

This is an advertisement for information purposes under regulation 8(1) of the SEBI (Issue and Listing of Municipal Debt Securities) Regulation, 2015, as amended



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Climate Bond Certified

Aligned
Use of Proceeds
100% aligned

Surat Municipal Corporation

A municipal corporation constituted under Article 243(1)(c) of the Constitution of India, 1949 and established under the Bombay Provincial Municipal Corporations Act, 1949 (then applicable act in Gujarat) on October 1, 1966 vide Notification No. KP/773/SMC/1066/5620/P dated September 9, 1966.

Head Office: Surat Mahanagar, Sada Savan, Gorhandas Chokhawala Marg, Muglisara, Surat - 395 003, Gujarat. Contact Person cum Compliance Officer: Swati Pareshkumar Desai, Deputy Municipal Commissioner

THE ISSUE

PUBLIC ISSUE BY THE SURAT MUNICIPAL CORPORATION ("CORPORATION" / "SMC" / "ISSUER") OF UP TO 20,00,000 RATED, LISTED, TAXABLE, SECURED, REDEEMABLE, NON-CONVERTIBLE GREEN MUNICIPAL BONDS (IN THE NATURE OF DEBENTURES) OF FACE VALUE OF ₹1,000/- EACH ("GREEN BONDS" / "NCDs" / "DEBENTURES"), (COMPRISING OF 2 (TWO) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS ("STRPPs") NAMELY, 1 STRPP A OF FACE VALUE OF ₹500 AND 1 STRPP B OF FACE VALUE OF ₹100 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVER-SUBSCRIPTION UP TO ₹100 CRORES ("GREEN SHOE OPTION") AGGREGATING UP TO ₹200 CRORES (RUPEES TWO HUNDRED CRORES ONLY) ("ISSUE"). THE ISSUE IS BEING MADE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSE AND LISTING OF MUNICIPAL DEBT SECURITIES) REGULATIONS, 2015, SEBI MASTER CIRCULAR AND OTHER RELEVANT CIRCULARS AND GUIDELINES. THE TWO STRPPs WILL BE OF DIFFERENT MATURITY AND SHALL BE REDEEMABLE AT PAR; FOR FURTHER DETAILS, PLEASE SEE THE SECTION TITLED "ISSUE SPECIFIC INFORMATION" ON PAGE 130 OF THE OFFER DOCUMENT. THE ISSUE IS NOT UNDERWRITTEN.

Credit Rating: Provisional IND AA+/Stable by India Ratings and Research Private Limited and Provisional CRISIL AA+/Stable by CRISIL Ratings Limited **ALLOTMENT ON FIRST COME FIRST SERVE BASIS***

*Allotment in the public issue of debt securities shall be made on the basis of date of upload of each application into the electronic book of the stock exchanges in accordance with the SEBI Master Circular. However, from the date of over subscription and thereafter, the allotments will be made to the applicants on proportionate basis. For further details refer section titled "Issue Specific Information" on page 130 of the Offer Document.

ISSUE PROGRAMME**

ISSUE OPENS ON MONDAY, OCTOBER 06, 2025 ISSUE CLOSURES ON THURSDAY, OCTOBER 09, 2025

** The issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the period indicated above, except that the issue may close on such earlier date, subject to a minimum of three Working Days from the date of opening of the issue, in accordance with the SEBI ILMS Regulations or extended date as may be decided by the Bond Issue Committee, subject to relevant approvals and in accordance with applicable laws. In the event of an early closure or extension of the issue, our Corporation shall ensure that notice of the same is provided to the prospective investors through an advertisement in a national daily newspaper with wide circulation and a regional daily with wide circulation where the head office of the Corporation is located in which the pre-issue advertisement for opening of the issue is given, on or before such initial date of closure, in accordance with SEBI ILMS Regulations. On the issue closing date, the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m., on such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5.00 p.m. (Indian Standard Time) on one Working Day after the issue closing date. For further details please refer to the chapter titled "Issue Specific Information" on page 130 of the Offer Document.

THE MAYOR IS SHRI DAXESH KISHORBHAI MAVANI AND THE COMMISSIONER IS SMT. SHALINI AGARWAL, IAS

THE FOLLOWING IS SUMMARY OF THE TERMS OF THE GREEN BONDS TO BE ISSUED PURSUANT TO THE OFFER DOCUMENT

TYPE OF INSTRUMENT		SECURED NCDS	
Face Value / Issue Price of NCDs (₹ / NCDs)		₹1,000 per NCD comprising of 1 STRPP A of Face value of ₹ 500, 1 STRPP B of Face value of ₹ 500;	
Minimum Application		₹10,000 (10 NCDs comprising of 10 STRPP A and 10 STRPP B)	
In Multiples of thereafter (₹)		₹1,000 (1 NCD comprising of 1 STRPP A and 1 STRPP B)	
STRPP with different ISIN	STRPP A		STRPP B
Tenor	4 Years		5 Years
Face value per STRPP (₹)	₹ 500		₹ 500
		Aggregating to ₹ 1,000 (i.e., 1 NCD)	
Coupon (% per annum) for NCD Holders in Category I, Category II and Category III	8.00%		8.00%
Effective Yield (% per annum) for NCD Holders in Category I, Category II and Category III	8.16%		8.16%
Frequency of Interest Payment	Half yearly		Half yearly
Mode of Interest Payment	Through Various Modes available		
Maturity/Redemption (from the Deemed Date of Allotment)	4 years		5 years
Put and Call Option	N.A.		N.A.
With respect to each STRPP where Coupon is to be paid on a half yearly basis, relevant Coupon will be paid on each 6 months anniversary of the Deemed Date of Allotment on the outstanding face value of the relevant STRPP. The last Coupon Payment under such STRPP will be made at the time of Maturity (final redemption date) of the said STRPP. Subject to applicable tax deducted at source, if any. For further details, please see the section titled "Tax Benefits" on page 121 of the Offer Document.			
ASBA*	Simple, Safe, Smart Way of Application!!!	Applications Supported by Blocked Amount ("ASBA") is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.	Mandatory in public issues. No cheque will be accepted.
LPM	UPI - Now available in ASBA for Retail Individual Investors. Bidders are required to ensure that the bank account used for bidding is linked to their PAN	UPI is now available for Retail Individual Investors submitting bids up to an application value Rs. 5,00,000, applying through Designated Intermediaries, SCBs or through the BSE Direct App/NSEgoBID / Web interface of Stock Exchanges or any other permitted methods. For details of the ASBA and UPI Process, refer to the details given in the Application Form and also refer to the section titled "Issue Procedure" beginning on page 154 of the Offer Document. List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. Kotak Mahindra Bank Limited has been appointed as Sponsor Bank for the issue, in accordance with the requirement of the SEBI Master Circular dated May 22, 2024 as amended.	

*ALLOTMENT IN THE ISSUE WILL BE MADE IN DEMATERIALIZED FORM ONLY. ALLOTMENTS IN CONSULTATION WITH THE LEAD MANAGERS AND DESIGNATED STOCK EXCHANGE SHALL BE MADE ON THE BASIS OF THE DATE OF UPLOAD OF EACH APPLICATION INTO THE ELECTRONIC PLATFORM OF THE STOCK EXCHANGES, IN EACH PORTION SUBJECT TO THE ALLOCATION RATIO. HOWEVER FROM THE DATE OF OVER SUBSCRIPTION AND THEREAFTER, THE ALLOTMENT SHALL BE MADE TO THE APPLICANTS ON PROPORTIONATE BASIS. FOR FURTHER DETAILS PLEASE REFER "BASIS OF ALLOTMENT" ON PAGE 183 OF THE OFFER DOCUMENT.

Listing: The Green Bonds offered through the Offer Document are proposed to be listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE", collectively with NSE, "Stock Exchanges"). The issuer has received in-principle approvals for listing of the Green Bonds to be allotted pursuant to the issue from NSE and BSE through their letters both dated May 27, 2025 bearing nos. NSE/L1/ST/2025/156 and DCS/NBP/2025/25-28, respectively. For the purposes of the issue, the Designated Stock Exchange is National Stock Exchange of India Limited.

General Risks: Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risks attached to such investments. Investors are advised to take all the risk factors carefully before investing in this issue. For taking an investment decision, the investors must rely on their own examination of the issue, the Offer Document and the issue including the risks involved in it. Specific attention of investors is invited to the statement of risk factors contained in the section titled "Risk Factors" on page 16 of the Offer Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Green Bonds or investors desiring to purchase such Green Bonds. The issue of Green Bonds has not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of the Offer Document.

Disclaimer clause of SEBI: It is to be distinctly understood that the Offer Document should not in any way be deemed or construed to have been approved by SEBI and that this issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any project for which this issue is proposed to be made or for the correctness of the statements made or opinions expressed in the Offer Document.

Disclaimer Clause of Government of Gujarat: It is to be distinctly understood that the Offer Document should not in any way be deemed or construed to have been approved by Government of Gujarat. Government of Gujarat does not take any responsibility either for the financial soundness of any project for which this issue is proposed to be made or for the correctness of the statements made or opinions expressed in the Offer Document.

Disclaimer Clause of NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the "Disclaimer Clause of NSE".

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Draft Offer Document has been cleared and approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Draft Offer Document. The investors are advised to refer to the Draft Offer Document/Offer Document for the full text of the "Disclaimer Clause of BSE".

Disclaimer Clause for Use of NSE Electronic Platform: It is to be distinctly understood that the permission given by the NSE to use their network and Online Platform for facilitating applications for public issue of NCDs shall not in any way be deemed or construed as compliance with various statutory and other requirements by the Corporation; LM is cleared or approved by NSE; nor does it warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Corporation, its management or any scheme or projects of the Corporation.

Disclaimer Clause for Use of BSE Electronic Platform: It is to be distinctly understood that the permission given by the BSE to use their network and software of the Online system should not in any way be deemed or construed that the compliance with various statutory requirement approved by the Exchange; nor does it any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of this Corporation, its management or any scheme this Corporation. It is to be distinctly understood that the approval given by the Exchange is only to use the software for participating in system of making application process.

Credit Ratings: The Green Bonds proposed to be issued by the Surat Municipal Corporation have been rated by India Ratings and Research Private Limited ("India Ratings") and CRISIL Ratings Limited ("CRISIL") collectively, the "Rating Agencies". India Rating has vide its letter dated January 22, 2024, as revised vide rating letter dated August 20, 2025, assigned a rating of "Provisional IND AA+/Stable" and has issued a rating rationale dated March 17, 2025. CRISIL has vide its letter dated January 9, 2024, as revised vide rating letter dated August 20, 2025, assigned a rating of "Provisional CRISIL AA+/Stable" and has issued a rating rationale dated March 17, 2025. Securities with these ratings are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Ratings given by India Ratings and CRISIL are valid as on the date of this Offer Document and shall remain valid unless withdrawn. 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 Green 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 Green Bonds and detailed rationale of the ratings, please refer to Annexure-I.

Disclaimer Clause of CRISIL Ratings Limited: Credit Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by

its client and / or obtained by Credit Ratings from sources which it considers reliable (Information). A rating by Credit Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by Credit Ratings. Credit Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Credit Ratings 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. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking services within the meaning of any law or regulation. Credit Ratings especially states that it has no liability whatsoever to the subscribers / users / transparent distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as Credit Ratings providing or intending to provide any services in jurisdictions where Credit Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. Surat Municipal Corporation will be responsible for ensuring compliances and consequences of non-compliance for use of the Material or part thereof outside India. Current rating status and Credit Ratings' rating criteria are available without charge to the public on the website, www.crisilratings.com. For the latest rating information on any instrument of any company rated by Credit Ratings, please contact Customer Service Helpline at 1800-267-3860.

Disclaimer Clause of India Ratings & Research Private Limited: India Ratings & Research Private Limited ("India Ratings") relies on information obtained from multiple sources and there may be instances where the information is not accurate/incomplete, despite efforts taken to render it to be true. Ultimately, the issuer / its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its rating, India Ratings relies on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that may not have been anticipated at the time a rating was issued or affirmed. It needs to be noted that 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 of any issue. Credit Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting or regulatory requirement), nor the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. The Rating Agency shall neither constitute to be nor acting under the capacity or nature of an "expert" as defined under Section 2(38) of the Companies Act, 2013. India Ratings does not provide any financial, legal, auditing, accounting, appraisal, valuation or actuarial services in any manner. A rating should not be viewed as a replacement for such device or services. Investors may find our ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

Availability of the Offer Document: Investors are advised to refer to the Offer Document and the "Risk Factors" on page 16 of the Offer Document, before applying to the issue. Electronic copy of the Offer Document may be obtained from the Head Office of the Corporation and the Lead Manager. Full copies of the Offer Document will also be available on the website of the issuer at www.suratmunicipal.gov.in, of the Lead Manager at www.algroup.co.in, of NSE and BSE at www.nseindia.com and www.bseindia.com, respectively and of SEBI at www.sebi.gov.in.

Availability of Application Form: Application forms can be obtained from: **SURAT MUNICIPAL CORPORATION** - Tel: +91-261-2423750/51/52/53/54/55/56 (Ext. No. 243) / **LEAD MANAGER: A.K. CAPITAL SERVICES LIMITED** - Tel: +91 22 6754 6500; and the offices of Consortium Member, the Registrar to the issue, Designated RTA Locations for RTAs, Designated CDP Locations for CDPs and the Designated Branches of the SCBs. Electronic application forms will be available on the websites of the SCBs that permit submission of financial application electronically. The Application Form will be downloaded from the websites of NSE and BSE at www.nseindia.com and www.bseindia.com, respectively and the website of the Lead Manager at www.algroup.co.in. Additionally, UPI investor making an application in the issue can also make bid through online (app / web) interface platform of the NSE i.e. "NSE goBID" or BSE i.e. "BSEDirect". Further, NSE goBID can be accessed at www.nseindiaapp.com or BSE Direct platform can be accessed at www.bseindiaapp.com or can be accessed through mobile app. Further, Application Forms will also be provided to Designated Intermediaries at their request.

The Term Sheet can be downloaded from the following link: https://www.suratmunicipal.gov.in/Content/Documents/Departments/Accounts/SMCBond/GreenBondSMC_TermSheet.pdf

Consortium Member: A. K. Stockmart Private Limited
Public Issue Account Bank, Sponsor Bank and Refund Bank: Kotak Mahindra Bank Limited

Note: All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to it in the Offer Document. For further details please refer to the Offer Document dated September 18, 2025

ADDENDUM TO THE OFFER DOCUMENT DATED SEPTEMBER 18, 2025: NOTICE TO INVESTORS ("ADDENDUM")

Potential Applicants may note that:

- Pursuant to the order no. GAD/EST/3948 dated September 30, 2025, the charge of Jaitrakumar Desai as IC City Engineer has been extended for a period till November 30, 2025 or till the post is filled up, whichever is earlier.
- Pursuant to Order No. GAD/EST/3858 dated September 25, 2025, Pratikumar Champaklal Lakdawala i/c Chief Account is on leave from September 25, 2025 to October 18, 2025, and during his leave he is resumes, charge of the i/c Chief Accountant held by him has been transferred to Chetan Kumar H. Desai, Deputy Accountant of South Zone (Udhna) and i/c Assessment & Recovery Officer Central Cell.

Accordingly, the section titled "General Information" shall stand amended as follows:

- On page 4 of the Offer Document under the heading titled "Bond Issue Committee", the footnote with reference to the appointment of Jaitrakumar Desai shall be read as: "Pursuant to order No. GAD/EST/3948 dated September 30, 2025, Jaitrakumar Desai holds charge as IC City Engineer for a period till November 30, 2025 or till the post is filled up, whichever is earlier."
- On page 5 of the Offer Document under the heading titled "Chief Accounts and Finance Officer or equivalent of the issuer" an additional footnote has been inserted as: "Pursuant to Order No. GAD/EST/3858 dated September 25, 2025, it is to be noted that Pratikumar Champaklal Lakdawala i/c Chief Accountant is on leave from September 25, 2025 to October 18, 2025. During his leave he resumes the charge of i/c Chief Accountant, the charge of i/c Chief Accountant shall be held by Chetan Kumar H. Desai, Deputy Accountant of South Zone (Udhna) and i/c Assessment & Recovery Officer Central Cell."
- SAC has received the consent letter dated October 01, 2025 from Chetan Kumar H. Desai, Deputy Accountant of South Zone (Udhna) and i/c Assessment & Recovery Officer Central Cell to include his name in the Offer Document.

Accordingly, reference to the written consent dated October 01, 2025 from Chetan Kumar H. Desai shall be included in the Material Document under the section titled "Material Contracts and Documents for Inspection" on page 246 of the Offer Document, comment under the section titled "Material Contracts and Documents for Inspection" on page 246 of the Offer Document.

LEAD MANAGER	DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE
A.K. Capital Services Limited , 603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra Tel: +91 22 6754 6500 Email: info@akcapital.in Website: www.akcapital.in Compliance officer: Subodh Jaiswal (E-mail: subodh.jaiswal@akcapital.in) Email: (Compliance officer): subodh.jaiswal@akcapital.in Investor Grievance Email: investor.grievance@akcapital.in SEBI Registration No.: INM000010411 CIN: L74999MH1993PLC274881	SBICAP Trustee Company Limited 404/Floor, Mistry Bhawan, 122 Dishaar Vachha Road, Churchgate, Mumbai 400 020 Tel: 022 4302 5566 Fax No.: NA Contact Person: Arundhan, Mahapatra Email: arundhan@sbicaptrustee.com @sbicaptrustee.com Website: www.sbicaptrustee.com Investor Grievance Email: investor.cell@sbicaptrustee.com SEBI Registration No.: IND000005351 CIN: U65991MH2005PLC158336	KFIN Technologies Limited Selenium Tower-B, Plot 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana. Tel: +91-40-6760222 / 1800204901 Fax No.: +91 40 6716 1563 Contact Person: Mr. Manish Krishna Email: surat.ncd@kfintrich.com Website: www.kfintrich.com Investor Grievance Email: einward.kfin@kfintrich.com SEBI Registration No.: INR000002221 CIN: L72404MH2011PLC444072

COMPLIANCE OFFICER

Swati Pareshkumar Desai, Deputy Municipal Commissioner - Surat Municipal Corporation
Tel: +91-261-2423750/51/52/53/54/55/56 (Ext. No. 243) | E-mail: smcncd@suratmunicipal.gov.in | Website: www.suratmunicipal.gov.in

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post issue related issues such as non-receipt of Allotment advice, demat credit, refund orders, non-receipt of Debenture Certificates, transfers, or interest on application amount etc.

"SBICAP Trustee Company Limited under SEBI LMDS Regulations has by its letter dated May 7, 2025 given its consent for its appointment as Debenture Trustee to the issue and for its name to be included in the Offer Document and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to the issue. Disclaimer: Surat Municipal Corporation ("SMC") is proposing, subject to receipt of requisite approvals, market conditions and other considerations, a public offer of "Green Municipal Bonds" ("NCDs"). This announcement constitutes an offer to sell or solicitation of an offer to buy securities in any jurisdiction. Investment in the NCDs involves a degree of risk. Investors should see the offer document dated September 18, 2025 of SMC ("Offer Document") filed with the BSE Limited ("BSE"), National Stock Exchange of India Ltd. ("NSE") and Securities and Exchange Board of India ("SEBI"), including the section titled "Risk Factors" beginning on page 16 of the Offer Document, available on the websites of BSE at www.bseindia.com, NSE at www.nseindia.com, SEBI at www.sebi.gov.in and the websites of the issuer at www.suratmunicipal.gov.in and the Lead Manager at www.algroup.co.in.

For SURAT MUNICIPAL CORPORATION

Sd/-

Municipal Commissioner

Date: Surat
01/10/2025

This is an advertisement for information purposes under regulation 9(1) of the SEBI (Issue and Listing of Municipal Debt Securities) Regulation, 2015, as amended



(Please scan this QR Code to view the Term Sheet)



સુરત મહાનગરપાલિકા
સુજનનસિંહવાલા માર્ગ, મુગ્લિસરા, સુરત - ૩૯૫ ૦૦૩, ગુજરાત.



Climate Bond Certified



Aligned
Use of Proceeds
1.5x aligned

Surat Municipal Corporation

A municipal corporation constituted under Article 243Q(1)(c) of the Constitution of India, 1949 and established under the Bombay Provincial Municipal Corporations Act, 1949 (then applicable act in Gujarat) on October 1, 1966 vide Notification No. KP/773/SMC/1066/5620/P dated September 9, 1966.

Head Office: Surat Mahanagar Seva Sadan, Gordhandas Chokhawala Marg, Muglisara, Surat – 395 003, Gujarat. **Contact Person cum Compliance Officer:** Swati Pareshkumar Desai, Deputy Municipal Commissioner

THE ISSUE

PUBLIC ISSUE BY THE SURAT MUNICIPAL CORPORATION (“CORPORATION” / “SMC” / “ISSUER”) OF UP TO 20,00,000 RATED, LISTED, TAXABLE, SECURED, REDEEMABLE, NON-CONVERTIBLE GREEN MUNICIPAL BONDS (IN THE NATURE OF DEBENTURES) OF FACE VALUE OF ₹1,000/- EACH (“GREEN BONDS” / “NCDs” / “DEBENTURES”), (COMPRISING OF 2 (TWO) SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS (“STRPPs”) NAMELY, 1 STRPP A OF FACE VALUE OF ₹500 AND 1 STRPP B OF FACE VALUE OF ₹500), FOR AN AMOUNT OF ₹100 CRORES (“BASE ISSUE SIZE”) WITH AN OPTION TO RETAIN OVER-SUBSCRIPTION UP TO ₹100 CRORES (“GREEN SHOE OPTION”) AGGREGATING UP TO ₹200 CRORES (RUPEES TWO HUNDRED CRORES ONLY) (“ISSUE”). THE ISSUE IS BEING MADE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF MUNICIPAL DEBT SECURITIES) REGULATIONS, 2015, SEBI MASTER CIRCULAR AND OTHER RELEVANT CIRCULARS AND GUIDELINES. THE TWO STRPPS WILL BE OF DIFFERENT MATURITY AND SHALL BE REDEEMABLE AT PAR; FOR FURTHER DETAILS, PLEASE SEE THE SECTION TITLED “ISSUE SPECIFIC INFORMATION” ON PAGE 130 OF THE OFFER DOCUMENT. THE ISSUE IS NOT UNDERWRITTEN.

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ISSUE PROGRAMME**

ISSUE OPENS ON MONDAY, OCTOBER 06 2025

ISSUE CLOSES ON THURSDAY, OCTOBER 09, 2025

** The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date, subject to a minimum of three Working Days from the date of opening of the Issue, in accordance with the SEBI ILMDS Regulations or extended date as may be decided by the Bond Issue Committee, subject to relevant approvals and in accordance with applicable laws. In the event of an early closure or extension of the Issue, our Corporation shall ensure that notice of the same is provided to the prospective investors through an advertisement in a national daily newspaper with wide circulation and a regional daily with wide circulation where the head office of the Corporation is located in which the pre-issue advertisement for opening of the Issue is given, on or before such initial date of closure, in accordance with SEBI ILMDS Regulations. On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5.00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled “**Issue Specific Information**” on page 130 of the Offer Document.

THE MAYOR IS SHRI DAXESH KISHORBHAI MAVANI AND THE COMMISSIONER IS SMT. SHALINI AGARWAL, IAS			
THE FOLLOWING IS SUMMARY OF THE TERMS OF THE GREEN BONDS TO BE ISSUED PURSUANT TO THE OFFER DOCUMENT			
TYPE OF INSTRUMENT	SECURED NCDS		
Face Value / Issue Price of NCDs (₹ / NCDs)	₹1,000 per NCD comprising of 1 STRPP A of Face value of ₹ 500, 1 STRPP B of Face value of ₹ 500;		
Minimum Application	₹10,000 (10 NCDs comprising of 10 STRPP A and 10 STRPP B)		
In Multiples of thereafter (₹)	₹1,000 (1 NCD comprising of 1 STRPP A and 1 STRPP B)		
STRPP with different ISIN	STRPP A		STRPP B
Tenor	4 Years		5 Years
Face value per STRPP (₹)	₹ 500		₹ 500
	Aggregating to ₹ 1,000 (i.e.,1 NCD)		
Coupon (% per annum) for NCD Holders in Category I, Category II and Category III	8.00%		8.00%
Effective Yield (% per annum) for NCD Holders in Category I, Category II and Category III	8.16%		8.16%
Frequency of Interest Payment	Half yearly		Half yearly
Mode of Interest Payment	Through Various Modes available		
Maturity/Redemption (from the Deemed Date of Allotment)	4 years		5 years
Put and Call Option	N.A.		N.A.
With respect to each STRPP where Coupon is to be paid on a half yearly basis, relevant Coupon will be paid on each 6 months anniversary of the Deemed Date of Allotment on the outstanding face value of the relevant STRPP. The last Coupon Payment under such STRPP will be made at the time of Maturity (final redemption date) of the said STRPP. Subject to applicable tax deducted at source, if any. For further details, please see the section titled “Tax Benefits” on page 121 of the Offer Document.			
	Simple, Safe, Smart Way of Application!!!	Applications Supported by Blocked Amount (“ASBA”) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.	Mandatory in public issues. No cheque will be accepted.
	UPI - Now available in ASBA for Retail Individual Investors. Bidders are required to ensure that the bank account used for bidding is linked to their PAN	UPI is now available for Retail Individual Investors submitting bids up to an application value Rs. 5,00,000, applying through Designated Intermediaries, SCBSs or through the BSE Direct App/NSEgoBID / Web interface of Stock Exchanges or any other permitted methods. For details of the ASBA and UPI Process, refer to the details given in the Application Form and also refer to the section titled 'Issue Procedure' beginning on page 154 of the Offer Document. List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in . Kotak Mahindra Bank Limited has been appointed as Sponsor Bank for the Issue, in accordance with the requirement of the SEBI Master Circular dated May 22, 2024 as amended.	

***ALLOTMENT IN THE ISSUE WILL BE MADE IN DEMATERIALIZED FORM ONLY. ALLOTMENTS IN CONSULTATION WITH THE LEAD MANAGERS AND DESIGNATED STOCK EXCHANGE SHALL BE MADE ON THE BASIS OF THE DATE OF UPLOAD OF EACH APPLICATION INTO THE ELECTRONIC PLATFORM OF THE STOCK EXCHANGES, IN EACH PORTION SUBJECT TO THE ALLOCATION RATIO. HOWEVER FROM THE DATE OF OVER SUBSCRIPTION AND THEREAFTER, THE ALLOTMENT SHALL BE MADE TO THE APPLICANTS ON PROPORTIONATE BASIS. FOR FURTHER DETAILS PLEASE REFER "BASIS OF ALLOTMENT" ON PAGE 183 OF THE OFFER DOCUMENT.**

Listing: The Green Bonds offered through the Offer Document are proposed to be listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), collectively with NSE the "Stock Exchanges". The Issuer has received in-principle approvals for listing of the Green Bonds to be allotted pursuant to the Issue from NSE and BSE through their letters both dated May 27, 2025, bearing no. NSE/LIST/D/2025/0156 and DCS/HB/PI-BOND/03/25-26, respectively. For the purposes of the Issue, the Designated Stock Exchange is National Stock Exchange of India Limited.

General Risks: Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risks attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer, the Offer Document and the issue including the risks involved in it. Specific attention of investors is invited to the statement of risk factors contained in the section titled “**Risk Factors**” on page 16 of the Offer Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Green Bonds or investor's decision to purchase such Green Bonds. The Issue of Green Bonds has not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of the Offer Document.

Disclaimer Clause of SEBI: It is to be distinctly understood that the Offer Document should not in anyway be deemed or construed to have been approved by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any project for which this Issue is proposed to be made or for the correctness of the statements made or opinions expressed in the Offer Document.

Disclaimer Clause of Government of Gujarat: It is to be distinctly understood that the Offer Document should not in anyway be deemed or construed to have been approved by Government of Gujarat. Government of Gujarat does not take any responsibility either for the financial soundness of any project for which this Issue is proposed to be made or for the correctness of the statements made or opinions expressed in the Offer Document.

Disclaimer Clause of NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the full text of the "Disclaimer Clause of NSE".

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Draft Offer Document has been cleared and approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Draft Offer Document. The investors are advised to refer to the Draft Offer Document/Offer Document for the full text of the "Disclaimer of BSE Limited".

Disclaimer Clause for Use of NSE Electronic Platform: It is to be distinctly understood that the permission given by the NSE to use their network and Online Platform for facilitating applications for public issue of NCDs shall not in any way be deemed or construed as compliance with various statutory and other requirements by the Corporation; LM is cleared or approved by NSE, nor does it warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Corporation, its management or any scheme or projects of the Corporation.

Disclaimer Clause for Use of BSE Electronic Platform: It is to be distinctly understood that the permission given by the BSE to use their network and software of the Online system should not in any way be deemed or construed that the compliance with various statutory requirement approved by the Exchange; nor does it any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of this Corporation, its management or any scheme this Corporation. It is also to be distinctly understood that the approval given by the Exchange is only to use the software for participating in system of making application process.

Credit Rating: The Green Bonds proposed to be issued by the Surat Municipal Corporation have been rated by India Ratings and Research Private Limited ("India Ratings") and CRISIL Ratings Limited ("CRISIL") (collectively, the "Rating Agencies"). India Ratings has vide its letter dated January 22, 2024, as revaluated vide rating letter dated August 20, 2025, assigned a rating of "Provisional IND AA+/Stable" and has issued a rating rationale dated January 21, 2025. CRISIL has vide its letter dated January 9, 2024, as revaluated vide rating letter dated August 20, 2025, assigned a rating of "Provisional CRISIL AA+/Stable" and has issued a rating rationale dated March 17, 2025. Securities with these ratings are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Ratings given by India Ratings and CRISIL are valid as on the date of this Offer Document and shall remain valid unless withdrawn. 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 Green 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 Green Bonds and detailed rationale of the ratings, please refer to Annexure-II

Disclaimer Clause of CRISIL Ratings Limited: Crisil Ratings Limited (Crisil Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by Crisil Ratings from sources which it considers reliable (Information). A rating by Crisil Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by Crisil Ratings. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings 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. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking services within the meaning of any law or regulation. Crisil Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as Crisil Ratings providing or intending to provide any services in jurisdictions where Crisil Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. Surat Municipal Corporation will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and Crisil Ratings' rating criteria are available without charge to the public on the website, www.crisilratings.com. For the latest rating information on any instrument of any company rated by Crisil Ratings, please contact Customer Service Helpdesk at 1800-267-3850.

Disclaimer Clause of India Ratings & Research Private Limited: India Ratings & Research Private Limited ("India Ratings") relies on information obtained from multiple sources and there may be instances where the information is not accurate/incomplete, despite efforts been taken to verify the same. Ultimately, the issuer /its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its rating, India Ratings relies on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that may not have been anticipated at the time a rating was issued or affirmed. It needs to be noted that 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 of any issuer. Credit Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. The Rating Agency shall neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. India Ratings does not provide any financial, legal, auditing, accounting, appraisal, valuation or actuarial services in any manner. A rating should not be viewed as a replacement for such device or services. Investors may find our ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

Availability of the Offer Document: Investors are advised to refer to the Offer Document and the “**Risk Factors**” on page 16 of the Offer Document, before applying to the Issue. Electronic copy of the Offer Document may be obtained from the Head Office of the Corporation and the Lead Manager. Full copies of the Offer Document will also be available on the website of the Issuer at www.suratmunicipal.gov.in, of the Lead Manager at www.akgroup.co.in, of NSE and BSE at www.nseindia.com and www.bseindia.com, respectively and of SEBI at www.sebi.gov.in.

Availability Of Application Form: Application forms can be obtained from: **SURAT MUNICIPAL CORPORATION-** Tel: +91-261-2423750/51/52/53/54/55/56 (Ext. No. 243) ; **LEAD MANAGER : A.K. CAPITAL SERVICES LIMITED -** Tel: +91 22 6754 6500; and the offices of Consortium Member, the Registrar to the Issue, Designated RTA Locations for RTAs, Designated CDP Locations for CDPs and the Designated Branches of the SCBSs. Electronic application forms will be available on the websites of the SCBSs that permit submission of ASBA Application electronically. Application forms may be downloaded from the websites of NSE and BSE at www.nseindia.com and www.bseindia.com, respectively and the website of the Lead Manager at www.akgroup.co.in. Additionally, UPI Investor making an application in the Issue can also make bid through online (app / web) interface/ platform of the NSE i.e “NSE goBID” or or BSE i.e. “BSEDirect”. Further, NSE goBID can be accessed at www.nseindiaipo.com or BSE Direct platform can be accessed at <https://www.bsedirect.com> or can be accessed through mobile app. Further, Application Forms will also be provided to Designated Intermediaries at their request.

The Term Sheet can be downloaded from the following link:
https://www.suratmunicipal.gov.in/Content/Documents/Departments/Accounts/SMCBond/GreenBond/SMC_TermSheet.pdf

Consortium Member: A. K Stockmart Private Limited

Public Issue Account Bank, Sponsor Bank and Refund Bank: Kotak Mahindra Bank Limited

Note: All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to it in the Offer Document. For further details please refer to the Offer Document dated September 18, 2025

ADDENDUM TO THE OFFER DOCUMENT DATED SEPTEMBER 18, 2025: NOTICE TO INVESTORS (“ADDENDUM”)

Potential Applicants may note that:

- Pursuant to the order no. GAD/EST/3948 dated September 30, 2025, the charge of Jatinkumar Desai as I/c City Engineer has been extended for a period till November 30, 2025 or till the post is filled up, whichever is earlier.
- Pursuant to Office Order No. GAD/EST/3858 dated September 25, 2025, Prafulkumar Champaklal Lakdawala I/c Chief Account is on leave from September 25, 205 to October 18, 2025, and during his leave or till he resumes, charge of the I/c. Chief Accountant held by him has been transferred to Chetan Kumar H. Desai, Deputy Accountant of South Zone (Udhna) and I/c. Assessment & Recovery Officer Central Cell.

Accordingly, the section titled “**General Information**” shall stand amended as follows:

- on Page 49 of the Offer Document under the heading titled “**Bond Issue Committee**” the footnote with reference to the appointment of Jatinkumar Desai shall be read as “*Pursuant to order No. GAD/EST/3948 dated September 30, 2025 Jatinkumar Desai holds charge as I/c City engineer for a period till November 30,2025 or till the post is filled up, whichever is earlier.*”
- on Page 51 of the Offer Document under the heading titled “**Chief Accounts and Finance Officer or equivalent of the Issuer**” an additional footnote has been inserted as “*Pursuant to Office Order No. GAD/EST/3858 dated September 25, 2025, it is to be noted that Prafulkumar Champaklal Lakdawala I/c Chief Accountant is on leave from September 25, 2025 to October 18, 2025. During his leave or till he resumes the charge of I/c. Chief Accountant, the charge of I/c. Chief Accountant shall be held by Chetan Kumar H. Desai, Deputy Accountant of South Zone (Udhna) and I/c. Assessment & Recovery Officer Central Cell.*”

3. SMC has received the consent letter dated October 01, 2025 from Chetan Kumar H. Desai, Deputy Accountant of South Zone (Udhna) and I/c. Assessment & Recovery Officer Central Cell to include his name in the Offer Document.

Accordingly, reference to the written consent dated October 01, 2025 from Chetan Kumar H. Desai shall be included in as Material Document under the section titled “**Material Contracts and Documents for Inspection**” on page 246 of the Offer Document. ocument under the section titled “Material Contracts and Documents for Inspection” on page 246 of the Offer Document.

LEAD MANAGER	DEBENTURE TRUSTEE*	REGISTRAR TO THE ISSUE
 A.K. Capital Services Limited , 603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra Tel: +91 22 6754 6500 Facsimile: +91 22 6610 0594 Contact Person: Vaibhav Jain / Chaitali Chopdekar Email: smcmunibonds@akgroup.co.in Website: www.akgroup.co.in Compliance officer: Subodh More Tel (Compliance officer): 022-6754 4776 Email (Compliance officer): subodh.more@akgroup.co.in / compliance@akgroup.co.in Investor grievance E-mail: investor.grievance@akgroup.co.in SEBI Registration No.: INM000010411 CIN: L74899MH1993PLC274881	 SBICAP Trustee Company Limited 04th Floor, Mistry Bhavan, 122 Dinshaw Vachha Road, Churchgate, Mumbai 400 020 Tel: 022 4302 5568 Fax No.: NA Contact Person: Archendu Mukhopadhyay Email: corporate@sbicaptrustee.com Website: www.sbicapttrustee.com Investor Grievance Email: investor.cell@sbicaptrustee.com SEBI Registration No.: INDN00000536 CIN: U65991MH2005PLC158386	 KFin Technologies Limited Selenium Tower-B, Plot 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana. Tel: +91-40-67192222 / 180030394001 Fax No.: +91 40 6716 1563 Contact Person: M.Murali Krishna Email: surat.ndipo@kfintech.com Website: www.kfintech.com Investor Grievance Email: inward.rie@kfintech.com SEBI Registration No.: INR000000221 CIN: L72400MH2017PLC444072
COMPLIANCE OFFICER		
Swati Pareshkumar Desai , Deputy Municipal Commissioner - Surat Municipal Corporation Tel: +91-261-2423750/51/52/53/54/55/56 (Ext. No. 243) E-mail: smcbond@suratmunicipal.org Website: www.suratmunicipal.gov.in		Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment advice, demat credit, refund orders, non-receipt of Debenture Certificates, transfers, or interest on application amount etc.

*SBICAP Trustee Company Limited under SEBI ILMDS Regulations has by its letter dated May 7, 2025 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Offer Document and the Offer Document and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to the Issue.
Disclaimer: Surat Municipal Corporation ("SMC") is proposing, subject to receipt of requisite approvals, market conditions and other considerations, a public offer of rated, listed, taxable, secured, redeemable, non-convertible green municipal bonds in the nature of debentures ("Green Bonds"/ "Debentures"/ "NCDs"). This announcement does not constitute an offer to sell or solicitation of an offer or invitation to buy any securities in any jurisdiction. Investment in the NCDs involves a degree of risk. Investors should see the offer document dated September 18, 2025 of SMC ("Offer Document") filed with the BSE Limited ("BSE"), National Stock Exchange of India Ltd. ("NSE") and Securities and Exchange Board of India ("SEBI"), including the section titled “Risk Factors” beginning on page 16 of the Offer Document, available on the websites of BSE at www.bseindia.com, NSE at www.nseindia.com, SEBI at www.sebi.gov.in and the websites of the Issuer at www.suratmunicipal.gov.in and the Lead Manager at www.akgroup.co.in.