Parixa Ngr. 15/2019

1. At par inter Branch remittance facility for transfer of funds of university and their staff and their colleges.
2. At par collection facilities including waiver of out of pocket expenses.
3. At par issue and cancellation of Drafts and Bankers Cheques.
4. At Par issue of Multi City Cheque books.
5. Waiver of excess debit charges in SB accounts of the University and its departments/ sub centres.
6. Waiver of Cash Handling Charges.

The undersigned Assistant General Manager, Regional Business Office-III Ahmedabad Branch as per the letter bearing no. 0248-27245 the Managing Director and Principal Secretary of the University hereby authorize the following:

1. The branches of the bank to accept remittances in the name of the University and its departments/ sub centres.
2. The branches of the bank to issue drafts and bankers cheques.
3. The branches of the bank to issue multi-city cheque books.
4. The branches of the bank to waive excess debit charges in the University’s SB accounts.
5. The branches of the bank to waive cash handling charges.

Ch. Nandakumar/Professor--2/07May-05/18
Date: 30/08/2018

Dr: GOHIL/Guj Letter/
Previously our Branch was among the top branches of the Circle in AG deposits due to deposit undertaken by the university. The level of deposits is expected to further increase on approval of new projects from university. 

<table>
<thead>
<tr>
<th>No</th>
<th>Type of Account</th>
<th>As on 31.03.2016</th>
<th>As on 31.03.2017</th>
<th>As on 31.03.2018</th>
<th>As on 31.03.2019</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>SB</td>
<td>8.40</td>
<td>14.70</td>
<td>11.20</td>
<td>11.17</td>
</tr>
<tr>
<td>2</td>
<td>SB</td>
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<td>5.37</td>
<td>4.42</td>
<td>4.42</td>
</tr>
<tr>
<td>3</td>
<td>TOTAL</td>
<td>166.27</td>
<td>169.12</td>
<td>166.38</td>
<td></td>
</tr>
</tbody>
</table>

1. Deposits: The level of deposits of the University in various accounts at our Branch is as under:

- SDU was carved out of Gujarat Agriculture University w.e.f. 01.05.2004. The University is banking with the SBI at the Centre of our Branch.
- The University is enjoying various concessions from SDU and their colleges located nearby.
- At present our Dantwada Branch (0760) is providing the following concessions to SDU and their colleges.
- The Sardarker Agricultural University (SDU) campus is located at the Dantwada Branch.
- Our Branch deposits are directly contributed by SDU. Our Branch deposits are directly contributed by SDU in order to provide the following concessions to SDU and their colleges located near our Branch.
- The concession was last sanctioned on 15.12.2018 for a period up to 31.03.2019 and has since become due for renewal.

Dated: 15.12.2018

(Author)
2. **Miscellaneous business:** The Bank is also getting handsome amount of float funds on account of remittances and collections made by SDAU. The estimated turnover for the previous financial year 2018-19 is as under.

- Remittances: approx. Rs. 160 Crore (mostly through RTGS/ NEFT)
- Collections: approx. Rs. 5 Crore

3. **Business from SDAU employees:** Approximately 1800 employees of SDAU maintain their salary account with us. They contribute approximately 60% of P Segments deposits of the branch in form of SBI, TDR and STD accounts. As on 31.03.2019 total deposit of the University is Rs. 126 Cr. SDAU also constitute a safe and secure customer base for retail loans as the DDO of respective Department of University is providing undertaking for retail loans taken by the staff working under him. At present the outstanding in term loan accounts of SDAU employees is approx. Rs 5.50 crore.

4. The University has also provided premises on lease to the Branch at a nominal rent of Rs. 5000.00 per month whereas the prevailing market rate of similarly sized premise is approx Rs. 5000.00 per month in the area.

5. **Cost Benefit:** Dantiwada Branch is foregoing exchange/commission to the extent of approximately Rs. 4.00 Lacs p. a. on account of the concessions provided to the University.

Dantiwada Branch is earning considerable C.O. Office interest on deposits maintained by SDAU.

- Estimated C.O. Interest earned on deposits of SDAU P.A.: Rs. 405.00 lacs
- Interest earned on float finds of draft/collection (@4% for 5 days): Rs. 2.00 lacs
- Interest on advances of SDAU employees (@9% P.A. on 550.00 Lacs): Rs. 50.00 lacs

As evident from the above details, the Bank gets to gain when cost Benefit analysis is done. Therefore, considering the profitable and long standing connection with the University, we recommend for renew the existing "At par" facility to SDAU for a further period year of one year from 01.04.2019 to 31.03.2020. The facility was last sanctioned on 15.12.2018 for the period 01.04.2018 to 31.03.2019 (copy attached).

We may add that SDAU will ensure that their accounts along with employees accounts elsewhere will be opened/transferred to SBI only.

In view of the above, we recommend as under for the period 01.04.2019 to 31.03.2020:

i) **At par inter Branch remittance facility for transfer of funds of university and their staff and their colleges**

ii) **At par collection facilities including waiver of out of pocket expenses**

iii) **At par issue and cancellation of Drafts and Bankers Cheques.**

iv) **At par issue of Multi City Cheque books.**
vi) Waiver of Cash Handling Charges.

Submitted for approval

Assistant General Manager
Regional Business Office-III
(B.K & PATAN), Palanpur
Date- 19/07/2019