

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS**

LOK SABHA

**STARRED QUESTION NO. 53
TO BE ANSWERED ON FEBRUARY 04, 2021**

MUNICIPAL BONDS

**NO. *53. SHRI P. V. MIDHUN REDDY :
SHRI N. REDDEPPA :**

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether the Government is encouraging Municipal Corporations in the country to raise funds by issuing municipal bonds which are listed at stock exchanges in India as well as abroad;**
- (b) if so, the details thereof;**
- (c) the details of Municipal Corporations which have issued such bonds till date; and**
- (d) the funds generated through such listings, Statewise?**

ANSWER

**THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE
MINISTRY OF HOUSING AND URBAN AFFAIRS**

(SHRI HARDEEP SINGH PURI)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 53 FOR ANSWER ON FEBRUARY 04, 2021 REGARDING “MUNICIPAL BONDS”:

(a) & (b): Yes, Sir. Cities/Urban Local Bodies (ULBs) have been encouraged to mobilize resources by issuing Municipal Bonds since 2018-19. Ministry of Housing & Urban Affairs has been providing incentive to ULBs for issuance of Municipal Bonds at the rate of ₹13 crore per ₹100 crore worth of bonds issued with maximum incentive of ₹26 crore per ULB.

(c) & (d): So far, ₹3,690 crore has been raised through issuance of Municipal Bonds for upgrading urban infrastructure. As an incentive, ₹207.33 crore has been released to 9 Cities/ULBs namely, Ahmedabad, Amravati, Bhopal, Hyderabad, Indore, Lucknow, Pune, Surat and Visakhapatnam for raising funds through issuance of Municipal Bonds. The State wise and city/ULB wise details of Municipal Bonds issued are as under:

#	State	Name of city/ ULB	Amount of municipal bonds issued (₹ in crore)
1	Andhra Pradesh	Amaravati	2,000
		Vishakhapatnam	80
2	Gujarat	Ahmedabad	200
		Surat	200
3	Madhya Pradesh	Bhopal	175
		Indore	140
4	Maharashtra	Pune	200
5	Telangana	Hyderabad	495
6	Uttar Pradesh	Lucknow	200
Total			3,690
