

State Bank of India

Corporate Centre - Mumbai

e-Circular

PBU-LIABILITIES/INVESTMENT PRODUCTS-MASS
AFFLUENT.

Sl. No. : 139/2008-09

Circular No. : NBG/PBU/LIMA-DEPOSITS/3/2008-09

Saturday, June 07, 2008

NBG/PBBU/LI-MA Circular No.04 of 2008-09

07-06-2008

The Chief General Manager,
State Bank of India
Local Head Office,
All Circulars.

Dear Sir,

**Deposits held jointly in the name of staff members
Payment of additional rate of interest**

We were receiving queries in regard to payment of additional interest of 1% p.a. at CBS branches, in deposits held jointly by staff members with their family members, where the staff member is not the first account holder (Branches, before conversion to CBS, were able to provide such benefit).

2. The matter has since been clarified by the Industrial Relations Department at this office as under:

i) In all cases of staff accounts where the benefit of additional interest is to be provided the Bank shall obtain a one time declaration from the depositor (employee) concerned, at the time of opening the account (including TDR) that the monies deposited or which may, from time to time, be deposited into such account, shall be the monies belonging to the depositor.

ii) The benefit of additional 1% interest may be allowed on deposits maintained jointly with the other family members of the employee or retired employee irrespective of whether the employee or the family member is the first account holder, provided the employee / retired employee furnishes a declaration that the monies deposited or which may, from time to time, be deposited into such account, shall be monies belonging to him / her.

iii) Only close family members viz. spouse, son, unmarried daughter, unmarried sister, father, mother, daughter-in-law, grandson and grand-daughter of the employee may be allowed to be the joint holder of the account alongwith the employee or retired employee. Son / daughter will include legally adopted son / daughter also.

3. Global IT Center, Belapur will arrange for developing the required functionality under CBS.

4. Please arrange to circulate these instructions to all branches/ offices under your control.

Yours faithfully,

Sd/-

Chief General Manager
(Personal Banking)