

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

New Delhi, dated: **October 25, 2019**

**NOTIFICATION**

**Auction for Sale (Issue/Re-issue) of Government Stock (GS)**

F.No.4(6)W&M/2019: Government of India hereby notifies sale (issue/re-issue) of the following Government Stocks:

| Name of the Security | Date of Original Issue | Original Tenure (yy-mm-dd) | Date of Maturity | Auction Basis | Auction Method | Notified Amount (in ₹ Crore) |
|----------------------|------------------------|----------------------------|------------------|---------------|----------------|------------------------------|
| New GS 2024          | New Stock              | 05-00-00                   | Nov. 04, 2024    | Yield         | Multiple       | 4,000                        |
| GoI FRB 2031         | May 07, 2018           | 13-07-00                   | Dec. 07, 2031    | Price         | Multiple       | 6,000                        |
| 7.69% GS 2043        | Apr. 30, 2019          | 24-01-17                   | Jun. 17, 2043    | Price         | Multiple       | 2,000                        |
| 7.72% GS 2049        | Apr. 15, 2019          | 30-02-00                   | Jun. 15, 2049    | Price         | Multiple       | 4,000                        |

Subject to the limit of ₹ 16,000 crore, being total notified amount, Government of India will have the option to retain additional subscription up to ₹ 1,000 crore each against any one or more of the above securities. The sale will be subject to the terms and conditions spelt out in this notification (called 'Specific Notification'). The Stock will be sold through Reserve Bank of India, Mumbai Office, Fort, Mumbai- 400 001 as per the terms and conditions specified in the General Notification F.No.4(2)-W&M/2018, dated March 27, 2018, issued by Government of India.

**Allotment to Non-competitive Bidders**

2. The 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**

3. The auction will be conducted by Reserve Bank of India, Mumbai Office, Fort, Mumbai-400 001 on **November 01, 2019**. Bids for the auction should be submitted in electronic format on the Reserve Bank of India Core Banking Solution (E-Kuber) system on **November 01, 2019**. The non-competitive bids should be submitted between **11.30 a.m. and 12.00 noon** and the competitive bids should be submitted between **11.30 a.m. and 12.30 p.m.**

**When Issued Trading**

4. The Stocks will be eligible for "When Issued" trading in accordance with the guidelines issued by the Reserve Bank of India.

**Date of issue and payment for the stock**

5. The result of the auction shall be displayed by the Reserve Bank of India at its Fort, Mumbai Office on **November 01, 2019**. The payment by successful bidders will be on **November 04, 2019** i.e. the date of **issue/re-issue**. The payment for the Stocks will include accrued interest on the nominal value of the Stock allotted in the auction from the date of original issue/last coupon payment date to the date up to which accrued interest is due as mentioned in the table in para 6.

**Payment of Interest and Re-payment of Stock**

6. Interest will accrue on the nominal value of the Stock from **the date of original issue/last coupon** payment and will be paid half yearly. The Stocks will be **repaid at par** on date of maturity.

| Name of the Security | Coupon rate (%) | Date of Last Coupon payment | Date up to which accrued interest is due | Date of Coupon payments (month/date) |
|----------------------|-----------------|-----------------------------|--|--------------------------------------|
| New GS 2024          | Yield based #   | New Stock                   | New Stock                                | May 04 and Nov. 04                   |
| GoI FRB 2031         | Variable*       | Jun. 07, 2019               | November 03, 2019                        | Dec. 07 and Jun. 07                  |
| 7.69% GS 2043        | 7.69            | Jun. 17, 2019               | November 03, 2019                        | Dec. 17 and Jun. 17                  |
| 7.72% GS 2049        | 7.72            | Jun. 15, 2019               | November 03, 2019                        | Dec. 15 and Jun. 15                  |

# The coupon rate for the security will be set at the cut off yield to maturity rate decided in the auction. The interest will be payable half yearly.

\* GoI FRB 2031:

- (i) The interest at a variable rate will be paid half-yearly.
- (ii) The Floating Rate Bond will carry the coupon, which will have a base rate, equivalent to Weighted Average Yield (WAY) of last 3 auctions (from the rate fixing day) of 182 Day T-Bills plus a fixed spread, of 100 basis points as decided by way of auction mechanism. The spread will be fixed throughout the tenure of the bond. The implicit yields will be computed by reckoning 365 days in a year.
- (iii) In the event of Government of India 182-day Treasury Bill auctions being discontinued during the currency of the Bonds, the base rate of the coupon will be the average of Yield to Maturity (YTM) rates prevailing for six month Government of India Security/ies as on the last three non-reporting Fridays prior to the commencement of the semi-annual coupon period. In case particular Friday/s is/are holiday/s, the yield to maturity rates as on the previous working day shall be taken.
- (iv) The base rate for the coupon period Jun. 7, 2019 to Dec. 6, 2019 is 6.27 per cent per annum. Accordingly, the rate of interest on FRB 2031 for this period shall be 7.27 per cent per annum. The rate of interest payable half yearly on the Bonds during the subsequent years shall be announced by the Reserve Bank of India before the commencement of the relative semi-annual coupon period.

By Order of the President of India

  
(K. Rajaraman)

Additional Secretary to the Government of India