

## **Auction of Government of India Dated Security**

Ref.No.IDMC.4646/08.02.29.01/2000-01

May 15, 2001

All Scheduled Commercial Banks excluding RRBs/  
All State Co-operative Banks/All Scheduled Primary  
(Urban) Co-operative Banks /All Financial Institutions/  
All Primary & Satellite Dealers.

Dear Sirs,

### **Auction of Government of India Dated Security**

Government of India have offered to sell (re-issue), vide Notification no.4(7)-W&M/2001 dated May 15, 2001, the dated security "10.47% Government Stock, 2015" for a notified amount of Rs 4,000 crore (nominal) by price based auction. The auction will be conducted by Reserve Bank of India, Mumbai Office at Mumbai on May 17, 2001. The salient features of the auction and the terms and conditions governing the issue of the Stock are given in the Notification (copy enclosed), which should be read along with the General loan Notification F.No.4(2)-W&M/97 issued by Government on April 1, 1997 (c.f. our letter IDMC No 3254/08.08.20/96-97 dated 1<sup>st</sup> April,1997) as amended by Government notification F. No. 4(7)-W&M/99 dated 5th April, 1999.

2. We wish to draw your attention, in particular, to the following :

- i) The Stock will be issued for a minimum amount of Rs.10,000/- (nominal) and in multiples of Rs.10,000/- thereafter.
- ii) The bids should be submitted in the prescribed form of application given in Annexure, before 2.30 p.m. on May 17, 2001 in sealed covers superscribed "Tender for 10.47% Government Stock 2015- Auction dated May 17, 2001" and deposited in the appropriate tender box kept for the purpose at Reserve Bank of India, Fort, Mumbai. **The price per cent expected by the bidder should be expressed upto two decimal points.**
- iii) 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 should not exceed the notified amount of loan.
- iv) On the basis of bids received, the Reserve Bank will determine the minimum price upto which tenders for purchase of Government Stock will be accepted at the auction. Bids quoted at rates lower than the minimum price determined by the Reserve Bank of India will be rejected. Reserve Bank of India has full discretion to accept or reject any or all bids either wholly or partially without assigning any reason.
- v) The results of the auction will be displayed at Reserve Bank of India, Fort, Mumbai on May 17, 2001. Successful bidders will be required to deposit with the Reserve Bank of India, Public Debt Office, Fort, Mumbai, the amount payable for the Government Stock allotted to them in cash or by cheque on their account with Reserve Bank of India, Mumbai or by Banker's Pay Order, along with a covering letter on May 18, 2001 before 2.30 p.m. In case of Current account holders, the

amount payable will be debited to their respective Current accounts maintained with the Reserve Bank of India.

- vi) The Government Stock will be issued by credit to Subsidiary General Ledger Account (SGL) of parties maintaining such account with Reserve Bank of India or in the form of Stock Certificate. Interest on the Government Stock will be paid half-yearly.
- vii) The Government Stock will be repaid at par on February 12, 2015.
- viii) The stock will qualify for the ready forward facility.

Yours faithfully,

Sd/-

(Chandan Sinha)  
General Manager  
Encls: 2 Sheets