

Frequently Asked Questions on National Prize Bonds

A. SCHEME OUTLINE																	
Q1	<p>What are the denominations of National Prize Bonds?</p> <p><i>Answer: There are currently following four (04) denominations of national/bearer prize bond::</i></p> <ul style="list-style-type: none"> <i>i) Rs.100/-</i> <i>ii) Rs.200/-</i> <i>iii) Rs.750/-</i> <i>iv) Rs.1,500/-</i> 																
Q2	<p>From where can we purchase/encash Prize Bonds?</p> <p><i>Answer: Prize Bonds can be purchased/encashed from any SBP-BSC office, designated commercial bank branches and National Savings Centers against application form with copy of valid CNIC.</i></p>																
Q3	<p>What are the guidelines for application forms for claiming prizes on all denominations of Prize Bonds?</p> <p><i>Answer: The prize money claim against prize bond declared as winning can be lodged at any SBP BSC field office, designated commercial bank branches and National Saving Centers, on the prescribed claim form (duly signed by the claimant), the claim form is available on SBP website and SBP BSC counter, for free. The duly filled form should be submitted along with the following documents:</i></p> <ul style="list-style-type: none"> <i>i) Copy of valid CNIC</i> <i>ii) Winning prize bond (original) duly signed by the applicant (on the reverse side)</i> <i>iii) Copy of the prize winning bond duly signed by the applicant (on the reverse side)</i> <i>iv) Bank Name (must be conventional bank)</i> <i>v) Account Title</i> <i>vi) IBAN (24 digits)</i> 																
Q4	<p>What are the general objections raised on prize money claim?</p> <p><i>Answer: The objections are enlisted below:</i></p> <ul style="list-style-type: none"> <i>i) Missing signatures (on the reverse side of original bond, photocopy, and claim form)</i> <i>ii) Invalid Bond</i> <i>iii) Incorrect Photocopy (should be same as original bond)</i> <i>iv) Incorrect Account Title</i> <i>v) Incorrect IBAN</i> <i>vi) Islamic Bank Account</i> 																
Q5	<p>From where can we claim the prize money of different denomination and value of prize money?</p> <p><i>Answer: The details are tabulated below:</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><i>Prize Money</i></th> <th style="text-align: center;"><i>Claimable at</i></th> <th style="text-align: center;"><i>Claimable at</i></th> <th style="text-align: center;"><i>Claimable at</i></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><i>Upto Rs.1250/-</i></td> <td style="text-align: center;"><i>SBP BSC Office</i></td> <td style="text-align: center;"><i>Commercial Banks*</i></td> <td style="text-align: center;"><i>National Saving Center</i></td> </tr> <tr> <td style="text-align: center;"><i>Upto Rs.500,000/-</i></td> <td style="text-align: center;"><i>SBP BSC Office</i></td> <td style="text-align: center;"><i>Commercial Banks*</i></td> <td style="text-align: center;"><i>-</i></td> </tr> <tr> <td style="text-align: center;"><i>Above Rs.500,000/-</i></td> <td style="text-align: center;"><i>SBP BSC Office</i></td> <td style="text-align: center;"><i>-</i></td> <td style="text-align: center;"><i>-</i></td> </tr> </tbody> </table> <p><i>* Prize money submitted at commercial bank may be subject to two types of charges i.e. 1) Bank's service charges and 2) CIT charges.</i></p>	<i>Prize Money</i>	<i>Claimable at</i>	<i>Claimable at</i>	<i>Claimable at</i>	<i>Upto Rs.1250/-</i>	<i>SBP BSC Office</i>	<i>Commercial Banks*</i>	<i>National Saving Center</i>	<i>Upto Rs.500,000/-</i>	<i>SBP BSC Office</i>	<i>Commercial Banks*</i>	<i>-</i>	<i>Above Rs.500,000/-</i>	<i>SBP BSC Office</i>	<i>-</i>	<i>-</i>
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Q6	<p>Should we claim prize money in our own name or sell it to a broker?</p> <p><i>Answer: Prize money should be claimed by the bondholder.</i></p>																

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Q7	<p>Why date of issue is important for any claim of prize money?</p> <p><i>Answer: Only those prize bonds qualify for prize money, which have been purchased two months prior to their respective draw.</i></p>								
Q8	<p>Whether a prize bond deposited with application for prize money is returned to the claimant?</p> <p><i>Answer: No, the face value is credited to the claimant's account and bond is not returned to the claimant.</i></p>								
Q9	<p>Why repeated signatures are obtained on claim form in case there is minor difference in signatures with that of CNIC?</p> <p><i>Answer: To safeguard the interest of the Bank as well as claimant, proper identification of claimant is essential.</i></p>								
Q10	<p>How many days are required for settlement of prize money claim?</p> <p><i>Answer: The number of days required for claim settlement of prize money are appended below:</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Amount</th> <th style="text-align: center;">Number of days</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><i>Upto Rs.18,500/-</i></td> <td style="text-align: center;"><i>Direct Credit – T+1 Cash - same day</i></td> </tr> <tr> <td style="text-align: center;"><i>Upto Rs.1,000,000/-</i></td> <td style="text-align: center;"><i>5 working days</i></td> </tr> <tr> <td style="text-align: center;"><i>Above Rs. 1,000,000/-</i></td> <td style="text-align: center;"><i>15 working days</i></td> </tr> </tbody> </table>	Amount	Number of days	<i>Upto Rs.18,500/-</i>	<i>Direct Credit – T+1 Cash - same day</i>	<i>Upto Rs.1,000,000/-</i>	<i>5 working days</i>	<i>Above Rs. 1,000,000/-</i>	<i>15 working days</i>
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Q11	<p>Are there any charges of prize money claim form?</p> <p><i>Answer: No.</i></p>								
Q12	<p>After how many days of draw, prize money claim can be lodged?</p> <p><i>Answer: The claim can be lodged usually after 2 working days from the date of draw and within six years from the date of relevant draw</i></p>								
Q13	<p>Whether claimant can obtain payment of prize money through an authorized person?</p> <p><i>Answer: It depends on discretion of competent authority of the SBP BSC field offices.</i></p>								
Q14	<p>Can we claim prize money of damaged bond?</p> <p><i>Answer: Yes. (Subject to clearance under rules)</i></p>								
Q15	<p>Reasons for time lag on prize money?</p> <p><i>Answer: Confirmation of genuineness of the bond from PSPC.</i></p>								
Q16	<p>What is the time period to claim prize money on winning prize bond?</p> <p><i>Answer: Prize money can be claimed within six years from date of the relevant draw.</i></p>								
Q17	<p>Whether claim against prize bond winning in two different draws will be submitted simultaneously or separately?</p> <p><i>Answer: Claim against prize bond winning in two different draws shall be lodged at the same time by the holder within the period of Six(06) years from the date of the relevant draws.</i></p>								

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B. Questions relating to the Draws of prize bonds:	
Q1	<p>What is the procedure of Prize Bond draws? Is the process of draw fair and transparent?</p> <p><i>Answer: Prize bond draw is conducted by a committee constituted by CDNS and open to general public. Winning prize bonds are drawn through Hand Operated Draw Machine, which is operated by special children in front of Committee members and general public attending the draw ceremony. Draw machine is also checked by general public before the start of draw.</i></p>
Q2	<p>Why the small investors don't win prize and big prizes goes to big investors?</p> <p><i>Answer: Big investors invest in huge amounts and buy more prize bonds; therefore their probability of winning prize money is greater than the individuals who purchase a single prize bond.</i></p>
Q3	<p>Why the State Bank of Pakistan does not stop the payment of prize money against prize bond reported lost?</p> <p><i>Answer: Prize bond is a bearer instrument. Its ownership belongs to the holder of the instrument just like currency notes.</i></p>
Q4	<p>Whether one can attend draw ceremony?</p> <p><i>Answer: Yes, general public with valid Original CNICs can attend the prize bond draw ceremony.</i></p>
Q5	<p>Is there any way to ensure that the prize bond purchased would win a prize?</p> <p><i>Answer: No.</i></p>
Q6	<p>How many numbers of Prize Bonds are in a series?</p> <p><i>Answer: One less than a million i.e. 999,999 pieces.</i></p>
C. Questions relating to Tax Matters of prize bonds	
Q1	<p>How much tax is deducted on prize money?</p> <p><i>Answer: WHT on prize money is dedicated under Section 156 of Income Tax Ordinance 2001. The prevailing rates are 15% for filers and 30% for persons not appear in the Active Taxpayers List, irrespective of the date of draw.</i></p>
Q2	<p>Whether an income tax payer is exempted from withholding tax on prize money claim?</p> <p><i>Answer: No.</i></p>
Q3	<p>Is 15% and 30% WHT on small prizes not discouraging for small investors?</p> <p><i>Answer: As the tax is deducted on the prize money only and not on the face value of bond, therefore it is not discouraging to the small investors.</i></p>

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D. Questions relating to Transactions of Prize Bonds	
Q1	<p><i>Is there any limit on purchase of Prize Bonds?</i></p> <p><i>Answer: No.</i></p>
Q2	<p><i>Are the prize bonds sold by commercial banks/ National Saving Center genuine?</i></p> <p><i>Answer: Yes they are the authorized dealers.</i></p>
Q3	<p><i>Can prize bond be encashed any time after their purchase?</i></p> <p><i>Answer: Yes.</i></p>
Q4	<p><i>When the Draw List is available to the general public?</i></p> <p><i>Answer: Official draw list is available on the next day of the draw which can also be downloaded from CDNS Website http://savings.gov.pk/.</i></p>
Q5	<p><i>Procedure for encashment of defective/ mutilated prize bond?</i></p> <p><i>Answer: Bond holder shall submit claim for face value on the prescribed form which will be processed in terms of the Prize Bond Refund Rules, 1963. Mutilated/defaced bonds (if presented more than half portion of such bond along with claim form) are passed by an authorized officer if otherwise in order.</i></p>
Q6	<p><i>From where I can get the draw schedule?</i></p> <p><i>Answer: Draw schedule is displayed at the official website of SBP BSC & Central Directorate of National Savings.</i></p>
Q7	<p><i>What is Shut Period?</i></p> <p><i>Answer: Shut period means a period of two months preceding the date of draw of a particular denomination.</i></p>
Q8	<p><i>Why fresh prize bonds are not issued during sale period?</i></p> <p><i>Answer: Fresh bonds are issued when the stock of re-issuable bonds is fully utilized/exhausted.</i></p>
Q9	<p><i>Is there any institution, other than SBP BSC (Bank) that offers sale/encashment of the prize bonds?</i></p> <p><i>Answer: Yes, National Saving Centers and authorized conventional banks.</i></p>
Q10	<p><i>What is the role of SBP BSC (Bank) in the Prize Bond sale/encashment?</i></p> <p><i>Answer: As an agent to CDNS, SBP BSC is responsible for management of the scheme in all respects.</i></p>
Q11	<p><i>Are prize bond numbers sold to the customers of their own choice?</i></p> <p><i>Answer: No</i></p>
Q12	<p><i>Is there any deduction against refund of face value of defective Prize Bonds?</i></p> <p><i>Answer: No.</i></p>
Q13	<p><i>Can we exchange bonds at any bank/ post office?</i></p> <p><i>Answer: Bonds can be exchanged at designated branches of Commercial Banks and National Saving Centers only.</i></p>
Q14	<p><i>Can we exchange old withdrawn denomination bonds?</i></p> <p><i>Answer: No</i></p>

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Q15	In case of theft can payment be stopped? <i>Answer: No.</i>
Q16	Can we get full value of damaged bond? <i>Answer: Yes, if the bond meets requisite criteria under rules and otherwise in order.</i>
Q17	Why the bonds purchased during shut period are not included in subsequent draw? <i>Answer: Due to minimum holding period of two months for all denominations of National Prize Bonds as per Prize Bond Rules, 1999.</i>
Q18	If the Prize bond is stolen, could I get duplicate prize bond? <i>Answer: No. Prize bonds are bearer instruments and whoever is holding the prize bond is the owner of the instrument and can claim prize money.</i>
E. Questions relating to Basics of Prize Bonds (Misc.)	
Q1	How many draws are held in a year? <i>Answer: Four draws of each denomination of National Prize Bonds (Rs. 100/-, Rs.200/-, Rs.750/- & Rs.1,500/-) i.e. 16 draws held at our field offices as per draw Schedule issued by CDNS.</i>
Q2	Who prints Prize Bonds? <i>Answer: Pakistan Security Printing Corporation (PSPC), Karachi, prints Prize bonds of all denominations with the approval of Govt. of Pakistan.</i>
Q3	Who holds the Prize Bond Draws? <i>Answer: The Committee constituted by CDNS consisted upon officials of SBP BSC, Local/Regional Directorate of National Savings and members from local Chamber of Commerce & Industry hold the Draws.</i>
Q4	What is the purpose of Prize Bonds scheme? <i>Answer: To encourage public investment. It is a source of domestic borrowing for Government.</i>
Q5	What types of prize bonds are not eligible for refund or face value? <i>Answer: Prize bonds are not eligible for payment if the same are less than half, forged or deliberately cut, mutilated or tampered.</i>
Q6	What is the status of draws held before November 15, 2000? <i>Answer: Separate draw for each series of a denomination was held before November, 2000. Now the draw is held under the Single Common Draw System.</i>
Q7	What is the open market rate of Prize Bonds? <i>Answer: This is an illegal parallel market of prize bonds, which does not fall under purview of SBP BSC.</i>
Q8	Is the prize-winning list available with brokers is authenticated? <i>Answer: No.</i>
Q9	Is the National Prize Bond a registered or Bearer instrument? <i>Answer: National Prize bond is a bearer instrument.</i>

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Q10	<p>Are brokers authorized to deal in sale/ purchase of Prize Bonds?</p> <p>Answer: <i>No</i></p>																																									
Q11	<p>What are the security features of a prize bonds?</p> <p>Answer: <i>Major security features of NPBs are as under:</i></p> <p><i>In paper:</i> (i) enlarge watermark, (ii) micro-printed security thread, (iii) invisible colored fiber.</p> <p><i>In printing:</i> (i) micro-printed tint in rainbow color, (ii) guilloche pattern, (iii) visible fluorescent rosette, (iv) invisible denomination print, (v) numbering in red fluorescent ink.</p>																																									
Q12	<p>Why the Prize bonds are sent to PSPC?</p> <p>Answer: <i>National Prize Bonds are sent to Pakistan Security Printing Corporation (PSPC), being the sole printer of National Prize Bonds (NPBs), for genuineness confirmation.</i></p>																																									
Q13	<p>What is C.D.N.S?</p> <p>Answer: <i>Central Directorate of National Savings, Ministry of Finance, Government of Pakistan is controlling/managing all government savings for the benefit of General Public.</i></p>																																									
Q14	<p>What is the schedule of draw?</p> <p>Answer: <i>The Schedule of draw contains Draw No, Place & date of draw.</i></p>																																									
Q16	<p>What are the various denominations of National Prize Bonds and their respective prize money?</p> <p>Answer: <i>Presently four (04) denominations of National Prize Bonds are in Circulation details of which are as under:</i></p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th rowspan="2"><i>Denom.</i></th> <th colspan="2"><i>First Prize</i></th> <th colspan="2"><i>Second Prize</i></th> <th colspan="2"><i>Third Prize</i></th> </tr> <tr> <th><i>No.</i></th> <th><i>Amount</i></th> <th><i>No.</i></th> <th><i>Amount</i></th> <th><i>No.</i></th> <th><i>Amount</i></th> </tr> </thead> <tbody> <tr> <td><i>Rs. 100/-</i></td> <td><i>1</i></td> <td><i>Rs. 700,000/-</i></td> <td><i>3</i></td> <td><i>Rs. 200,000/-</i></td> <td><i>1199</i></td> <td><i>Rs. 1,000/-</i></td> </tr> <tr> <td><i>Rs. 200/-</i></td> <td><i>1</i></td> <td><i>Rs. 750,000/-</i></td> <td><i>5</i></td> <td><i>Rs. 250,000/-</i></td> <td><i>2394</i></td> <td><i>Rs. 1,250/-</i></td> </tr> <tr> <td><i>Rs. 750/-</i></td> <td><i>1</i></td> <td><i>Rs. 1,500,000/-</i></td> <td><i>3</i></td> <td><i>Rs. 500,000/-</i></td> <td><i>1696</i></td> <td><i>Rs. 9,300/-</i></td> </tr> <tr> <td><i>Rs. 1,500/-</i></td> <td><i>1</i></td> <td><i>Rs. 3,000,000/-</i></td> <td><i>3</i></td> <td><i>Rs. 1,000,000/-</i></td> <td><i>1696</i></td> <td><i>Rs. 18,500/-</i></td> </tr> </tbody> </table>	<i>Denom.</i>	<i>First Prize</i>		<i>Second Prize</i>		<i>Third Prize</i>		<i>No.</i>	<i>Amount</i>	<i>No.</i>	<i>Amount</i>	<i>No.</i>	<i>Amount</i>	<i>Rs. 100/-</i>	<i>1</i>	<i>Rs. 700,000/-</i>	<i>3</i>	<i>Rs. 200,000/-</i>	<i>1199</i>	<i>Rs. 1,000/-</i>	<i>Rs. 200/-</i>	<i>1</i>	<i>Rs. 750,000/-</i>	<i>5</i>	<i>Rs. 250,000/-</i>	<i>2394</i>	<i>Rs. 1,250/-</i>	<i>Rs. 750/-</i>	<i>1</i>	<i>Rs. 1,500,000/-</i>	<i>3</i>	<i>Rs. 500,000/-</i>	<i>1696</i>	<i>Rs. 9,300/-</i>	<i>Rs. 1,500/-</i>	<i>1</i>	<i>Rs. 3,000,000/-</i>	<i>3</i>	<i>Rs. 1,000,000/-</i>	<i>1696</i>	<i>Rs. 18,500/-</i>
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Q17	<p>Whether fresh bonds of all denominations are available for sale irrespective of Shut period?</p> <p>Answer: <i>Yes but these bonds will be sold in the open period after exhaust of re-issuable bonds.</i></p>																																									
Q18	<p>What is the legal backing of Prize Bonds?</p> <p>Answer: <i>Guaranteed by Government vide Public Debt Act, 1944.</i></p>																																									
Q19	<p>Is every commercial bank authorized to encash/ sale the prize bonds to public and pay the prize money to the claimant?</p> <p>Answer: <i>All authorized commercial banks are allowed to make sale/ encashment of all denomination prize bonds. However, the banks are allowed to pay the prize money up to Rs. 500,000/- only and the prizes exceeding Rs. 500,000/- are dealt with at all field offices of SBP BSC (Bank).</i></p>																																									

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F. QUESTIONS RELATING TO “MISMATCHED” PRIZE BONDS	
Q1	<p>What is a MISMATCHED prize bond?</p> <p><i>Answer: All National Prize Bonds (NPBs) are printed with alphanumeric numbers with the alphabet denoting the series and number reflecting serial number. This alphanumeric number is printed on upper Right Hand Side as well as lower Left Hand Side of all prize bonds. However due to some technical fault, two different alphanumeric numbers may erroneously be printed on a single prize bond and such bonds are referred to as “MISMATCHED”.</i></p>
Q2	<p>Is a MISMATCHED prize bond eligible for prize money, in case either of the alphanumeric number is declared winning in a prize bond draw?</p> <p><i>Answer: No. Mismatched Prize bonds are not eligible for prize money. The Finance Division (Budget Wing) Government of Pakistan vide Notification No. F.16(3)GS-I/2004-1171 dated June 25, 2011 has notified withdrawal from circulation of prize bonds having mismatched numbers and such prize bond(s) shall not be eligible for claim of prize in the draws to be held subsequent to the date of said notification. However, such prize bond(s) shall remain eligible for encashment at face value, subject to genuineness of the bond(s), at any time after issue at any of the offices of State Bank of Pakistan Banking Services Corporation.</i></p>
Q3	<p>What should I do, if I detect a mismatched prize bond in my custody?</p> <p><i>Answer: The holder of such bonds are advised to immediately encash such bonds for face value from the nearest of 16 SBP BSC offices located in 15 cities i.e. Karachi, Hyderabad, Sukkur, Quetta, Lahore, Faisalabad, Gujranwala, Bahawalpur, Sialkot, Multan, D.I. Khan, Peshawar, Islamabad, Rawalpindi and Muzaffarabad.</i></p>