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NOTIFICATION

No. G-16035/1/96-FEA, the 1st April, 1997.

SCHEME OF ISSUE OF STATE DEVELOPMENT LOANS

1. Government of Mizoram hereby notifies that issue of State Development Loans hereafter will be subject to terms and conditions spelt out in this notification (called the "General Notification") as also terms and conditions notified separately in the specific notification issued in respect of each loan issue until further notice. The Specific Notification issued from time to time in respect of each loan issue will supplement the General Notification and cover specific features pertaining to the particular loan issue.

SECURITY FOR STATE DEVELOPMENT LOANS

2. In accordance with Article 293 (1) of the Constitution of India, the Loans will be secured on the Consolidated Fund of the State of Mizoram.

NOMENCLATURE OF LOAN, OBJECT OF LOAN, AMOUNT OF ISSUE, INTEREST, DATE OF ISSUE AND DATE OF REPAYMENT

3. The nomenclature of the loan offered, subscription, tenure of the loan, object of loan, amount of issue, date of issue, date of repayment and interest which the loan will bear and whether any conversion offer is made will be specified in the Specific Loan Notifications issued from time to time.

ELIGIBILITY FOR INVESTMENT

4. The Loans may be subscribed by any person resident in India including firms, companies, corporate bodies, institutions, provident funds and trusts. Non-Resident Indian (NRIs, viz., Indian citizens and individuals of Indian origin), overseas Corporate bodies predominantly owned by NRIs and Foreign Institutional Investors registered with SEBI and approved by Reserve Bank of India are also eligi-

gible to invest in the loan. However, investment by a person resident outside India (whether a citizen of India or not), or a person who is not a citizen of India but is resident in India or a company which is not incorporated under any law in force in India or any branch of such company shall be subject to the provisions of the Foreign Exchange Regulation Act, 1973, in addition to the other provisions of laws as applicable to the security pertaining to the loan and as per the terms as stipulated hereinafter.

APPLICATION FORM

5. (i) Applications for the security must be for a minimum amount of Rs.1,000/- (nominal) and in multiples of Rs. 1,000 thereafter.

(ii) Applications may be made in the prescribed form of application as given in Annexure-I hereto or in any other form as near as thereto which states clearly the amount and description of the securities required, the full name and address of the applicant and the Public Debt Office or Treasury or Sub-Treasury or the branch of an agency bank conducting treasury business at which he desires the interest to be paid.

(iii) Printed copies of the application form may be obtained from any of the offices of the Reserve Bank of India and branches of the State Bank of India and its Associates as referred to in paragraph 6.

RECEIVING OFFICES

6. (i) Applications will be received at—

(a) the offices of the Reserve Bank of India at Ahmedabad, Bangalore, Bhubaneswar, Calcutta, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai (Fort), Nagpur, New Delhi, Patna and Thiruvananthapuram.

(b) branches of the State Bank of India and its Associates as per Annexure-II.

In case, for any particular issue, the receiving Offices is/are restricted to one/few centres, it will be announced as part of Specific Loan Notification.

(ii) FIIs, NRIs and Overseas Corporate bodies predominantly owned by NRIs should submit their applications through the designated banks which have been authorised by the Reserve Bank of India to act as a banker to FIIs or authorised to deal in Foreign Exchange as the case may be. It should, however, be ensured that the applications are received at the Offices mentioned in sub-paragraph (i) above on the specified date.

DATE OF SUBSCRIPTION

7. Subscriptions will be received upto the close of banking hours on the date as mentioned in the Specific Loan Notification. In the event of such date being declared a holiday by any State Government under the Negotiable Instruments Act, 1881, the subscriptions will be received at the concerned receiving Offices in that State upto the close of banking hours on the next working day.

PAYMENT FOR THE LOANS

8. Application for the Loans should be accompanied by necessary payment in the form cash or bank draft/cheque payable at the place where the application is tendered. Cheques tendered at Offices of the Reserve Bank of India, designated branches of State Bank of India and its Associates as per Annexure-II referred to in clause (b) of sub-para (i) of paragraph 6 should be drawn in favour of the bank concerned when cheque is tendered towards payment of amount of subscription for the security, the security will not be delivered to the applicant till the amount of cheque is realised.

ALLOTMENT

9. (i) All applicants subscribing Rs. 30,000/ or less will receive full allotment.

(ii) If the total of subscription exceeds the amount of issue specified in the specific Loan Notification, partial allotment may be made to subscribers. Accordingly, multiple applications from the same party will be combined and treated as one for purpose of allotment. Partial allotment will be made to the subscribers, except to those applicants who will received full allotment as provided in sub-paragraph (i) above. The amount of excess subscription will be refunded to the respective subscribers as soon as possible and no interest will be paid on the amount so refunded.

ISSUE PRICE

10. The loans will be issued at par, i.e., at Rs. 1,000/-for every Rs. 1,000/- (nominal)

REISSUE OF LOANS

11. All State Development Loans bearing the same coupon rate and maturing during the same financial year (April-March), issued by Government of Mizoram on different

such Loan first issued during the financial year. Further, interest due dates and date of repayment of reissue will be same as that of the Loan first issued during the financial year bearing the same coupon rate and having identical maturity.

FORM OF SECURITY

12. The loans will be issued to the investors by credit to their subsidiary General Ledger Account maintained with Reserve Bank of India or in the form of Stock Certificate.

INTEREST

13. (i) The Loans will bear interest at the rate specified in the specific Loan Notifications from the date of issue. Interest will be paid at half yearly intervals commencing from the expiry of six months

if the date of issue is April 25th, the interest on the Loan will be payable on October 25 and April 25 each year. However, if a Loan is reissued as described

in paragraph 11, the first interest payment for the broken period will be made on the next half-yearly interest due date in respect of the Loan issued first time during the financial year bearing the same coupon rate and having identical maturity. Subsequent interest due dates will be the same as those in respect of the Loan issued first time during the financial year bearing the same coupon rate and having identical maturity. The gross amount of interest will be paid after rounding off

less than paise fifty will be ignored and paise fifty or more will be rounded off to the next rupee.

(ii) Interest will be paid at any treasury or sub-treasury or at any branch of an agency bank conducting treasury business in the State of Mizoram and at the Public Debt Offices of Reserve Bank of India at Amedabad, Bangalore, Bhubaneswar, Calcutta, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai Nagpur, New Delhi Patna and Thiruvananthapuram.

BROKERAGE

14. Brokerage will be paid at the rate of six paise per Rs. 100/- or any other rate notified in future to recognised banks and brokers on allotments made in respect of applications for the loan tendered by them on behalf of their clients and bearing their stamp.

COMMISSION

15. The commission at the rate of six paise per Rs. 100/- will be paid to banks Life Insurance Corporation of India, General Insurance Corporation of India and its subsidiaries, Provident Funds and Gratuity Funds which are not eligible for brokerage, only if their applications are submitted by them direct to the receiving officer.

PUBLIC DEBT OFFICE

16. The parent Public Debt Office will be located at the Reserve Bank of India, Guwahati.

TRANSFERABILITY OF STATE DEVELOPMENT LOANS

17. (i) The securities can be renewed, subdivided, consolidated and transferred by the holder in accordance with the provisions of the Public Debt Act, 1944 and Public Debt Rules, 1946 framed thereunder and the terms of this notification and any further notification which may be issued by the Government of Mizoram from time to time in this behalf.

(ii) The conversion of the security issued pertaining to the Loan from one form to the other will be subject to the restriction with respect to the forms in which the Loans shall be issued.

(iii) The transfer of the security by FIIs, will be subject to SEBI (FIIs') Regulations and those of NRIs and Overseas Corporate bodies predominantly owned by NRIs will be subject to RBI guidelines.

APPLICABILITY OF TAX LAWS

18. The value of investments in the Loan, the interest thereon and brokerage paid on the investment in terms of the provisions of this notification will be governed by the provisions of tax laws as applicable from time to time.

LAWS APPLICABLE TO THE STATE DEVELOPMENT LOANS

19. The rights of all persons in relation to securities pertaining to State Development Loans shall be determined in connection with all such questions as are dealt with by the Public Department Act, 1944, the Public Debt Rules, 1946 read with the terms of this notification and any other subsequent notification which the Government of Mizoram may issue in this behalf and in the Courts of India.

20. Government of Mizoram will have the right to amend or delete wholly or any part of this Notification.

By order and in the name of
the Governor of Mizoram.

Haukhum Hauzel,
Secretary to the Government of
Mizoram, Finance Department.

Annexure I

Broker's Stamp with Address

FORM OF APPLICATION

.....per cent. Mizoram.....State Development Loan.....

*I/We...../on behalf of.....

** (Full name(s) in Block letters) herewith tender *Cash/Cheque/bank draft for Rs.....(Rupees.....)

@ * Securities of.....percent Mizoram loan,.....of the nominal value of Rs.(Rs.) and request that securities of the.....per cent Mizoram State Development Loan,.....of the nominal value of Rs.....may be issued to *me/us in the form of *Stock Certificate/Credit to *my/our S.G.L. Account.

2. *I/We desire that interest be paid at.....

3. I/We have read the terms and conditions governing the issuance of.....per cent.....State Development Loan,.....and undertake to abide by the same as also by the terms and conditions as included in the prescribed form of application.

N.B :-The applicant should not write anything in this cage. The entries will be filled in by the Public Debt Office.

Signature/
thumb mark.....

Name in full.....
(Block Letters)

Initials

Date

Application No.....

N.B. Stamp

Cash received on.....

Cheque realised on

Credited to Special

Current Account on.....

Examined

Cash applications

Register posted

Brokerage Register

posted.....

Indent No.

Scrip No.....

Card No.....

Voucher

passed on

Profession : *Service/Trading/
Agriculturist/Business/
Money/Lender/Independent/
Profession/Others.

(Please specify)

(*Delete items not applicable)

Address :

.....

.....

.....

.....

Witness (if applicant is illiterate)

i)
ii)

Date :

* Delete what is not required

Ⓐ Applicable when conversion offer is made in respect of a security.

**If the application is on behalf of a constituent, indicate the name of the constituent.

Notes :-

(1) If the applicant's signature is by thumb mark, it should be witnessed by two persons. The full names, occupations and addresses of the witnesses should be appended to their signatures.

(2) When a loan is offered tendered for conversion should be endorsed with the words "Pay to the Governor of Mizoram" over the signature of the applicants, if they are in the form of Promissory Notes and the transfer deed on the reverse should be signed by him/ them before a witness, if they are in the form of Stock Certificates.

(3) If the application is made in the name of registered body, the undernoted documents, if not already registered at the Public Debt Office, should be enclosed with the investment application.

- (i) Certificate of Incorporation/Registration in original or a copy thereof certified as true by the issuing authority under official seal.
 - (ii) Certified copy of Memorandum and Articles of Association or the Rules and Regulations/Bye-laws of the Company/Body.
 - (iii) Certified copy of resolution in favour of the person(s) authorised to deal in Government securities on behalf of the company/body together with his/their duly attested specimen signature(s).
- (4) Applicant should also complete a mandate form (obtainable from Public Debt Office) for transmission of half-yearly interest to them.

Terms and Conditions

1. The loans will be issued for a minimum amount of Rs. 1,000 (Face Value) and in multiples thereof.
2. The loans will be issued to the investors by credit to their Subsidiary General Ledger Account maintained with Reserve Bank of India or in the form of Stock Certificate.

ANNEXURE II

MIZORAM STATE

Banks authorised to accept State Loan subscription

Name of the Bank	Address
1. State Bank of India	P.O. Aizawl District Aizawl-796 001
2. State Bank of India	P.O. Lunglei District Lunglei-796 701
3. State Bank of India	P.O. Saiha District Chhimtuipui-796 901