

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**THIRD TRANCHE OF THE SOVEREIGN GOLD BOND SCHEME TO
REMAIN OPEN FROM 8TH MARCH 2016 (TUESDAY) TO 14TH MARCH,
2016 (MONDAY)**

New Delhi, March 3, 2016

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The Third Tranche of the Sovereign Gold Bonds will be kept open from 8th March 2016 (Tuesday) to 14th March, 2016 (Monday). The Bonds will be issued on 29th March, 2016. Shri Shaktikanta Das, Secretary, Department of Economic Affairs, Ministry of Finance has held a review meeting with the CMDs of the Banks on 3rd March, 2016 and discussed their preparedness for the third tranche of SGB.

To increase the awareness among depositors, Government is continuing the Media campaign in AIR and FM radio, Print media and through Mobile SMS campaign. Information is also available on the website www.finmin.nic.in/swarnabharat and on the toll free number 18001800000.

Earlier, the Government had launched the Sovereign Gold Bond Scheme on 5th November, 2015. The main objective of the scheme is to reduce the demand for physical gold and shift a part of the gold imported every year for investment purposes, into financial savings through Gold Bonds.

Sovereign Gold Bonds are issued by RBI on behalf of the Government of India on payment of the required amount in rupees and are denominated in grams of gold. The Bonds are restricted for sale to resident Indian entities including individuals, HUFs, trusts, Universities, charitable institutions. Minimum permissible investment is 2 grams of gold to be paid in rupees. The maximum amount subscribed by an entity will not be more than 500 grams per person per fiscal year (April-March). Government has fixed the rate of interest for the year 2015-16 as 2.75 % per annum , payable on a half yearly basis. The bonds are available in both in demat and paper form. The rate for the Bonds is fixed on the basis of simple average

of closing price for gold of 999 purity of the previous week published by the India Bullion and Jewellers Association (IBJA). These bonds will be available at Banks , Post Offices and SHCIL . The tenor of the Bond is for a period of 8 years with exit option from 5th year onwards to be exercised on the interest payment dates. KYC norms are same as that for gold. Exemption from capital gains tax is also available. Long term capital gains arising to any person on transfer of SGB is also eligible for indexation benefits. On maturity, the investor will get the equivalent rupee value of the quantum of gold invested at the then prevailing price of gold.

DSM/MAM