


FLOATING RATE SAVINGS BONDS 2020 (TAXABLE)



8.05% p.a
RBI FLOATING RATE SAVINGS BOND
2020 (Taxable)

Get the best balance of Secure & Attractive returns

*The interest rate of the bond would be reset half yearly, starting with January 01, 2021 and the coupon/interest rate will be set at a spread of (+) 35 bps over the prevailing National Savings Certificate (NSC) .

The government has launched floating-rate bonds in lieu of earlier withdrawn 7.75% RBI bonds. The bonds are available for subscription from July 1, 2020.

If you are looking for a risk-free investment with higher returns, RBI Floating Rate Savings Bonds, 2020 (Taxable) is an attractive investment option to offer to your customers online :

7.15% RBI FLOATING RATE SAVINGS BONDS, 2021 – ELIGIBILITY AND FEATURES

Eligibility for Applying GOI:	Features:
<p>A person residing in India</p> <ul style="list-style-type: none">▶ In his or her individual capacity, or▶ In individual capacity on a joint basis, or▶ In individual capacity on anyone or survivor basis or,▶ On behalf of a minor as father/mother/legal guardian▶ A Hindu Undivided Family.	<ul style="list-style-type: none">▶ Minimum investment of Rs.1,000/-▶ No maximum limit on investment▶ Floating rate of interest with a Half Yearly interest payout▶ 7 years tenure of the bond from the date of issue with a special provision for pre mature redemption for Senior Citizens.

RBI Announces Rate of Interest on Floating Rate Savings Bond, 2020 (Taxable) is @ 8.05% for the period July 01, 2023 - December 31, 2023 [Know More...](#)

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The Bonds will be issued for a minimum amount of Rs. 1,000/- and in multiples thereof. There will be no maximum limit for investment in Bonds.

4. Is a nomination facility available?

Yes, a nomination facility is available.

5. How much tax do I have to pay?

The interest income from the bonds is taxable. TDS (This stands for Tax Deducted at Source, which means the tax you have to pay on your salary is already deducted and the net amount is received by you.) is deducted at the time of interest payment as per the prevailing IT rules.

6. What is the tenure of the Floating Rate Savings Bonds, 2020 (Taxable)?

The tenure of the bond is 7 years from the date of issue. No interest will accrue after the maturity of the bond.

7. Premature redemption for senior citizens.

Premature redemption facility is allowed for investors in the age group of 60 years and above as per RBI's Notification. Age criteria given below-

Age Group	Premature Redemption
60 yrs -70 yrs	6 Years from date of Investment
70 yrs - 80 yrs	5 Years from date of Investment
80 yrs & above	4 Years from date of Investment

8. When is the interest payable?

Interest is payable semi-annually from the date of issue of bonds, up to 30th June / 31st December as the case may be, and thereafter half-yearly for period ending 30th June and 31st December on 1st July and 1st January respectively.

9. How much interest will the Floating Rate Savings Bonds, 2020 (Taxable) bear?

1. The Floating Rate Savings Bonds, 2020 (Taxable)- FRSB 2020 (T), the coupon/interest rate of the bond would be reset half yearly, starting with January 01, 2021 and the coupon/interest rate will be set at a spread of (+) 35 bps over the prevailing National Savings Certificate (NSC) rate.
2. The rate of interest on NSE has been set to 7.7 % for the second quarter of FY 2023-24 in terms of GOI notification F.No. 1/4/2019 – NS dated June 30, 2023. Accordingly, the coupon rate on FRSB 2020 (T) for period July 01, 2023 to December 31, 2023 and payable on January 01, 2024 has been reset at 8.05 % (7.7% + 0.35%=8.05%