

The Chief General Manager,
State Bank of India,
Local Head office,
All Circles

Sir/ Madam,

PERSONAL BANKING BUSINESS UNIT
CORPORATE AND INSTITUTIONAL TIE-UPS
NEW PRODUCT: STATE GOVERNMENT SALARY PACKAGE (SGSP)
FOR PERMANENT EMPLOYEES OF STATE GOVERNMENTS AND UNION
TERRITORIES WITH NEW CUSTOMER TYPE AND NEW PRODUCT CODES

We are pleased to advise that we are now offering a new customized package, the State Government Salary Package (SGSP) to employees and officials of all State Governments and Union Territories, details of which are contained in Annexure I and II.

2. The concessions detailed in the package will be applicable only to the permanent employees of all State Governments and Union Territories who maintain their Salary accounts with us. The Concession on Home Loans, Auto Loans and Xpress Credit loans will be available up to 31.10. 2011 and will be continued thereafter subject to review.

3. The concessions proposed under the above tie-up will not be in addition to concessions available under tie-ups with builders, special pricing structure for High Value Housing Loans, festival/mega bonanza offers, fairs /exhibitions /other promotional campaigns etc. The margin on Housing Loan will be in line with risk based premium/ discounted interest rates. All other terms and conditions of the scheme(s) will be complied with.

4. To facilitate mining of information in CBS:

a) The **Customer Type** will be **010215**, which needs to be captured while opening/ converting the existing CIF of personnel of State Governments and Union Territories.

b) The **Product Codes** will be as under:

1096- 1431 SBCQ- SGSP-PUBIND-SILVER-INR	1096-1441 SBCQ-SGSP-PUBIND-GOLD-INR
1096-1451 SBCQ-SGSP-PUB-DIAMOND-INR	1096-1461 SBCQ-SGSP-PUBIND-PLATINUM-INR

The **Package will come in four variants**, which will be distinguished by the designation of the employees rather than their salaries. (Refer Annexure I)

5. As regards **Account opening**:

- a) KYC formalities would have to be completed by the branch concerned as usual and
- b) The branches will have to upload the mandatory 8 Fields as per extant instructions.

6. All **new accounts** should be opened with Non-Personalised Welcome Kits (NPWKs). Please ensure that adequate supplies of NPWKs are requisitioned. Non availability of NPWKs should however not be a reason for delay in opening of accounts.

7. The **existing accounts** of employees of State Governments and Union Territories opened as ordinary Savings Account or CSP accounts can be converted into SGSP accounts. Please obtain application from the individual account holders as per Annexure III requesting for conversion of existing accounts to SGSP.

8. **Strategies for Marketing:**

- i) A **formal offer letter** to be addressed to the **Chief Secretary**, Government of (***) , with a copy to the **Principal Secretary, Finance**. The offer should be made personally by the Circle Chief General Manager or Net Work GM, with an emphasis on supporting the State's IT initiatives of electronic salary uploads, Easy Pay cards to substitute all cash disbursements, other vendor payments, etc.
- ii) The DGM/ AGM Government Business, DGM/AGM PBBU and AGM IT should follow up this meeting with **presentations on CINB, the benefits of SGSP** (an offer unmatched by other banks), the advantages of Inter Core funds transfers as compared to NEFT, etc. These strategies have been implemented successfully by Bhopal Circle.
- iii) **Mapping of branches** with offices of State Governments and Union Territories.
- iv) Designating a suitable Officer as a **Relationship Manager** for the State Government/ UT as a contact point for banking related issues and also for undertaking the marketing of SGSP.
- v) **Appropriate Publicity material** on the lines of "Z Cards" or leaflets to be printed locally, detailing the features of SGSP and other relevant retail assets and liability products. This should be distributed at their offices.
- vi) Kindly arrange to set up **Account Opening Help Desks** in their Offices, on pre-determined dates.
- vii) Kindly **review the need for new branches/ relocation of existing branches/ their renovation and most importantly, the requirement of additional ATMs** to service the needs of the employees of State Governments and Union Territories.
- viii) Please arrange to **publicise the scheme extensively** through all available local media. Display of posters, banners, gates, etc may be used extensively at their locations.

9. Please arrange to advise the operating units under your control to open accounts/ convert existing accounts of permanent employees of State Government and Union Territories under SGSP.

10. The scale of the initiative being massive and so also its business implications, we request that your personal attention is bestowed on monitoring opening of accounts under SGSP.

Yours faithfully,

sd/-

General Manager (PB)
Encl :a/a

Annexure I

The product will be offered in 4 variants as under:-

- A) State Government Salary Package – Silver
- B) State Government Salary Package – Gold
- C) State Government Salary Package – Diamond
- D) State Government Salary Package – Platinum
- E)

STATE GOVERNMENT SALARY PACKAGE

(Base Rate : 7.60 %)

	Silver	Gold	Diamond	Platinum
Eligibility	Class 4 employees like Peons, sub-staff	Class 3 Employees like Teachers , Lower Divisional Clerks, Upper Divisional Clerks, <u>excl. Police</u>	Class 2 employees i.e. Gazetted Officers, Asst Directors etc	Class 1 and Executive Grade 1 i.e. Commissioners, Collectors, HOD, Directors, PS, Secretary
Minimum Balance Required	NIL	NIL	NIL	NIL
Lifetime Unique Account Number (UAN)	Available	Available	Available	Available
ATM cum Debit Card	Free. Unlimited number of transactions. Domestic Card Maestro. No annual maintenance charges. Add on card for spouse free of cost for joint account holder. NA	Free. Unlimited number of transactions. International Gold Debit Card. (Master Card or Visa) No annual maintenance Charges Add on card for spouse free of cost for joint account holder. ₹ 2 lacs limit for Point of Sale/ Merchant Establishments	Free. Unlimited number of transactions. International Gold Debit Card. (Master Card or Visa) No annual maintenance charges. Add on card for spouse free of cost for joint account holder. ₹ 2 lacs limit for Point of Sale/ Merchant Establishments	Free Unlimited number of transactions. International Platinum Debit Card. (Master Card or Visa) No annual maintenance charges. Add on card for spouse free of cost for joint account holder. ₹ 2 lacs/ USD 4000/- limit for Point of Sale/ Merchant Establishments

	*₹ 1 lacs Personal Accident Insurance cover	*₹ 4 lacs Personal Accident Insurance cover	*₹ 4 lacs Personal Accident Insurance cover	₹ 5 lacs Personal Accident Insurance cover
<i>*Effective date of PAI cover will be advised for Silver, Gold and Diamond. Platinum account holders with International Platinum Cards are already covered.</i>				
Transactions at ATM	Any number of transactions subject to a maximum limit of ₹ 40,000/- per day. Free at all SBI ATMs Cash withdrawal from ATMs of banks other than SBI more than five times in a month will attract levy of service charges as per RBI directives.	Any number of transactions subject to a maximum limit of \$ 1,000 per day (₹ 50,000/- in India) for International Card Free at all SBI ATMs Cash withdrawal from ATMs of banks other than SBI more than five times in a month will attract levy of service charges as per RBI directives.	Any number of transactions subject to a maximum limit of \$ 1,000 per day (₹ 50,000/- in India) for International Card Free at all SBI ATMs Cash withdrawal from ATMs of banks other than SBI more than five times in a month will attract levy of service charges as per RBI directives.	Any number of transactions subject to a maximum limit of \$2,000 per day day (₹ 1,00,000/- in India) for Platinum International Card Free at all SBI ATMs Cash withdrawal from ATMs of banks other than SBI more than five times in a month will attract levy of service charges as per RBI directives.
Internet Banking	Free facility offered from SBI. Charges applicable to third party sites like Railways etc payable.	Free facility offered from SBI. Charges applicable to third party sites like Railways etc payable.	Free facility offered from SBI. Charges applicable to third party sites like Railways etc payable.	Free facility offered from SBI. Charges applicable to third party sites like Railways etc payable.
Core Power (a) Transactions at Non home branches (b) Transfer of funds between SBI branches,	Free for SGSP account holder Free for SGSP account holder, however charges as applicable to beneficiary	Free for SGSP account holder Free for SGSP account holder, however charges as applicable to beneficiary account holder	Free for SGSP account holder Free for SGSP account holder, however charges as applicable to beneficiary	Free for SGSP account holder Free for SGSP account holder, however charges as applicable to beneficiary account holder will be levied

	account holder will be levied for amounts above ₹20,000/-	will be levied for amounts above ₹ 20,000/-	account holder will be levied for amounts above ₹ 20,000/-	for amounts above ₹ 20,000/-
Cheque Book	25 leaves free in a year. Extra leaves available at ₹ 2 per leaf. Personalised cheque Books available	50 leaves free in a year. Extra leaves available at ₹ 2 per leaf. Personalised cheque Books available	Unlimited, free. (Except for bulk requirement for EMIs payable to other banks/ FIs/NBFCs)	Unlimited, free. Except for bulk requirement for EMIs payable to other banks/ FIs/NBFCs)
Multi City Cheques (Payable at par at all Branches with a cap of ₹ 2 lac per cheque)	Cheque Leaf charges: NIL Payment Charges : NIL Transaction Charges : NIL	Cheque Leaf charges: NIL Payment Charges : NIL Transaction Charges : NIL	Cheque Leaf charges: NIL Payment Charges : NIL Transaction Charges : NIL	Cheque Leaf charges: NIL Payment Charges : NIL Transaction Charges : NIL
Easy Overdraft up to 2 Month's Net salary, subject to min residual service of 6 months.	Rate of interest : 8.25 % above Base Rate (presently 7.60% p.a.) i.e.15.85% p.a currently. Overdraft limited to 2 month's Net Salary. Adjusted from the next salary (ies) within a period of 6 months. Can be converted into a personal loan on application, repayable within 48 months at attractive rates of interest.	Rate of interest: 8.25 % above Base Rate (presently 7.60 % p.a.) i.e.15.85% p.a currently. Overdraft limited to 2 month's Net Salary. Adjusted from the next salary (ies) within a period of 6 months. Can be converted into a personal loan on application, repayable within 48 months at attractive rates of interest.	Rate of interest: 8.25 % above Base Rate (presently 7.60 % p.a.) i.e. 15.85% p.a currently. Overdraft limited to 2 month's Net Salary. Adjusted from the next salary (ies) within a period of 6 months. Can be converted into a personal loan on application, repayable within 48 months at attractive rates of interest.	Rate of interest : 8.25 % above Base Rate (presently 7.60 % p.a) i.e. 15.85% p.a currently. Overdraft limited to 2 month's Net Salary. Adjusted from the next salary (ies) within a period of 6 months. Can be converted into a personal loan on application, repayable within 48 months at attractive rates of interest.

Preferential allotment of Lockers	Available	Available	Available	Available
Account statement on email	Free	Free	Free	Free
Concession in locker charges	Nil	Nil	Nil	25 % as applicable for SBI Vishesh
Utility Bill Payments through Internet	Free of Cost (as per the present scheme)	Free of Cost (as per the present scheme)	Free of Cost (as per the present scheme)	Free of Cost (as per the present scheme)
Savings Plus (Auto Sweep Facility)	Threshold Amount: ₹ 15,000 TDRs/STDRs to be created for a minimum amount of ₹ 10,000 (and in multiples of ₹ 1,000) in any one instance.	Threshold Amount: ₹15,000 TDRs/STDRs to be created for a minimum amount of ₹ 10,000 (and in multiples of ₹ 1,000) in any one instance.	Threshold Amount: ₹15,000 TDRs/STDRs to be created for a minimum amount of ₹ 10,000 (and in multiples of ₹ 1,000) in any one instance.	Threshold Amount: ₹15,000 TDRs/STDRs to be created for a minimum amount of ₹ 10,000 (and in multiples of ₹1,000) in any one instance.
Passbook	Available for all accounts. Free updating at Non Home Branches	Available for all accounts. Free updating at Non Home Branches	Available for all accounts. Free updating at Non Home Branches	Available for all accounts. Free updating at Non Home Branches
Concession in margin on Home loan (up to ₹ 50 lacs only) and Car Loan (new Cars only)	5%	5%	5%	5%
<i>Margins after concession should not be less than 10 %. The margin on Housing Loan will be in line with risk based premium/ discounted interest rates</i>				
eZ trade (3-in-one account: Demat, share trading and Savings A/c)	1 st year Demat Account opening Charges of ₹400/- waived	1 st year Demat Account opening Charges of ₹ 400/- waived	1 st year Demat Account opening charges of ₹ 400/- waived	1 st year Demat Account opening Charges of ₹ 400/- waived
SBI Vishesh Status	Not Available	Not Available	Not Available	Available

Mobile Banking	Free	Free	Free	Free
Gold Coin	1% concession on card rate for purchase of 2, 4, 5, 8, 10, 20 and 50 gm denominations. An additional concession of 0.5% on card rate will be available during festivals/ campaigns. Total concession not to exceed 1.5% on Card Rate.			

Proposed Interest rate concession

(Base Rate : 7.60 %)

1	Interest Rates	Card Rates	Proposed Concession
	<u>Housing Loans</u> <u>Floating Interest Rates #</u>		
	<u>Up to & including ₹ 30 Lacs</u>		
	Up to 5 Years	1.75 % p.a. above Base Rate. Current Effective rate:9.35% p.a	<u>50 bps below</u> the applicable card rate on the date of sanction
	Above 5 Years and up to 15 Years	2.00 % p.a. above Base Rate. Current Effective Rate : 9.60% p.a	<u>50 bps below</u> the applicable card rate on the date of sanction
	Above 15 Years and up to 25 Years	2.25 % p.a. Above Base Rate. Current Effective Rate : 9.85 % p.a	<u>50 bps below</u> the applicable card rate on the date of sanction
	<u>Above ₹ 30 Lacs & up to ₹ 75 Lacs</u>		
	Up to 5 years	2.25 % p.a. Above Base Rate Current Effective Rate: 9.85 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction
	Above 5 years and up to 15 years	2.50 % p.a. Above Base Rate. Current Effective Rate: 10.10 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction
	Above 15 years and up to 25 years	2.75 % p.a. Above Base Rate. Current Effective Rate: 10.35 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction
	<u>Above ₹ 75 Lakhs</u>		
	Up to 5 years	2.25 % p.a. Above Base Rate. Current Effective Rate: 9.85 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction
	Above 5 years and up to 15 years	2.50 % p.a. Above Base Rate. Current Effective Rate: 10.10 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction
	Above 15 years and up to 25 years	3.00 % p.a. Above Base Rate. Current Effective Rate: 10.60 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction
	<u>FIXED RATE *</u>		

	(period up to 10 yrs) Up to ₹ 30 Lakhs Above ₹ 30 Lakhs (<i>subject to force majeure clause and interest rate reset at the end of every two years on the basis of fixed interest rates prevailing at that time</i>)	3.25 % p.a. Above Base Rate on the date of reset. Current Effective Rate : 10.85 % p.a. 4.25 % p.a Above Base Rate on the date of reset. Current Effective Rate : 11.85 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction <u>50 bps below</u> the applicable card rate on the date of sanction
<i>#Under SBI Easy / Advantage schemes: No interest rate concession during the special offer period where interest rate is provided at fixed rate for the first 3 years. Thereafter interest rate will be reset on 3rd anniversary date of the loan at 50 bps below the rate applicable after completion of 3 years. The concession will be applicable for floating as well as fixed rates loans. The concession of 50 bps will not automatically apply to loans which are specially structured and finely priced.</i>			
ii	<u>Car Loans</u> <u>New Cars only</u> <u>Floating Interest Rates</u> <u>SBI Car loan Scheme for loan below ₹ 5.00 lacs</u> Up to 3 years Above 3 Years up to 5 years Above 5 years and up to 7 years <u>SBI Car loan Scheme for loan of ₹ 5.00 lakhs and above</u> Up to 3 years Above 3 Years up to 5 years Above 5 years and up to 7 years	3.75 % p.a Above Base Rate. Current Effective Rate: 11.35 % pa. 3.75 % p.a Above Base Rate. Current Effective Rate: 11.35 % p.a. 4.00 % p.a Above Base Rate. Current Effective Rate: 11.60 p.a. 3.25 % p.a Above Base Rate. Current Effective Rate: 10.85 p.a. 3.50 % p.a Above Base Rate. Current Effective Rate: 11.10 % pa. 3.75 % p.a Above Base Rate. Current Effective Rate: 11.35 % p.a.	<u>50 bps below</u> the applicable card rate on the date of sanction <u>50 bps below</u> the applicable card rate on the date of sanction <u>50 bps below</u> the applicable card rate on the date of sanction <u>50 bps below</u> the applicable card rate on the date of sanction <u>50 bps below</u> the applicable card rate on the date of sanction <u>50 bps below</u> the applicable card rate on the date of sanction

	Car Loans Car loans under special schemes like SBI EZee Car loan and SBI Advantage Car loan scheme where special interest rate is applicable for limited period	As per Card Rates	<u>#Under SBI EZee / Advantage Car Loan schemes: No interest rate concession during the special offer period where interest rate is provided at fixed rate for the first 3 years.</u> Thereafter interest rate will be reset on 3 rd anniversary date of the loan at 50 bps below the rate applicable after completion of 3 years. The concession will be applicable for floating rates loans.
iii	Xpress Credit	As per card rate	<u>50 bps below</u> the applicable card rate on the date of sanction
2	Margin Housing Loan * Up to ₹ 75 lacs Above ₹ 75 lacs Car Loan	20% 25% 15%	15% 20% 10%
* Circle CGMs will have discretionary power to reduce margin on Home Loan above ₹ 75 lacs by further 5 % over and above the margins. This discretion will be subject to the proviso that the margin on Home loan will not go below 10 % after allowing the discretionary concessions			
3	Processing Charges Housing Loan Car Loan Xpress Credit	At rates applicable to various slabs 0.50% 1.00 %	50 % of applicable Card rates ₹ 500 per application 50 % of applicable Card rates
4	Security	Mortgage of property for housing loan	Waiver of interim security in case of delayed mortgage where check off is available
5	Mode of repayment	Check-off facility/ Standing Instructions on Salary Account with 6 post dated Cheques.	

The Branch Manager
State Bank of India
_____ Branch

Dear Sir,

STATE GOVERNMENT SALARY PACKAGE – SGSP
REQUEST FOR CONVERSION OF SB ACCOUNT TO SGSP – ACCOUNT AND AUTO SWEEP
FACILITY

I maintain a Saving Bank account with your branch and the account number is _____. I am presently employed as _____ with _____ and my employee/ personal Number is _____. My present address is appended below which may please be incorporated in your records for which I am enclosing a certificate/ letter issued by my employer. I request you to accept it for opening the savings account.

In addition I am enclosing a copy of _____ (any one of Passport, driving licence, PAN Card, Voter's Identity Card, etc. or utility bills such as telephone bill, Bank account statement, Electricity bill etc.) satisfying the KYC norms as prescribed by your Bank/ RBI.

2. In this connection I request that my existing account be converted into a State Government Salary Package account with all its special features.

3. As regards converting my account to Savings Plus account: (Please tick in the appropriate box)

a. I do not wish to avail of this facility **OR**

b. I request you to convert my savings account into a Savings Plus account.

In case the response is b:

I request you to allow me auto-sweep facility in the said account, should the balance in my account exceed Rs. _____ (please indicate an amount of Rs.15,000/- or above) as at the end of the day of **(please tick)**

On weekly basis, each _____ day (e.g. Monday or Tuesday oretc), every week.

OR

On monthly basis _____ (e.g. 1st or 2nd or 3rd or etc) of every month beginning from _____ (dd/mm/yy)

I authorise you to transfer the excess amount to a Multi Option Deposit (TD/STD) **(please tick)** for a period of _____ month/ year(s). I understand that this auto sweep will be done for a minimum amount of Rs.10,000/- and in the multiples of Rs.1,000/- at any one instance. Further, under the reverse sweep facility for breaking of Multi Option Deposit, I authorise you to break the Multi Option Deposit by following the principle of **(please tick)** "Last in First Out" OR "First in First Out"

I confirm that I have read and understood the Terms and Conditions of Savings Plus Account. Payment of proceeds, as well as nomination for the term deposits so made would be as per my/ our Savings Plus Account with you, by debit to which the Multi Deposits would be created.

4. Since I am presently posted at / is being posted to _____ I request that my account should be transferred to _____ Branch of SBI for ease of operation. (Strike out if not applicable).

Yours faithfully,

Name:

Address

Date

Place:

