

No. Fin-IF(A)1-68/83-III
Govt. of Himachal Pradesh
Finance (IF) Department

From:

The Addl. Chief Secretary (Finance.) to the
Government of Himachal Pradesh.

To

- 1 All Administrative Secretaries to the Govt. of H.P.
- 2 All the Heads of Department in H.P.
- 3 All the Managing Director/ CEOs of Public Sector Undertakings /Agencies in H.P.
- 4 All the Deputy Commissioner in H.P.
- 5 Secretaries/Registrars of Board and University in H.P.

Dated, Shimla-171002 3-3-2021.

Subject: Guidelines on investment of surplus funds by
PSUs/Boards/other Government agencies.

Sir,

I am directed to refer to this department's letter of even number dated 6-1-2021 on the subject cited above. It has been decided to substitute the para "Category-A" and "first para of the Illustration" as under:-

Category: A - "60% of the available investible funds may be invested with the Nationalized Banks/Scheduled Commercial Public Sector Banks incorporated in India/ Himachal Pradesh Gramin Bank / Himachal Pradesh State Cooperative Bank (Scheduled). This category will also include two central Cooperative Banks, namely Kangra Central Cooperative Bank and Jogindra Central Cooperative Bank. In case proposed investment exceeds 1 (One) crore, competitive bids be invited and the funds may be invested with the Bank which has quoted the highest interest rate. However, in no case the exposure limit for two Central Cooperative Banks namely Kangra Central Cooperative Bank and Jogindra Central Cooperative Bank, put together, should exceed 15% of the total surplus funds available with an organisation".

Illustration: -

First para:- "An organisation in public sector is having surplus funds to the tune of Rs.100 crore. In order to earn interest on the deposits while taking care of the risk involved, the organisation should diversify its investment. As the amount involved is more than Rs. One Crore, the organisation will have to take bids of interest rates from different Banks. It may invest up to 60% of its surplus funds, i.e. upto Rs 60 cr. in Category A banks. It is to be noted that not more than 15% of the available funds can be kept in Kangra Central Co-operative Bank and Jogindera Central Co-operative Bank, even if their interest rate is higher than the Nationalised Bank/Scheduled Commercial Public Sector Banks/ Himachal Pradesh Gramin Bank/ Himachal Pradesh State Cooperative Bank".

{Rest of the provisions of the instructions under review remains unchanged.}

Yours faithfully



(Rakesh Kanwar)

Special Secretary (Finance) to the
Government of Himachal Pradesh.