

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (ISSUE AND MANAGEMENT OF BONDS) REGULATIONS, 1990

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Fir afa , qr qfqgz fqqr ft f•r: f.lfa•r. r•r.rrr (q) (11) qirf q-*q-vr PTFii t, iq qr zqr ur D D D Ill (2) qr fv,qr qr-dl qtr 17. ft3fr qrufrTtrq, 925 (1925 vr 39) t. 10 T.r fri qferq-rü 2) q•f.rfrqq, 1872 (1872 9) q 5 foil ft, ft:rr zrt (f;tim qßrrrft fiÄr qr qr i! täi qr qqi, qfquqoi • l) 17 Y. c.i. u rfëqfd qr foo qr zqfrHTii fq;-q '6041 fr7fr 23 Tüifvrfrtii -;rrr.'fr, r! ir it 17 TTfNf;vtq (2) t, urn; upii XV fr.qr (6) urfm "t XVä üf XVI Of l it rgr qrqqr fAT I fr.r. t, Tror TTfid- fTü qf«fq qfuvrx 19. fqq-t f«iq q*vii {q, (T) (q) q•x, «r«vr, I, 11 Tr Ill qt fir. 24 (11) (2) THE GAZETTE OF INDIA ' e-IV rnrrorr;ii T', VI, VII Vill 'r qir ur «.rtr*i (ii) vrrfrß rrät fiq:rit crüvii geirq qq- qfia; IV efi(fi 20. Tic . 76t t r. q: z, 2 trrar.lit • OTT, r T fifi fviq" qqfu qtir•T ;Tif •rf I 21. t qr 19 *a-a '7. ftqr fiUT [ftftrq LthkT Ill. RUP: ttvifq(f il qtr. Z'TFfi'ii 7rr <uvrRi i;, qr.ir rrq vri (q) 'trt t, fYrt tr Èr, (fitr. trrr. 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THE GAZETTE OF INDIA :LXIRAORDINARY f;aiu Tifi;qfr,• q gf<rez .111-sz•c XIV XV (f 4BT.o ÈfÜi fq•q-rq RfAfcz - vifi.a q; (Qqçi) I 7mr (åk.rm) qPåifO (urqif) xfqafu aria - - (qrutti) Qä a.fiy (Afietii) m. t. frfrff<tz • Ill-/arvv 31 ifr 'Tir varr -jq/-+T srrq qq frü,rq it Fifita .r, utfr?f qua: it fio•.ii D D. - fqfhfeg - (F,riiV) u:fr.n qit fqiug:i it mrr) iv.m•vr - J 990 i: rar (tag-if 1990 I (fifu) D D S. 32 THE GAZETTE OF INDIA EXTRAORDINARY [PART III—Szc. 4) SMALL INDUSTRIES DEVELOPMENr BANK OF INDIA (ISSUE ANI) MANAGEMENT OF BONDS) REGULATIONS, 1990 No. 314-1 CAD.BondslGeneral Regulations exercise of tl powers conferred by Section 52 of the Indusu•ies Development Bank of India Act, Small 1989 (39 of 1989), the Board of Directors of the Small Industries Deve!0D1nent Bank •of India, with the previous .,rproval of the Industrial Development is tg tnake the follossing Recu- Bank Indi: rations, namely 1. Short ti le and applications.—(l) •t'hcs•e Regu-lations may he called the Small Industries Development Bank of India (Issue and Managenwnt of Bonds) Regulations, 1990. (2) They Shall apply to Bonds issued and sold by the Sinall Industries Bank under clause (a) of sub- section (l) of Section 15 of the Small Industries Deve- lopment Bank of India Act, 1989

2. Definitions —In these Regulation;, unless there is anything repugnant in the subject or Context. (b) (c) 'the Act' means the Small Industries Development Bank of India Act, 1989; means the Bonds issued and sold by the Small Industries Bank under clause f sub-section (1) of Section 15 of the Act. "Small Industries Bank" means the Small Industries Development Bank of India established under the Act: "Deacid Bond" means a Bond which has been made illegible and rendered undecipherable in material parts and the material of a Bond are those where (ii) (iii) (e) (g) the number, the issue to which it appertains and the face value of the Bond, or payment of interest are recorded: or the endorsement or the name of the payee is written; or the renewal receipt or the memorandum of transfer is supplied; "Form" means a form as set out in the schedule to these Regulations. "Lost Bond" means a Bond which has not yet been lost and shall not mean a Bond which is in possession of some person adverse to the claimant: "Mutilated Bond" means a Bond which has been destroyed, torn or damaged in material parts thereof: "Registered" means the name of the holder of a Bond is registered: "Promissory Note" means a promissory note issued by the Small Industries Bank for the purposes of Regulations 11, 12, 13, 15, 17, 19 and 20; (j) "Stock Certificate" means Stock Certificate issued under Regulation 3



3. Form of the Bond and the mode of transfer thereof, 1) A Bond may be issued in the form of (a) A promissory note payable to, the order of, a certain person; or (b) Stock registered in the books of the Small Industries Bank for which Stock Certificates are issued.(2) (a) A Bond issued in the form of a promissory note shall be transferable by endorsement and delivery like a promissory note payable to order. (b) No writing on a Bond issued in the form of a promissory note shall be valid for the purpose of negotiation if such writing purports to transfer only a part of the amount denominated by the Bond. (3) A Bond issued in the form of a Stock Certificate and registered in the books of the Small Industries Bank shall be transferable either wholly or in part by execution of an instrument of transfer in



Form V. The transferor in such a case shall be deemed to be the holder of the Bonds issued in the form of Stock to which the transfer relates until the name of the transferee is registered by the Small Industries Bank. (3A) (a) Notwithstanding anything to the contrary herein contained, the Small Industries Bank may at the request of the person entitled to the Bonds, issue Bonds in the form of an entry in an account to be maintained by the Small Industries Bank in the name of the person entitled to the Bonds. (b) The Bonds may be so issued in the form of an entry in the books of accounts of the Small Industries Bank either initially at the time of subscription to the Bonds or by conversion of the Bonds issued either in the form of a promissory note or Stock. (c) If a Bond has already been issued in the form of a promissory note, the Bond holder desirous of holding it in the form of an entry in an account with the Small Industries Bank shall make requisition in Form XI and surrender the Bond duly endorsed in favour of the Small Industries Bank for the Bond being held in the form of an entry in the books of the Small Industries Bank. (d) If the Bond has been issued in the form of Stock Certificate, the holder shall transfer the Bond in favour of the Small Industries Bank with a view that the Bond may be held in the form of an entry in an account to be maintained by the Small Industries Bank in the name of the holder, holding the Bond in the form of an entry in an account maintained by the Small Industries Bank. (e) The Small Industries Bank may convert the Bond from the form of a promissory note or a stock by making an application in Form XII. (f) No fee chargeable for issuing Bonds in the form of an entry in the account of the Small Industries Bank or converting Bonds already issued either in the form of a promissory note or Stock in the form of an entry in the books of the Small Industries Bank or vice versa. (g) Bonds or held in the form of an entry in the books of the Small Industries Bank shall be transferable by execution of an instrument of transfer in Form XIII. The transferor in such cases shall be deemed to be the holder of the Bonds to which the transfer relates till such time the name of the transferee is entered in the books of the Small Industries Bank. (4) (a) A Bond shall be issued over the signature of the Managing Director or in his absence by an Executive Director and or a General Manager of the Small Industries Bank which may be printed, engraved, lithographed or impressed by such other mechanical as the Small Industries Bank may direct. (b) A signature so printed, engraved, lithographed or otherwise impressed shall be as valid as if it had been inscribed in the proper handwriting of the signatory himself. (5) No endorsement of a Bond in the form of a promissory note or no instrument of transfer in the case of a Bond in the form of a Stock Certificate shall be valid; unless made by the signature of the holder or his duly constituted attorney or representative inscribed in the case of a Bond in the form of a promissory note on the back of the Bond itself and in the case of a Stock Certificate on the instrument of transfer.

4. Trust not recognised.—(1) The Small Industries Bank shall not be bound or compelled to recognise in any way, even when having notice thereof, any trust or any right in respect of a Bond other than an absolute right thereto in the holder. (2) Without prejudice to the provisions of sub-regulation (1), the Small Industries Bank may, as an act of grace and without liability to the Small Industries Bank record in its books such directions by the holder of a Bond issued in the form of Stock for the payment of interest on, or of the maturity value of, or the transfer of or such matters relating to the Stock the Small Industries Bank thinks fit.

5. Provision for holding Bonds issued in the form of the Stock Certificate by trustees and office Bond in the form of Stock Certificate may be held by a holder of an office—(a) in the personal name of the person described in the name, book of the Small Industries Bank and in the Stock Certificate as a trustee whether as a trustee of the trust specified in his application or as a trustee without any such qualification; or (b) by virtue of his office. (2) On an application made in writing to the Small Industries Bank in the form required by the Small Industries Bank the person in whose name a Bond stands and on surrender of the Bond, the Small Industries Bank may— (i) make an entry in its books describing him as a trustee of a speeded trust or as a trustee Without specification of any trust attached to a Stock Certificate in his name described as trustee with or without the specification of the trust; as the case may be; or (b) issue a Stock Certificate to him by the name of his office and make an entry in its books describing him as the holder of the Stock by the name of his Office, according to the applicant's request provided— (i) the request is in conformity with the provisions of sub-regulation (1) hereof; (ii) the necessary evidence required by the Small Industries Bank in terms of sub-regulation (7) has been furnished; and (iii) the Bond, if it is in the form of promissory note, has been endorsed in favour of the Small Industries Bank and if in the form of Stock Certificate, has been receipted by the registered holder in Form (3) The Stock Certificate under sub-regulation (1) may be

held by • the holder of the office either alone or jointly With another person or persons or with a perSon or persons holding an office. (4) When the Stock is held by a person in the name of his otticc, any documents relating to the Stock Certificate concerned may .bé executed by the person for the time being holding the omce by the name in which the Stock Certificate is held as if his personal name were so stated. (5) Where any transfer deed, power of attorney or other document purporting to be executed by Stock Certificate holder described in the books of the Small Industries Bank as ja trustee or as a hplder of an office is produced tot the Small Industries Bank, • the Small Industries Bank shall not be concerned to inquire whether the Stogk-holder is entitled under the terms ot any trust or ocument or rules to give any such power or to exec lte such deed or other document and may act on th2 transfer decd. power of attorney or document in the same manner as though the executant is a Stock Certificate holder and •whether the Stock Certificate holder is or is not described in the trans- fer deed, power of attorney or document as a trustee• nr as a holder an office and whether he does •.or does not purport to execute the transfer deed, power of attorney or document in his capacity as a trustee or as a holder of the office. (6) Nothing in these Regulations shall, as bet- ween any trustees or office holder and the beneficia- ries. under a trust or any document or rules, be deemed to authorise the trustees or office holders to act otherwise than in accordance with the rules of law applying to trust the terms of the instrument -constituting the trust, .or the, rules governinz the association of which the Stock Certificate holder is a holder of an office and neither the Small Industries 34 THE GAZETTE OF INDIA D D D D D D D D D' 110111tng cr acquiring any lilte- not y i (QI Shull by 1 •ason only o! tlllntained by lhe Small cat ry to any Stock Cerlitieatc or 'Stock C. heider or of anytiing in any Stock Cerliticate be with noucc any ti ust or of the liduciury character cf tiny Stock Certificute holder cr of any iiduciary to the 1101d!nce' of any Stock ebligat'.on Certificate. y applicu,tion made, cr on any docutnciii purporting to be executed, in pur- suance .cf thlS Regulation by a person as the Small Industries Bailk npy holder of oilice. require IIIC ducuon uf evidence ahaf such person is the holder for the tillie being of tlat oltic:

6. Provisi n f01' holding of bonds issued in the noles by trustilrt: tee(s) : —(1) forjn tt the provisions of sub-regula- Without ce lo Gon (l) of 4, the Sinall Industries Bank the appliéant and without .t ot may, at the Industries Bank, issue a Bond liability v.) tie of in the u.".lDe ef a in the trustee(s) of that trust, or as the specified trust er case may in the personal name of the applican!, describing as a trustee, whether as u trustee of the trt.<t in his applicâtion or as a trustee without such specifications. (2) Whereo a Bond in the form of promissory note *ands in the personal nmne Of the holder, the Small rndustries Bank may, on an application made by him in the fortn required by the Small Industries Bank and on surrender of sugh Bond, issue a renewed Bond ill the form of a promissory note in the manner laid down jn sub-regulation (I) hereof provided that— (i) the evidence required by the Small Industries Bank in terms of sub-regulation (6) { hcrecf has been furnished; and (ii) the Bond been endorsed in favour of the Industries Bank. Slnall nd under sub-regulation (I) may be held by a trustee of any trust either alone or jointly with another] person or persons as trustees of that trust. (4) Where ga lford in the form of promissory note purports to have been endorsed by the Bond holder or here any power of attorney or as a trustee. other purporting to be executed by the Bond holder lis produced to the Small Industries Bunk, th 11 Industries Bank shall not be con- cerned to enquire whether the Bond holder is cn- titled under terns of any trust or document or rule; to nuake •ate!) endorsement or execute such or ott0iutcy er o!jler document. and may act on the endoremeni. power of at'orney or docu- ment in lliannt:r as though such endorser a Bond holder atul sshether the Bond holder is 01' is not the endorspnent. of tittorney a trustee, end whether he does or does pornort to make endorsement or execute the attorney or document in his scopacity us. a • L.x"l , 11 , (5) Nothing liit•.ler a any or rules. any (loc,linent with to act 0th'. rules of app') IIIC t. Ili (6) Beltre ac'ing any made, ill IIIC regulation by a suonce of this person as Stnali I Bank lllay trust' e of require the production of evid'-•tb.●: that such person is the trustee the tinte being t trust

7. Persons disqualified to be minor and no person who has t)een found by a oomptent court to be of unsound jnind shall be entitled to be a holder of Bonds.8, Payment of Interest on a Bond in the form of a promissory note shall be paid by the Office of Issue or any other ollice of the Small Industries Bank specified in the Bond Prospectus subject to compliance by the holder of the Bond with such formalities as thy Small Industries Bank may require, and on pfeschtatidn of the Bond. (2) Interest on a Bond in the form of Stock Cer- tificate shall be paid by issue of warrants. crossed account payee or in such other i manner as may be decided by the Small Industries Bank. The pre- sentation of the Slock Certificate shall not be

required at the time of payment of interest but the payee shall acknowledge the receipt at the back of the warrant. (1) Interest on a Bond held in the form of an entry in the books of the Small Industries Bank shall be paid by the Small Industries Bank by issue of warrants crossed account payee or in such other manner as may be decided by the Small Industries Bank.

9. Procedure where Bond in the form of a promissory note is lost, etc.:—(1) Every application for the issue of a duplicate Bond in place of a Bond which is alleged to have been Lost, Stolen, Destroyed, Mutilated or Defaced, either wholly or in part shall be addressed to the Office of Issue, and shall contain the following particulars, namely:—(a) 'Bond No. for Rs. ... of the ... per cent Bond of the Small Industries Development Bank of India for ... (year) (b) Last half-year for which interest has been paid; (c) The person to whom such interest was paid; (d) The person in whose Bond issued (if any) the circumstances attending the Loss, Theft, Mutilation or Defacement; and (e) Whether the Loss or Theft was reported to the police. (2) Such application shall be accompanied by:—(a) the Bond was lost in the course of its transmission by registered post, the Post receipt for the Bond; (b) receipt for the Bond; (c) police report, if the Loss or Theft was reported to the police; (d) If the applicant is not the registered holder, an affidavit sworn before a magistrate testifying that the applicant was the last legal holder of the Bond, and all documentary evidence necessary to trace back the title to the registered holder; and (e) Defaced either immediately after the publication of the list under Regulation 12 or on the expiry of such period as the Prescribed Officer may consider necessary from the date of the publication of the said list; (b) if a portion of the Bond so Lost, Stolen, Destroyed, Mutilated or Defaced, sufficient for its identification has been produced (1) He shall pay two years' interest on the principal amount of the Bond, and (2) He shall pay an indemnity in the form of a promissory note for the period of four years next as hereinafter provided; and (3) He shall issue to the applicant a duplicate Bond in place of the Bond so Lost, Stolen, Destroyed, Mutilated or Defaced four years after the date of publication of the said list, provided that (i) if the date on which the Bond is due for redemption (d) any portion or fragments which may remain of the Lost, Stolen, Mutilated or Defaced bond, or (e) Notification in Gazette of Loss, Theft, Destruction, Mutilation or Defacement of a Bond or portion of a Bond in the form of a promissory note shall forthwith be notified by the applicant in three successive issues of the Gazette of India and Of the Local official Gazette, if any, of the place where the Loss, Theft, Destruction, Mutilation or Defacement occurred. Such notification shall be in the following form or as nearly in such form as may be: "The Small Industries Development of India Bond No. of the per cent Bond (for Rs. ... originally standing in the name of ... and endorsed (by the proprietor, by whom it was never endorsed to any other person) has been Mutilated/Defaced, notice is, hereby given that payment of the above Bond and the interest thereon has been stopped. The Office of Issue, and that application is about to be made or has been made for the issue of a duplicate in favour of the proprietor. The public are cautioned against purchasing or otherwise dealing with the above-mentioned Bond. ... *Delete: ... is not applicable 11. Issue of duplicate Bond and taking of indemnity." (2) After the publication of the last notification prescribed in Regulation 12, the Prescribed Officer if he is satisfied of the Loss, Theft, Mutilation or Defacement of the Bond and of the justice of the claim of the applicant, cause the particulars of the Bond to be included in a list published under Regulation 13, and shall (a) if only a portion of the bond has been Lost, Stolen, Destroyed, Mutilated or Defaced (b) if a portion thereof sufficient for its identification has been produced, to pay interest and to issue to the applicant, on execution of an indemnity such as hereinafter mentioned a duplicate Bond in place of that of which a portion has been so Lost, Stolen, Destroyed, Mutilated or, (11) falls earlier than the date of repayment on which the said period of four years expires, the Prescribed Officer shall, within six weeks of the former date, invest the principal amount due on the Bond in the Post Office Savings Bank, and shall repay this amount, together with any interest which may have accrued thereon in such Bank, to the applicant at the time when a duplicate Bond would otherwise have been issued, and if at any time before the issue of the duplicate Bond the original Bond is discovered or it appears to the Officer of Issue for other reasons that the order should be rescinded, the matter shall be referred to the Prescribed Officer for further consideration and in the meantime all action on the order shall be suspended. An order passed under this sub-regulation shall, on expiry of the period of four years referred to therein, become final unless it is in the meantime rescinded or otherwise modified. (2) The Prescribed Officer may, at any time prior to the issue of a duplicate Bond, if he finds sufficient reason, alter or cancel any order made by him under before the issue of a duplicate Bond shall be extended by

such period not exceeding four years as he may think fit. (3) Indemnities (a) (i) when under sub-regulation (1)(a) shall be twice the amount of interest involved, that is to say, twice the amount of all back interest accrued due on the Bond plus twice the amount of an interest to accrue due thereon during the period which will have to elapse before D D D D D D D D D D, 36 THE GAZETTE OF INDIA the issue of a duplicate Bond can be made, and LX'YRAORDINARY III-sw. 4) (Li) in BII other cases shall be twice the face value of the Bond plus twice the amount of interest calculated in accordance with clause (i). (b) the Prescribed Officer may direct that such indemnity shall be executed by the applicant alone or by the applicant and one or two sureties approved by him as he may think fit

12. Procedure when a Bond in form of a Stock Certificate is lost, etc. Every application for the issue of a duplicate Stock Certificate in place of a Stock Certificate which is alleged to have been Lost, Stolen, Destroyed, Mutilated or Defaced either wholly or in part shall be addressed to the Officer of Issue and shall be accompanied by (a) the Post Office registration receipt of the (b) (c) (d) letter containing the Stock Certificate, if the same was lost or stolen; a copy of the police report, if the Loss or Theft was reported to the police; an affidavit sworn before a Magistrate testifying that the applicant is the legal holder of the Stock Certificate and that the Stock Certificate is neither in his possession nor has it been transferred, pledged or otherwise dealt with by him; and any portions or fragments which may remain of the Lost, Stolen, Destroyed, Mutilated or Defaced Stock Certificate. (2) The circumstances attending the loss shall be stated in the application. (3) The Prescribed Officer shall, if he is satisfied of the Loss, Theft, Destruction, Mutilation or Defacement of the Stock Certificate, direct the issue of a duplicate Stock Certificate in lieu of the original Certificate

13. Publication of list: (1) The list referred to in Regulation 11 shall be published half-yearly in the Gazette of India in the month of January and July or as soon afterwards as may be convenient. (2) All Bonds in respect of which an order has been passed under Regulation 11 shall be included in the first published list after the passing of such order and thereafter such Bonds shall continue to be included in every succeeding list until the expiration of four years from the date of first publication. (3) The list shall contain the following particulars regarding each Bond included therein, namely:— (a) the number of the Bond; (b) its value; (c) the name of the person to whom it was issued; (d) the date from which it bears interest; (e) the name of the applicant for a duplicate; (f) the number and date of the order passed by the Prescribed Officer for payment of interest or issue of a duplicate; and (g) the date of publication of the list in which the Bond was first included

14. Discretion of the Small Industries Bank Notwithstanding anything contained in Regulations 10, 11, 12 and 13, where the Small Industries Bank deems fit, in any case, it shall be lawful for the Small Industries Bank in its absolute discretion to dispense with the procedure prescribed therein regarding the issue of duplicate Bond and issue duplicate Bond upon such terms as to Indemnity or otherwise, as it may deem fit

15. Extermination of a mutilated Bond as a Bond requiring issue of duplicate shall be at the option of the Prescribed Officer to treat a Bond which has been 'Mutilated or Defaced as a Bond requiring issue of a duplicate under Regulation 11 or a mere renewal under Regulation 19. 6. When a Bond in the form of promissory note may be required to be renewed (1) A holder of a Bond in the form of a promissory note may be required by the Officer of Issue to receipt the same for renewal in any of the following cases, namely— (a) if only sufficient room remains on the back of the Bond for one further endorsement or if any word is written upon the Bond across the existing endorsement or endorsements; (b) if the bond is torn or in any way damaged or crowded with writing or unfit, in the opinion of the Officer of Issue; (c) if any endorsement is not clear and distinct or does not indicate the payee or payees, as the case may be, by name or is made otherwise than in one of the endorsement cases on the back of the Bond; (d) if the interest on the Bond has remained undrawn for ten years or more; (e) if the interest cases on the reverse of the Bond have been completely filled or if the vacant printed cases on the reverse of the Bond do not correspond with the half-years for which interest has become due on the date when the Bond is presented for drawal of interest; (f) if the Bond having been endorsed three times for payment of interest is presented for re-endorsement; and if in the opinion of the Officer of Issue, the title of the person presenting the Bond for payment of interest is irregular or not fully provided (2) When requisition for renewal of a Bond has been made under sub-regulation (1) payment of any interest thereon shall be refused until it has been renewed and actually renewed D D D D III. liable to a Bond of a deceased 17. Person sole holder of the

executors bond (whether a Hindu, Mohammedan, Parsi or Wise) or IIC holder of a succession certificate Issued under Part X of the Indian Succession Act, in respect Of the Bond shall be 1925 (39 of 1925) The only person who may be recognised by the Office of Issue (subject to any general or special instructions of the Officer having Prescribed Office) as any title to the Bond. (2) Notwithstanding anything contained in section 45 of Indian Contract Act, 1872 (9 of 1872), in the case, of a Bond issued, sold or held payable to two or more holders, the survivor or survivors and on the death of the last survivor, his executors, any person who is the holder of administrators, or a succession certificate (hereinafter in this Regulation referred to as "Bondholder") shall be the only person who may be recognised by the Office of Issue (subject to any general or special instructions of the Officer having Prescribed Office) as having any title to the Bond. (3) The Office of Issue shall not be bound to re-execute or administrators unless cognise such they shall have obtained probate or letters of administration, as the case may be, from a competent court or officer in India. (4) Notwithstanding anything contained in sub- (2) and (3), Where the Prescribed regulations (Officer in his absolute discretion thinks fit, in any case, it shall be lawful for him to dispense with the letters of administration production of probate or other legal representation upon such terms as to indemnity or otherwise, as he may think fit



18. Notwithstanding anything contained in Regulation 17, where a Bond is held by one or more the sole holder or, as the case may be, all the holders together may nominate any or persons to whom, in the event of the death of the sole holder or the death of all the holders, the amount due on the Bond may be paid. Provided that when a Bond is held by two or more persons, the nominee shall become entitled to more persons, the nominee shall receive the amount only on the death of all the holders. Provided further that nothing contained in this Regulation shall affect any claim which any representative of a deceased holder of a Bond may have against the nominee in respect of any amount due on the Bond. (2) If two or more persons are nominated under Regulation 17, the amount due on the Bond shall be distributed amongst the nominees in the manner specified in the nomination. and in the absence of such specification, the amount shall be distributed equally amongst all the nominees. Provided, however, that if no nomination is made or, if such nomination relates only to a part of the amount due, the whole amount or part thereof to which the nomination does not relate, persons who may be entitled under Regulation 17. (3) A nomination under sub-regulation (1) may be made by the sole holder or, as the case may be, all the holders together in Form X V. (4) A nomination may be made only in respect of a Bond which is held in the individual capacity and not in any representative capacity of the holder as the holder of an office or otherwise. (5) Where all the holders of a Bond may be, the holder may appoint any person (not being a partner in the business of the holder) to receive the amount due on the Bond during the minority of the nominee. (6) Where a Bond is held in the name of a minor, the nomination, if any, shall be made by a person lawfully entitled to act on behalf of the minor. (7) A nomination may be substituted by submitting an application in

Form XV or cancelled by submitting an application in Form XVI, together the Bond, to the Small Industries Development Bank of India. (8) A nomination or a substitution or a cancellation of a nomination shall be registered in the books of the Small Industries Bank and the fact of registration shall be noted on the 'Bond and, on such registration the said nomination, cancellation or substitution, as the case may be, shall be deemed to be effective from the date on which it was submitted. (9) The rights, which a nominee has acquired in relation to the Bond under a nomination duly made and registered under this Regulation, shall not be affected by reason of the issue of a duplicate Bond and the nominee shall have the same rights in relation to the duplicate Bond as he had in relation to the original Bond. renewal; Subject 19. Receipt for to any general or special instructions of the Prescribed Officer, the Office of Issue may, by its order, on the application of the holder — in on his delivering the Bond or Bonds the form of promissory note or notes and on his satisfying Office Of Issue regarding the justice of his claim, renew, sub-divide or consolidate the note or notes provided the note or notes has or have been receipted in Form I, II or III. as the case may be; or convert the note or notes into a Stock (b) certificate or Stock Certificates provided the note or notes has or have been endorsed as follows — "Pay to the Small Industries Development Bank of India"; to renew, sub-divide or consolidate a Stock (c) Certificate or , Stock Certificates provided the Stock Certificate or Stock Certificates has or have been receipted in: Form V r, VII or VIII. as the case may be; or convert the Stock Certificate or Stock Certificates into promissory note or notes to be paid on demand or in place of which a duplicate, renewed, sub-divided or consolidated Bond or Bonds has or have been issued— D D D D D D D D D D. THE GAZETTE OF INDIA prox the Stock certificate 01' have been receipted and has or Portn IX', or Bonds of one : erles (e) convert into those: 01 another provided— (i) conversion of the securities on the terms complac'd with. (2) The Issue Officer, after consulting the Prescribed Officer, require the applicant for renewal, sub-division or consolidation of a Bond under the sub-regulation (1) to execute an indemnity in Form IV with one or more sureties approved by him

20. Renewal of Bond in case of dispute as to the title to a Bond in respect of which an application for renewal has been made, the Prescribed Officer may (a) where any party to the dispute has obtained a final decision from a court of competent jurisdiction declaring him to be entitled to such Bond, issue a renewed Bond in favour of such party. (b) refuse to renew the Bond until such a decision has been obtained. EXPLANATION For the purposes of this Regulation, the expression 'final decision' means a decision which is not appealable or a decision which is appealable but against which no appeal has been filed within the period of limitation allowed by law, 21. Liability in respect of Bond renewed, etc. When a duplicate Bond has been issued under Regulation 11 or a renewed Bond has been issued or a new Bond has been issued upon sub-division or consolidation under Regulation 19. in favour of a person, the Bond so issued shall be deemed to constitute a new contract between the Industries Bank and such person and all persons deriving title thereafter through him

22. Discharge The small industries Bank shall be discharged from all liability in respect of the Bond or Bonds (a) (b) (c) in the case of payment, after the lapse of four years from the date on which payment is made; in the case of a duplicate Bond after the lapse of four years from the date of the publication under Regulation 13 of the list in which the Bond is first mentioned, or from the date of the payment of interest on the original Bond, referred to in Regulation 11 whichever date is later; in the case of a renewed Bond or of a new Bond issued upon sub-division or consolidation after the lapse of four years, from the date of issue thereof

23. Discharge in respect of interest as otherwise expressly provided in relation to the Bond, no person shall be entitled to claim interest on any such Bond in respect of any period which has elapsed after the earliest date on which it could have been made good for the principal amount due on such Bond

24. Discharge of a Bond When a Bond held in the form of promissory note or Stock Certificate becomes due for payment or principal, it shall be presented at the office of the Small Industries Bank at which interest thereon is payable or at the Office of duly signed by the holder to its reverse; (b) When a Bond in the form of an entry in the account becomes due for payment of principal, a duly signed receipt in Form XIV shall be furnished by the holder to the Office of Issue

25. Exercise of Powers on of the Small Industries Bank:—The powers, by the Small Industries Bank under Regulations 4(2), 5(2), 5(7), 6(6) and 8(1) may be exercised on behalf the Small Industries Bank by the Managing Director and in his absence by an Executive Director and not a General Manager of the Small Industries Bank. THE SCHEDULE



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 discharge for the Bonds held in the or entry in the account witli the S•nnll In.Justrieg Bank Manager,
 Bonds Section, Small Industlries Development Bank Of India, Bombay/Lucknow. Dear Sir, Srnall

Industries Development Bank of India Bond(s) . . Series) Received the principal amount with accrued interest on the date of maturity on the Captioned Bond(s) of the nominal value Of Rs.(Rupees in the book* of the Small Industries Development Bank of India to the credit of . .only) held in form of an entry .(bond holder). It is certified that the nominal amount of the Bond(s) and the accrued interest as on date of maturity agree with my/our books. Yours faithfully, Signature(s) of the registered his duly authorised representative Name(s) Of registered holder(s), Date : Place : FORM XV [See Regulation 181 I. 1/Wc, Form of nomination—substitution of nomination (Name(s) of the holder(s)) nominate the following to whom, in the event of my/our!minor holder's death. the amount due on the Bonds specified below may be paid: 2

3. Name 1

2. Distinctive Address BONDS Daw or Issue NOMINEE(S) Date Of Birth (if the nominee is a minor)
2. •A' Ebe nominee(s) at No.(') minor(s), I appoint Shri/Smt./Kurnari• (Name and Full address) Face value
 Percentage of amount payable @ . above is/are as the pa•wa to receive the amount due thereon in the event
 Of my/our/minor holder's death during the minority of such nominee(s). 44 THE GAZETTE OF INDIA :
 EXTRAORDINARY 3. • *This nomination is in or the nomination dated. us and registered in the books or
 (he Small Development Bank of India on which shall stand cancelled on registration of this nomination.
 Signatures and address of witnesses . [PART III-SF.C. .11 ..,.....made by me/ • • Of the holder) 2. Place
 Date Indicate in this column the percentage of total amount payable to each nominee, Strike out this
 paragraph when the nomination is not in favour of a minor. Strike out this paragraph when the nomination
 is not in substitution of one already made. If a Bond is held in the name of a minor, the nomination should
 be signed by a person lawfully entitled to act on behalf of the minor. FORM xv [See Regulation 1/We.
 tion dated Form of cancellation or nomination [Name(s) of the holder(s)) .do hereby cancel the nomination
 made by in respect of the Bonds specified below and registered on. sr. No. 2

3. Place Date Description Number Date of Issue Value (Signature of the holder) (Name Of the holder) Signatures and address of witnesses 2.If the Bond is held in the name of a minor, the cancellation of nomination should be lawfully entitled to act on behalf of the minor. (R. S. AGRAWAL,) Managing Director. FOOT NOTE : Certified that Industrial Development Bank of India have given approval to Small Development Bank of India (Issue and Management of Bonds) Regulations, 1990 vide their letter dt. June 21, 1990. Manager (Legal) Printed by the Manager, Govt. Of India Press. New Delhi and Published by the Controller of Publications, 1991