

GUIDELINES TO IDBI BONDHOLDERS

1. Redemption of Bonds

The bonds are redeemed on the date of maturity on surrender of the duly discharged bond certificates (by signing on the reverse of the bonds with Revenue Stamp of Re.1/-) by Registered bondholders. The record date for redemption is one month prior to the deemed date of encashment / redemption.

However, IDBI Bank has the right to dispense with the requirement of surrendering bond certificates for redemption at its sole discretion by giving a public notice through newspapers and / or intimation to individual bondholders atleast 15 days prior to the record date. In case of such dispensation, IDBI Bank is discharged of its liability if the redemption proceeds are remitted to the bondholders appearing in its Register of bondholders as on the record date. As the bonds are transferable by endorsement and delivery, the transferee must get his name registered with IDBI Bank prior to the record date of maturity / early redemption.

2. Change of Address / Bank Details

Request for change of address / bank details will be entertained only if it is in writing and signed by all the bondholders, indicating the folio number. The request for change of address has to be submitted to the Registrar along with self attested Permanent Account Number (PAN) card and relevant address proof.

3. Issue of Duplicate Bond Certificate

- ❖ In case of defaced / damaged bond certificate(s), new bond certificate(s) are issued in lieu of defaced / damaged bond certificate. The defaced / damaged bond certificates may be sent to the Registrar with a duly signed request, and copy of PAN card to enable IDBI Bank to issue new certificate(s).
- ❖ In case of lost or misplaced bond, For issue of duplicate bond certificate(s), the investor has to submit the following documents with Registrar / IDBI Bank.
 - FIR copy (if Police complaint filed earlier)
 - Indemnity Bond duly executed by the Bond Holder on Rs.200/- Non judicial Stamp paper with details likes 2 witnesses (i.e. including Name, address, and signature is clearly be mentioned) with Notary attestation. Along with Affidavit on Non Judicial Stamp Paper of Rs.100/-.(format available under link forms)
 - Copy of Pan Card with self -attestation.
 - Copy of Aadhar Card with self - attestation
 - Form 15G/H (format available under link forms)
 - Communication address with proof duly attested.
 - Bank details with proof duly attested/Cancelled cheque leaf (Should be an Indian account).

- Bank attestation for signature verification (format available under link forms)
- If there is a change of name, we require A Gazette Copy duly attested / copy of Marriage certificate with details of "Old Name & Changed Name" duly attested.
- Form for claiming the amount (format available under link forms)

Duplicate bond certificate(s) will be issued only after issue of necessary notification regarding loss / non-receipt of the original bond certificate(s) in the newspapers.

4. Issue of Duplicate Interest Warrant(s)

- ❖ Interest warrants are dispatched generally a week ahead of their due date to the registered bondholders. Bondholders who do not receive interest warrants within a reasonable period after due date shall inform the fact of non-receipt of interest warrants to the Registrar quoting folio no., certificate no., name and other relevant details such as type of issue, name of scheme, and the due date / period to which the interest warrant pertains.
- ❖ Where the warrant has been issued and posted, but not returned undelivered or has been lost, duplicate interest warrants will be issued on receipt of such request from the bondholder only after ascertaining the unpaid status of the warrants.
- ❖ In case of expiry of the validity period, the warrant(s) may be sent to the Registrar for revalidation / issue of fresh warrant.

5. Change in the Names of Bondholders

- ❖ Change in the names of Adult bondholder

In case of change of name(s), the bond holders(s) has / have to submit the following documents with Registrar / IDBI.

- Original bond certificate duly signed by holder on the reverse of the certificate.
- Copy of Pan Card with self -attestation.
- Copy of Aadhar Card with self -attestation
- Form 15G/H (format available under link forms)
- Communication address with proof duly attested.
- Bank details with proof duly attested/Cancelled cheque leaf (Should be an Indian account).
- Bank attestation for signature verification (format available under link forms)
- If there is a change of name, we require A Gazette Copy duly attested / copy of Marriage certificate with details of "Old Name & Changed Name" duly attested.
- Form for claiming the amount (format available under link forms)

❖ Change in the status of minor consequent on attaining majority

On attaining majority, a minor who had acquired bonds through his guardian, may apply for registering the bonds in his / her own name. The request in this regard shall be made with the proof of minor having attained the majority (Birth Certificate / Secondary School Certificate etc.). The minor on attaining majority, shall also have to submit a fresh specimen signature duly attested by his /her guardian or banker.

❖ Change of guardian

Minor who has acquired the bonds through his guardian, can apply for change of the name of guardian. Such request shall be made by the new guardian. If the person who acted as guardian at the time of acquisition of bonds is alive, his consent for the change of guardian need to be produced. The new guardian shall have to submit specimen signature duly attested by his Banker or other competent authority and proof in support of claiming to be the natural / legal guardian or guardian appointed by a Court.

❖ Change of name of minor

The guardian of the minor bondholder, who wishes to record change in the name of minor after naming ceremony, can apply for the change of name of minor by endorsing the bond certificates (as in the case of Transfer) and producing the proof of change of name of minor.

❖ Change in the name consequent upon change in marital status

For effecting the change of name consequent upon marriage / divorce, etc., the original certificate together with a copy of marriage certificate / decree of divorce duly attested by competent authorities shall have to be forwarded to the Registrar with fresh specimen signature of the holder duly attested by a banker / notary / magistrate.

❖ Change in the name of Companies

Companies desirous of changing the name in which the bond certificate was issued, shall have to furnish a certified copy of the fresh Certificate of Incorporation issued by the Registrar of Companies alongwith the original bond certificate.

Requests for correction in bond certificates / interest warrants duly signed by all the holders may be sent alongwith the original certificate / warrant and relevant document like Gazette notification / Marriage certificate.

6. Transfer of Bonds

The bonds in the form of promissory notes, being negotiable instruments, are transferable by endorsement and delivery. The transferor (seller) has to affix his / her signature at the place indicated on the reverse of the bond certificate and the transferee (buyer) to write his name and affix his / her signature at the appropriate place. The vernacular endorsement must be translated into English

immediately below the name. In case of thumb impression, it is required to be attested by the authorised person (magistrate, notary public, gazetted officer, managers of nationalised banks or officer of IDBI Bank).

Please ensure that all the buyers (transferees) and sellers (transferors) of the certificate have signed at appropriate places in the certificate and the buyer's address is given in full including pin code and telephone, e-mail id and fax number, if any, in a separate letter.

In case a transferee wishes to have the bond certificate signed by his constituted Attorney, it will be necessary to attach the necessary Power of Attorney duly notarised.

In case the purchaser is already having an existing folio number in the same scheme, please quote the same to enable IDBI Bank to register new bonds in the same folio number.

Payment of interest on bonds is made to registered bondholders only. In case of transfer, the transferee is advised to register his name with IDBI Bank before the record date i.e. 1 month prior to the date on which interest is due or before mailing post dated warrants for monthly / quarterly income scheme. If the request for transfer is not received by IDBI Bank / Registrars before the record date, payments will be made to the Registered bondholder (as on the record date) and claims, if any, shall be inter-se among the parties and shall not be against IDBI Bank.

❖ Transmission of Bonds in case of death of bondholder

Transmission of bond certificate arises in case of death of the registered bondholder. A copy of the death certificate of the deceased registered bondholder duly attested by authorised person (magistrate, notary public, gazetted officer, managers of nationalised banks or officials of IDBI Bank) may please be sent alongwith the bond certificate.

If the bonds are held in joint names, only the deceased bondholder's name will be deleted and the bond will be transmitted to the survivor/s and on the death of the last survivor, to his executors, administrators or any person who is the holder of a succession certificate in respect of such bond.

In case of sole bondholder, the bond will be transmitted in favour of those persons who are executors or administrators of a deceased registered bondholder as per the Will executed by him.

In case the deceased bondholder has not left any Will, transmission of the bonds will be effected to the heirs of the deceased bondholder only on production of succession certificate or letter of administration.

❖ Addition of name as second or third holder in the certificate

When a certificate is in the name of sole holder / or two holders and he / she / they desire/s to add one or more name(s) as joint holders of the bond certificate, (maximum three holders), he / she / they is / are advised to follow the procedure applicable to the transfer of bond certificate (i.e. the original holder(s)

has / have to sign on reverse side of the bond certificate as transferor(s) and then the original holder(s) and additional holder(s) has / have to write their name(s) and affix signature(s) as transferee at appropriate places). In case the name to be added is that of minor, the minor's name to be written first, below which the guardian's name has to be written under the same column (U/g____). Signature(s) is / are to be put as explained above. The certificate may be forwarded to the Registrar for registration.

❖ Nomination

IDBI bonds have facility for nomination. The sole bondholder or all the holders jointly or the surviving holder/s may nominate one or more persons (not exceeding four), including a minor, who shall in the event of death of sole holder or all the joint holders, be entitled to the amounts payable in respect of bonds. Where the nomination is in the name of more than one person, the nominee first named shall alone have the right to receive the amount in the event of the death of the holder(s). The nominee has the right to receive the amount only. The certificate will not be transferred in his / her name nor he / she can sell or transfer the certificate.

- ❖ In case the nominee is a minor, the bondholder has to indicate his / her date of birth alongwith other details, viz. name of his / her guardian and address.
- ❖ Nomination can be made at the time of application or subsequently. A nomination once made can also be cancelled / substituted. Application in this regard, signed by all the holders, may be forwarded to the Registrar.
- ❖ A nomination stands cancelled upon the transfer of bonds. A transferee will be entitled to make a fresh nomination for which request in writing shall be made to the Registrar.
- ❖ The nomination facility is not available to the person holding the bond as holder of office or acting for the trust or acting in any other capacity for any other person(s) with beneficial interest in bonds.

(Please note Transfer, addition of name and nomination in respect of IDBI Bonds can be made only during the currency of the bonds.)

7. Call / Put Option, if any

Some of the IDBI Bonds have Put Option (option by bondholders for early redemption) on the specified dates at the deemed face value of the bond as mentioned on the face of the certificate. Investors desirous of exercising the option are required to submit their request to the Registrars, along with the bond certificates duly discharged at least one month before the relevant date.

Likewise, IDBI Bank also reserves the right to redeem the bonds (Call Option) on the specified dates at the deemed face value of the bond by issuing Call Option notice to the bondholders.

IDBI Bank redeemed the following bonds early by exercising call option on various dates (in terms of the provisions of respective Offer Documents), as per

details given below:

Bond series	Scheme (Prefix to Folio No.)	Call Option date	Issue Price (Rs.)	Redemption Amount (Rs.)	Registrar
Series I 1992	Deep Discount Bond (DD)	31.03.2002	2,700	12,000	KFin Technologies Ltd. (Formerly known as Karvy Fintech Pvt. Ltd.) Selenium Building Tower B, Plot No. 31-32, , Financial District, Nanakramguda, Serilingampally
Flexi 1 (1996)	Deep Discount Bond (FDDB/ PDDB)	01.08.2000	5,300	10,000	
	Retirement Bond (FRMB/ PRMB)	01.08.2000	5,300	10,000	
	Easy Exit Bond (FEEB/ PEEB)	01.08.2000	5,000	5,135	
	Regular Income Bond (FRRB/ PRRB)	01.08.2000	5,000	5,169	
Flexi 2 1997	Deep Discount Bond (FDD)	30.04.2001	5,500	10,000	
Flexi 3 1998	Deep Discount Bond (FDB)	16.03.2003	12,750	23,500	
Flexi 4 1998	Deep Discount Bond (IFD)	16.11.2005	10,000	25,000	
Flexi 7 1999	Deep Discount Bond (DDB 7)	11.09.2004	5,000	9,000	

No interest is payable on the above bonds after the call option date. Intimation to individual bondholders were issued by IDBI Bank before exercising Call Option. Further, Call Option Notice and Reminder Notices were published in National, Regional and Local newspapers. Bondholders, who have not yet obtained redemption payment by submitting the duly discharged bond certificates, should forward the bond certificate along with a copy of PAN Card, quoting their address, contact no., email id and bank details of the first holder, to the respective Registrar(s) as indicated above. Investors eligible for TDS exemption should furnish Form 15G /15H along with copy of PAN Card, without which no exemption will be allowed and tax at higher of the prescribed rate or 20% will be deducted.

8. Tax Deduction at Source from Interest Payment

Interest on bonds is treated as interest on securities for the purpose of income-tax. Such interest is subject to TDS at prevailing rate (10% for resident investors). Where the tax is deducted at source, a certificate to that effect in Form 16A is issued to the investors whose PAN is available with the Registrar. In case the same is not received, the investor may write to Registrar with full details for issue of duplicate certificate. In terms of the new provision relating to TDS under the Income Tax Act 1961, with effect from April 1, 2010, tax at higher of the prescribed

rate or 20% will be deducted on all transactions liable to TDS, where PAN of the deductee is not available.

No Income Tax is, however deductible at source under the present provisions of the Income Tax Act, on interest payable on bonds in respect of the following cases:

- ❖ When the payment of interest on bonds to resident individual bondholder in the aggregate does not exceed Rs.5000/- during the financial year.
- ❖ When the resident bondholder (not being a company or a firm) submits a declaration as per the provisions of section 197A of the Income Tax Act in the prescribed Form 15G (alongwith copy of PAN Card) to the effect that the tax on his / her estimated total income including the interest on the securities for the relevant year will be NIL, provided the interest amount for the year does not exceed the maximum amount which is not chargeable to Income Tax.
- ❖ Senior citizens, who are of the age of 65 years or more, can submit a self declaration in prescribed Form 15 H (alongwith copy of PAN Card) for non-deduction of tax.
- ❖ When the Assessing Officer issues a certificate as per provision of section 197(1) of the Income Tax Act for deduction of tax at source at a rate lower than the prescribed rate / NIL rate. The certificate shall not be valid, unless it bears PAN of the payee.
- ❖ Interest payable to certain categories of investors, viz. Provident / Superannuation / Gratuity Funds recognized by Income Tax Department and other entities exempted from deduction of tax at source by virtue of relevant notification / circular.
- ❖ In case of Deep Discount / Money Multiplier Bonds and bonds with cumulative option, as clarified by Central Board of Direct Taxes, difference between the issue price and the redemption price of the bond will be treated as interest income assessable under Income Tax Act in the year of redemption and tax will be deducted at source on this interest.

9. General Instructions for Bondholders

- ❖ While sending queries / grievances, please quote the name of the first holder and Folio No. (with prefix). Additional details, viz. issue / scheme, application / certificate no., subject matter, etc. will be appreciated. Please indicate full address of the first holder including pin code and telephone / fax no. / e-mail id, if any.
- ❖ The communication must be legible. Valuable documents may be sent by registered post. Please retain photo-copies of application, bond certificates and other important documents before sending the originals to the Registrars. This would facilitate future queries.
- ❖ Any change in the signature may be furnished to the Registrars with fresh specimen signature duly attested by your banker.

- ❖ While reply is generally given within 15 days from the date of receipt of grievance, matters like transmissions / transfers, etc. take about a month.
- ❖ In the case of request for duplicate bond certificates, since the procedure involved is elaborate, the same are issued within 8 weeks from notification of loss in newspapers.
- ❖ Sales and purchases of bonds may be done preferably through the registered share broker of recognized Stock Exchanges.
- ❖ IDBI Bonds can be pledged as security for availing of loans. The banks / financial institutions granting such loan may send such request to the Registrars, together with a 'no objection' from the bondholders, quoting the folio no., certificate / distinctive nos. of the bonds.

(Download Forms / Format)

- [Form for claiming the amount](#)
- [Format of Affidavit for duplicate Bond Certificates\(In case of loss of original certificate\)](#)
- [Format of Signature verification](#)
- [Indicative List of KYC Documents](#)

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