

# Sovereign Gold Bonds (SGB) issued by Government of India

(Issue Opens :- 18<sup>th</sup> to 22<sup>nd</sup> July 2016)

## Now earn additional 2.75% p.a. returns on Sovereign Gold Bonds

Know more about Sovereign Gold Bonds Scheme

- > SGBs are Government securities denominated in grams of gold (1 unit = 1 gram)
- > Issued by the Reserve Bank of India on behalf of the Government of India
- > Investors will earn returns linked to gold price
- > Additionally fixed interest of 2.75% p.a. payable semi-annually on the amount of initial investment
- > Bonds will carry sovereign guarantee both on redemption amount and on the interest
- > Minimum investment: 1 grams • Maximum investment: 500 grams
- > Available in DEMAT & Paper form
- > Tradable on National Stock Exchange of India Limited (NSE)
- > Tenure: 8 years with an exit option from 5th year onwards

### **ADVANTAGES OF INVESTING IN SOVEREIGN GOLD BONDS (SGB)**

- | **Safest:** Zero risk of handling physical gold
- | **Earn Interest:** 2.75% assured interest per annum on the initial investment
- | **Tax benets:** No TDS applicable on interest Indexation benefit if bond is transferred before maturity Capital gain tax exempt on redemption
- | **Assurance of purity:** RBI will announce the price before the issue date which will be fixed on the previous week's simple average of closing price of gold of 999 purity published by IBJA
- | **Sovereign guarantee:** Both on redemption amount and on the interest
- | **Easy exit option:** The tenure of the bond is for 8 years with an option to redeem from 5<sup>th</sup> year onwards on the date on which interest is payable.
- | **Ease of borrowing loan:** Can be used as collateral for loans

CONTACT US TO INVEST IN SGB SCHEME

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