



बैंक ऑफ महाराष्ट्र
Bank of Maharashtra

भारत सरकार का उद्यम

एक परिवार एक बैंक

RBI has launched Inflation Indexed National Saving Securities-Cumulative (IINSS-C)

Product design

- Face value of one security - ₹ 5,000 (Rupee five thousand) and minimum investment - ₹ 5,000 (Rupee five thousand).
- Maximum investment - ₹ 500,000 (Rupee five lakh) per applicant per annum.
- Rate of interest (per annum) –real interest rate (fixed rate) + inflation rate.
 - Inflation rate will be based on final combined Consumer Price Index [(CPI) base 2010=100].
 - Real interest rate – 1.5% per annum and the same will act as floor.
 - Compounding - Half-yearly
- Tenor - 10 years.
- Early Redemption – after one year from date of issue for senior citizens above 65 years of age and 3 years for all others. The penalty charges at the rate of 50% of the last coupon payable for early redemption. Early redemptions to be allowed only on coupon dates.

Eligible Investors

- The eligible investors for these bonds would include individuals, Hindu Undivided Family (HUF), charitable institutions registered under section 25 of the Indian Companies Act and Universities incorporated by Central, State or Provincial Act or declared to be a university under section 3 of the University Grants Commission Act, 1956 (3 of 1956). The above proposed eligible investors in these bonds are the same as in the Relief/Savings Bonds.
- KYS documents are required.
- Joint holding is allowed.
- Nomination – A sole individual holder can nominate one or more persons who shall be entitled to the bonds and payment thereon in the event of his death. NRIs can also be nominee of these bonds.
- Transferability is allowed to the nominee(s) only for individual investor on death of holder.

Transferability is not allowed for other investors.

Process of Investing

- Investor should fill an application form and submit the

same along with other documents and payment to designated branch of Bank of Maharashtra.

- On receipt of money, bank branch will register the investor on the RBI's web-based platform (E-Kuber) and on validation, generate the Certificate of Holding.

The securities will be issued in the form of Bonds Ledger Account (BLA) and held with RBI. RBI will act as central depository.

Loan Facility

- These securities are eligible to be used as collateral for loans from banks, financial institutions and non banking companies (NBFC).

Tax Treatment

- Tax treatment on interest and principal repayment would be as per the extant taxation provision.
- The quoting of Permanent Account Number (PAN) mandatory for investment amounting to ₹50,000 (Rupee fifty thousand) and more. However, following exemptions with regard to PAN requirement will apply:

-As per Income Tax Rule 114B, any person who does not have a PAN and who enters into any specified transaction shall make a declaration in Form No.60.

-As per Rule 114C, the requirement of PAN is not applicable to the person who has agriculture income and does not have any other income provided he makes a declaration in Form 61, non-residents as referred to in Section 2(30) of the Income Tax Act, and Central Government, State Government and Consulate Office.

Please contact nearest branch for more details.

www.bankofmaharashtra.in

Further, section 206AA of Income Tax Act 1961 on requirement to furnish PAN would be applicable.

Selected 46 branches of Bank of Maharashtra are accepting the INSS –C securities.