

The Sovereign Gold Bonds Scheme, 2015

UNION OF INDIA

India

The Sovereign Gold Bonds Scheme, 2015

Rule THE-SOVEREIGN-GOLD-BONDS-SCHEME-2015 of 2015

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The Sovereign Gold Bonds Scheme, 2015 Published vide Notification No. G.S.R. 827(E), dated 30th October, 2015 Ministry of Finance (Department of Economic Affairs) G.S.R. 827 (E). - In exercise of the powers conferred by clause (iii) of section 3 of the Government Securities Act, 2006 (38 of 2006), the Central Government hereby makes the following Scheme, namely: -

1. Short title and commencement.

(1) This scheme may be called the Sovereign Gold Bonds Scheme, 2015. (2) It shall come into force on the date of its publication in the Official Gazette.

2. Definition.

- In this Scheme, unless the context otherwise requires, -(a) "Form" means a form appended to this Scheme; (b) "receiving office" means the offices or branches of Nationalised Banks, Scheduled Private Banks, Scheduled Foreign Banks as specified in Annexure I to this Scheme and designated Post Offices as may be notified; (c) "Stock Certificate" means the Gold Bond issued in the form of Government of India Stock in accordance with section 3 of the Government Securities Act, 2006.

3. Eligibility for Investment.

(1) The Gold Bonds under this Scheme may be held by a person resident in India, being an individual, in his capacity as such individual, or on behalf of minor child, or jointly with any other individual. Explanation. - For the purposes of this paragraph, -(i) the expression "person" shall have the same meaning as defined in clause (u) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999); (ii) the expression "person resident in India" shall have the same meaning as defined in clause (v) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999).

4. Form of subscription and pricing.

(1) Subscription shall be in the form of denominated units of one gram of Gold or multiples thereof: Provided that the minimum limit of subscription in the Bond shall be of two grams and maximum limit of subscription shall be of five hundred grams per person per fiscal year: Provided further that in case of joint holding, the above limits shall be applicable to the first applicant only. (2) The issue price of Gold Bonds shall be made in Indian Rupees on the basis of simple average of closing price of gold of 999 purity of previous week (Monday to Friday) published by the India Bullion and Jewellers Association Limited.

5. Procedure for making application for subscription to Gold Bonds.

(1) Every Subscriber who is desirous of making subscription to the Gold Bonds shall apply to any receiving office in Form 'A' or in any other form as near as thereto, stating clearly the grams of gold and full name and address of the applicant. (2) Every application shall contain such documents and particulars as specified in the instructions contained in the Application Form. (3) On receipt of an application under sub paragraph 1, the receiving office shall issue an acknowledgement receipt in Form 'B', if all requirements of the application are fulfilled. (4) An incomplete application is liable to be rejected if all requirements of the application are not fulfilled within period specified in paragraph 6.

6. Date and form of issue of Gold Bonds.

(1) The Gold Bonds shall be issued on the 26th day of November, 2015 in the form of a Stock Certificate as specified in Form 'C'. (2) The Gold Bonds shall be eligible to be converted into De-mat form.

7. Period of subscription.

- the Subscription of the Gold Bond under this Scheme shall open on and from the 5th day of November, 2015 and shall close on the 20th day of November, 2015; Provided that the Central Government may, with prior notice, close the Scheme before the period specified above.

8. Interest.

(1) The interest on the Gold Bonds shall commence from the date of its issue and shall have a fixed rate of interest at 2.75 percent per annum on the amount of initial investment. (2) The interest shall be payable in half-yearly rests and the last interest shall be payable along with the principal on maturity.

9. Receiving Offices.

- The receiving office specified in Annexure I shall be authorised to receive applications for the Bonds either directly or through agents.

10. Payment Options.

(1) All payments for Gold Bond shall be accepted in Indian Rupees through cash or demand draft or cheque or electronic banking. (2) Where payment is made through cheque or demand draft, the same shall be drawn in favour of the receiving office.

11. Redemption.

(1) The Gold Bond shall be repayable on the expiration of eight years from the 26th November, 2015, the date of the issue of Gold Bonds: Provided that premature redemption of Gold Bond may be permitted from fifth year from the date of issue of such Gold Bond on the date on which interest is payable. (2) On maturity, the Gold Bonds shall be redeemed in Indian Rupees and the redemption price shall be based on simple average of closing price of gold of 999 purity of previous week (Monday to Friday) published by the India Bullion and Jewellers Association Limited. (3) The receiving office shall inform the investor of the date of maturity of the Gold Bond one month before its maturity.

12. Eligibility for Statutory Liquidity Ratio.

- The investment in the Gold Bonds under this Scheme shall be eligible for Statutory Liquidity Ratio.

13. Loan against Bonds.

(1) The Gold Bonds under this Scheme may be used as collateral security for any loan. (2) The Loan to Value ratio as applicable to any ordinary gold loan mandated by the Reserve Bank of India shall also apply to the Gold Bond under this Scheme. (3) The lien on the bond shall be marked in the depository by the authorised banks.

14. Tax Treatment.

- The interest on the Gold Bond shall be taxable as per the provisions of the Income-tax Act, 1961 (43 of 1961) and the capital gains tax shall also remain the same as in the case of physical gold.

15. Nomination.

- Nomination and its cancellation shall be made in Form 'D' and Form 'E', respectively, in accordance with the provisions of the Government Securities Act, 2006 (38 of 2006) and the Government Securities Regulations, 2007, published in part III, Section 4 of the Gazette of India

dated the 1st December, 2007.

16. Transfer of Gold Bonds.

- The Gold Bonds in the form of Stock Certificate is transferable by execution of an Instrument of transfer as in Form 'F', in accordance with the provisions of the Government Securities Act, 2006 (38 of 2006) and the Government Securities Regulations, 2007, published in part III, Section 4 of the Gazette of India dated the 1st December, 2007.

17. Trading in Gold Bonds.

- The Gold Bonds shall be eligible for trading from such date as may be notified by the Reserve Bank of India.

18. Commission for distribution.

- Commission for distribution shall be paid at the rate of rupee one per hundred of the total subscription received by the receiving offices on the applications received and receiving offices shall share at least 50% of the commission so received with the agents or sub agents for the business procured through them.

19.

All other terms and conditions specified in the notification of Government of India in the Ministry of Finance (Department of Economic Affairs) vide number F. No.4(13) W&M/2008, dated the 8th October, 2008 shall apply to the Gold Bond issued under this scheme.

Form 'A' [See paragraph 5(1)] Application Form for Sovereign Gold Bond 2015-16 (Put ☐ wherever required)

{|

No. : Issue open on: Issue closes on:

|}

Agent's Name & Code Sub Agent's Name & Code, if any Bank/ Post Office Branch

Name of Bank/ Post Office Name of Branch:

1.

) Applicant(s) Detail [in block letters]

Name	Date of Birth	Passport/ Aadhar/ PAN/ TAN/ Voter ID No. (any one of the above)
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1st Applicant

2nd Applicant

Guardian (in case of
minor)

Nominee details - Nomination Form 'D' (as applicable) to be filled and attached
Applicant status:
Resident Individual [], others [], Please specify: _____

2.

) Contact details of the Applicant:

Address : Street/ Village/ City: State : Pin Code :

Telephone/ Mobile No. Email :

3.

) Investment details

Grams of gold applied for

Issuance
Price
Per
gram
Gold.

Total Amount of Investment: Rs. _____ (in figures)

Rs. _____ only (in words)

Mode of subscription: [] Cash [] Cheque/ DD [] Electronic Transfer Cheque/ DD

No. dated. / / drawn
on (Bank/branch) for
(Amount)

..... (Rupees only)

In case, investment exceeds Rs. 50,000 in cash, PAN number

4.

) Depository participant details (to avail of option to hold the bond in demat form)

Depository Name NSDL []; CDSL []; For NSDL, enter 8 digit dp ID followed by 8
digit client ID, For CDSL enter 16 digit client ID

DP/ Client ID

5.

) Bank Details (for Interest/Redemption payment)

Bank Name: _____ Branch Name:

Account
No.: _____ IFSC Code: _____
Type of Account: () Saving () Current

6.

) Declaration: I/ We hereby declare and undertake that (i) my/our aggregate investment in Sovereign Gold bonds does not exceed 500 Grams during the financial year 2015-16 and (ii) the Information furnish in this application form is correct, (iii) I have read and understood the details of information for the investors as well as rights and duties of investors (copy attached). The agent/bank has explained the features of the scheme.

Signature _____ Signature _____ Signature _____
[(1st Applicant)] [in case of Thumb impression, please (2nd Applicant) Guardian
turn overleaf]

DATE: _____ Place: _____

Date, Bank Stamp & Signature of the authorized official of the bank/Post OfficeIn case of thumb impression, attestation by two witnessesWitnesses:

Name of 1stWitness..... Name of 2ndWitness.....
Address..... Address.....

Signature..... Signature.....

H.U.F. declaration (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 Sovereign Gold bonds 2015, standing in the name of the HUF.Specimen signature for and on behalf of the HUF (name of the HUF)

Place:.....

Date:..... (Signature of the Karta with seal of HUF)

For Office use only

Date of receipt _____ BLA CIF Date of Credit toGovt. NominationregisteredHUF
ofApplication(DD/MM/YYYY) No. No. A/C(DD/MM/YYYY) on(DD/MM/YYYY) declarationobtained(Y

Information For Investors InSovereign Gold Bonds 2015-16The main features of the Sovereign Gold Bonds Scheme 2015-16 are as under:-

Item	Sovereign Gold Bonds 2015-16
1) Category of Investor	The Bonds will be restricted for sale to resident Indianentities including individuals, HUFs, trusts,

	Universities, and to the charitable institutions.
2) Limit of investment	Minimum 2 Grams and Maximum investment 500 Grams per investor per annum
3) Date of Issue of bonds	Date of receipt of bond will be the same which is inscribed on the holding certificate.
4) Forms of Bonds	Demat and Physical both
5) Interest Option	Half yearly Interval, will be served directly in to the account mentioned in the application form or in the Account linked with the Demat a/c.
6) Post Maturity Interest	Post Maturity Interest is not payable
7) Bank account	It is mandatory for the investors to provide bank account details to facilitate payment of interest /maturity value
8) Nomination Facility	The sole Holder or all the joint holders may nominate one or more persons as nominee
9) Maturity period	8 years from date of issue
10) Premature redemption	On the coupon dates from the 5th year of issuance.
11) Trade-ability	Trading of these bonds on exchanges/NDS-OM will be notified shortly.
12) Loans from banks against the security of these Savings bonds	The holders of the said securities shall be entitled to create pledge, hypothecation or lien in favour of scheduled bank, FIs, NBFCs.
13) Application forms	Branches of all the scheduled commercial banks, and Post offices

Instructions For Investor/ Applicants a) Application should be complete in all respects. b) Incomplete applications may be rejected or delayed till full particulars are available. 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 an SGB. 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 provide bank account details for receiving payment through Electronic mode. i) Please notify the change of bank account, if any, immediately. j) Post Maturity Interest is not Payable. k) Indicate your date of birth. Rights Of The Investor a) The Bond (Holding Certificate) will be issued to the investor. b) The interest on the bond is paid half-yearly. The servicing of the Interest will be done through the bank A/c provided in the Application for or in through the A/c linked to the demat, as the case may be. c) Application forms for investments, Sovereign Gold Bonds are available on the website at www.rbi.org.in. d) A sole holder or all the joint holders may nominate one or more nominees to the rights of the bonds. e) The nomination will be registered at the Office of Issue and a Certificate of Registration will be issued to the holder. f) The nomination can be altered by registering a fresh nomination. g) The existing nomination can be

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To be filled in case if nominee is minor: As the sole nominee above is a minor on this date, I/We appoint Shri/Smt./Kum to receive the amount for the time being due to the above Government securities/ Bond in the event of my/ our death during the minority of the said nomineeIf the nomination is in substitution of the one already made: This nomination is in substitution of the nomination dated made by me/us and registered on your books at which shall stand cancelled on registration of this nomination.Place :(Signature (s) of the Stock Certificate holder(s)/BLA holder (s)Date :Signature with name and address of witnesses:

1.

2.

AcknowledgementWe acknowledge having registered the nomination in favour of (Name of nominees) for the Stock Certificate/BLA No. for the loan and the nomination registration no. is Please quote the above nomination registration no. in all communication pertaining to change or cancellation of nomination.Date :Authorised Official.....Form 'E'[See paragraph 15]Cancellation of NominationI/We (name and address) do hereby cancel the nomination dated made by me/us in respect of the following Stock certificate/Bond Ledger Account No., and registered by the Public Debt Office/branch of the Agency bank on(date) vide registration no.Particulars of the Stock Certificate/Bonds

Date of Issue Nomenclature of the loan Stock Certificate/ BLA No. Amount (Rs.)

Place :(Signature (s) of the Stock Certificate holder(s)/BLA holder (s)Date :Signature with name and address of witnesses:

1.

2.

AcknowledgementWe acknowledge having cancelled the nomination in favour of (Name of nominees) for the Stock Certificate/BLA No. for the loan noted vide our nomination registration no. datedDate :Authorised Official.....Form 'F'[See paragraph 16]Transfer Of Stock Certificates[I/We] [Delete whichever is not applicable.] (transferor/s) do hereby assign and transfer [my/our] [Delete whichever is not applicable.] interest or share in the inscribed stock certificate numberof percent Government Loan of amounting to Rs. being the amount /a portion of the stock for Rs. as specified on the

face of this instrument together with the accrued interest thereon to
 (transferee/s), [his/ her/ their] [Delete whichever is not
 applicable.] executors, administrators or assigns, and [I/We] [Delete whichever is not applicable.]
 do freely accept the stock certificate number to the extent it
 has been transferred to [me/ us] [Delete whichever is not applicable.]. [I/We] [Delete whichever is
 not applicable.] (transferee/s) hereby request that on [my/our] [Delete
 whichever is not applicable.] being registered as the holder/s of the stock transferred to [me/ us]
 [Delete whichever is not applicable.], the above stock certificate to the extent it has been transferred
 to me/us* may be renewed in [my/our] [Delete whichever is not applicable.] name(s)/ converted in
 [my/our] [Delete whichever is not applicable.] name(s). [I/We] [This paragraph is to be used only
 when a portion of the Certificate is transferred.] (transferor/s) hereby
 request that on the above transferee(s) being registered as the holder/s of the stock hereby
 transferred to [him/them] [Delete whichever is not applicable.], the aforesaid stock certificate to the
 extent it has not been transferred to [him/them] [Delete whichever is not applicable.] may be
 renewed in [my/our] [Delete whichever is not applicable.] name (s).] As witness, our hand the
 day of two thousand and

[Signed by the above-named transferor in
 the presence

of.....Signature of

[Signature, occupation and address of transferor.....Address:.....

witness. Witness should be different for
 transferor and transferee.]

[Signed by the above-named transferee in
 the

presence.....Signature of transferee.....]

[Signature, occupation and address of transferee.....

witness. Witness should be different for
 transferor and transferee.]

Transferred: Stock Certificate issued No/s dated

Manager, Reserve Bank of India,Annexure I

Nationalised Bank Scheduled Private Banks

- | | | | |
|----|--------------------------------|----|------------------------------|
| 1 | State Bank of India | 1 | Axis Bank Ltd. |
| 2 | State Bank of Bikaner & Jaipur | 2 | Catholic Syrian Bank Ltd. |
| 3 | State Bank of Hyderabad | 3 | City Union Bank Ltd. |
| 4 | State Bank of Mysore | 4 | Development Credit Bank Ltd. |
| 5 | State Bank of Patiala | 5 | Dhanlaxmi Bank Ltd. |
| 6 | State Bank of Travancore | 6 | Federal Bank Ltd. |
| 7 | Allahabad Bank | 7 | HDFC Bank Ltd. |
| 8 | Andhra Bank | 8 | ICICI Bank Ltd. |
| 9 | Bank of Baroda | 9 | IndusInd Bank Ltd. |
| 10 | Bank of India | 10 | Jammu & Kashmir Bank Ltd. |

11	Bank of Maharashtra	11	Karnataka Bank Ltd.
12	Canara Bank	12	Karur Vysya Bank Ltd.
13	Central Bank of India	13	Kotak Mahindra Bank Ltd.
14	Corporation Bank	14	Lakshmi Vilas Bank Ltd.
15	Dena Bank	15	Nainital Bank Ltd.
16	Indian Bank	16	Ratnakar Bank Ltd.
17	Indian Overseas Bank	17	South Indian Bank Ltd.
18	Oriental Bank of Commerce	18	Tamilnad Mercantile Bank Ltd.
19	Punjab National Bank	19	Yes Bank Ltd.
20	Punjab & Sind Bank	20	Bandhan Bank
21	Syndicate Bank		
22	Union Bank of India		
23	United Bank of India		
24	UCO Bank		
25	Vijaya Bank		
26	IDBI Bank Ltd		
27	Bharatiya Mahila Bank		
Scheduled Foreign Banks			
1	The Royal Bank of Scotland N.V	23	Mizuho Corporate Bank Ltd.
2	Abu Dhabi Commercial Bank Ltd.	24	Oman International Bank
3	Antwerp Diamond Bank N.V	25	Societe Generale
4	Arab Bangladesh Bank Ltd.(AB Bank)	26	Sonali Bank
5	Bank International Indonesia	27	Standard Chartered Bank
6	Bank of America	28	State Bank of Mauritius
7	Bank of Bahrain & Kuwait B.S.C	29	JSC - VTB Bank
8	Bank of Ceylon	30	UBS AG
9	Bank of Nova Scotia	31	American Express Banking Corporation
10	Bank of Tokyo - Mitsubishi Ltd.	32	First Rand Bank Ltd.
11	Barclays Bank	33	Commonwealth Bank of Australia
12	BNP Paribas	34	United Overseas Bank Ltd.
13	China Trust Bank	35	Credit Suisse A.G
14	Shinhan Bank	36	Sberbank
15	Citibank N.A	37	Australia and New Zealand Banking Group Ltd.
16		38	Rabobank International

Credit Agricole Corporate and
Investment Bank

17	Deutsche Bank	39	National Australia Bank
18	DBS Bank Ltd.	40	Woori Bank
19	Hongkong and Shanghai Banking Corpn. Ltd.	41	Industrial & Commercial Bank of China
20	J.P.Morgan Chase Bank N.A	42	Sumitomo Mitsui Banking Corporation
21	Krung Thai Bank	43	Westpac Banking Corporation
22	Mashreqbank	44	Doha Bank

List of Designated Post Office will be notified separately.