

**REGULATIONS GOVERNING THE SERVICE CONDITIONS OF THE STAFF
OF NATIONAL FEDERATION OF STATE COOPERATIVE BANKS LTD.**

CHAPTER NO.I

1. These regulations are called service conditions of Employees of the National Federation of State Cooperative Banks Ltd.
2. They shall apply to all the existing staff of the Federation and to those to be appointed hereafter.

3. **DEFINITIONS**

In these service regulations unless there is anything repugnant in the subject or context.

- a) The Federation means the National Federation of State Cooperative Banks Ltd.
- b) The expressions "Board", "Executive Committee", "Chairman", "Vice-Chairman" and "Chief Executive" shall mean the "Board", "Executive Committee", "Chairman", "Vice-Chairman", "Managing Director" respectively of the National Federation of State Cooperative Banks Ltd.
- c) "Competent Authority" means the authority empowered to deal with any matter as prescribed by the service regulations or by the Bye-laws of the Federation.
- d) "Pay" means Basic pay which has been sanctioned for a post held by him/her substantively or in an officiating capacity or to which he/she is entitled by reason of his position in cadre.
- e) "Basic Pay" means the pay drawn in the prescribed pay band plus the applicable grade pay but does not include any other type of pay like special pay, etc.
- f) "Compensatory Allowance" means an allowance granted to meet expenditure necessitated by the special circumstances in which duty is performed;
- g) "Period of Service" includes the period on duty as well as on leave duly authorised by the competent authority;
- h) "Existing Staff" means all the members of the staff employed by the Federation as on date.

- i) "Head Quarters" means the place where the office of the Federation is located.

4. AMENDMENTS TO SERVICE REGULATIONS

It shall be competent for the Board of the Federation whenever it deems fit, to alter, amend or otherwise change these Service Regulations. The Service Regulations as amended shall be applicable to existing staff as defined above.

CHAPTER NO. II

CADRES, QUALIFICATIONS AND APPOINTMENT

5. CADRE OF ESTABLISHMENT

The Board shall be the competent authority to prescribe from time to time, the cadre and strength of the establishment and the scales of pay and allowances for each cadre in accordance with clause (cc), (dd), (ff) of the: Byelaw 23 of the Federation.

6. OFFICE TIMINGS

| | |
|---|-------------------------|
| All Staff except Sub-Staff - Monday to Friday | 10.30 A.M to 5.30 P.M. |
| Saturday | 10.30 A.M. to 1.45 P.M. |
| Sub-Staff - Monday to Friday | 10.00 A.M. to 6.00 P.M. |
| Saturday | 10.00 A.M. to 2.15 P.M. |

Lunch break on all days except Saturdays will be from 1300 to 1330 hrs. No lunch break on Saturdays.

The Chief Executive may suitably alter the working hours of an employee whenever necessary which -includes timings of lunch break.

7. STAFF OF THE FEDERATION CONSISTS OF THE FOLLOWING CADRES SUBJECT TO REVISION OF SUCH CLASSIFICATION FROM TIME TO TIME:

- 1. Chief Executive/Managing Director
- 2. **Class I**
Director, Joint Director & Deputy Director

3. **Class II**

P.A. to Managing Director/Assistant Director/ Senior Staff
Assistant/Senior Stenographer

4. **Class III**

Staff Assistant/Stenographer/Junior Assistant

5. **Class IV**

Driver/Head Peon/Peon

8. **PAYSCALES**

| | Payscale | + Grade Pay | Pay Band |
|--|------------------|--------------------|-----------------|
| 1. Chief Executive/Managing Director : | Rs.37400 - 67000 | + 10000 | PB-4 |
| 2. Director : | Rs.15600 – 39100 | + 7600 | PB-3 |
| 3. Joint Director : | Rs.15600 – 39100 | + 6600 | PB-3 |
| 4. Deputy Director : | Rs. 9300 - 34800 | + 5400 | PB-2 |
| 5.Asst. Director/P.A. to M.D./ P.S. to Chairman : | Rs. 9300 - 34800 | + 4200 | PB-2 |
| 6. Staff Assistant/Stenographer : | Rs. 5200 - 20200 | + 2400 | PB-1 |
| 7. Junior Assistant : | Rs. 5200 - 20200 | + 2000 | PB-1 |
| 8.Driver : | Rs. 5200 - 20200 | + 1900 | PB-1 |
| 9.Head Peon : | Rs. 5200 - 20200 | + 1800 | PB-1 |
| 10.Peon : | Rs. 4440 – 7440 | + 1650 | 1S |

9. **APPOINTING AUTHORITY**

- a) The Board shall have the power to select and appoint the Chief Executive and other Managerial Staff for the Federation and also fix their emoluments and decide the terms and conditions of their service.
- b) The other staff shall be appointed by the Chief Executive with the approval of the Chairman within the policy framework decided by Board from time to time.

10. **QUALIFICATIONS**

Following qualifications are prescribed for new appointments to the various posts or future promotions w.e.f. February 23, 2007:

a) Chief Executive (Managing Director)

A Post Graduate Degree in any discipline of Social Sciences from a recognised University 20 years experience in a responsible position in a financial institution or any Organisation dealing with Short Term Cooperative Credit Structure, considerable research experience to undertake and guide research projects/ conduct training programmes. A Ph.d in one of the relevant discipline is desirable. Age should be between 48 and 52 years.

b) Director

A Post Graduate Degree in any discipline of Social Sciences preferably in Economics, Statistics, Sociology/ Social Work from a recognised Indian University. 12 Years experience in the fields connected with the problems of Agricultural and Rural Banking, Rural Credit Management and Rural Development Administration, supported by considerable Research Work Doctorate in any one of the fields is desirable. Age should be between 40 and 45 years.

c) Joint Director

A Post Graduate Degree in any discipline of Social Sciences preferably in Economics, Statistics from a recognised Indian University and/or Post Graduate Diploma in Agri Business Management either from Vaikunth Mehta National Institute of Cooperative Management (VAMNICOM) or any institution recognized by any Indian University . 10 years experience in the fields connected with the problems of Agricultural and Rural Banking, Rural Credit Management and Rural Development Administration. Should have a through understanding of the issues in Short Term Cooperative Credit and Banking Institutions. Diploma in Cooperative Management is desirable. Experience in Computer Programming and System Analysis is desirable. Age should be between 30 and 35 years.

d) Deputy Director

A Post Graduate Degree in any discipline of Social Sciences preferably in Economics, Statistics from a recognised Indian University and/or Post Graduate Diploma in Agri Business Management either from Vaikunth Mehta National Institute of Cooperative Management (VAMNICOM) or any institution recognized by any Indian University. Seven years experience in the fields connected with the problems of Agricultural and Rural Banking, Rural Credit Management and Rural Development Administration. Experience in Computer

Programming and System Analysis and Diploma in Computer Management are desirable. Age should be between 30 and 35 years.

e) Assistant Director

A Post Graduate Degree in any discipline of Social Sciences preferably in Economics, Statistics from a recognised Indian University and/or Post Graduate Diploma in Agri Business Management either from Vaikunth Mehta National Institute of Cooperative Management (VAMNICOM) or any institution recognized by any Indian University. Five years experience in the fields connected with the problems of Agricultural and Rural banking, Rural Credit Management and Rural Development Administration. Experience in Computer Programming and System Analysis is desirable

f) P.A. to Managing Director / P.S. to Chairman

A graduate of a recognised University. Qualified in Stenography and typing having a minimum speed of 120 and 60 w.p.m. respectively with Diploma in Computer Application & exposure of working as Stenographer for not less than Three years, ability to handle independent correspondence and travel to outstations on office duty, ability to assist in preparation of draft proceedings of all kinds of meetings conducted by the Federation.

g) Staff Assistant

A Graduate of a recognised University and a minimum of 2-3 years experience with exposure to Computer.

h) Stenographer

A graduate of a recognised University. Qualified in Stenography and typing having a minimum speed of 100 and 50 w.p.m. respectively, with Diploma in Computer Application, should have the knowledge of Telex/Fax, should have passed the Stenography and typing test conducted by Government. Minimum five years experience.

i) Junior Assistant

A Graduate of a recognised University with knowledge in Computer Application.

j) Driver

VIII Standard Passed and should have valid light and medium driving licence.

k) Head Peon

By internal promotion subject to vacancy.

l) Peon

VIII Standard Passed.

11. RECRUITMENT

All the positions will be filed/recruited through direct recruitment or as may be decided by Board from time to time. Necessary rosters for all future recruitment for various categories of staff will be prepared based on the reservation policy of Government of India.

12. a) No person shall be appointed if he/she has, on the date on which, he/she assumes charge, attain the age of 30 years.
- b) The provision of this age regulation shall not apply in case of appointment/promotion to the posts of Chief Executive/Director/Joint Director/Deputy Director.
- c) The Board shall have power to relax any of the above age in special circumstances giving reasons therefore.

12A. RESERVATION

- a) The vacancies in various categories of staff will be notified for recruitment based on the reservation policy of Government of India with regard to appointment of SC, ST & OBC categories.

13. PROMOTIONS/ACP/SANCTION OF HIGHER GRADE

- a) Promotions of all categories up to Joint Director level will be based on Seniority (25 marks), written test (25 marks), Annual Confidential Reports, which are kept in the custody of Chief Executive (25 marks) and Oral Interviews (25 marks). This procedure may be followed once in eight years on seniority basis subject to vacancy in higher position. The written test and interviews will be conducted by a separate independent committee appointed exclusively for such a purpose by the competent authority.

b) Assured Career Progression (ACP) Scheme

In the absence of promotion for any reason the following category of employees may be granted, the following pay scales as a part of ACP Scheme (After every 12 and 12 years). It should be limited to twice in the total service of an employee.

| | Pay Band + Grade Pay | Pay Band |
|----------------------------------|-----------------------------|-----------------|
| Peon | : Rs. 5200 – 20200 + 1800 | PB-1 |
| Head Peon | : Rs. 5200 – 20200 + 1900 | PB-1 |
| Driver | : Rs. 5200 – 20200 + 2000 | PB-1 |
| Junior Assistant | : Rs. 5200 – 20200 + 2400 | PB-1 |
| Staff Assistant/Stenographer | : Rs. 5200 – 20200 + 2800 | PB-1 |
| Assistant Director / P.A to M.D. | : Rs. 9300 – 34800 + 4600 | PB-2 |
| P.S. to Chairman | | |
| Deputy Director | : Rs.15600 – 39100 + 6600 | PB-3 |
| Joint Director | : Rs.15600 – 39100 + 7600 | PB-3 |
| Director | : Rs.37400 – 67000 + 8700 | PB-4 |

** The pay scales under ACP Scheme for the first time have been offered to all the staff members except Chief Executive during the year 2006.

c) **Sanction of Higher Grade**

In the case of Director, Joint Director and Deputy Director, a higher scale may be granted/sanctioned to an employee, whose performance is considered consistently excellent for the last atleast 8 years, by the Executive Committee of the Federation and the assessment of performance shall be based on their Annual confidential reports.

14. **PROBATION**

A person appointed or promoted to any post shall ordinarily be on probation for a period of one year which may be extended by a further period of one year on the completion of which period, he may be confirmed in the post if his/her work and conduct have been found satisfactory, unless the post is one created on temporary basis. All staff members who are on the pay rolls of the Federation as on March 31, 2006 shall be deemed as confirmed employees, unless and otherwise notified.

If, however, a person acts in a higher post for a period of two years within a continuous period of three years satisfactorily, it will not be necessary to place him/her again on probation.

15. The period of probation shall be exclusive of the duration of earned leave, sick or extra-ordinary leave taken by an employee.

16. **TERMINATION OF PROBATION**

It shall be competent for the appointing authority to terminate the probation of an employee either a direct recruit or a promotee at any time during the period of probation. Except in the case of a promotee, no appeal shall lie against an order

terminating the probation. During probation period the services of an incumbent can be terminated without notice if his/her work is found to be unsatisfactory.

17. RESIGNATION

- a) The Board shall be the competent authority to accept the resignation of the Chief Executive and the Chief Executive shall be the competent authority to accept resignation of other staff.
- b) If an employee intends to resign his/her post, he/she shall give at least one month's notice or he shall give one month's pay in lieu thereof.

18. SUPERANNUATION AND RETIREMENT

All employees of the Federation have to retire from its service on attaining the age of 58 years unless he/she is communicated in writing three months in advance about the extension of the retirement age to 60 years. However, this is subject to review and change from time to time by the Board of Directors. The term of appointment of Chief Executive is separately decided by Board of Directors from time to time.

19. RECORDS OF SERVICE AND PERSONAL FILES

- a) A record of service shall be maintained by the Federation in respect of each employee. All changes shall be noted in the register under the attestation of the Chief Executive. But in the case of Chief Executive the record shall be attested by the Chairman.
- b) Service Book/Confidential Reports/Personal Files shall also be maintained for each employee of the Federation. They shall be kept in the custody of Chief Executive.

20. AUTHORITY OF SANCTION INCREMENT/ACCELERATED INCREMENT/STAGNATION INCREMENT

- a) There shall be a uniform date of increment i.e. 1st July of the year. The Chairman shall be competent to sanction annual increments to the Chief Executive and in respect of others the Chief Executive shall be competent to sanction annual increments, who have put an active service of 365 days. Annual increments to Class I Officers shall be sanctioned only after production of documentary evidence of preparation of atleast two research papers in addition to their other duties and responsibilities. Days on loss of pay are not considered for computation of active service days. In such cases, the annual increment gets postponed for equal number of such days.

b) **Increment for new Employees who join on or after 1st January :**

The date of annual increment for new appointees/employees who join the services of the Federation on 1st January (unless falls on Sundays/Public Holidays) shall be the 1st July of the same year, provided the employee completes active/continued services in the Federation at least for a period of not less than six months. Loss of Pay is not considered as active service or continued service. Therefore, an employee though joined in the services of the Federation on 1st January becomes ineligible for the annual increment on 1st July of the same year due to loss of pay.

c) The Chairman shall be competent to sanction stagnation increments on completion of satisfactory services of every year subject to a maximum of three stagnation increments for the remaining period of service in case of Chief Executive and in respect of others the Chief Executive shall be competent to sanction stagnation increments on completion of satisfactory services of every year subject to a maximum of three increments for the remaining period of service.

Interpretation

An employee is eligible to draw annual increment even after reaching the maximum of the payscale for a continuous period of three years on completion of satisfactory services and after completion of three such years of service period he/she will under no circumstances be eligible to draw annual increment.

CHAPTER NO. III

LEAVE RULES

21. **KINDS OF LEAVE**

Subject to the provisions of these regulations the following kinds of leave may be granted to an employee:

- a) Casual Leave
- b) Earned Leave
- c) Sick Leave
- d) Extra-ordinary Leave without Pay and Allowances
- e) Maternity Leave
- f) Compensatory Off

For the purposes of leave record, the year will be twelve months from 1st April to 31 March. The leave accounts of employee will, therefore, be credited with leave entitlements on 1st April each year.

22. **AUTHORITIES EMPOWERED TO GRANT OR REFUSE LEAVE**

- a) The Chairman shall be competent to grant or refuse any kind of leave to the Chief Executive of the Federation.
- b) The Chief Executive shall be competent to grant or refuse any kind of leave to the other Staff.

The Chief Executive may, however, whenever necessary authorise any other officer/s to grant or refuse leave to other staff.

23. **GRANT, REFUSAL, CANCELLATION OF LEAVE OR RECALL OF AN EMPLOYEE FROM LEAVE**

- a) Leave cannot be claimed as a matter of right. Discretion to grant/refuse/revoke leave of any description or to recall an employee from leave is reserved with the competent authorities specified in the preceding rule.
- b) In grant or refusing leave or recalling an employee from leave, the following circumstances and other similar circumstances will be taken into consideration by the Competent Authority:
 - i) Exigencies of service
 - ii) Whether the reasons for leave are genuine and convincing
 - iii) Employees regularity/irregularity in attendance
 - iv) Leave to the credit of the employees
 - v) Applicable rules/conditions for grant of leave

In case of leave on medical grounds, main consideration will be the physical condition of the employee as ascertained by medical and other evidence, leave due and admissible.

- c) Leave may not be granted to an employee under suspension or against whom disciplinary proceedings are pending.

24. **LAPSE OF LEAVE ON CESSATION OF SERVICE**

Leave earned by an employee lapses on the date on which he/she ceases to be in the service of the Federation. However, earned leave will not so lapse but can be encashed upto the maximum extent of 300 days.

25. **EARLIER RETURN FROM LEAVE**

An employee on leave shall not resume duty before the expiry of the period of leave granted to him/her, unless permitted or required by Competent Authority.

26. **NOTICE OF APPLICATION FOR EARNED LEAVE AND EXTRA ORDINARY LEAVE, LEAVE WITHOUT PAY AND ALLOWANCES, EXTENSION OF LEAVE AND CONSEQUENCES OF OVERSTAY OF ABSENCE**

a) **Advance Application for Leave**

An employee desiring to avail of earned leave or extra-ordinary leave shall apply in writing not less than 15 days before the date from which the leave is desired. However, this requirement may be condoned by the Competent Authority if it is satisfied that due to urgent or unforeseen circumstances (including sickness duly supported by medical certificate acceptable to the Competent Authority), the employee could not fulfill this requirement.

b) **Extension of Leave**

If an employee on leave desires an extension thereof, he/she shall make a written application giving reasons so as to reach the Federation at least three days before the expiry of leave.

A reply communicating the sanction or rejection of the leave extension shall be sent by the Federation to the employee to the address given by him/her in his/her application for extension of leave.

c) **Absence or overstay**

Absence without leave whether in continuation of sanction leave or otherwise may entail break in service, besides disciplinary action.

d) **Leave Address**

An employee shall, before proceeding on leave, intimate to the office his/her address while on leave and shall- keep the office informed of any subsequent changes in his/her address.

27. An employee seeking any kind of leave on medical grounds may be required to submit himself/herself to a medical examination arranged by the Federation, the cost of which will be met by the Federation.

28. **COMMENCEMENT AND TERMINATION OF LEAVE**

a) An employee's leave commences from the day from which he stops attending duties in pursuance of leave granted to him/her.

b) An employee's leave terminates on the last working day, preceeding the working day on which he/she is due and accordingly returns on duty on the expiry of leave.

c) All holidays including weekly holidays falling within the period of any kind of leave except Casual Leave shall be treated as leave.

29. CASUAL LEAVE

Scale & Admissibility

Casual leave may be granted upto a maximum of 15 days in a year (April to March) subject to the following conditions:

- i) Not more than Seven days Casual Leave can be availed at a time.
- ii) Casual leave may be combined with or taken in continuation of Sundays or other authorized holidays provided that the resulting period (including the Sundays & Holidays so prefixed) does not exceed 10 days.
- iii) Casual leave admissible in a year will stand reduced proportionately in the case of an employee whose effective service during the year is less than nine months.
- iv) For the purpose of leave accounting, working Saturdays (whether full working days or half days) are counted as full day and absence or leave on such Saturday will count as Casual Leave for full day.

v) **Utilisation**

Not more than ten days Casual Leave may be granted in the first half of the year (April -September) except the casual leave granted/treated due to three late marks.

- vi) Unavailed casual leave at the end of the year shall be converted into Sick Leave for equal number of days and such converted leave will be over and above the maximum accumulation of Sick Leave admissible under the Rules.
- vii) Casual leave cannot be affixed to any other kind of leave and vice-versa.
- viii) Prior sanction is necessary to avail casual leave except in unforeseen circumstances which will have to be specified in writing in the application. Non-submission of Casual Leave application for such period for any type of reasons shall be treated as unauthorised absence and treated as Leave without pay although leave is available at his/her credit. Further such an employee is liable to be punished under disciplinary action.

30. EARNED LEAVE

A. **Scale and Calculation**

- i) An employee shall be eligible for earned leave at the rate of one day's leave for every 11 days i.e. days actually present.

- ii) Fraction of a day of earned leave amounting to half a day or more, shall count as one full day and such fraction less than half day and such fraction less than half a day shall be ignored.
- iii) Earned leave due will be credited to an employee's leave account on 1st April each year, on the basis of his/her attendance in the immediate preceding 12 months period viz. April to March.
- iv) The maximum period of earned leave which an employee can accumulate is 300 days unless his/her request for Earned Leave is refused due to office exigencies by the Competent Authority. However, such leave over and above 300 days will have to be availed within three months of such refusal otherwise it will lapse. More than 90 days of leave shall not be ordinarily availed at any one time except in the case of leave preparatory to retirement. The period of leave may, however, be extended for special reasons.

B. Utilisation

Earned leave under normal circumstances shall not be granted for less than Six days at a time. Further, leave period of those employees who have completed a minimum service period of Ten years and who exhaust their Causal Leave and Sick Leave may be treated as Earned Leave without treating that period as loss of pay.

No earned leave can be availed by an employee before the completion of the probation period or before the completion of the first 11 months whichever is earlier.

C. Pay and Allowances

An employee is entitled to leave salary in respect of earned leave availed, at the rate of his/her normal pay which he/she would have drawn if he/she was on duty.

31. SURRENDER AND ENCASHMENT OF EARNED LEAVE

An employee of the Federation will be permitted to surrender his/her Earned Leave and encash the same on the following terms and conditions:

- i) An employee is permitted to encash Earned Leave for a minimum period of 15 days by surrendering Earned Leave provided an employee shall ensure that he/she has a minimum of 30 days of Earned Leave to his/her credit after such surrender of Earned Leave for encashment.

- ii) An employee will be eligible to get leave salary for surrendered and encashed leave at the rate of pay and all other allowances but excluding Special Allowances, Deputation Allowances, if any, drawn during the preceding month.
- iii) The payment made towards the encashed leave will not be entitled for the Federation's share to the Employees Provident Fund.
- iv) The leave surrendered and encashed shall be entered in the Leave Register. The amount of leave surrendered and encashed shall be debited to the leave account of the employee and the balance shall be noted under proper attestation by the authorised officer of the Federation.
- v) Earned Leave to the credit of an employee to the extent of 300 days can be encashed in full without availing of any Earned Leave at the time of retirement/resignation/ retrenchment/VRS.
- vi) There shall ordinarily be a minimum interval of 12 months between any two surrenders of Earned Leave for encashment. The period of 12 months (effective service) will be counted from the date of payment towards leave encashed.

32. **SICK LEAVE**

a) **Scale**

During the full period of his service, a confirmed employee shall be granted sick leave on medical certificate at the rate of one month for each of service for a total period not exceeding 360 days. The medical certificate should be the one acceptable to the Federation.

Sick leave of 30 days will be credited to a confirmed employees' account at the beginning of the year i.e. 1st April.

- b) Sick leave will be granted for not less than 4 days at a time.

c) **Pay and Allowances**

Sick leave availed carries with it half basic pay and full allowances based on the employee's last drawn pay salary.

d) **Commutation of Sick Leave**

An employee who has served the Federation for atleast two years, may if he requests, be permitted to avail himself/herself of sick leave on full pay and

allowances. Such leave on full pay being entered as twice the days of sick leave availed, in his/her sick leave account.

e) **Medical Certificate of Fitness**

An employee availing leave on medical grounds shall produce a medical certificate of fitness, before he/she rejoins duty.

33. **EXTRA-ORDINARY LEAVE**

a) **Eligibility**

Extra-Ordinary leave without pay and allowances may be granted to an employee under medical grounds but not merely to cover up an employee's absence, when no other leave is admissible to him/her. Grant of such leave is in the absolute discretion of the Competent Authority and shall not exceed more than month. Such leave is treated as 'Inactive Service'.

b) Such leave is also to be granted to meet extra-ordinary circumstances such as pursuing higher education such as M.Phil Ph.d and not merely to cover up an employees' absence shall not exceed one year in the entire period of an employees' service. Such leave can be granted only to an employee who has put in a service of atleast 20 years in the Federation and whose services will be available to the Federation atleast for next five years upon resuming the duties after availing Extra ordinary leave.

c) Refusal of Extra-ordinary leave for the employee on account of he/she exhausted all kind of leave amounts to retirement from the service.

34. **MATERNITY LEAVE**

a) Maternity leave on full pay and allowances at the rates of such pay and allowances of the preceding month may be granted to a female employee for a total period not exceeding six months during the entire period of an employees' service subject to maximum of three months for one delivery including miscarriage/abortion.

b) Maternity Leave may be combined with leave of any other kind, if due and admissible under the applicable rules.

c) Grant of maternity leave is subject to production of necessary medical evidence.

35. **LEAVE REGISTER/RECORD**

A Leave Register/Record shall be maintained by the Federation for each kind of leave in respect of each employee.

CHAPTER NO. IV

CONDUCT, DISCIPLINE, PUNISHMENT AND APPEALS

36. LIABILITY TO ABIDE BY THE REGULATIONS AND OTHER ORDERS AND DIRECTIONS

Every employee of the Federation shall conform to and abide by these regulations and shall observe, comply with and obey all orders and directions which may from time to time be given to him/her by any persons, under whose jurisdiction, superintendence or control he may for the time being be placed.

37. OBLIGATION TO MAINTAIN SECRECY

Every employee shall maintain strict secrecy regarding the Federation's affairs and the affairs of its constituents and shall not divulge directly or indirectly any information of a confidential nature either to a member of the public or to any member of the Federation's staff, unless compelled to do so by judicial or other authority, or unless instructed to do so by Chief Executive in the discharge of his/her duties.

38. EMPLOYEES TO PROMOTE THE FEDERATION'S INTEREST

Every employee shall serve the Federation honestly and faithfully and shall use his/her utmost endeavour to promote the interests of the Federation. The employees shall not involve in correspondence with the Board/office Bearers of the Federation and Public on matters related to internal and administrative affairs of the Federation.

39. BAR AGAINST PARTICIPATION IN ACTIVE POLITICS

No employee shall take active part in politics or in any political demonstration or stand for election to a legislature or local authority.

40. NOT TO ABSENT FROM DUTY WITHOUT PERMISSION OR TO BE LATE IN ATTENDANCE

- a) An employee shall not absent himself/herself from duty without prior permission of the competent authority.
- b) An employee who absents himself/herself from duty without leave or overstays his/her leave, except under circumstances beyond his/her control, for which he/she must tender satisfactory explanations, shall not be entitled to draw any pay and allowances during such absence or overstay and further be

liable for such disciplinary measures as the competent authority may impose.

The period of such absence or overstay may if not followed by termination of service be treated as period spent on earned or sick leave or extraordinary leave as deemed appropriate by the competent authority.

41. An employee who is late in attendance shall in addition to such other penalty, as the competent authority may deem fit to impose, have one day of casual leave forfeited for every three days he/she is late in any calendar month. Similarly, an employee who habitually leaving the office earlier than closure of office without permission shall in addition to such other penalty as the competent authority may deem fit to impose, have one day of casual leave forfeited for every such three days in the calendar month. Further, an employee, found late in attendance and leaving the office earlier than the closure of office without permission on any day shall forfeit one casual leave.

42. **ACCEPTANCE OF GIFTS AND PECUNIARY TRANSACTIONS**

No employee shall have pecuniary transaction with individuals or institutions coming into contact with him/her in the course of his/her official duties or accept directly or indirectly, on his/her own behalf or on behalf of any other person, or permit any member of his/her family to accept any gift, gratuity or reward from any person with whom he/she is concerned in the performance of his/her work.

43. **GROSS MISCONDUCT**

By the expression "gross misconduct" shall mean among other any of the following acts and omissions on the part of any employee

- a) Engaging in any trade or business outside the scope of his/her duties except with the permission of the Federation.
- b) Unauthorised disclosure of information regarding the affairs of the Federation or any of its constituents or any other person connected with the business of the Federation which is confidential or the disclosure of which is prejudicial to the interest of the Federation.
- c) Involvement in correspondence with the Board/Office Bearers of the Management and Public on matters related to internal and administrative affairs of the Federation.
- d) Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Federation.
- e) Willful insubordination or disobedience of any lawful and reasonable order of any lawful authority.

- f) Willful damage or attempt to cause damage to the property of the Federation.
- g) Habitual doing of any act which amounts to 'minor misconduct' as defined below:
'habitual' means a course of action taken or persisted in, notwithstanding that at least on three previous occasions reprimand or warnings have been administered or an adverse remark has been entered against him/her and communicated to him/her.
- h) Willful slowing down in performance of work and non-performance of work according to the job/work chart indicating the functions assigned.
- i) Gambling, betting in the premises of the Federation.
- j) Speculation in stocks, shares, securities or any commodity whatever on his/her account or that of any person.
- k) Doing any act prejudicial to the interest of the Federation or gross negligence or negligence involving or likely to involve the Federation in loss.
- l) Giving or taking any bribe or illegal gratification to or from an employee of a State Cooperative Bank or its constituents, or any employee of the Federation or any person.
- m) Holding of name/business card with logo of the Federation by other than Chairman and Chief Executive.
- n) Taking active part in politics or in any political demonstration or contest for election to a legislature or local authority.
- o) Any misappropriation of funds.

44. **PUNISHMENT**

An employee found guilty of gross misconduct may:

- 1) be reprimanded or be warned or have an adverse remark entered against him/her; or
- 2) be fined; or
- 3) have his/her increment stopped or rank reduced; or
- 4) have his/her misconduct condoned and be merely discharged or compulsorily retired; or

- 5) be dismissed.

45. **MINOR MISCONDUCT**

By the expression 'minor misconduct' shall mean among others any of the following acts and omissions on the part of an employee:

- 1) absence without leave or overstaying sanctioned leave without sufficient grounds;
- 2) unpunctual or irregular attendance;
- 3) neglect of work, negligence in performing duties;
- 4) breach of any rule of business of the Federation or instruction for running of any department or section;
- 5) committing nuisance in the premises of the Federation;
- 6) failing to show proper consideration, courtesy or attention towards officers, or other employees of the Federation; unseemly or unsatisfactory behaviour while on duty.

46. **PUNISHMENT FOR MINOR MISCONDUCT**

An employee found guilty of minor misconduct may:

- 1) be reprimanded or be warned; or
- 2) have an adverse remark entered against him/her; and communicated to him/her, or
- 3) be fined; or
- 4) have his/her increment stopped for a period not longer than six months.

47. **DISCIPLINARY ACTION**

When it is decided to take any disciplinary action against an employee, such decision shall be communicated to him/her within three days thereof.

48. **PROCEDURE**

The procedure in such cases shall be as follows:

- a) An employee against whom disciplinary action is proposed or likely to be taken shall be given a charge sheet clearly setting forth the circumstances appearing against him/her and a date shall be fixed for enquiry, sufficient time being given to him/her to enable him/her to prepare and give his/her explanation as also to produce any evidence that he/she may wish to tender in his/her defence. He/she shall be permitted if so desired by him/her to appear before the officer conducting enquiry, to cross examine any witness whose evidence is adduced to prove the charge and to produce evidence in his/her defence. He/she shall also be permitted to be defended by a representative of a registered Union of the Federation employees of which he/she is a member. He/she shall also be given a hearing as regards the nature of the proposed punishment in case any charge is held to be proved, by providing him/her a copy of the enquiry report and proposed actions.
- b) Pending such enquiry he/she may be suspended but if on the conclusion of the enquiry, he/she is acquitted of the charges he/she shall be deemed to have been on duty and shall be entitled to the full pay and allowances and to all other privileges for the period of suspension, and if some punishment other than dismissal is inflicted, the whole or a part of the period of suspension, may at the discretion of the competent authority be treated as on duty with the right to a corresponding portion of the pay, allowances, etc.
- c) In awarding punishment by way of disciplinary action, the authority concerned shall take into account the gravity of the misconduct, previous record, if any, of the employee and other aggravating or extenuating circumstances that may exist. Where sufficient extenuating circumstances exist, the misconduct may be condoned.

49. **PENALTIES**

Without prejudice to the provision of other regulations an employee who commits a breach of the regulations of the Federation or who displays negligence, inefficiency or indolence, or who knowingly does anything detrimental to the instructions or who commits a breach of discipline or is guilty of any other act of misconduct shall be liable to the following penalties as decided by the competent authority:

- a) reprimand;
- b) warning;
- c) fine
- d) delay or stoppage of increment or promotion

- e) demotion to a lower post or grade or to a lower stage in his/her incremental scale;
- f) recovery from pay and pecuniary loss caused to the Federation by the employees
- g) discharge or dismissal.

- I. Board shall be competent to levy the above penalties in case of Chief Executive
- II. Chief Executive shall be competent to levy the above penalties in case of other employees.

50. PAY DURING SUSPENSION

An employee kept under suspension by the competent authority may be sanctioned subsistence allowance at a rate not exceeding half of his/her substantive pay and half of D.A. and full House Rent Allowance.

51. DURATION OF SUSPENSION

No employee shall be kept under suspension for a period not exceeding three months. However, an employee may be continued under suspension for not more than six months for valid reasons to be recorded in writing.

52. RIGHT OF APPEAL

Every employee shall have a right of appeal against any order which injuriously affects his/her interest within 60 days from the date of receipt of such order. No appeal shall lie against an order of reprimand or warning.

53. APPELLATE AUTHORITIES

An appeal shall lie to the following authorities:

- a) General Body shall be competent Authority to consider the appeals in case of Chief Executive
- b) Chairman shall be competent Authority to consider the appeals on penalties levied against 49 (c) to (f) in case of other employee
- c) Board shall be competent Authority to consider the appeals on penalties levied against 49(g) in case of other employees.

54. CONDITIONS WHICH AN APPEAL SHOULD SATISFY

Every appeal shall comply with the following requirements:

- a) It shall be couched in proper and polite language and should have a direct bearing on the subject on hand;
- b) It shall contain all material statements and arguments relied on and shall be complete in itself;
- c) It shall specify the relief desired;
- d) It shall be submitted through the Chief Executive.

55. **WHEN APPEALS MAY BE REJECTED**

An appeal may be rejected by the Competent Authority if:

- a) it does not comply with requirements of the above regulations;
- b) it is illegible or is unintelligible;
- c) it deals with a matter which does not concern the employee personally;
- d) it repeats an appeal already rejected and does not in the opinion of the competent authority, disclose any new points or circumstances which afford grounds for reconsideration and which after the exercise of due diligence should have been produced at the time when the order was made.

56. Appeals shall not be addressed to the members of the Board personally and any such action shall be deemed a breach of discipline.

CHAPTER NO. V

BENEFITS AND ALLOWANCES

57. **GRATUITY**

Every confirmed employee of the Federation is eligible for payment of Gratuity as per the rules approved by the Board of Directors of the Federation from time to time and for which a separate Trust is formed.

An employee attaining superannuation/retirement shall apply for payment of Gratuity ordinarily within 30 days from the date of gratuity becomes payable. In case, an employee opting for resignation/retirement under V.R.S. shall apply for payment of Gratuity within 30 days from the date of acceptance of his/her application for resignation/V.R.S.

If there is any delay in disbursement of Gratuity from the date it becomes due for payment, the Federation will pay an interest at the rate as applicable to Provident Fund.

Nomination

Every employee shall nominate a person to receive in the event of his/her death, all amounts payable to him/her.

58. PROVIDENT FUND

Every confirmed employee of the Federation shall be required to contribute to the Employees Provident Fund of the Federation in accordance with the rules framed from time to time and for which a Trust is constituted.

Deficiency, if any, in the interest declared on the accrued Provident Fund by the Board of Trustees of NAFSCOB Bombay's Employees Provident Fund and Central Board of Trustees of Provident Fund, Union Ministry of Labour, will be made good by the Federation.

Nomination

Every employee may nominate a person to receive in the event of his/her death, all amounts payable to him/her.

59. A. COMPENSATION TOWARDS MEDICAL EXPENSES

Every employee is entitled to get Compensation Towards Medical Expenses at the rate of Rs. 3000/- per annum payable in two installments i.e. in September and March.

B. REIMBURSEMENT OF HOSPITALISATION EXPENSES

Every employee is entitled for reimbursement of actual hospitalization medical expenses (cost of Pre-hospitalisation Admission Tests/relevant pathology/medical tests leading to actual hospitalization/consultancy charges, actual hospitalisation expenditure, Hospital room/Bed rental charges, cost of the medicine during the said period etc.) subject to production of bills, to the extent of two month's gross salary of the employee concerned in a year.

B.1 The Spouse of an employee is entitled for reimbursement of actual hospitalization expenses (cost of Pre-hospitalisation Admission Tests/relevant pathology/medical tests leading to actual hospitalization/consultancy charges, actual hospitalisation expenditure, Hospital room/Bed rental charges, cost of the medicine during the said period etc.) subject to production of bills, to the extent of one month's gross salary of the employee concerned in a year.

Abuse of Facility under 59B and 59B.1 will be viewed as an Act of gross misconduct.

C. HEALTH CHECK UP SCHEME

Every confirmed employee of the Federation is eligible for health check up scheme at hospitals approved by the Chief Executive of the Federation and payment towards such health check up scheme not exceeding Rs. 3500/- (Rupees Three Thousand Five Hundred only) once in a financial year shall be borne by the Federation.

60. EX-GRATIA

Every confirmed employee is eligible to get Ex-gratia payment at the rate of One month's Basic Pay plus Dearness Allowance as at the end of the year at the discretion of the competent authority

61. CONVEYANCE ALLOWANCE

Officers drawing grade pay of Rs.10,000 provided with staff Car for commuting between office and residence can have the option to retain the facility or to draw Transport Allowance at Rs.7,000 p.m. plus DA thereon. If they opt for Transport Allowance, the staff car facility will be withdrawn from the date they opt for the allowance.

62. CAR PARKING

Chief Executive is provided with the office car for his/her official use. Office car shall normally be parked at the official parking space allotted to NAFSCOB. However, the Chief Executive shall have the discretionary power to decide about the parking place under special circumstances.

63. OFFICIATING ALLOWANCE ON HIGHER POSITION

Employees are given 10% of his/her Basic Pay as officiating allowance for officiating on higher position or attending to additional work if such period of exceeds 15 days.

64. TELEPHONE/ CELL PHONE FACILITY

The Chief Executive shall be provided with a telephone facility at his/her residence and also cell phone facility. The bills on such Telephone/Cell on actual basis shall be paid by the Office till the Telephone Cell is surrendered. The Telephone shall be surrendered by him within three months of his retirement whereas Cell Phone shall be surrendered within one month of retirement.

65. **LEAVE FARE CONCESSION/COMPENSATION**

Every confirmed employee of the Federation may be permitted to claim Leave Fare Concession for himself/herself and his/her family consisting of wife/husband, children and dependent parents only (upto a maximum of 5 full fares in all) for journeys performed for going to the place of domicile or vacation at the rates and on conditions specified below:

- a) An employee will be eligible to claim leave fare concession once in two years of service in the Federation provided the interval between two Leave Fare Concessions shall not be less than one year.
- b) Leave Fare Concession can be claimed by an employee only when he/she is permitted to go on leave for a period not less than 15 days.
- c) Leave Fare Concession will be limited for performing journeys on leave (i) to the place of domicile of an employee or (ii) to a maximum distance of 2000 kms. (One way) from his/her place of work subject to the cost of actual Airfare/railway fare/bus fare by the class to which is entitled under T.A. Rules plus reservation charges, if any. Claims by an employee on account of excess luggage charges paid or other incidentals incurred while performing the journey will not be allowed. However, an employee may, with the specific permission of the Chief Executive, be permitted to travel in a lower/higher class than to which he/she is entitled to a shorter/longer distance provided his/her claim is within the total permissible limit. The concession of journey to a place other than the place of domicile, will be available provided it is within India including Nepal.
- d) At the time of claiming the Leave Fare Concession, the staff member shall produce satisfactory evidence of (i) Place of visit, (ii) Proof of stay at the place of visit, (iii) mode and class of travel, (iv) actual expenditure and (v) Number of persons travelled. Claims of expenditure not supported by any of the required documents shall not be entertained under any circumstances.
- e) An employee desiring to avail of Leave Fare Concession should supply to the Federation prior to his/her undertaking the journey, the following details:
 - i) Place of domicile/vacation
 - ii) Number of persons of his/her family travelling with him/her, their names, age, employed or unemployed, married/unmarried, dependent or not.
 - iii) The route and mode of conveyance to be engaged for the journey.

- iv) An employee may be permitted to draw advance leave fare concession to the extent permissible based on the information furnished to the office which will be adjusted against the T.A. claims submitted by him/her after his/her return from leave.
- f) When an employee proceeding on leave desirous of availing the Leave Fare Concession, is required to cancel his/her journey as per instructions of the competent authority, the cancellation charges for the reservation made by him/her will be reimbursed to him/her.
- g) Leave Fare Concession can be availed by a staff member separately for himself and dependents provided the journeys by the dependents and the staff member are undertaken within a period of three months prior or after the staff member commences journey. If, however, leave is refused to the staff member in the meantime, this restriction of three months will not apply.
- h) The block period of Leave Fare Concession will be from April to March.

66. ADVANCES/LOANS TO STAFF

Every confirmed employee of the Federation is eligible to get the following Advances/Loans under the Development/Contributory/ Staff Welfare Fund as per the rules framed separately for each of the purposes.

- 1) Housing Loan
- 2) Vehicle Loan
- 3) Computer Loan
- 4) Higher Education Loan/Medical purpose
- 5) Consumer Loan

67. INTEREST FREE FESTIVAL ADVANCE

An interest free festival advance repayable in 10 equal monthly installments from the salary of an employee are given to the confirmed employees at the rate determined by the Chief Executive every year.

**68. COMPENSATION UPON WORKING ON HOLIDAYS
COMPENSATORY OFF**

- 1) Compensatory Off is not a matter of right.
- 2) The employees upto the level of Assistant Directors are eligible for Compensatory off only when he/she performs official work with prior permission or on the advise of the office on a Sunday or a Public Holiday.

Such working day should be a minimum of six hours excluding the journey from place of stay to place of work and vice versa.

- 3) Compensatory Off for more than 5 days in a month will not be ordinarily allowed.
- 4) Compensatory Off earned in a month should be availed/exhausted before the 10th of succeeding month, otherwise the same will lapse.
- 5) Compensatory Off cannot be availed for more than two days at a time.
- 6) Compensatory Off cannot be taken alongwith any other type of leave.
- 7) Carrying over of Compensatory Off at the end of the financial year is not permissible. Balance of Compensatory Off at the end of the financial year would lapse automatically.
- 8) Employees have choice at the following rate to choose between the Compensatory Off and the cash compensation when they perform office duty either on a Sunday or a holiday:

| <u>Category of Staff</u> | <u>Cash Compensation Per day</u> | <u>Cash Compen. Before & After Office hours on a working day</u> |
|--|--------------------------------------|--|
| a) Class IV Employees including Driver | Rs.80.00 | Rs. 30.00 |
| b) Staff Assistant/Stenographer/ Junior Assistant | Rs. 85 .00 | Rs. 35.00 |
| c) Senior Staff Assistant/Senior Stenographer | Rs.90.00 | Rs. 40.00 |
| d) Assistant Directors /P.A. to M.D. | Rs.100.00 | Rs. 45.00 |
| e) Deputy Directors and above | Rs.125.00 | |

- 9) In the case of Deputy Directors and above, they are not eligible for Compensatory off but Rs.125/- as cash compensation, as mentioned above shall be paid. However, Deputy Directors and above are not eligible for any compensation for performing official duty on a working day before and after office hours. This has been paid at the discretion of the Chief Executive.

- 10) No entertainment allowance or transport cost is reimbursable to any category of employees when called to office for duty on a Sunday or a holiday unless otherwise decided by Chief Executive at his/her discretion.
- 11) The Chief Executive is the competent authority to sanction the Compensatory Off/Cash compensation.

69. **MACHINE/PARCEL ALLOWANCE**

Class IV employees including Drivers are paid Machine/ Parcel Allowance at the rate of Rs.50/- per month for attending the work of cyclostyling/zerox/Parcel.

70. **CAR WASHING ALLOWANCE w.e.f. 01-04-2009**

Drivers are paid Car Washing Allowance at the rate of Rs.150/- per month.

71. **UNIFORM**

Class IV employees including Drivers are given two pairs of Uniform once in two years.

72. **UNIFORM WASHING ALLOWANCE w.e.f. 01-04-2009**

Employees Uniform Washing Allowance @ Rs. 100/- per month to Class IV

73. **UMBRELLA**

Class IV employees including Drivers are given an umbrella once in two years.

CHAPTER NO. VI

TRAVELLING AND DAILY ALLOWANCE RULES

74. **TRAVELLING ALLOWANCE FOR JOURNEYS OUTSIDE THE HEADQUARTERS**

Chairman, Chief Executive and the members of the Staff of the Federation travelling on duty outside the Headquarters in India shall ordinarily be entitled to the class and mode of conveyance by Air, Rail or Road as mentioned below:

| <u>Category</u> | <u>Travel Entitlements</u> |
|---|--|
| 1) Chairman | By Air/A.C. I Class Sleeper |
| 2) Chief Executive/ Managing Director | By Air/A.C. I Class Sleeper |
| 3) Director | By Air/A.C. I Class Sleeper |
| 4) Joint Director/Deputy Director | A.C. Two tier sleeper/First Class |
| 4) Assistant Director/ P.A. to M.D./Senior Staff Assistant/Senior Stenographer | A.C. Two tier sleeper/First Class/ A.C. Chair Car |
| 5) Staff Assistant/ Stenographer/Junior Assistant | A.C. Three tier (Sleeper)/ A.C. Chair Car |
| 6) Driver/Head Peon/Peon | Second Class (Sleeper)/Luxury Bus |

Explanatory Notes

- 1) The Chief Executive may authorise the employees to travel by higher mode of transport whenever necessary.
- 2) The members of the staff in the above categories, in addition to the Air/Rail/Autorickshaw or Bus fare as the case may be, will be paid the actual cost of Taxi fare or cost of other transport as per their eligibility to and from Airport/Railway Station/Bus Stand in outstations from and to the place of halt for attending to the work of the Federation. Such cost of transport shall be limited to a maximum of Rs. 400/- in metropolitan cities and Rs.200/- in other cities/places unless otherwise permitted by Chief Executive. Chief Executive shall be entitled for reimbursement of actual transport cost.

- 3) The employees will also be eligible to draw the actual portage charges paid by them for carrying luggage and office papers and files.
- 4) The employees will be also eligible to claim the reservation charges paid by them for reserving berths or seats in the eligible modes of transport.

75. DAILY ALLOWANCE

Chairman, Chief Executive and the members of the Staff of the Federation will be entitled to draw Daily Allowance (Halting Allowance) at the rate mentioned against them for the days of absence from Headquarters on duty:

| Rate of D.A. | | | |
|---|--|---|--|
| Category | Lodging & Boarding charges when employees stay in Hotel shall not exceed Category I | Or at a flat rate of Category II | |
| | Rs. | Rs | |
| 1) Chairman | Actual | 800 | |
| 2) Chief Executive (Irrespective of Basic Pay) | Actual | 800 | |
| 3) Class I | 800 | 400 | |
| 4) Class II | 600 | 300 | |
| 5) Class III | 500 | 250 | |
| 6) Class IV | 400 | 200 | |

Explanatory Note

- 1) A day for the purpose of the Daily Allowance (Halting Allowance) shall be counted from two hours before the scheduled departure of the concerned transport service from Headquarters and upto two hours after actual arrival of the service to the Headquarters on return from tour.
- 2) Every 24 hours or part thereof exceeding 6 hours shall be counted as a day. However, an employee on tour from Headquarter to a place of distance more than 100 Kms. may be allowed to draw daily allowance equivalent to one eligible Daily Halting Allowance provided his/her stay from Headquarter is more than 12 hours and 50 per cent of Daily Allowance if it is less than 12 hours.

- 3) Daily Allowance may be drawn for holiday occurring during a tour but it will not be admissible during casual leave unless the leave is necessitated by illness.
- 4) Daily allowance shall not be sanctioned if the Boarding and Lodging facility is extended either by the Federation or any institutions.
- 5) An Employee is eligible to draw one fourth of his eligible D.A. while on tour to North-Eastern Region irrespective of category he/she opts.
- 6) The Chief Executive may sanction Daily Allowance on the basis of actual expenses incurred by the employees of the Federation in any specific case, if it is necessary and in the interests of the Federation.
- 7) The members of the Staff proceeding on tour on Federation work may, on requisition, be paid an advance which shall not exceed the estimated total amount of the T.A. Bill for the journeys. The advance shall be adjusted against the T.A. Bill which the staff member shall submit to the Office within a week from the date of return to Headquarters, failing which it is automatically deducted from the current month Salary without any interest or next month salary with 12% interest rate. However, it is exempted if the employee is on leave. It is also exempted if the balance advance is remitted to office, pending approval of the T.A. Bill.
- 8) Chairman is empowered to sanction the T.A. bill of Chief Executive. The Chief Executive is empowered to sanction the T.A. Bill of other employees within the framework adopted by Executive Committee.
- 9) An Employee after completing his/her tour should report to the office on the same day, if his/her arrival to the Head Quarter is before **12.00 Noon**
- 10) Chief Executive shall be the competent authority to certify the T.A./D.A claims of Chairman.

Out of Pocket Allowance w.e.f. 01-04-2009

An employee who opts for first category is eligible to draw an Out of Pocket Allowance at a flat rate of Rs.200/- per day. However, this is not applicable for those employees who opt for Category II i.e for a flat rate of D.A.

76. TRAVELLING ALLOWANCE FOR JOURNEYS OUTSIDE INDIA

Chairman, Chief Executive and Members of the Staff of the Federation travelling outside India for attending the Meetings/Seminars/Workshops/Conferences/Study

Tours/Training Courses etc. shall ordinarily be entitled to the class and mode of conveyance as mentioned below against their designations:

| <u>Designation</u> | <u>Travel Entitlement</u> |
|---------------------------|----------------------------------|
| 1. Chairman | Economy Class by Air |
| 2. Chief Executive | Economy Class by Air |
| 3. Other Employees | Economy Class by Air |

Explanatory Note: The Executive Committee may authorise Chairman/Chief Executive to travel by higher class of Air whenever necessary.

Daily Allowance

Chairman and Chief Executive shall ordinarily be entitled to draw the foreign exchange towards their daily allowance as per the guidelines issued by Reserve Bank of India, for release of foreign exchange for travel abroad on official purpose to the public, private and State and Urban Cooperative Banks. Other members of the Staff shall be entitled as per the amount of foreign exchange fixed by the Executive Committee from time to time within the framework of RBI guidelines.

| Designation | Purpose | Amount of Foreign Exchange (US\$) per day not exceeding 45 days towards daily allowance to meet expenditure abroad |
|--|---|---|
| 1. Chairman | All Official purposes | US\$ 500 |
| 2. Chief Executive/ Managing Director | All Official purposes | US\$ 350 |
| 3. Other Employees | Courses/Training programmes/ Study Tours/Workshops/ Conferences/Seminars (excluding Course Fee etc.) | US\$ 50 |

Explanatory Notes :

1. The Foreign Exchange sanctioned per day does not include the registration fee payable, if any, to participate in the programmes by the Chairman/Chief Executive. The required registration fee shall separately be sanctioned.

2. The Foreign Exchange shall be released for the actual duration of the official programme plus two days i.e. One day prior to the meeting date and one day after the closure of the official meeting, for all the categories as indicated above.
3. Chairman/Chief Executive and all other categories of staff shall be entitled to draw the actual amount to meet the expenditure towards Visa charges, Medical Insurance, Airport Tax in India and outside.
4. Chairman/Chief Executive and all other categories of staff shall also be eligible to draw Airport Allowance of US\$ 50.
5. Chairman/Chief Executive and all other categories of staff shall be required to submit a certificate indicating that the amount of foreign exchange drawn has been fully utilised. The unspent balance, if any, shall have to be refunded to the Federation.
6. No other members of the staff, under any circumstances, shall be entitled except Chairman and Chief Executive to represent in the ordinary/Annual/Special General Body meeting of APRACA, ICA and any other international organisations in which the Federation is a member. Same rule shall apply to represent the meetings of the special Committee constituted by these agencies. However, the staff members may be sponsored by the Executive Committee to attend the Conference/Workshops/Seminars/Training Courses/Study Tours organised by these agencies.
7. Chairman/Chief Executive shall be eligible to draw the actual expenditure towards boarding and lodging in respect of their travel to Nepal to participate in any one of official programmes, in addition to the Allowance @ Rs. 800/- per day for a period not exceeding 7 days. Chief Executive in consultation with Chairman shall fix the per diem in Indian Currency towards travel to Nepal by other members of the Staff.

77. REIMBURSEMENT OF LOCAL CONVEYANCE CHARGES WHILE ON OFFICE WORK

Local Conveyance charges actually spent by the members of the staff of the Federation while on office work will be reimbursed on the following basis:

- Chief Executive : Actual conveyance charges are reimbursed in the absence of official conveyance
- Class I : Local I Class Rail Fare, Taxi/ Hover Craft
- Class II : Local I Class Rail- Fare, Hover Craft/ Taxi

Class III : Local II Class Railway Fare/Hover Craft/Bus Fare/
Shared Taxi

Class IV : Local II Class Rail Fare, Bus Fare

The Chief Executive may at his own discretion allow higher transport to the members of the staff as and when necessary.

78. **TRANSFER OF AN EMPLOYEE**

An Employee of the Federation may be transferred from its Registered Office to any one of its units if any located in any part of the country and/or to any office of its member State Cooperative Banks in the country, as and when the Chief Executive deem it to be necessary.

79. **TRAVELLING ALLOWANCE ON TRANSFER**

An employee of the Federation transferred from one Station to another shall be entitled to Travelling Allowance on the following scales:

- 1) One single fare for each dependent member of the family and two single fares for himself/herself in the class to which he is entitled.
- 2) Daily Allowance shall be admissible to the employee alone at the prescribed rate.
- 3) If for any unavoidable reason any member of the family of the employee cannot accompany, the Travelling Allowance Bill for such a member or members can be claimed at a later date when the journey is undertaken provided it is done within four months of joining at the place of transfer.
- 4) The actual expenditure incurred for transporting the personal effects/goods/luggage by Train/Road or authorize Transport Services shall be reimbursed subject to production of documentary evidence.

80. **REIMBURSEMENT OF TRANSPORT & PERSONAL EFFECTS UPON RETIREMENT**

- 1) All employees upon retirement shall be eligible for reimbursement of actual expenditure incurred towards packaging of the personal effects/goods/luggage and transportation by train or by lorry transport to their native place or place of settlement after the retirement. The above claims submitted within six months of retirement shall be reimbursed subject to production of documentary evidence.

- 2) He shall also be eligible for reimbursement of two single fare for him and his wife by his eligible class from H.O. of office to his place of settlement or native place.

81. **INTERPRETATION**

The power to interpret these Service Regulations vests in the Board which is empowered to issue such instructions as may be necessary to give effect to and carry out the provisions of these Service Regulations to ensure effective control of the staff.

**NATIONAL FEDERATION OF STATE COOPERATIVE BANKS LTD.
Vashi, Navi Mumbai**

VOLUNTARY RETIREMENT SCHEME

Employees are permitted to opt the facility of Voluntary Retirement Scheme.

Eligibility

1. Employees who have completed a minimum continuous period of 10 years or completed 40 years of age are eligible to opt for this Scheme. Similarly the Board in the case of Chief Executive, Chairman in the case of other employees of the Federation shall have the power to retire voluntarily the employees of the Federation, who have completed a minimum period of service of 10 years. Chairman may also consider setting up of a Committee to identify the employees who shall be retired under Voluntary Retirement Scheme.
2. The Scheme has been drawn to result in overall reduction in the existing approved strength of the employees.
3. Vacancy caused due to Voluntary Retirement Scheme shall not ordinarily be filled in.
4. Cash compensation for such employees who opt for the above Scheme and/or who shall be retired under the Voluntary Retirement Scheme shall be paid a sum equivalent to one and half months' Basic Pay + Dearness Allowance last drawn for each completed year as indicated in the following manner:

An employee who has completed a minimum continuous period of 10 years of service in the Federation is eligible to draw the sum for a maximum period of 10 years or for the remaining period of service whichever is less.

An employee who has completed 20 years or more service in the Federation is eligible to draw the sum for a maximum period of 20 years or for the remaining period of service in the Federation whichever is less.

Examples for Calculation:

Calculation for Completed Years

| Completed Years | Eligible sum per year | Total eligible |
|-----------------|-----------------------------|----------------------------|
| 20 | 1 ½ months Basic Pay + D.A. | 30 months Basic Pay + D.A. |

Calculation for Remaining period of Service

| Remaining period of Service | Total eligible |
|-----------------------------|----------------------------|
| 5 x 12 months = 60 months | 60 months Basic Pay + D.A. |

5. All other conditions as laid down in the Section 10(10C) of the Income Tax Act 1961 r/w Rule 2BA of the Income Tax Rules 1962 will be applicable to the employees under the Scheme.
6. The Board has the power to accept or reject the proposal in the case of Chief Executive.
7. The Chairman has the power to accept or reject the proposal of other employees.
8. Employees opting for this Scheme shall give one month notice or forfeit one month salary in lieu of notice period. Similarly, Board of Directors/Chairman while exercising the power to retire an employee under Voluntary Retirement Scheme may at the discretion give one month notice or in lieu of the notice may offer one month salary i.e. Basic + Dearness Allowance.
9. As per the decision of the Competent Authority of the Federation, the Staff member shall retire at the age of 58 years unless the staff is communicated in writing three months in advance about the extension of the retirement age to 60 years. However, the benefit of 60 years will be available for those who opt for Voluntary Retirement Scheme on or before March 2002. Those opt for it after 31-03-2002 shall not get the benefit of 60 years and it shall be upto 58 years.