



Sovereign Gold Bond (SGB) Scheme: Complete Details-III



✚ Q: At what price the bonds are sold?

✚ A: Price of bond will be fixed in Indian Rupees on the basis of the previous week's (Monday – Friday) simple average price for gold of 999 purity published by the India Bullion and Jewellers' Association Ltd. (IBJA).

✚ The issue price will be disseminated by the Reserve Bank of India

✚ Q: Will RBI publish the rate of gold applicable every day?

✚ A: The price of gold for the relevant tranche will be published on RBI website two days before the issue opens.

✚ Q: What will I get on redemption?

✚ A: On maturity, the redemption proceeds will be equivalent to the prevailing market value of grams of gold originally invested in Indian Rupees.

✚ The redemption price will be based on the simple average of previous week's (Monday-Friday) closing gold price for 999 purity published by the IBJA.

✚ Q: How will I get the redemption amount?

✚ A: Both interest and redemption proceeds will be credited to the bank account furnished by the customer at the time of buying the bond.

✚ Q: Can I encash the bond anytime I want? Is premature redemption allowed?

✚ A: Though the tenor of the bond is 8 years, early encashment/redemption of the bond is allowed after fifth year from the date of issue on coupon payment dates.

✚ The bond will be tradable on Exchanges, if held in demat form. It can also be transferred to any other eligible investor.

✚ Q: Can I gift the bonds to a relative or friend on some occasion?

✚ A: The bond can be gifted/transferable to a relative/friend/anybody who fulfills the eligibility criteria.

✚ The Bonds shall be transferable in accordance with the provisions of the Government Securities Act 2006 and the Government Securities Regulations 2007 before maturity by execution of an instrument of transfer which is available with the issuing agents.