



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

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Five State Governments announce Auction of State Development Loans 2020 on August 03, 2010 for Rs.3,750.00 crore

The following five State Governments have announced the sale of their 10-year State Development Loans (SDLs) for an aggregate amount of Rs.3,750.00 crore through yield based auction using multiple price auction method.

Sr. No.	State	Notified Amount (Rs. crore)
1	Gujarat	1000.00
2	Jammu & Kashmir	500.00
3	Punjab	500.00
4	Tamil Nadu *	750.00
5	Uttar Pradesh *	1000.00
	Total	3750.00

* : Governments of Tamil Nadu and Uttar Pradesh will have the option to retain additional subscription upto a maximum of Rs.187.50 crore and Rs.200.00 crore respectively over and above their notified amount.

The auction will be conducted by the Reserve Bank of India (RBI) at Mumbai on August 03, 2010 (Tuesday). The Government Stock upto 10 per cent of the notified amount of the sale of each of the stock will be allotted to eligible individuals and institutions subject to a maximum limit of one per cent of its notified amount for a single bid per stock as per the Scheme for Non-competitive Bidding Facility (available in RBI website).

Both competitive and non-competitive bids for the auction should be submitted in electronic format on the Negotiated Dealing System (NDS) on August 03, 2010. 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.

The yield percent per annum expected by the bidder should be expressed upto two decimal points. An investor can submit more than one competitive bid at different prices in electronic format on the NDS. However, the aggregate amount of bids submitted by a person should not exceed the notified amount for each State.

The Reserve Bank of India will determine the maximum yield at which bids will be accepted. Securities will be issued for a minimum nominal amount of Rs.10,000 and multiples of Rs.10,000 thereafter.

The results of the auction will be announced on August 03, 2010 and payment by successful bidders will be made during banking hours on August 04, 2010 (Wednesday) at Mumbai and at respective Regional Offices of RBI.

The Government Stocks will bear interest at the rates determined by RBI at the auctions. Interest will be paid half yearly on February 04 and August 04. The Stocks will be governed by the provisions of the Government Securities Act, 2006 and Government Securities Regulations, 2007.

The investment in Government Stocks 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.

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