

Text of Advertisement

Government of India have announced the sale (re-issue) of "8.07 percent Government Stock 2017" for a notified amount of Rs 5,000 crore (nominal) through a price based auction using multiple price method. Government of India have also announced the sale (re-issue) of "8.33 percent Government Stock 2036" for a notified amount of Rs.3,000 crore (nominal) through a price based auction using multiple price method. The auctions will be conducted by the Reserve Bank of India , Mumbai Office, Fort, Mumbai on August 18, 2006 (Friday).

2. Interested persons may submit bids on, August 18, 2006 in the prescribed form obtainable from the Regional Director, Reserve Bank of India (RBI), Public Debt Office, Fort, Mumbai and Reserve Bank of India website www.rbi.org.in in sealed cover superscribed "Tender for 8.07 per cent Government Stock 2017 - Auction dated August 18, 2006" or "Tender for 8.33 per cent Government Stock 2036- Auction dated August 18, 2006" (as the case may be) and deposit them in the appropriate tender box at RBI, Fort, Mumbai. The NDS members should submit competitive as well as non-competitive bids in electronic format using Primary Market Operation (PMO) module of NDS. All bids should be submitted **by 12.30 P.M.**

3. The price percent expected by the bidder should be expressed up to two decimal points. An investor can submit more than one bid at different prices, but a separate application should be submitted for each bid. The aggregate amount of bids submitted by a person in an auction should not exceed the notified amount of that auction.

4. The result of the auctions will be displayed at RBI, Mumbai Office, Fort, Mumbai on Friday, August 18, 2006. Successful bidders should deposit with that Office the price amount of Government Stock(s) covered by their successful bids on August 21, 2006 by 3.00 P.M. in cash or by cheque on their account with RBI, Mumbai or by Banker's Pay Order.

5. Both the Stocks will be eligible for "When Issued" trading for a period commencing from August 14, 2006 to August 18, 2006 in accordance with the guidelines on 'When Issued' transactions in Central Government Securities' issued by the Reserve Bank of India vide circular No. RBI /2005-06/382 dated May 3, 2006.

6. Interest on the Government Stocks will be paid half-yearly. The Stocks will be governed by the provisions of Public Debt Act, 1944 and the rules framed there under.
7. The Stocks will be eligible for ready forward facility.
8. For further details, Government of India Notifications No. 4(6) -W&M/2006 and No.4 (6)-W&M/2006 (i) both dated August 11, 2006 may be seen.

Attention Retail Investors*

(*PFs, Trusts, RRBs, Cooperative Banks, NBFCs, Corporates, HUFs and
Individuals)

Retail investors can participate in the auctions on a non-competitive basis through a bank or a primary dealer. For the retail investors, Rs. 250 crore and Rs. 150 crore have been earmarked in the auctions of '8.07 per cent Government Stock 2017' and '8.33 per cent Government Stock 2036', respectively. For more information, detailed list and telephone numbers of primary dealers/ bank branches and application forms please visit RBI web site www.ncgsecs.rbi.org.in or FIMMDA website www.fimmda.org.

**Government Stock offers safety, liquidity and attractive returns for long
duration.**