

OPERATIONS & SERVICES DEPARTMENT  
HEAD OFFICE, BARODA

CIRCULAR TO ALL BRANCHES/OFFICES IN INDIA

Madam/Dear Sir,

**Re: Clarification for payment of staff benefit on deposits of Staff, Spouse of deceased Staff and Unions/Associations.**

We refer to our circular HO:BR:106:143 dated 28.07.2014, HO:BR:106:197 dated 29.09.2014, HO:BR:107:163 dated 25.11.2015, HO:BR:108:05 dated 05.01.2016, HO:BR:109:133 dated 04.08.2017 and HO:BR:111:23 dated 18.01.2019 on staff rate related matters.

Of late we are receiving many queries/ clarification from Branches/Operational units with regard to extending additional rate of Interest applicable to staff. Therefore, we reiterate the guidelines with some more clarifications/modifications as under:

1. Benefits of additional interest to banks' staff members or retired staff member in Term Deposit accounts is available only in the case where staff member or retired staff members has an account singly or jointly with family\*\* member where the staff member/retired staff member is the **Principal Account Holder**. Therefore branches are advised to provide additional rate (as applicable) to staff and Senior Citizen staff in cases where name of Staff/Senior Citizen Staff is as Principal holder in case of term deposit accounts i.e. Staff rate plus senior citizen rate (at present 1.50%) is available only to staff who is senior citizen and his/her name is as principal holder in term deposit account.
2. In case of savings Bank accounts, benefit of staff rate is available only when name of the Staff/Retired staff is as principal holder in savings bank account.
3. Additional rate is not available in case of NRE/NRO/FCNR and HUF accounts
4. For providing additional rate on deposit, below mentioned categories are considered:
  - i. The spouse of a deceased members or a deceased retired member of the staff.
  - ii. Spouse of deceased ex-staff members jointly with son/daughter.
  - iii. Accounts of Employees Unions/Associations, SC/ST Associations.
  - iv. Bank of Baroda Provident Fund, Bank of Baroda Staff Co-operative Credit Societies and Sports & Cultural Clubs, membership of which is restricted to the staff. **This rate, however, does not apply to Bank of Baroda Cooperative Housing Society.**

\*\* "Family" means and includes the spouse of the member/retired member of the bank's staff and the children, parents, brothers and sisters of the member/retired member of the Bank's staff, who are dependent on such member/retired member, but does not include legally separated spouse.



The above categories of persons/association do not have Employee ID, therefore, branches are advised to follow the following procedure:-

1. Branch to feed and verify its request in "RMENU".
  2. Concerned Regional Office to verify the same.
  3. Branch will get access to modify the interest table code through HINTTM menu in the said account.
  4. Branch to invoke "HINTTM" menu and update / modify / correct interest table code in the account and verify the same.
5. Employees having following reason codes are not entitled for additional rate
1. RESIG ( Resignation),
  2. COMPR (Compulsory Retirement),
  3. TERMI (Termination),
  4. DISMI (Dismissal),
  5. ABAND (Abandonment) and
  6. OTH (Others).-
    - a) Involuntary cessation –Absconding
    - b) OFF-Ceased under Reg. 20 (3 (iii))
    - c) Voluntary cessation (Unauthorized Absence)

Branch can enquire reason code of the ex-employee for leaving the Bank through "HEFI" menu option in Finacle by entering EC number of employee.

However, it has been brought to our notice that branches are not validating name with EC number and allowing additional rate of interest to dependents of employee by entering EC number of employee in their Customer id.

Branches are therefore strictly advised that when EC number is entered in the system, Name of employee is populated against the EC number. User is required to verify the name with the name in Customer Id and if the name is different, such EC number should not be entered in Customer Id of other person except in case of widow where EC number of deceased employee is entered with the permission of Regional office through R-menu.

For providing staff interest benefit to Staff Unions, a new customer type code **UNASS** and related interest rate code **SBASU** for Savings Bank account and **TDASU** for Term Deposit accounts have been created in CBS system.

Please ensure strict compliance of the above guidelines.

Regards,

Dinesh Pant,  
Chief General Manager,  
Operations

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