

**GOVERNMENT OF HIMACHAL PRADESH
FINANCE DEPARTMENT**

NOTIFICATION

No.Fin-2-C(12)-2/2008

Date: Shimla-2, September 19, 2008

Government of Himachal Pradesh hereby notifies the sale of Himachal Pradesh Government Stock (securities) of 10-year tenure for an aggregate amount of Rs. 112.00 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 revised General Notification No.Fin-2-C(12)-11/2003 dated 20th July, 2007 of Government of Himachal Pradesh.

Object of the loan

1. (i) The proceeds of the State Government Securities will be utilized for the development programme of the Government of Himachal Pradesh.

(ii) Consent of Central Government has been obtained to the floatation of this loan as required by Article 293(3) of the Constitution of India.

Method of Issue

2 Government Stock will be sold through the Reserve Bank of India, Mumbai Office (PDO) Fort, Mumbai-400 001 by auction in the manner as prescribed in paragraph 6.1 of the revised General Notification No.Fin-2-C(12)-11/2007, dated 20-7-2007 at a coupon rate to be determined by the Reserve Bank of India at the yield based auction under multiple price format.

Place and Date of Auction

3 The auction will be conducted by the Reserve Bank of India, at its Mumbai Office, Fort, Mumbai on September 25, 2008. The application form duly filled in with the bids should be submitted to the aforesaid office on September 25, 2008 by 12.30 p.m.

Result of the Auction

4. The result of the auction shall be displayed by the Reserve Bank of India at its Mumbai Office, Fort, Mumbai on September 25, 2008 . The payment by successful bidders will be on September 26, 2008.

Method of Payment

5. Successful bidders will make payments on **September 26, 2008** before close of banking hours by means of cash, bankers' cheque/pay order, demand draft payable at Reserve Bank of India, Mumbai/New Delhi or a cheque drawn on their account with Reserve Bank of India, Mumbai(Fort)/New Delhi.

Tenure

6. The Stock will be of ten-year tenure. The tenure of the Stock will commence on September 26, 2008.

Date of Repayment

7 The loan will be repaid at par on September 26, 2018.

Rate of Interest

8. The cut-off yield determined at the auction will be the coupon rate percent per annum on the stock sold at the auction. The interest will be paid every half yearly on March 26 and September 26.

Eligibility of Securities

9. The investment in Government Stock will be reckoned as an eligible investment in Government Securities by banks for the purpose of Statutory Liquidity Ratio (SLR) under Section 24 of the Banking Regulation Act, 1949. The stocks will qualify for the ready forward facility.

By order and in the name of the Governor of Himachal Pradesh

Principal Secretary to the Government of Himachal Pradesh
Finance Department