

ANDHRA PRADESH GOVERNMENT TO RAISE RS 1,000 CRORE THROUGH SECURITIES

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The [Andhra Pradesh government](#) plans to raise Rs 1,000 crore through sale of its securities and the amount will be used for the development of its new capital [Amaravati](#), according to a gazette notification.

The securities will be sold on October 23 through an auction by the [Reserve Bank of India](#). Bids will have to be submitted to the RBI core banking solution system by tomorrow.

"The proceeds of loan will be used for financing, particularly of the capital and developmental nature included in the annual plan of the Andhra Pradesh for 2018-19," the notification said.

The state government said up to 10 per cent of the notified amount of the sale will be allotted to eligible individuals and institutions subject to a maximum limit of 1 per cent to the notified amount of a single bid.

The government securities will be sold at a coupon rate to be determined by the RBI at the yield based auction under multiple price format.

The results will be declared on the same day and the successful bidders will have to make payment on October 24.

The state government is constructing a [greenfield capital](#) on banks of the Krishna. The state has already raised Rs 11,300 crore and out of which Rs 3,400 crore has been spent.

The central government has given Rs 1,500 crore, while neighbouring Telangana Rs 1,000 crore for the development of the new capital.

The state government is looking at Rs 50,000 crore investment in creating only basic infrastructure.

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