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4/11/13

GOVERNMENT OF KERALA
FINANCE DEPARTMENT
THIRUVANANTHAPURAM


C.C. UDHAYAN
UNDER SECRETARY

Dated: 31.10.2013.

D.O. No. 95336/SS1/2013/Fin.

Dear Madam,

State Government proposes to raise an amount of ₹ 500.00 crore under Open Market borrowing Programme by way of auction on 05.11.2013. The loan is raised to finance the developmental activities of Government of Kerala. Please make necessary arrangements to give wide media coverage for the Market Borrowing Programme of the State through suitable press release in national, regional and business dailies as well as through electronic media with special preference to financial journals, as we have to muster maximum market support for the endeavor. The details regarding the issue of auction, interest, etc are published in the Government Notification No. 95336/SS1/2013/Fin. dated 31.10.2013 (copy enclosed) which can also be downloaded from the website of Finance Department, Government of Kerala, www.finance.kerala.gov.in.

With regards,

Yours sincerely,


(C.C. UDHAYAN)

Smt. Mini Antony,
Director,
Information and Public Relations Department.



GOVERNMENT OF KERALA
FINANCE DEPARTMENT
NOTIFICATION

No. 95336/SS1/2013/Fin

Dated, Thiruvananthapuram October 31, 2013.

Government of Kerala hereby notifies the sale of Kerala Government Stock (securities) of 10-year tenure for an aggregate amount of Rs. 500.00 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. 18596/SS1/07/Fin. dated July 20, 2007 of Government of Kerala.

Object of the Loan

1. (i) The proceeds of the loan will be utilized for financing the developmental activities of the State.
- (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. 18596/SS1/07/Fin. 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 formats.

Allotment to Non-Competitive Bidders

3. The Government Stock up to 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 **November 05, 2013**. Bids for the auction should be submitted in electronic format, on the Reserve Bank of India Core Banking Solution (E-Kuber) system as stated below on **November 05, 2013**.
 - (a) The competitive bids shall be submitted electronically on the Reserve Bank of India Core Banking Solution (E-Kuber) system between 10.30 A.M. and 12.00 P.M.
 - (b) The non- competitive bids shall be submitted electronically on the Reserve Bank of India Core Banking Solution (E-Kuber) system between 10.30 A.M. and 11.30 A.M.

Result of the Auction

5. The result of the auction shall be displayed by the Reserve Bank of India on its website on the same day. The payment by successful bidders will be on **November 06, 2013**.

Method of Payment

6. Successful bidders will make payments on **November 06, 2013** before close of banking hours by means of cash, bankers' cheque/pay order, demand draft payable at Reserve Bank of India, Mumbai/Thiruvananthapuram or a cheque drawn on their account with Reserve Bank of India, Mumbai (Fort)/Thiruvananthapuram.

Tenure

7. The Stock will be of 10-year tenure. The tenure of the Stock will commence on **November 06, 2013**.

Date of Repayment

8. The loan will be repaid at par on **November 06, 2023**.

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 **May 6 and November 06**.

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 Kerala,

M. GIREES KUMAR,
Officer on Special Duty (Finance Resources),
For the Additional Chief Secretary (Finance).
Government of Kerala,