

PRESS COMMUNIQUE

Government of India have announced the sale (re-issue) of "7.40 per cent Government Stock 2012" for a notified amount of Rs. 6,000 crore (nominal). Government of India have also announced the sale (re-issue) of "7.50 per cent Government Stock 2034" for a notified amount of Rs. 3,000 crore. Both the Government Stocks will be sold through price-based auctions using multiple price method. The auctions will be conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai on November 3, 2006 (Friday).

2. Up to 5% of the notified amount of the sale of both the stocks will be allotted to eligible individuals and institutions as per the Scheme for Non-Competitive Bidding Facility in the Auction of Government Securities.

3. Bids in the prescribed form obtainable from the Regional Director, Reserve Bank of India, Mumbai Office (Public Debt Office), Fort, Mumbai-400001 and RBI website www.rbi.org.in should be submitted to that Office on November 3, 2006. 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.**

4. The result of the auctions will be announced on November 3, 2006 and payment by successful bidders will be during banking hours on November 6, 2006 (Monday).

5. Both the Stocks will be eligible for "When Issued" trading 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.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
Dated, the 27th October, 2006