Under **SEBI NCS[12], Reg. 2(1)(q)(iii),** "green debt securities" include projects related to **climate change adaptation**, defined as initiatives that **strengthen infrastructure resilience** to climate impacts and incorporate **information-support systems** such as climate observation and early-warning mechanisms. The Nashik Water Supply Project demonstrates clear alignment with this category.

A. Climate and Hazard Context: Upper Godavari Basin

The project is located within the Upper Godavari basin, a region characterized by documented hydro-climatic stress:

- A 100-year rainfall analysis for the Upper Godavari basin (1911–2010) indicates a high **inter-annual variability**, and recurring **multi-year deficit periods**, increasing supply risks for surface-water-dependent systems[13].
- The **Southwest Monsoon contributes ~85% of annual rainfall**, concentrating hydrological risk within a short period and increasing vulnerability to seasonal failure[14].
- The hydrology research for the Godavari basin, including climate projections, indicates **increasing rainfall variability** and **altered flow regimes**, leading to more frequent **flood pulses** and heightened **dry-season stress**, thereby underscoring the need for resilient water treatment and conveyance infrastructure[15].
- Flood modelling for the Godavari basin demonstrates exposure to **material inundation risks** during extreme flow events, reinforcing the need for robust and recoverable water treatment and transmission infrastructure to maintain service continuity under climate stress[16]

[12] https://www.sebi.gov.in/legal/regulations/dec-2024/securities-and-exchange-board-of-india-issue-and-listing-of-non-convertible-securities-regulations-2021-last-amended-on-december-11-2024-_89954.html
[13] https://www.researchgate.net/publication/333885569_Rainfall_Distribution_and_Trend_Analysis_for_Upper_Godavari_Basin_India_from_100_Years_Record_1911-2010
[14] https://www.researchgate.net/publication/333885569_Rainfall_Distribution_and_Trend_Analysis_for_Upper_Godavari_Basin_India_from_100_Years_Record_1911-2010
[15] Effects of Climate Change on Streamflow in the Godavari Basin Simulated Using a Conceptual Model including CMIP6 Dataset | MDPI
[16] Two-Dimensional Flood Inundation Modeling in the Godavari River Basin, India—Insights on Model Output Uncertainty | MDPI

B. Project Elements Supporting Climate Adaptation and Resilience

- **Gravity Main (Vilholi to Gandhinagar–Sadhugram–Nilgiri Baug):** Reduces dependence on energy-intensive pumping, thereby enhancing **service continuity** during heat-wave-induced grid stress or flood-related power outages and lowering failure risks associated with pumping infrastructure.

- **Augmented WTP at Vilholi:** Provides additional process headroom to **manage raw-water quality fluctuations** (turbidity/microbial spikes) associated with extreme rainfall events, reducing outage risks and safeguarding public health during climate stress.

- **Resilient Transmission Network:** Bulk transmission along robust and strategically aligned corridors **minimize exposure to pipe breaks and system failures** during intense rainfall and flooding events observed within the Godavari basin.

C. Information-support / early-warning alignment

The project's bulk water infrastructure is inherently compatible with **SCADA and telemetry systems**, enabling **real-time monitoring** of flows, pressures, reservoir levels, and water quality. When integrated with publicly available **Indian Meteorological Department (IMD)[17] rainfall forecasts and flood alerts**, these systems strengthen NMC's ability to anticipate disruptions and manage operations during extreme events. The inclusion of meters, Remote Terminal Unit (RTUs), and communication systems within the project scope aligns with the "**information-support and early-warning**" category, enhancing climate preparedness and operational resilience.

[17] https://mausam.imd.gov.in/

Annexure 4: Project Cost

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

Table 6 – Summar Project Cost

Approved project cost	Means of the finance of the capital cost**	
	NMC Contribution (Incl. internal accruals / Govt. of India / Govt. of Maharashtra Grants)	**External Borrowing** (Through proposed Green Bond)
Rs 387.50 Crore	At least Rs 187.50 crore	Up to Rs 200 Crore

Note:

For completion of the Project, the Issuer shall incur additional cost with respect to:

(i) Security Deposit payable to MSEDCL,
(ii) MJP Scrutiny Fees,
(iii) Charges payable to Project Management Consultant (PMC)
(iv) Other Permissions & Shifting Charges (utilities) which shall borne by the Issuer.

** An amount of up to ₹ 200.00 crores has been proposed to be funded from the proceeds of the Issue. The actual amount to be utilized for Project shall be finalized upon determination of the Issue Expenses.

Annexure 5: Project Photographs

Figure 2 – Mukane Headworks

Figure 3 – Nilgiri Baug Water Treatment Plant

Figure 4 – Nashik Road Water Treatment Plant

Figure 5 – Gandhinagar Water Treatment Plant

Figure 6 – Shivaji Nagar Water Treatment Plant

Figure 7 – Barabanglow Water Treatment Plant

Figure 8 – Vilholi Water Treatment Plant

Figure 9 – Panchvati Water Treatment Plant