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Government of India

Ministry of Finance
Department of Economic Affairs

New Delhi, dated January 08, 2018

Notification

Amendment to 7.75% Savings (Taxable) Bonds 2018, Notification No S.O.44 (E)

- S.O......... The Government of India, hereby notifies, with effect from the date of this Notification, the following amendments in the conditions specified in 7.75% Savings (Taxable) Bonds 2018 notified vide Notification no. S.O. 44(E) dated January 03, 2018.
- 2. In place of clauses 4,9 (i), 9(iii) and 17 respectively of the original notification the following shall be substituted:
- **4. Tax Treatment:** Interest on the Bonds will be taxable under the Income Tax Act, 1961 as applicable according to the relevant tax status of the Bond holders.

9. Application:

- 9(i) Applications for the Bonds, either in physical form or electronic form, may be made in the **Revised Form A** attached hereto, as Annexure 2, or in any other form as near as thereto stating clearly the amount, name and full address of the applicant/s.
- 9(iii) Applications who have obtained exemption from Income Tax under the relevant provisions of the Income Tax Act, 1961, shall make a declaration to that effect in the application (in Revised **Form A)** and submit a true copy of the certificate obtained from Income Tax Authorities.
- **17. Brokerage:** Brokerage at the rate of 0.5% of the amount mobilized will be paid to the brokers, registered with the Receiving Offices, as listed in paragraph 10 above, on the applications tendered by them and bearing their stamp, on behalf of their clients.

By Order of the President of India

(Prashant Goyal) Joint Secretary to the Government of India

[F.No.4(28)-W&M/2017] New Delhi Dated 8th January, 2018

Revised Form A

(Banks to print separate forms for Cumulative and Non-Cumulative in different colours)

< Name of the bank > < Name of the branch>

Application	Number

BLA Number

Full Address of

the Branch

Verified By

APPLICATION FORM FOR 7.75% SAVINGS (TAXABLE) BONDS, 2018

Branch name &

Code

Date of

receipt of

Application

(Put $\sqrt{\ }$ wherever required. Fields with '*' are mandatory)

name & Code

Date of Credit

to Special

Current A/C

Bank branch

stamp

Date of Credit

To Govt. A/C

For Office use only

Broker's name Sub Broker's

& Code

Date of transfer to

Link Cell

(DD/MM/YYYY)	(DE)/MM	/YY	YY)		(DI	D/MI	M/Y	YYY)	(D	DD/I	MM	/YY	YY)											
Applicant(s)	nam	e(s) [i	n l	olo	ck	let	ter	s]																	
1 st Applicant: Mr/Mr	s/Ms																									
				Las	st N	ame	;	11		F	irst	Nar	ne						М	ido	dle	Naı	me			<u> </u>
2 nd Applicant: Mr/M	rs/Ms																									
				La	st N	ame	е			F	irst I	Nan	ne						Mi	idd	lle I	Nar	me			
3 rd Applicant: Mr/Mr	s/Ms																									
				La	st N	lam	е	<u> </u>		F	irst	Nar	ne						M	ido	dle	Naı	me			1
Guardian : Mr/Mrs	/Ms																									
				La	st N	lam	е		•	F	irst	Nar	ne	•			•		M	ido	dle	Naı	me			
Guardian's relation	nship v	vith ı	mino	or	[] Fa	ther	-			[] Mother [] Legal Guardian															
*Date of Birth: 1st	Applica	ant(E	DD/N	/MM	YYY	Y)		/	/.				Ge	nde	r: M	/F										
*Date of Birth: 2 nd	Applic	ant ((DD/	/MN	1/YY	YY)		/		<i>/</i>			G	ende	er: N	M/F										
*Date of Birth: 3 rd	Applica	ant (DD/	'MM	/YY`	YY)		/		/			G	ende	er: N	M/F										
Mother's maiden r	ame																									
				Las	st N	ame	;		•	F	irst	Nar	ne	•	N	lidd	lle N	lam	е		•					
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Email Address																										

Status:	[] Resid	dent Ind	ividu	al												
	[] HUF															
	[] On b	ehalf of	mino	or												
	[] Powe	er of Atte	orney	/ holder												
Investmen	t details:				Γ] Op	en a r	new B	ond L	edaer	Accou	ınt				
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Mode of inv				Cash] Ch	-									
Cheque/DD No			(D	D/MM/	YYYY)											••••
for (Amount)₹																ly)
*Bank deta	ails of Fir	st App	olica	ant:(PI	ease pr	ovide t	he fol	llowin	g deta	ails fo	r Inter	est/F	Reder	mption	paym	ent)
Interest Pa	ayment O	ption	s: Di	rectly c	redit in	terest	amou	nt to i	my ba	ınk ac	count	No.				
Particulars of the	ne Bank acco	ount: Ba	ınk na	ame					. Brar	nch						I
Account Number	er															
Nine digit MICF appearing on the																
IFSC Code																
Signature a	and PAN	Numb	er				ı	l	ı	ı	l			<u> </u>		I
	Signature Impression		b F	PAN Nu	ımber	I.T.C Dist	Circle rict	/War	d/		k A Bran		No.		COD	
1 st Applicant*																
2 nd Applicant																
3 rd Applicant																
@Thumb impre		attested	by t	wo witn	esses o	n the b	oack s	ide								
Witnesses:																
Name of 1st Wi	tness						Nam	e of 2	2 nd Wi	tness.						
Address							Addr	ess								

NECS/NEFT Mandate Form

(For credit of Redemption amount/interest to bank account not held with bank having the Bond Ledger Account)

1. Name of the First Applicant															
1 st Applicant:Mr/Mrs/Ms															
-		Last N	lame			First	Name				Midd	le Nar	ne		
2. Particulars of the Bank account: Bank name Branch															
Nine digit MICR Code numl appearing on the MICR Che															
IFSC Code															
(Please attach a photocopy of the Cheque leaf or a cancelled cheque issued to you by the bank for verification of the Code number)												on of			
3. Account Type [] S. I	3. acco	ount		[] Cu	rrent A	ccoun	t							
Account Number															
Ledger Number															
Ledger Folio No.															
I hereby authorize													rrect		
and complete. If the trans			,					•							
hold the user institution re under the scheme.	sporis	ibie. i	nereb	y agre	e to	uisciia	ge trie	e respo	ווטוצוונ	ity exp	ecteu	OI III	= as a	partic	ірапі
ander the seneme.															
Place Date (Signature of the Applicant)															
Bank Certification (Not required if photocopy of the cheque is submitted)															
Certified that the particulars furnished above are correct as per our records.															

(Date, Bank Stamp & Signature of Authorised Official)

H.U.F. declaration form

(Mandatory if applicant is Karta of HUF)

I,	, residing at the address given against First Applicant, do solemnly affirm
that I am the Karta of the Hindu U	Undivided Family and as such have full powers to sell, endorse, transfer of
otherwise deal in the 7.75% Savings	(Taxable) Bonds, 2018 standing in the name of the HUF.
Specimen signature for and on behalf	f of the HUF (name of the HUF)
	(Signature of the Karta with seal of HUF)
Place:	Date

INFORMATION FOR INVESTORS IN 7.75% SAVINGS (TAXABLE) BONDS, 2018

Government of India had introduced 7.75% Savings (Taxable) Bonds, 2018 vide their notification No. F.4 (28)-W&M/2017 dated January 03, 2018. The main features of the Scheme are as under:-

Item	7.75% Savings (Taxable) Bonds, 2018	Remarks
1) Category of Investor	Individual HUF	Non Resident Indians (NRI)s are not eligible to invest in these bonds
2) Limit of investment	Minimum ₹1000/- and in multiples of ₹1000/-	No maximum limit
3) Date of Issue of bonds	Date of receipt of subscription in cash or date of realization of cheque/draft/ electronic credit	
4) Forms of Bonds	Demat form held in the Bond Ledger Account	Bond Ledger Account will be opened by Receiving Office in the name of investor/s.
5) Option	Non-cumulative / Cumulative	Change of option is not permitted.
6) Interest	In case of non-cumulative option, interest is payable on half yearly basis. In case of Cumulative option, interest is payable at the time of maturity	Half-yearly interest is payable on 1 st February / 1 st August
7) Post Maturity Interest	Post Maturity Interest is not payable	
8) Bank account	It is mandatory for the investor/s to provide bank account details to facilitate payment of interest /maturity value directly to his/her/their bank account.	
9) Tax benefits	Income from the bonds is taxable.	Tax will be deducted at source while interest is paid
10) Nomination Facility	The sole Holder or all the joint holders may nominate one or more persons as nominee.	
11) Maturity period	After 7 years	
12) Premature redemption	Facility is available to the eligible investors after Lock in period of 4, 5, and 6 years in the age bracket of 80 years and above, between 70 to 80 years and 60 to 70 years respectively.	
13) Transferability	The bonds are not tradable in the secondary market.	
14) Application forms	Available at designated branches of SBI, 18 Nationalised banks, 3 Private Sector Banks and Stock Holding Corporation of India Ltd.	

DUTIES OF INVESTOR/ APPLICANTS

- A) Please complete the application in all respects
- B) Incomplete applications are liable to result in delay of issue of the bonds (at the cost of the applicant)
- C) In case the application is submitted by a Power of Attorney (POA) holder, please submit original POA for verification, along with an attested copy for record.
- D) In case the application is on behalf of a minor, please submit the original birth certificate from the School or Municipal Authorities for verification, together with an attested copy for record
- E) Please note that nomination facility is available to a Sole Holder or all the joint holders (investors) of a Savings bond.
- F) In case nominee is a minor, please indicate the date of birth of the minor and a guardian can be appointed
- G) Nomination facility is not available in case the investment is in the name of a minor
- H) Please fill separate application form (different colours) for issue of CUMULATIVE / NON-CUMULATIVE bonds.
- I) Please notify the change of address to Receiving Office immediately
- J) POST MATURITY INTEREST IS NOT PAYABLE ON THESE BONDS. HENCE PLEASE OBTAIN REDEMPTION PROCEEDS ON THE DUE DATE
- K) Indicate your date of birth / age.
- L) Provide your bank account details for receiving payment through electronic mode
- M) Any information regarding tax applicability may be provided to the bank/branch

RIGHTS OF THE INVESTOR

- a) The Bond will be issued on the same day if subscription is received in cash and on realization of the cheque/DD/electronic credit if subscription is received through cheque/DD/electronic credit.
- b) The Certificate of Holding will be issued within 5 days from the date of tender of application.
- c) The interest on the bond accrues from the date of receipt of subscription in cash or date of realization of cheque/DD/electronic credit. The interest will be credited to the bank account of the holder directly provided by him/her in the application form.
- d) The interest on the date of 1st February / 1st August with last instalment on date of redemption.
- e) An advice of payment of interest will be issued to the investor one month in advance from the due date.
- f) Maturity intimation advice will be issued one month before the due date of the bond.
- g) Facility for payment of interest and principal by 'demand draft free of cost or at par cheques' for up country customers is available.
- h) The facility of intra-bank and inter-bank branch transfer of the bonds is available.
- i) Application forms for investments, redemption, NECS/NEFT Mandate, etc, in respect of Savings Bonds are available on the website at www......com (Banks and SHCIL website).
- j) A sole holder or all the joint holders may nominate one or more nominees to the rights of the bonds.
- k) The nomination will be registered at the Office of Issue and a Certificate of Registration will be issued to the holder.
- 1) The nomination can be varied by registering a fresh nomination.
- m) The existing nomination can be cancelled by a request to the Office of Issue.
- n) The redemption is due on expiry of seven years from the date of investment.
- o) Premature redemption facility has been allowed with certain conditions.
- p) The investor is entitled to receive repayment amount within five clear working days from the date of tender of acquaintance.

- q) To avoid delay in receipt of interest / redemption proceeds applicants may indicate his choice, for availing of half yearly interest / redemption proceeds through ECS/NEFT/RTGS or direct credit to the bank account.
- r) Investors are entitled for compensation for delayed payments at the rate decided by RBI vide their circulars issued from time to time.

In case the bank does not comply with the above, you may lodge a complaint in writing in the form provided at the counter and address the same to the nearest office of Reserve Bank of India as under:

THE REGIONAL DIRECTOR, RESERVE BANK OF INDIA, CUSTOMER SERVICE DEPARTMENT/ BANKING OMBUDSMAN (LOCATION)

YOU MAY ALSO ADDRESS YOUR COMPLAINT TO:

THE CHIEF GENERAL MANAGER
RESERVE BANK OF INDIA
INTERNAL DEBT MANAGEMENT DEPARTMENT
CENTRAL OFFICE
SBS MARG, FORT
MUMBAI- 400 001

Disclaimer: -I have read and understood the details of information for the investors as well as rights and duties of investors. The agent/bank has explained the features of the scheme to me.

Signature of the	e applicant		
	TEAR AW	AY HERE	
	Acknowledgement	of Application Forr	Application No.
Bank branch		Da	te/
No./electronic	Mr/Mrs/Mscredit	dated/	drawn on(Bank and
	es period of 7 years, interest payable on		
nominal ₹	(Rupees	value	of only).

Date, Bank Stamp & Signature of the authorized official of the Bank.