

RBI/2004/157

No. CO.DT. 13.04.142/H. 5817 /2003-04

April 16 , 2004

Chaitra 27, 1926 (S)

Repayment Circular No.07 /2003

1) The Treasury Officers
All Treasury Offices in India
(Except in the State of Jammu & Kashmir and Sikkim)

2) The Regional Director,
Reserve Bank of India, Public Debt Office,
Ahmedabad/Bangalore/Bhubaneswar/Chennai/Guwahati/Hyderabad/Jaipur/Kanpur/Kolkata/
Fort, Mumbai-1/Nagpur/New Delhi/Patna/Thiruvananthapuram.

3) The Chief Managers of the branches of State Bank of India and its associate banks conducting Govt. treasury business (only for those branches at which stock certificates stand registered for payment of interest)

Dear Sir,

Repayment of 12.35 per cent Government Stock, 2004 on May 24, 2004

As you are aware 12.35 per cent Government Stock, 2004 is due for repayment on **May 24, 2004**. In this connection, we invite your attention to the Press Communique dated April 8, 2004 issued by the Government of India. As stated therein the outstanding balance of this Government Stock is repayable on May 24, 2004 and no interest will accrue on it thereafter. In the event of a holiday being declared on **May 24, 2004** by any of the State Governments under the Negotiable Instruments Act, 1881, the Government Stock will be repaid by the paying offices in that State on the previous working day.

2. To facilitate repayment of the above Government Stock on the due date, holders may tender the securities duly discharged at the Public Debt Offices, Treasuries/Sub-Treasuries or branches of State Bank of India or its Associate Banks (at which they are enfaced/registered for payment of interest) 20 days in advance of the due date of repayment of the Government Stock. Full details of the procedure for receiving the discharge value may be obtained from any of the aforesaid paying offices.

3. (a) To facilitate examination of the securities and payment of the discharge value thereof on the due date, you should accept the securities pertaining to this Loan, interest on which is being paid at your office, 20 days in advance of the due date of repayment of the loan as indicated in the Press Communique. **It should be noted that actual payment of discharge value should not be made before the due date.** The discharge value should be paid in the ordinary course, if the securities are tendered on or after the due date.

(b) Please note that no interest will accrue on this Government Stock from and after May 24, 2004 even if the securities are presented for repayment thereafter.

4. (a) No security pertaining to 12.35 per cent Government Stock 2004 is under notice of stoppage at present.

(b) Notice of recording of subsequent stops and/or removals thereof, if any, will be sent to you by the Public Debt Office concerned.

5. The general procedure to be followed in connection with the discharge operations will be the same as in the case of repayment of terminable loans of Government of India and as stipulated in Chapter VIII of the Government Securities Manual (4th Edition). In this connection, you may also follow the procedure / instructions laid down in our Repayment circular/s dated 14th September 1989.

6. In case any point in these instructions requires further clarification a reference may please be made to the undersigned immediately.

7. In the meantime please acknowledge receipt.

Yours faithfully,

(P.Loganathan)
Asstt. General Manager
Encl : As above
12.35% repayment 2003