PRESS RELEASE

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Surat Municipal Corporation Lists ₹200 Crore Green Municipal Bond public issue on NSE - marks a milestone in sustainable urban finance

The National Stock Exchange of India (NSE) today hosted the listing ceremony of the public issue of Green Municipal Bonds by Surat Municipal Corporation (SMC) in the presence of **Hon'ble Chief Minister of Gujarat, Shri Bhupendra Patel.**

The ceremony was also graced by other key senior government officials from central and state government officials - Shri Daxesh Mavani Mayor, Surat City, Shri. Ashishkumar Chahuan, MD&CEO, NSE, Smt. Shalini Agarwal, IAS, Commissioner, Surat Municipal Corporation, Dr. Vikrant Pandey, IAS, Secretary to Chief Minister, Shri Gurjeet Singh Dhillon, Director, MoHUA, GOI, Dr. Harish Ahuja, Head Issuer Relationship, and Sustainability, NSE, Shri. Krishnan Iyer, Senior Vice President, NSE and other key senior dignitaries from the ecosystem.

With a base issue size of ₹100 crore and a green-shoe option of ₹100 crore, the public issue received an overwhelming subscription of over eight times the base issue, reflecting strong investor confidence and growing appetite for green municipal instruments. This issue makes Surat the first municipal corporation from Gujarat and only the second in India to access the municipal bond market through a public offering.

The funds mobilised through this issuance will be deployed toward key climate-resilient urban infrastructure projects:

1. A 10 MW solar plant and 6.3 MW wind facility;
2. Integrated waste processing and urban development in Kosad under BRTS;
3. A 250 MLD zero-liquid discharge (ZLD) water treatment plant at Variav;
4. Upgrading the Rander water treatment plant to 160 MLD with advanced filtration; and
5. A 400 MLD raw water intake system and associated transmission infrastructure each certified under the Climate Bonds Initiative's international green certification framework.

Shri. Bhupendra Patel, Hon'ble Chief Minister of Gujarat, while delivering his address highlighted that *"Gujarat's cities have long led in innovation and fiscal responsibility. With Surat's green bond, we are seeing the next leap—urban finance aligned with environmental sustainability. The state will continue to encourage all urban local bodies to explore capital markets as a pathway to self-reliant growth."*

Shri. Ashishkumar Chauhan, MD&CEO, NSE, **stated that** *"We congratulate Surat Municipal Corporation on its successful maiden public issue. The response—eight times oversubscription—demonstrates both retail and institutional investors' growing confidence in credible green municipal issuances. As India's fourth-largest capital market globally, NSE remains committed to enabling cities and local bodies to raise funds transparently for sustainable infrastructure."* ***He further added:*** *"India's municipal bond market has now seen 24 issuances by 17 corporations, mobilising over ₹13,500 crore. Nearly one-third of these have come from Gujarat, showcasing the state's leadership. Today's listing strengthens the foundation for pooled finance structures and future green bond programs across the country."*

Ms. Shalini Agarwal, IAS, Commissioner, Surat Municipal Corporation, while thanking the gathering, said that *"We are deeply grateful to all our partners and investors for the trust placed in Surat Municipal Corporation. This successful public issue is not just a milestone for Surat, but a signal of confidence in the ability of cities to lead India's green growth story. The momentum will continue as we work to expand sustainable infrastructure financing and make Surat a model for resilient and climate-smart urban development."*

Shri Gurjeet Singh Dhillon, Director, Ministry of Housing and Urban Affairs (MoHUA), Government of India, while delivering the address, stated that "*The success of Surat's green municipal bond demonstrates the growing maturity of India's municipal finance ecosystem. At the Ministry of Housing and Urban Affairs, we see this as a model for how cities can independently access capital markets to fund sustainable infrastructure. It strengthens the vision of Atmanirbhar Urban Local Bodies—financially empowered, transparent, and climate-resilient institutions driving India's urban transformation."*

The SMC Green Municipal Bond is a listed, secured, redeemable non-convertible debenture aligned with SEBI's Green Debt Security Framework and Climate Bonds Initiative standards. Proceeds will be directed to renewable energy, sustainable water systems, and climate adaptation projects within Surat.

This issuance follows a series of pioneering municipal bonds from Gujarat, including the Gandhinagar Green Bond earlier this year. Two more issuances from the state are currently in preparation, signaling growing confidence in local capital mobilisation.

About National Stock Exchange of India Limited (NSE):

National Stock Exchange of India (NSE) was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology. NSE is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for calendar year 2024. NSE is ranked 2nd in the world in equity segment by number of trades (electronic order book) in 2024, as per the statistics maintained by World Federation of Exchanges (WFE).

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