

SPECIFIC NOTIFICATION

GOVERNMENT OF HIMACHAL PRADESH FINANCE DEPARTMENT

NOTIFICATION

No.Fin-2-C-(12)-2/2012

Date: Shimla-2, September 27, 2012

Government of Himachal Pradesh hereby notifies the sale of Himachal Pradesh Government Stock (securities) of 5-year tenure for an aggregate amount of ₹ 400.00 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 General Notification No.Fin-2-C(12)-11/2003 dated July 20, 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 General Notification No.Fin-2-C(12)-11/2003, dated July 20, 2007 at a coupon rate to be determined by the Reserve Bank of India at the yield based auction under multiple price format.

Allotment to Non-Competitive Bidders

3. The Government Stock upto 10% of the notified amount of the sale will be allotted to eligible individuals and institutions subject to a maximum limit of 1% of the notified amount for a single bid as per the Revised Scheme for Non Competitive Bidding Facility in the Auctions of State Government Securities of the General Notification (Annexure-II).

Place and Date of Auction

- 4 The auction will be conducted by the Reserve Bank of India, at its Mumbai Office, Fort, Mumbai-400 001 on **October 1, 2012**. Bids for the auction should be submitted in electronic format on the Negotiated Dealing System (NDS) as stated below on **October 1, 2012**.

- (a) The competitive bids shall be submitted electronically on the Negotiated Dealing System(NDS) between 10:30AM and 12:00 PM.
- (b) The non-competitive bids shall be submitted electronically on the Negotiated Dealing System (NDS) between 10:30 AM and 11:30 AM.

Result of the Auction

5. The result of the auction shall be displayed by the Reserve Bank of India at its website on the same day. The payment by successful bidders will be on **October 3, 2012**.

Method of Payment

6. Successful bidders will make payments on **October 3, 2012** 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

7. The Stock will be of 5-year tenure. The tenure of the Stock will commence on **October 3, 2012**.

Date of Repayment

8. The loan will be repaid at par on **October 3, 2017**.

Rate of Interest

9. 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 on **April 3** and **October 3**.

Eligibility of Securities

10. 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