

Finance Division S.R.O No. (1)/2003, 30th July, 2003

BAHBOOD SAVINGS CERTIFICATES RULES, 2003.
(Updated upto May, 2021)

1	These rules shall be called the Bahbood Savings Certificates Rules, 2003”.
2	The rules shall apply to the “Bahbood Savings Certificates” hereinafter called the “Certificate” issued in pursuance of these rules.
3	The certificate shall be issued by National Savings Centre hereinafter called the “Office of Issue”.
4.	The certificate shall be issued in the denomination of Rs.5,000/-, Rs.10,000/-, Rs.50,000/-, Rs.100,000/- and Rs.500,000/-, *Rs. 1,000,000/-” or any amount in case of scrip-less form subject to minimum and maximum limit as defined in rule-6.
5.	A certificate may be purchased by any of the following ***[Citizen of Pakistan], namely:- (a) a senior citizen aged sixty year or above ; and (b) a single widow so long as she does not re-marry, and (c) a person with disability holding National Identity Card with disability logo: and (d) two eligible persons as in clause (a), (b) and (c) in their joint names:- (i) payable to the holders jointly or payable to either with the written consent of the other (Joint class-A); and (ii) Payable to either (Joint class-B).
6.	The certificates shall be issued for a period of ten years, with a minimum deposit of five thousand rupees and multiple thereof subject to maximum limit of five million rupees and ten million rupees for joint holders. Provided that none of the holder shall, under any circumstances, hold more than Rs. 5,000,000/- whether held wholly under his/her own name or jointly with another. For the purpose of calculating the individual holding, when two persons hold jointly, one half of the holding shall be assumed to belong to each.
7.	If through any cause, the total holding of any purchaser under a single name or in joint names is discovered to be in excess of the limits prescribed in rule 6 whether as a result of,- (a) direct deposit; or (b) receipt by transfer ; or (c) inheritance, or award, the purchaser concerned shall be bound immediately to discharge the excess holding and no profit shall be paid on the amount in excess of the maximum permissible limit,

8	Any profit or principal payment which may have been made in contravention of these rules or by mistake shall be refunded to the Government in lump-sum and in the event of failure to refund the amount(s), shall be deducted from any money payable by the Government to the person(s) who received the profit or principal payment. In case however, no money is payable by the Government to the person(s), (in addition to other remedies for the recovery thereof by the Government), the recovery shall be got affected from his or her or their estate, or be recovered as arrears of land revenue.
9.	Partial encashment made, if any, shall be in multiple of Rs.5,000/- (five thousand rupees only).
10	Profit shall be payable on completion of each period of one month reckoned from the date of issue of a certificate till maturity or encashment, whichever is earlier. No profit shall be paid for any period less than one month. The net payable monthly profit accrued on certificates, shall be credited through correlation process in the Savings Account of the respective certificate's purchaser(s), which has been opened / is being maintained at the same office of issue / National Savings Centre.
11	<p>Service charges at the rate of 1%,0.75%,0.50% and 0.25% of the face value of the certificate shall be deducted if encashed before completion of one, two, three and four years from the date of issue, respectively.</p> <p>Provided that no service charges shall be deducted in case of premature encashment of the certificate by the nominee or successors in the event of death of the certificate holder.</p>
12	<p>Monthly profit on these certificate shall be paid as notified by the Finance Division with the approval of Minister-in-charge the official gazette from time to time.</p> <p>Provided that any upward revision of the rate notified by the Finance Division with the approval of Minister-in-charge subsequent to the date of this notification shall be applicable to the existing certificates but nay downward revision of such rate of profit shall only be applicable to fresh investments.</p> <p>The Federal Government is pleased to direct that the monthly Profit on BSC notified on 29.11.2008 by the Federal Govt. shall be applicable to all existing investment w.e.f.01.02.2009</p>
13	The monthly profit, if not drawn on due date shall not earn any further profit.”
13 A	Profit on Certificate,- the profit in case of certificate purchased from computerized NSC, accrued profit on due date shall be credited the link Savings Account.
14	Profit on Bahbood Savings Certificates is exempted from withholding tax at source on new as well as existing investment w.e.f. 01-07-2004.
15	Any investment made under these rules and profit earned thereon shall be exempt from compulsory collection of zakat at source.

15 A	The certificates in respect of which no transaction has been made by the depositor for a period of one year shall be marked as dead certificates and no subsequent transaction by the investor shall be allowed without prior approval of the incharge of the office of issue.
15 B	<p>In case the certificate are not encashed by the purchaser for two years from the date of maturity, the principal amount shall be transferred to the Federal Government Account:</p> <p style="padding-left: 40px;">Provided that the face value of such certificates may be revived at any time on the application of the purchaser, nominee or successor, as the case may be, and such revived certificates shall be encashed alongwith payment of accrued profit thereon, if any, till maturity or death of depositor, whichever is earlier:</p> <p style="padding-left: 40px;">Provided further that in case profit is not claimed up to six years from the date of accrual by the certificate' purchaser, nominee or successor, as the case may be, the liability of the Government in respect of such profit payable thereon shall terminate. In such case no amount on account of profit shall be paid.</p>
15 C	<p>In respect of the procedure for transfer of Government and revival thereof, rule 36B of the Defence Savings Certificates Rules, 1966, shall apply to the Bahbood Savings Certificates as it applies to Defence Savings Certificates and, in such application, the said rule shall be construed as if the references therein and the forms thereof to the Defence Savings Certificates were references to the Bahbood Savings Certificates.</p> <p>Explanation.- Accrual means the date from which the profit is due.</p>
16 .	The certificate shall be non-transferable; provided that the nominee(s) who is/are eligible in terms of rule 5 shall, on the death of the certificate holder(s), be entitled for transfer of certificate in his/her/their name(s) subject to the limitation laid down under rule 6.
17 .	<p>“17(1).The purchaser of certificates may make nomination at the time of purchase in the prescribed application. The purchaser may change or cancel previous nomination at any time through a notice to the issuing authority.</p> <p>17(2). In case of death of certificates' purchaser, payment including principal amount and profit accrued thereon, if any, till the date of payment in respect of certificates of the deceased shall be payable to his legal heirs according to succession certificate issued in accordance with the law for the time being in force. However, in cases, where –</p> <p>(a) total net payable amount does not exceed one hundred thousand rupees, payment shall be made to the nominee(s), as mentioned in SC-I or SC-3 form by the purchaser, upon furnishing duly verified and attested, copy of Family Registration Certificate (FRC) issued by NADRA and affidavit as set</p>

out in Appendix-1.XXV-A to the effect that he shall be bound to distribute the received amount among all the legal heirs according to their due share as per law of the land; and

(b) the nominee is an institution or minor, payment shall be made on provision of succession certificate issued in accordance with the law for the time being in force, and

(c) the nomination has ceased to have effect due to death of the nominee before the death of holder or before he has received any sum thereunder or the purchaser had made no nomination, as the case may be, payment shall be made on provision of succession certificate issued in accordance with the law for the time being in force.

(3) Where, in a case, specified in clauses (a) to (c) of sub-rule (2), the total payable amount does not exceed fifty thousand rupees and the probate of the Will of the holder, or the letters of administration of his estate, or a succession certificate (in accordance with the law for the time being in force) is not produced to the concerned office of issue within three months of the death of the holder, Payment of the sum may be authorized by the officer and to the extent, as mentioned below, which shall be made to the person who appears to be entitled to receive it or to administer the estate of the deceased holder, upon furnishing duly verified and attested copy of Family Registration Certificate (FRC) issued by NADRA and affidavit as set out in Appendix-1.XXV-A to the effect that he shall be bound to distribute the received amount among all the legal heirs according to their due share, namely:-

National Savings Offices

Up to Rs.10,000/-	Officer Incharge, National Savings Centre
Up to Rs.25,000/-	AD(HQ), RDNS
Up to Rs.50,000/-	Controlling Officer, RDNS

Explanation.- Where a certificate has been purchased in joint names, on death of one of the holder, the survivor is entitled to maintain the same. In case of death of both, the payment shall be made in accordance with rule 17.”

II. After form SC-6, the following new form shall be added, namely:-

UNDERTAKING

(On stamp paper)

I _____ son / daughter / wife / widow of _____ resident of _____ holding CNIC / NICOP / Registration No. _____ do hereby solemnly affirm and declare that _____ (deceased) during his life time had purchased _____ Certificate Registration No. _____ for Rs. _____ on _____ or opened _____ Account No. _____ having balance at credit of Rs. _____, as on _____ date _____, and nominated me as trustee to receive the said amount, along with profit, if any, thereon and to disburse the same among all the legal heirs entitled thereto under the law to the extent of their respective share/cases falling under clause (c), sub-rule (ii) of Rule 13 of DSC Rules, 1966. Since the said purchaser or account holder has died on _____, therefore, I hereby acknowledge the receipt of the said amount paid through the Government’s Cheque No. _____ dated _____ for Rs. _____ and undertake that I shall disburse the said amount among all the legal heirs of the said _____ (name of purchaser or account holder) to the extent of their respective shares in accordance with the law. I also undertake to return the said whole amount, in lump sum in case any legal proceedings are initiated against the National Savings / National Savings Centre _____ and shall also keep the said National Savings Centre indemnified of any loss or losses caused to the said NSC due to the said litigation or legal proceedings.

(DEPONENT)

WITNESSES

1 _____
2 _____

Witnessed on oath on this day _____ month _____ year
_____ at _____ in my presence.

OATH COMMISSIONER”;

18	In regard to the procedure for issuance of a certificate, encashment of a certificate, issuance of duplicate certificates in case of lost, theft, transfer of a certificate from one office of issue to another, nomination of beneficiary and all other matters, the Defence Savings Certificates Rules, 1966 amended from time to time shall, if not inconsistent with these rules, apply to the certificate issued under these rules.
19	The purchase of Bahbood Savings Certificates shall be bound by these rules.

