



**बड़ौदा यू.पी.बैंक**  
**Baroda U.P. Bank**

प्रधान कार्यालय : बुद्ध विहार व्यावसायिक योजना, तारामंडल, गोरखपुर-273016  
शिबिर कार्यालय : ए-1 सिविल लाइन्स रायबरेली-229001, फोन : 0535-2702075  
e-mail : ho@barodauprb.co.in

HO/01/BR/HRM/2020-21/48

20 April, 2020

**CIRCULAR TO ALL BRANCHES/OFFICES**

**ISSUED BY HRM DEPARTMENT**

Dear Sir/Madam,

**Re: Terminal benefits viz. Gratuity, Leave Encashment, PF & NPS**

Consequent upon amalgamation of -03- RRBs viz. Baroda Uttar Pradesh Gramin Bank(BUPGB), Kashi Gomti Samyut Gramin(KGSG) Bank and Purvanchal Bank(PB) into a new entity namely 'Baroda U.P. Bank, Hon'ble Board of Directors of the new entity, after due deliberations, have accorded their approval to the terminal benefit schemes viz. Gratuity, Leave Encashment, PF & NPS, w.e.f. 01.04.2020, as under :

**GRATUITY**

Following provisions are contained in Service Regulations under Regulation 72

“(1) An officer or employee shall be eligible for payment of gratuity either as per the provisions of the Payment of Gratuity Act, 1972 (39 of 1972) or as per sub-regulation (2), whichever is higher.

(2) Every officer or employee shall be eligible for gratuity on, -

- (a) retirement,
- (b) death,
- (c) disablement rendering him unfit for further service as certified by a medical officer approved by the Bank, or
- (d) resignation after completing 10 years of continuous service, or
- (e) termination of service in any other way except by way of punishment after completion of 10 years of service:

Provided that in respect of an employee there shall be no forfeiture of gratuity for dismissal on account of misconduct except in cases where such misconduct causes financial loss to the bank and in that case to that extent only.

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शिबिर कार्यालय - ए-1, सिविल लाइन्स रायबरेली  
फोन -0535-2703875, 2702050

Camp Office : A-1, Civil Lines Raebareli  
Phone : 0535-2703875, 2700723



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(3) The amount of gratuity payable to an officer or employee shall be one months pay for every completed year of service or part thereof in excess of six months subject to a maximum of 15 month's pay:

Provided that where an officer or employee has completed more than 30 years of service, he shall be eligible by way of gratuity for an additional amount at the rate of one half of a month's pay for each completed year of service beyond 30 years:

Provided further that in respect of an officer the gratuity is payable based on the last pay drawn:

Provided also that in respect of an employee pay for the purposes of calculation of the gratuity shall be the average of the basic pay (100%), dearness allowance and special allowance and officiating allowance payable during the 12 months preceding death, disability, retirement, resignation or termination of service, as the case may be."

**Illustration** for Gratuity calculation for Officers is given as under -

A. Gratuity calculation as per the Payment of Gratuity Act-1972 -

Gratuity (A) = [Basic + PQP+DA+FPP(Basic+DA Portion)] X Length of Service/26  
Subject to ceiling of Rs 20,00,000/-

B. Gratuity calculation as per applicable Service Regulation's clause 72 (3) -

Gratuity (B) = [Basic + PQP + FPP (Basic component)] X Period

**Payable Gratuity = "A" or "B" whichever is higher**

**Illustration** for Gratuity calculation for Employees is given as under -

C. Gratuity calculation as per the Payment of Gratuity Act-1972 -

Gratuity (C) = [Basic + PQP+Sp.Pay+DA+FPP(Basic+DA Portion)] X Length of Service/26  
Subject to ceiling of Rs 20,00,000/-

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D. Gratuity calculation as per applicable Service Regulation's clause 72 (3) -

Gratuity (D) = [Avg. Basic (100%) + Avg. DA+ Avg. PQP + Avg.FPP (Basic +DA)] X Period

(Avg. means the average of last 12 months preceding death, disability, retirement, resignation or termination of service, as the case may be.)

Payable Gratuity = "C" or "D" whichever is higher

### LEAVE ENCASHMENT :

Followings provisions are contained in the applicable service regulations under regulation 67 -

"Provided that where an officer or employee dies in service, there shall be payable to his legal representatives, sums which would have been payable to the officer or employee as if he has availed of the privilege leave that he had accumulated at the time of his death subject to sub-regulation (4) of regulation 61.

Provided further that where a staff retires from the service of the Bank, he shall be eligible to be paid a sum equivalent to the emoluments for the period of privilege leave he had accumulated subject to sub-regulation (4) of regulation 61:

Provided also that in respect of the employee where his services are terminated owing to retrenchment, he shall be paid pay and allowances for the period of privilege leave at his credit."

Thus the payment of leave encashment shall be admissible to an employee / officer shall be limited to privilege leave he had accumulated subject to maximum of 240 days, as per extant provisions.

**Illustration of method of calculation of Privilege Leave encashment at the time of LTC/Retirement/Death -**

= Last drawn salary\* X No. of P/L balance (subject to max. of 240) / 30

\*Last drawn salary also includes actual HRA paid, including HRA upto 150%.

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**PF/NPS**

**Provident Fund -**

The employees who are presently covered under the Pension Scheme-2018 shall continue to contribute 10% of the pay towards Provident Fund, but there shall be no matching contribution.

**NPS -**

The employees who are not covered under Pension scheme-2018 (joined service on or after 01/04/2010) shall continue to contribute 10% of Basic pay + DA and there shall be matching contribution towards NPS by the employer, or as amended from time to time.

Please bring the contents of this circular to notice of all staff members and take careful note of the above instructions for implementation.

Yours faithfully,

  
(D.P. Gupta)  
Chairman