

RBI/2004-05/114
CO.DT.No. 13.01.298/H.1654 to 1683/2004-05

August 12, 2004
Shravana 21, 1926 (S)

The Chairman & Managing Director
State Bank of India & Associate Banks
& 17 Nationalized Banks

UTI Bank Ltd., ICICI Bank Ltd.,
HDFC Bank Ltd., IDBI Bank Ltd.,
& Stock Holding Corporation of India Ltd.

Dear Sir,

8% Savings (Taxable) Bond, 2003 - Charitable Institution

In continuation of our Circular No.CO.DT.13.01.299/H-3836/2002-03 dated April 3, 2003, we advise that Government of India vide their Notification No.F.4(10)W&M/2003 dated 10th August 2004 (copy enclosed) has notified that clause (iii) of paragraph 2 is to be substituted as follows :-

(iii) "Charitable Institution' to mean, -

- (a) a company registered under Section 25 of the Indian Companies Act, 1956; or
- (b) an institution which has obtained a certificate of registration as a 'Charitable Institution' in accordance with a law in force; or
- (c) any institution which has obtained a certificate from an Income Tax Authority for the purpose of Section 80G of the Income Tax Act, 1961 ; or
- (d) any institution notified by the Central Government under clauses (ii) or (iii) of Sub-Section (1) of Section 35 of Income Tax Act, 1961."

2. The other terms and conditions of the issue of Bonds shall remain unchanged.

3. You may please arrange to bring the above contents immediately to the notice of the designated branches of bank/corporation handling 8% Savings (Taxable) Bond 2003 business.

Yours faithfully,

(B. B. Sangma)
General Manager

Encls: 2.