

Government of Bihar
Urban Development and Housing Department

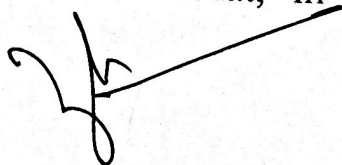
Notification

Patna Dated-...~~04.07.2026~~...

File No. 11/N.V./Vividh-03/2026...~~2456~~... /UD&HD/ Patna Municipal Corporation, in the 19th meeting of the Empowered Standing Committee held on 12 January 2026, under Agenda Item No. 08 and Resolution No. 472, received unanimous approval for the proposal to issue Municipal Bonds up to ₹200 Crore.

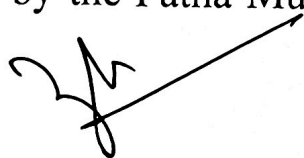
In view of the above, in exercise of the powers conferred under Sections 107, 110, 120, 121, 122 and 123 of the Bihar Municipal Act, 2007 (as amended), and in accordance with the provisions of the SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015, the State Government hereby grants approval to Patna Municipal Corporation for raising funds through the issuance of Municipal Bonds up to ₹200 Crore (Rupees Two Hundred Crore only), subject to the following conditions:

1. The primary objective of the issuance of the said Bond is facilitate to promote the development of organized vending zones within the Municipal limits of Patna and to finance capital investments pertaining to the redevelopment of new market situated in the vicinity of the Patna Railway Station, as well as other important areas of Patna Municipal Corporation. The purpose of including multiple project areas is to ensure that, in the event of any



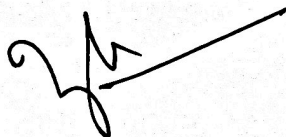
impediment in the execution of works in a particular area, the available funds may be deployed to other eligible and priority projects, thereby preventing the idle utilization of resources and ensuring the achievement of the objectives of Patna Municipal Corporation, along with the sustained generation of revenue therefrom. Further, Patna Municipal Corporation shall reserve the right to select any other suitable project at its discretion for utilization of the bond proceeds, in accordance with applicable regulations and any other project it may deem fit and appropriate as its sole discretion.

2. The Municipal Bond with a fixed maturity shall be issued in a single tranche as a general-revenue-backed municipal bond, with a tenure of ten (10) years. The bond will be listed on the NSE through a Private/Public placement route, targeting the categories of investors who invest in Municipal Bonds are Government institutions (such as NABFID, IIFCL, etc), Provident/Pension/Superannuation/Gratuity Funds, Mutual Funds, Banks and Financial Institutions, Insurance Companies, Corporates, etc.
3. The interest/Coupon rate on the bonds will be discovered on Electronic Bidding Platform (EBP) of the Stock Exchange.
4. The obligations arising out of the said Bond, including the repayment of principal and payment of interest thereon, shall be met and discharged by the Patna Municipal Corporation out of its

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internal source of revenues. Such repayment shall propose to be commenced from the end of the 4th year from the issuance of the Bond and shall continue till maturity period of the Bond.

5. Patna Municipal Corporation shall comply with all applicable provisions of the SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015, including but not limited to ;
 - i. Appointment of SEBI-registered Merchant Banker and Transaction Advisor ;
 - ii. Appointment of Legal Advisor;
 - iii. Obtaining mandatory credit rating from a SEBI-registered Credit Rating Agency;
 - iv. Debenture Trustee, Registrar and Transfer agent etc;
 - v. Listing of bonds on Stock Exchange;
 - vi. Periodic disclosures and reporting requirements etc.
6. A dedicated Escrow Account, Interest Payment Account (IPA), and Sinking Fund shall be created and maintained by PMC to ensure the timely servicing of quarterly interest payments and principal obligations. The Escrow Account shall be utilized for the deposit of internal resources and for managing all cash flows related to the Municipal Bond as the priority. Any remaining funds in the Escrow Account is free for other expenditures as may be determined by PMC. The Debt Service Reserve Account (DSRA) shall maintain a reserve equivalent to one year of interest obligations to safeguard against any shortfall as Fixed Deposit. The IPA shall be utilized exclusively for meeting periodic interest payment requirements, while the Sinking Fund shall be maintained for principal



repayment, with monthly transfers to ensure adequate accumulation before the due dates.

7. Patna Municipal Corporation shall ensure that the debt-servicing obligations arising from the proposed Municipal Bond issuance of up to ₹ 200 crore (Rupees Two Hundred Crore) do not, under any circumstances, adversely impact the delivery of essential municipal services. The PMC shall maintain prudent financial discipline throughout the tenure of the bonds and shall safeguard uninterrupted service delivery by ring-fencing the identified revenue streams through appropriate credit-enhancement mechanisms, including Escrow Accounts, Debt Service Reserve Account (DSRA), and Structured Payment Systems.
8. In the 19th meeting of the Empowered Standing Committee held on 12 January, 2026 by the Patna Municipal Corporation, under Agenda Item No. 08 and Proposal No. 471. It is mentioned that, under the chairmanship of the Municipal Commissioner, a Bond Issuance Committee has been constituted. The said committee has been authorized, jointly or separately, to take all decisions related to the issuance of bonds. Under this, it has been empowered to finalize the terms/term sheet of the terms of the Issue/Term Sheet, appointment of market intermediaries, signing of all documents/agreements/deeds, etc. or to undertake any other activities as may be required for completion of the bond issue exercise.



9. This notification shall come into force with immediate effect. It is hereby ordered that this resolution be published in the forthcoming extraordinary issue of the Bihar Gazette for the information of the public.

By order of the Governor of Bihar



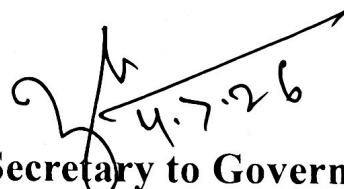
(Manoj Kumar Rajak)

Additional Secretary to Government.

Memo No. 11/N.V./Vividh-03/2026/ 2456 UDHD, Patna, Date - 04.7.2026

Copy to: The Officer in-Charge, e-Gazette Cell, Finance Department, Bihar, Patna for publication in the next extraordinary issue of the Bihar Gazette.

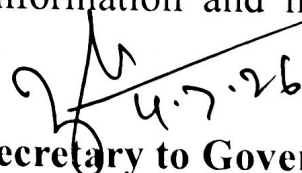
He is requested to kindly make available 300 (three hundred) copies of this Resolution to the Urban Development & Housing Department, Bihar, Patna at the earliest.



Additional Secretary to Government.

Memo No. 11/N.V./Vividh-03/2026/ 2456 UDHD, Patna, Date - 04.7.2026

Copy to: The Accountant General, Bihar, Veerchand Patel Path, Patna/ District Treasury Officer, Patna for information and necessary action.



Additional Secretary to Government.

Memo No. 11/N.V./Vividh-03/2026/ 2456 UDHD, Patna, Date - 04.7.2026

Copy to: Chief Secretary, Bihar/Development Commissioner, Bihar/ Principal Secretary to His Excellency the Governor/Principal Secretary to the Hon'ble Chief Minister/All Additional Chief Secretaries/Principal Secretaries/ Secretaries, All Department/ Divisional Commissioner, Patna/District Magistrate, Patna/Municipal

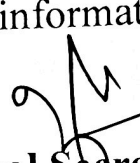
Commissioner, Patna Municipal Corporation for information and necessary action.


4.7.26

Additional Secretary to Government.

Memo No. 11/N.V./Vividh-03/2026/ 2456 UDHD, Patna, Date - 04-7-2026

Copy to: Secretary, Bihar Legislative Council/Secretary, Bihar Legislative Assembly/Chief Minister's Secretariat/Registrar, Patna High Court/Advocate General, Bihar, Patna for information.


4.7.26

Additional Secretary to Government.

Memo No. 11/N.V./Vividh-03/2026/ 2456 UDHD, Patna, Date - 04-7-2026

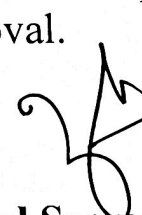
Copy to: Private Secretary to the Hon'ble Minister of the Department/ Principal Private Secretary to the Principal Secretary/All departmental officers of the Urban Development & Housing Department, Bihar, Patna for information and necessary action.


4.7.26

Additional Secretary to Government.

Memo No. 11/N.V./Vividh-03/2026/ 2456 UDHD, Patna, Date - 04-07-2026

Copy to: IT Manager, Urban Development & Housing Department, Bihar, Patna for uploading on the departmental website in the separate folder related to Cabinet approval.


4.7.26

Additional Secretary to Government.