

Auction of sell of (Re-issue) 6.85% MP SDL 2031, Madhya Pradesh Government Stock (Securities)**PRESS COMMUNIQUE**

N. F-1-1/2021-22/B-07/D.M.C./IV/

Bhopal, the 16th September 2021**(Financial and Budgetary Position of the Government of Madhya Pradesh)**

Government of Madhya Pradesh has offered to sell the dated securities of **10 Year** tenure by auction for an aggregate amount of **Rs. 2000 Crore, Government of Madhya Pradesh.**

Securities will be issued for a minimum nominal amount of Rs. 10,000 and multiples of Rs. 10,000 thereafter. Auction will be conducted by Reserve Bank of India at Mumbai office (Fort) on **September 21, 2021.**

Interested persons may submit bids in the prescribed form obtainable from the Chief General Manager, Reserve Bank of India, Mumbai Office, Fort, Mumbai and submitted in a electronic format dated **September 21, 2021.** On the Reserve Bank of India core Banking Solution (E-Kuber) Systems between 10:30 A. M. and 11:30 A.M.

The yield per cent per annum expected by the bidder should be expressed up to two decimal points. An investor can submit more than one bid at different rates of yield but a separate application should be submitted for each bid. The aggregate amount of bids submitted by a person should not exceed the notified amount.

The result of auction will be displayed at the offices of Reserve Bank of India, Fort, Mumbai **September 22, 2021.** Successful bidders should deposit the price amount of stock covered by their bids by means of a Bankers Cheque or Demand Draft payable at RBI, Mumbai (Fort) / Nagpur on **September 22, 2021.** before the close of banking hours.

The Madhya Pradesh Government Stock will bear interest at the rate determined by RBI at the auction. Interest will be paid half yearly on **March 15 and September 15.** The stock will be governed by the provisions of Public Debt Act, 1944 and the rules made thereunder.

Terms and conditions for issue of Madhya Pradesh Government Securities are contained in Finance Departments Notification N.F-1-1/2007/B-07/D.M.C./IV, Bhopal, Date July 20, 2007, published in the Extraordinary issue of "Madhya Pradesh Gazette" of the date, Copies of which with the application form are obtainable at the Receiving offices mentioned above.

2. The following review of the financial and budgetary position of the Government of Madhya Pradesh is published for the information of the intending investors.

REVENUE POSITION

The revenue receipts and expenditure on revenue account and the revenue surplus/deficit for the years 2019-20 and 2020-21 are as follows:—

	(Rs. in crore)	
	Provisional Accounts	Revised Estimate
	<u>2019-2020</u>	<u>2020-2021</u>
Revenue Receipts	147643.35	137169.32
Revenue Expenditure	150444.30	158545.23
Revenue Surplus (+)/Deficit(-)	(-) 2800.95	(-) 21375.91

The above figures include expenditure on Revenue Account on development schemes.

DEBT POSITION

The debt position of the Government of Madhya Pradesh as on 31st March, 2021 (Revised Estimate) was as follows:—

Nature of Debt	Amount of Debt as on 31-03-2021 RE
Market Loans	154020.67
Compensation and other Bonds (Including Power Bonds)	7360.45
Loans from Financial Institution	10901.67
Loans and Advances from the Central Government	31040.16
Other Liabilities	20220.64
Special Securities issued to National Small Savings Fund of the Central Government.	29792.01
	Total Debt : 253335.60

The loans taken from financial institutions (NABARD, LIC, GIC, NCDC etc.) have been utilized for creation of permanent assets and strengthening / development of Cooperative institutions.

Loans from the Government of India.—These are loans sanctioned by the Government of India from time to time for capital expenditure on productive schemes such as Agriculture Schemes, Irrigation and Power Projects, Community Development Projects etc. and for creation of other permanent assets.

Provident Fund.—This comprises the provident fund balance of Government Servants.

Deposits bearing interest.—This comprises accumulation in the Fund out of subscription made to it by Government Servants under Government Servant Family Benefit Fund Scheme and deposits kept by other institution.

ASSETS OF THE GOVERNMENT

All the loans taken from the Government of India or from other sources have been mainly utilised for development of the State and for the creation of remunerative assets, such as construction of irrigation dams, canals, tanks, wells etc., improvement of communications, transport service, investment in the share capital of Co-operative Banks and other Co-operative Societies for the grant of loans to third parties like cultivators, local bodies, etc., who will repay the loan with interest in instalments and loans to the Power generation, Power transmission and Power distribution companies of the Energy Department of Madhya Pradesh. Though no actual assessment has been made of the value of the physical assets of the State Government, it can be safely assumed that it far exceeds the State's outstanding liabilities.

IRENE CYNTHIA J. P., Director Budget.