



TRY/MD/ED (F)/2009-10

February 20, 2010

**CIRCULAR No: 895**

Sub: Parking cash benefits of retiring employees as Fixed Deposits with the Corporation by offering an extra incentive in the FD interest rates.

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The Management has decided to offer an incentive to the retired employees in the form of an extra interest rate over the rate payable to other investors on the fixed deposits of the Corporation. The special fixed deposit scheme offered to the retired employees of the Corporation shall come into force with effect from **18.02.2010** and the terms and conditions thereon are detailed below:

**I. Rate of Interest:**

SL No.	Period	Interest rate p.a.
1	> 3 to 5 years	9.00%

**II. Conditions for accepting Fixed Deposits:**

- The minimum size of deposits shall be Rs25,000/- and in multiples of Rs.5000/- thereafter.
- The period of deposits shall be exceeding 3 years and up to 5 years and not beyond.
- The interest will be paid on quarterly rest basis (non-cumulative) i.e. on 30<sup>th</sup> June, 30<sup>th</sup> September, 31<sup>st</sup> December and 31<sup>st</sup> March of every year.
- No permission shall be granted for any loan against these deposits.
- There is no Government guarantee for the fixed deposits.

**III. Charging penalty on pre-closure of Fixed Deposits:**

No interest will be paid for the FDs withdrawn before the completion of one year. The pre-closure penalty of 1% p.a. will be levied for the FDs withdrawn after completion of one year and up to 3 years and 0.5% will be levied for the FDs withdrawn after 3 years period.

The other terms and conditions of regular fixed deposit scheme shall remain same.

Due to change in interest rates, the following separate G L codes have been introduced to monitor the amount mobilized.

GL Code	Particulars
3610	FDs without Govt. guarantee Acceptance 2009-10 (3)
3611	FDs without Govt. guarantee Discharge 2009-10 (3)

The contents of this circular shall be brought to the notice of all the concerned in your office.

Sd.  
MANAGING DIRECTOR

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