

Auction for Sale of Government Stock of 25 Years

Government of India
Ministry of Finance
(Department of Economic Affairs)
(Budget Division)

New Delhi, the May 28, 2003

NOTIFICATION

Auction for Sale of Government Stock of 25 Years

F. No. 4(8)-W&M/2003 (i): Government of India hereby notifies sale of Government Stock (securities) of 25-Year tenure for an aggregate amount of Rs. 3,000 crore (nominal). The sale will be subject to the terms and conditions spelt out in this Notification (called 'Specific Notification') as also the terms and conditions specified in the General Notification F.No.4(9) –W&M /2000, dated 6th May,2002 issued by the Government of India as amended by Notification No.4 (9)–W&M/2000 dated 20th September 2002.

Method of Issue

2. The Government Stock will be sold through Reserve Bank of India, Mumbai Office, Fort, Mumbai- 400 001 in the manner as prescribed in paragraph 5.1 of the General Notification F No.4 (9)–W&M/2000 dated 6th May 2002 by a yield based auction using multiple price auction method.

Allotment to Non-competitive Bidders

3. Government Stock up to 5 % of the notified amount of the sale will be allotted to eligible individuals and institutions as per the enclosed Scheme for Non-competitive Bidding Facility in the Auctions of Government Securities (Annex).

Place and Date of Auction

4. The auction will be conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai – 400 001 on June 3, 2003. The application form duly filled in with the bids should be submitted to the aforesaid Office on June 3, 2003, by 12.30 P.M.

Tenure

5. The Government Stock will be of twenty five years tenure. The tenure of the Stock will commence from June 4, 2003. The Stock will be repaid at par on June 4, 2028.

Date of issue and payment for the Stock

6. The result of the auction shall be displayed by the Reserve Bank of India at its Fort, Mumbai Office on June 3, 2003. The payment by successful bidders will be on June 4, 2003, i.e., the date of issue.

Interest

7. The coupon rate for the securities will be set at the cut-off yield to maturity rate decided in the auction. The interest will be payable half-yearly on December 4 and June 4.

By Order of the President of India
(D. Swarup)
Additional Secretary (Budget)