

RBI/2004-05/494

CO.DT.13.01.298/H.10753-10782/2004-05

June 17, 2005
Jyeshtha 27, 1927 (S)

The Chairman and Managing Director,
State Bank of India and its Associates
Nationalised Banks
ICICI Bank Ltd., HDFC Bank Ltd., UTI Bank Ltd.
IDBI Bank Ltd., & SHCIL

Dear Sir,

Issue and servicing of Relief / Savings Bonds - - Payment of half-yearly interest

Please refer to our circular RBI/2004/152 CO.DT.13.01.298/H.5894/2003-04 dated April 16, 2004 advising you, *inter alia*, to despatch Interest warrants in respect of half-yearly interest due on the captioned bonds, to the investors one month in advance to avoid any complaints from them. As we have not prescribed any "**Shut Period**" for the transactions relating to the captioned bonds, the request received for transfers of Bonds held under the Bond Ledger Account in respect of non-cumulative bonds after despatch of half- yearly interest warrants i.e., during the months of June / December may be accepted and processed in due course. However, the tenderer of the transfer deed may be apprised that the half-yearly interest for the ensuing half-year ending has already been despatched to the transferor and the transfer can be

effected **ex-interest for the relevant half-year**. The following legend may be affixed on the counter receipt issued to the tenderer of transfer deed during the above period –

"The non-cumulative bonds covered by this receipt will be transferred in favour of the transferee (s) indicated in the transfer deed ex-interest for the current half-year".

2. Please issue necessary instructions to all the designated branches which are issuing and servicing Relief / Savings Bonds to follow these instructions scrupulously.
3. Please acknowledge receipt.

Yours faithfully,

(B.B.Sangma)
General Manager