

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

New Delhi, dated July 6, 2009

NOTIFICATION

**Auction for Sale of a New Government Stock of 10 Years**

F. No.4 (1)-W&M/2009(i): Government of India hereby notifies sale of Government Stock (securities) of 10-year tenure for an aggregate amount of Rs. 6,000 crore (nominal). The sale will be subject to the terms and conditions spelt out in this notification (called 'Specific Notification') as also the terms and conditions specified in the General Notification F. No. 4 (13)-W&M/2008, dated October 8, 2008 issued by Government of India.

**Method of Issue**

2. The Stock will be sold through Reserve Bank of India, Mumbai Office, Fort, Mumbai- 400 001 in the manner as prescribed in paragraph 5.1 of the General Notification F. No. 4 (13)-W&M/2008, dated October 8, 2008 by a yield based auction using uniform price auction method.

**Allotment to Non-competitive Bidders**

3. 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 (**Annexure**).

**Place and date of auction**

4. The auction will be conducted by Reserve Bank of India, Mumbai Office, Fort, Mumbai-400 001 on July 10, 2009. Bids for the auction should be submitted in electronic format on the Negotiated Dealing System (NDS) on July 10, 2009. The non-competitive bids should be submitted between 10.30 a.m. and 11.30 a.m. and the competitive bids should be submitted between 10.30 a.m. and 12.30 p.m.

**When Issued Trading**

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

**Tenure**

6. The Government Stock will be of ten years tenure. The tenure of the Stock will commence from July 13, 2009. The Stock will be repaid at par on July 13, 2019.

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

7. The result of the auction shall be displayed by the Reserve Bank of India at its Fort, Mumbai Office on July 10, 2009. The payment by successful bidders will be on July 13, 2009 i.e., the date of issue.

**Interest**

8. The coupon rate for the securities will be set at the cut-off yield to maturity rate decided in the auction. The interest will be payable half-yearly on January 13 and July 13.

By Order of the President of India

(Shaktikanta Das)

**Joint Secretary to the Government of India**