Sale of State Development Loan on Tap

February 4, 1999

With the approval of the Government of India, the State Governments of Goa, Andhra Pradesh and Uttar Pradesh have offered to sell 12.50 per cent State Development Loan, 2009 on tap. The details of the loans are:

1. The Government of Goa will open the tap for the sale of its loan at the Reserve Bank of India (RBI), Mumbai. The sale will be on tap during banking hours from February 10 to 12, 1999. The Reserve Bank reserves the right to close the sale at any time on or before February 12, 1999 having regard to borrowing requirements of the State Government and subscriptions already received.

2. The Government of Andhra Pradesh will open the tap for the sale of its loan at the Reserve Bank of India, Hyderabad and Mumbai. The sale will be on tap during banking hours from February 10 to 12, 1999. The Reserve Bank of India reserves the right to close the sale at any time on or before February 12, 1999 having regard to borrowing requirements of the State Government and subscription already received.

3. The Government of Uttar Pradesh will open the tap for the sale of its loan at the Reserve Bank of India, Kanpur, New Delhi and Mumbai. The sale will be on tap during banking hours from February 10 to 12, 1999. The Reserve Bank of India reserves the right to close the sale at any time on or before February 12, 1999 having regard to borrowing requirements of the State Government and subscriptions already received.

4. The Loan will be issued for a minimum amount of Rs.1000 and in multiples of Rs.1000 thereafter. Interest on the loan will be paid half yearly on August 10 and February 10 each year. The stock will be repaid on February 10, 2009.

5. Applications, clearly indicating the nomenclature of the Loan (including the name of the State), accompanied by payment for the amount of Loan capital applied for in cash or cheque drawn on Reserve Bank of India or Bankers' Pay Order payable at the centre where the application is tendered could be submitted in the prescribed form to the respective Public Debt Offices of the Reserve Bank of India as indicated above in respect of each State Loans during banking hours.

6. Payment for the loan will include along with the nominal value of loan applied for, accrued coupon from the date of commencement of tenure of the loan, i.e., February 10, 1999 to the tendering of the application. The Reserve Bank of India will have full discretion to close the tap sale at any time during banking hours or after the close of banking hours on or after February 10, 1999 in respect of any of the loan issues as mentioned above and to make partial allotment for applications received at the time of closure of sale. Applications, if any, received after the closure of the tap sale will be rejected. If partial allotment is required to be made, excess subscription will be refunded by the Reserve Bank of India as soon as possible and no interest will be paid on the amount to be refunded.

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