



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI /2013-14/654

DGBA.CDD. No. 6919 /13.01.299/2013-14

June 12, 2014

The Chairman/Managing Director
Head Office (Government Accounts Department)
State Bank of India and Associates
All Nationalised Banks
(Excluding Punjab and Sind Bank and Andhra Bank)
Axis Bank Ltd./ HDFC Bank Ltd./ICICI Bank Ltd.
Stock Holding Corporation of India Ltd.(SHCIL)

Dear Sir/Madam

Reviewing the Reporting and Accounting Procedure of Relief and Savings Bonds - Revised Application format - 8% Savings (Taxable) Bonds, 2003

You may recall the discussions we had in the meetings held on August 31, 2012 and February 06, 2013 regarding migration of Relief/Savings Bonds operations to the Core Banking Solution (CBS) Platforms of the banks. In order to migrate the Relief/Savings Bond operations to CBS Platforms, it was felt necessary to use a revised application format to fit into the new system after notifying the same by the Government of India (GOI). After due consideration of the comments/suggestions made by the banks, the revised application formats (bilingual - Hindi and English) for 8% Savings (Taxable) Bonds, 2003 have been approved by the Government of India and notified in the Gazette of India - Extraordinary - Part I - Section -1, No. 104 on April 21, 2014, copy of which is enclosed for our ready reference.

2. The application formats for Cumulative and Non-Cumulative Bonds may be printed in different colours for easy identification. While printing the forms following instructions may please be kept in mind.

- The application forms should be bilingual, i.e. in Hindi and English
- You may use logo of your bank at the place provided in the application format
- The application forms should be printed on A-4 size paper only.
- The application forms must be printed on good quality paper.

सरकारी और बैंक खाता विभाग, केन्द्रीय कार्यालय, चौथी मंजिल, भायखला ऑफिस बिल्डिंग, मुंबई सेंट्रल स्टेशन के सामने, भायखला, मुंबई - 008 400
टेलिफोन 022 : 4121 2308, फैक्स 022 : 2300 0370/2301 6072/0095 2301, ई :मेल - cgmicdgbaco@rbi.org.in

Department of Government and Bank Accounts, Central Office, 4th Floor, Byculla Office Building, Opposite Mumbai Railway Station, Byculla, Mumbai-400 008
Telephone 022 : 4121 2308, Fax 022 : 2300 0370/2301 6072/ 0095 2301, Email : cgmicdgbaco@rbi.org.in

हिन्दी आसान है, इसका प्रयोग बढ़ाइए।

चेतावनी -मेल-रिज़र्व बैंक द्वारा ई ., डाक, एसएमएस या फोन काल के जरिये किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिये।

Caution: RBI never sends emails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

e) The information regarding savings bonds and duties and rights of the customers **must** be printed and perforated in such a manner that they can be easily detached and taken away by the customer while leaving behind the application portion with the bank/branch.

3. It need not be emphasized that the time schedule for deliverables should be strictly adhered to. Deviation, if any, will be viewed seriously by the Reserve Bank of India.

4. Please acknowledge the receipt and also confirm that the above instructions have been implemented by you.

Yours faithfully,

(R. K. Singh)
Deputy General Manager

Encl.: As above

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 Undivided Family and as such have full powers to sell, endorse, transfer or otherwise deal in the 8% Savings (Taxable) Bonds, 2003 standing in the name of the HUF.

Specimen signature for and on behalf of the HUF (name of the HUF).....
(Signature of the Karta with seal of HUF)

Place :..... Date

Nomination facility (optional)

I,..... residing at.....
....., and holder of Bond Ledger Account No.....
..... nominate the following person/s who shall on my death have the right to the bond / receive payment of the amount for the time being due on the bond(s) specified below :

Particulars of Nominee /s							
Sr. No.	Date of issue	Amount (₹)	Date of repayment	Full name with expanded initials and address of nominee	Date of birth	Relationship to holder	Particulars of bank account

If nominee is minor, please fill in the line below:

As.....the sole nominee above is a minor on this date, I appoint Mr/Mrs/ Ms..... to receive the amount for the time being due on the above bond(s) in the event of my death during the minority of the said nominee.....(name of the nominee who is a minor).

Change of nomination: This nomination is in substitution of the nomination dated/...../..... made by me and registered on your books at..... which shall stand cancelled on registration of this nomination.

Place.....

Date...../...../.....

Signature / Thumb impression of the 1st Applicant
@Thumb impression to be attested by two witnesses.

Witnesses:

Name of 1st Witness.....

Name of 2nd Witness.....

Address.....

Address.....

.....

.....

Signature.....

Signature.....

INFORMATION FOR INVESTORS IN 8% SAVINGS (TAXABLE) BONDS, 2003

Government of India had introduced 8% Savings (Taxable) Bonds, 2003 vide their notification No. F.4 (10)-W&M/2003 dated March 21, 2003. The main features of the Scheme are as under:-

Item	8% Savings (Taxable) Bonds, 2003	Remarks
1) Category of Investor	Individual HUF University Charitable Institution	Non resident Indians 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	
4) Forms of Bonds	Bond Ledger Account	
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 investors to provide bank account details to facilitate payment of interest /maturity value	
9) Tax benefits	Income from the bonds is taxable. Wealth tax is exempted.	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.	Non-Resident Indians can also be nominated. However, remittance of the interest / maturity proceeds will be subject to the foreign Exchange regulations prevailing at the time of remittance
11) Maturity period	After 6 years	
12) Premature redemption	Facility is available to the eligible investors as per the Govt. Notification dated July 29, 2013 and subsequent amendment vide Notification dated August 16, 2013.	
13) Transferability	The bonds are not tradable in the secondary market. However, the Bonds shall be eligible as collateral for loans.	
14) Loans from banks against the security of these Savings bonds	The holders of the said bonds shall be entitled to create pledge, hypothecation or lien in favour of scheduled bank for loans against the security of the bonds.	
15) Application forms	Available at designated branches of SBI and Associate banks, 18 Nationalised banks, 3 Private Sector banks and Stock Holding Corporation of India Ltd.	

DUTIES OF INVESTOR/ APPLICANTS

- A) Please fill up 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
- 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
- E) Please note that nomination facility is available to a Sole Holder or all the joint holders (investors) of a Relief/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 on behalf of minor
- H) Please fill separate application form (different colours) for issue of CUMULATIVE / NON-CUMULATIVE bonds. Change of option is not permitted.
- I) Please notify the change of address immediately
- J) POST MATURITY INTEREST IS NOT PAYABLE AFTER DATE OF MATURITY. 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 if subscription is received through cheque.
- 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 subscription in cash or date of realization of cheque. 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 will be credited to the bank account.
- 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 branch 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. Non-resident Indians can also be nominated
- k) The nomination will be registered at the Office of Issue and a Certificate of Registration will be issued to the holder.
- l) 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 six years from the date of investment.
- o) Premature redemption facility has been introduced as per the conditions issued by the Govt. vide its Notification dated July 29, 2013 and subsequent amendment vide Notification dated August 16, 2013.
- 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 IN-CHARGE
DEPARTMENT OF GOVERNMENT AND BANK ACCOUNTS
CENTRAL OFFICE
BYCULLA, OPP. BOMBAY CENTRAL RAILWAY STATION
MUMBAI- 400 008, MAHARASHTRA

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 applicant

----- TEAR AWAY HERE -----

Acknowledgement of Application Form

Application No.

Bank branch.....

Date/...../.....

Received from Mr/Mrs/Ms.....Cash/Draft/Pay Order/Cheque
No..... dated/...../.....drawn on(Bank and
branch)..... for
₹.....(Rupees..... only) for the purchase of 8% Savings (Taxable) Bonds,
2003 for a period of 6 years, interest payable on cumulative[]/payable on Non-cumulative [] basis of the nominal
value of ₹.....(Rupees.....only).

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