

**ಕರ್ನಾಟಕ ಗ್ರಾಮೀಣ ಬ್ಯಾಂಕ್**  
**कर्नाटक ग्रामीण बैंक**  
**Karnataka Gramin Bank**

(A Scheduled Bank established by Government of India, Sponsored by Canara Bank)  
Head Office, Gandhinagar, Ballari-583103.



ವಿಶ್ವಾಸದ ಪ್ರತೀಕ

**Karnataka Gramin Bank**  
**(Officers and Employees)**  
**SERVICE REGULATIONS 2019**

Private and Confidential



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(PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY  
PART-III, SECTION-4 Dated 28th August 2019)

**Karnataka Gramin Bank**  
(Sponsored by Canara Bank)  
**HEAD OFFICE, BALLARI-583103 (Karnataka)**

**NOTIFICATION**  
**Ballari, the 2nd April 2019**

**Karnataka Gramin Bank**  
**(Officers and Employees) Service Regulations, 2019**

No.7/8/2017-RRB (Karnataka) In exercise of the powers conferred by Section 30 of the Regional Rural Banks Act, 1976 (21 of 1976) and in supersession of erstwhile Pragathi Krishna Gramin Bank (Officers and Employees) Service Regulations, 2013 and Kaveri Gramina Bank (Officers and Employees) Service Regulations, 2010 except as respects things done or omitted to be done before such supersession, the Board of Directors of Karnataka Gramin Bank, after consultation with the Canara Bank being the Sponsor Bank and the National Bank for Agriculture and Rural Development and with the previous sanction of the Central Government hereby makes the following regulations, namely:-



**CHAPTER - I**  
**PRELIMINARY**

**1. Short title, commencement and application**

- (1) These regulations may be called the **Karnataka Gramin Bank (Officers and Employees) Service Regulations, 2019**.
- (2) They shall come into force from the date of amalgamation i.e. from 1st April 2019.
- (3) They shall apply to every officer and employee of the Bank:  
provided that they shall not apply, except as otherwise provided in these regulations or to such extent as may be specifically or generally specified by the Board to,
  - (a) a person employed temporarily on daily wages or to such person engaged on contract;
  - (b) a person on deputation from Sponsor Bank, the Central Government, the State Government or any other organisation.

**2. Definitions**

- (1) In these regulations, unless the context otherwise requires,
  - (a) "Act" means the Regional Rural Banks Act, 1976 (21 of 1976);
  - (b) "Appointing Authority" means the authority prescribed in sub regulation (1) of regulation 5;
  - (c) "Bank" means "Karnataka Gramin Bank" established under sub -section (1) of section 3 of the Act;
  - (d) "Board" means the Board of Directors of the Bank;
  - (e) "Branch Manager" means an officer in charge of the branch of the Bank;
  - (f) "Calendar Year" means the period commencing from the 1st day of January of the year and ending with the 31st day of December of such year;
  - (g) "Competent Authority" means :-
    - (i) the Chairman, in respect of Officer Scale III, IV and V.
    - (ii) the General Manager, in respect of Officer Scale-I and II; and

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- (iii) an Officer not below the rank of Scale-IV in respect of employees relating to Group 'B' Office Assistant (Multipurpose) and Group 'C' Office Attendant (Multipurpose) as decided by the Board.
- (h) "Duty" includes
- i. service as a probationer,
  - ii. period during which an officer or employee is on joining time,
  - iii. period spent on casual leave, special casual leave duly authorised by the competent authority,
  - iv. period spent on training while in service,
  - v. period spent on attachment or deputation to other organizations;
- (i) "Emoluments" means the aggregate of salary and allowances, if any;
- (j) "Employee" means an employee of the Bank as classified under clause (b) and (c) of sub-regulation (1) of regulation 3, and includes such employee whose services are lent to other organizations under regulation 75;
- (k) "Family" means and includes the spouse of the officer or employee (if the spouse is also not the officer or employee of the Bank) and children, parents, brothers and sisters of the officer or employee wholly dependent on the officer or employee but shall not include a legally separated spouse;
- (l) "Officer" means an Officer of the Bank as classified under Clause (a) of sub-regulation (1) of regulation 3;
- (m) "Pay" means basic pay drawn per month by the officer or employee in a pay-scale including stagnation increments and any part of the emoluments which may specifically be classified as pay under these regulations.
- (ma) "Pension Regulations" means the Karnataka Gramin Bank (Employees') Pension Regulations, 2018;
- (n) "Regional Manager" means an officer holding the charge of regional office of the Bank;
- (o) "Salary" means aggregate of pay and dearness allowance.

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- (p) "Sponsor Bank" means the "Canara Bank".
- (2) Words and expressions used herein and not defined but defined in the Act have the same meaning as assigned to them in the Act.

**CHAPTER - II**

**CLASSIFICATION OF OFFICERS AND EMPLOYEES,  
APPOINTMENT, PROBATION AND  
TERMINATION OF SERVICE**

**3. Classification of officers and employees**

(1) The officers and employees of the Bank shall be classified as follows, namely,-

**(a) Group 'A' - Officer**

**Junior Management**

(i) Scale I (Assistant Manager)

**Middle Management**

(ii) Scale II (Manager)

(iii) Scale III (Senior Manager)

**Senior Management**

(iv) Scale IV (Chief Manager)

(v) Scale V (Assistant General Manager)

Explanation: For the purposes of these regulations, the Chairman may designate the officer, as Branch Manager, Regional Manager or General Manager, depending on the work or functions assigned and the scale of the officer.

**(b) Group 'B' - Office Assistants (Multipurpose).**

**(c) Group 'C' - Office Attendants (Multipurpose).**

(2) Nothing in this regulation shall be construed as requiring the Bank to have at all times all the cadres or categories of the officers or employees serving the Bank.

**4. Casual employees**

Notwithstanding anything to the contrary contained in these regulations, the Chairman may, subject to such general or special instructions as may be issued by the Board from time to time and in consultation with the Sponsor Bank appoint person(s) in Group C on casual basis for a period not exceeding 90 days in a year to meet any exigency.

**5. Appointment of the officer and employee in the Bank's service**

- (1) The Chairman shall be the Appointing Authority in respect of officer and the General Manager shall be the Appointing Authority in respect of employee:

Provided that if there is no incumbent to the post of General Manager, the Chairman shall be the Appointing Authority in respect of employee also.

- (2) Save as provided in regulation 4, all appointments in the Bank shall be made in accordance with the rules made by the Central Government in terms of section 29 of the Act.
- (3) Every officer or employee on his first appointment in the service of the Bank, shall be required to produce a certificate of fitness by the medical authority as may be specified by the Bank.

- (4) (i) Disqualification. - No officer or employee,
- (a) Who has entered into or contracted a marriage with a person having a spouse living, or
- (b) Who, having a spouse living, have entered into or contracted a marriage with any person, shall be eligible for appointment to the said post:

Provided that the Appointing Authority may, if satisfied that such marriage is permissible under the personal law applicable to such person and the other party to the marriage and that there are other grounds for so doing, exempt from the operation of this regulation;

- (ii) every officer or employee on his first appointment in the service of the Bank shall furnish a declaration about his marital status as per Schedule-I.

**6. Scale of Pay and Allowances**

The scale of pay, allowances and increments of an officer or employee appointed to a post in any of the Groups referred to in regulation 3, shall be such as may be determined by the Central Government from time to time, under sub-section (1) of Section 17 of the Act.

**7. Commencement of service -**

Service of a person appointed in the Bank shall commence on the working day on which he reports for duty on a post in accordance with the terms and conditions of the offer of appointment made to him:

provided that in the event of his joining in the afternoon of such working day, he shall not be entitled to draw pay and allowances for that day.

**8. Probation**

- (1) An Officer directly appointed in Group 'A' Post shall be on probation for a period of two years, which may be extended by the Appointing Authority for a period not exceeding one year.
- (2) An employee promoted to a post in Scale I of Group 'A' shall be on probation for a period of one year, which may be extended by the Appointing Authority for a period not exceeding six months.
- (3) (a) An employee directly appointed in Group 'B' or Group 'C' shall be on probation for a period of one year which may be extended by the Appointing Authority for a period not exceeding six months;  
(b) An employee in Group 'C' promoted to a post in Group 'B' shall be on probation for a period of six months, which may be extended by the Appointing Authority for a period not exceeding three months.
- (4) Probation period of an officer or employee shall be liable to be extended within the permissible limits to the extent of extra ordinary leave availed by him or if in the opinion of Appointing Authority his performance was dissatisfactory during probation.

**9. Confirmation**

- (1) An officer or employee shall be confirmed in the service of the Bank if in the opinion of the Appointing Authority, the officer or employee has satisfactorily completed his probation.
- (2) Where during the period of probation, including the period of extension of probation, if any, the Appointing Authority is of the opinion that the officer or employee, as the case may be, is not fit for confirmation in the said post,
  - (a) in the case of a directly appointed officer or employee, his services may be terminated after giving one month's notice or pay in lieu thereof;

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- (b) In the case of an employee, promotion from Group 'B' to Scale I of Group 'A' or from Group 'C' to Group 'B', he may be reverted to the post from which he was promoted.

**10. Termination of Service by Notice**

- (1) (a) No officer or employee shall leave or discontinue his service in the Bank without first giving notice in writing to the Appointing Authority of his intention to leave or discontinue his service or resign;
- b) The period of notice required shall be,
- i. three months, in the case of confirmed officer or confirmed employee,
- ii. one month, in the case of officer or employee who is on probation.
- c) In case of breach of clause (b) of sub-regulation (1), an Officer of employee shall be liable to pay to the Bank as compensation a sum equal to his pay for the period of notice required of him.
- (2) Notwithstanding anything to the contrary contained in sub-regulation (1), an officer or employee against whom disciplinary proceeding is contemplated or pending shall not leave, discontinue or resign from his service in the Bank without the prior approval of the Appointing Authority and any notice of resignation given by such officer or employee before or during the disciplinary proceeding shall not take effect unless it is accepted by the Competent Authority.

Explanation :- For the purpose of this regulation, disciplinary proceeding shall be deemed to be contemplated or pending against an officer or employee if he has been placed under suspension or any notice has been issued to him to show cause why disciplinary proceeding should not be instituted against him until final orders are passed by the Competent Authority.

**11. Superannuation and Retirement**

- (1) An officer or employee shall retire on completion of 60 years of age :-  
Provided that the Chairman may, on recommendation by the Special Review Committee constituted under sub-regulation (3), retire an officer or employee at any time after completion of the 55 years of age or after

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the completion of 30 years of the total service in the Bank, whichever is earlier ;

Provided further that no officer or employee shall be retired under this sub-regulation unless notice in writing has been served on him at least three months in case of an officer and one month in case of an employee in advance or an amount equivalent to three months pay in case of an officer and one month pay in case of an employee shall be given to such officer or employee in lieu thereof :

Provided also that if an officer or employee aggrieved by an order passed by the Chairman, he may within one month from the date of passing of such order, give in writing a representation to the Board against the decision of the Chairman and on receipt of such representation the Board shall take a decision within an period of three months,

- (2) Where the Board decides that the order passed by the Chairman is not justified, the concerned officer or employee shall be reinstated as if the Chairman had not passed the order.
- (3) The Chairman shall constitute a Special Review Committee consisting of not less than three members of the Board to review whether an officer of employee should be retired in accordance with the sub-regulation (1).
- (4) The Special Review Committee shall, from time to time, review the case of each of the officer or employee and make recommendation to the Chairman.

Explanation :- For the purposes of this regulation, the officer or employee,

- i. Whose date of birth is first day of month retire on superannuation on the last day of the previous month on which he completes the age of superannuation :
- ii. Who attains the age of superannuation on a day other than the first day during a calender month, shall retire on the last day of that month.

**CHAPTER - III**

**RECORD OF SERVICE, SENIORITY, PROMOTION AND REVERSION**

**12. Record of Service**

The Bank shall maintain the service record of an officer or employee, as the case may be, and shall keep at such place or places and in such form and shall contain such information as the Board may, from time to time, specify in this behalf.

**13. Seniority**

- (1) Subject to the provisions of sub-regulations (3), (4) and (5) and such instructions and guidelines as may be issued by the Board from time to time, the Bank shall maintain separate seniority lists for each cadre of officer or employee and category-wise seniority lists within a cadre.
- (2) The seniority lists shall be reviewed and updated at such intervals as may be decided by the Bank and circulated amongst the officers or employees, as the case may be.
- (3)
  - (a) The seniority of a promotee officer or employee in a cadre or scale shall be reckoned with reference to the date of his appointment in the cadre or scale;
  - (b) where there are two or more promotee officers or employees of the same length of service in that cadre or scale, their inter-se-seniority shall be reckoned with reference to their seniority in the immediately preceding cadre or scale;
  - (c) where there are two or more promotee officers or employees having the same length of service in such preceding cadre or scale the seniority shall be determined with reference to their seniority in the immediately preceding cadre or scale, as the case may be.
- (4) The inter-se seniority of the erstwhile Field Officers or Accountants vis-a-vis the Branch Managers who were in the service of the Bank on the date on which the revised pay scales circulated by the Ministry of Finance, Department of Economic Affairs, Banking Division, New Delhi letter No F-2/17/79-RRB, dated the 29 April, 1980 are adopted by the Bank, may be so reckoned that all erstwhile Field Officers and/ or Accountants rank junior to all the then existing Branch Managers:

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Provided that the inter-se seniority of officers or employees amongst themselves within a cadre or scale as existing immediately prior to the Government letter No 11-3/90-RRB (I), dated 22 February, 1991 shall remain the same.

- (5) The inter-se seniority of officers or employees directly recruited in a batch to any cadre or scale shall be reckoned with reference to the rank allotted to them at the time of their selection:

Provided that if officers or employees recruited under the general or reserved categories are allotted to the Bank the inter-se seniority amongst the candidates so allotted who joined on the same date shall be determined in accordance with the marks obtained by such candidates without adding notional marks for the reserved category.

**14. Promotion**

All promotions shall be made at the discretion of the Bank and no officer or employee shall claim as a matter of right to be promoted to any post or cadre:

Provided that promotion of officers or employees in the Bank shall be made in accordance with the rules framed by the Central Government in terms of section 29 of the Act.

**15. Reversion**

An officer or employee who has been appointed to officiate in a higher cadre or scale shall be liable to be reverted without notice at any time where he is so officiating.

**CHAPTER - IV**

**CONDUCT, DISCIPLINE AND APPEALS**

**16. Scope of service of an officer and employee**

Every officer or employee shall be a whole time officer or employee and shall be at the disposal of the Bank, and he shall serve the Bank in its business in such capacity and at such place as he may from time to time be directed by any person or persons under whose jurisdiction, superintendence or control he may for the time being be placed.

**17. Duties of an officer**

Every officer shall perform such duties and actions as may be necessary in times of need to ensure the carrying out of the normal work of the Bank every day including securing access to the office premises or branch, documents and equipment and receipt handling, processing, movement and dispatch of documents and records and such other matters relating to the business of the Bank.

**18. Liability to abide by the regulations and orders**

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

**19. Obligation to maintain secrecy**

Every officer or employee shall maintain the strict secrecy regarding the Bank's affairs and its constituents and shall not divulge directly or indirectly any information of a confidential nature either to a member of the public or to the Bank's staff, unless in compliance of the order passed by the judicial or quasi judicial authority or unless instructed to do so by a superior officer in writing in discharge of his duties and shall submit a declaration as specified in Schedule-II.

**20. Obligation to Promote the Bank's interest**

Every officer or employee shall serve the Bank honestly and faithfully, and shall use his utmost endeavour to promote the interests of the Bank and shall show courtesy and attention in all transactions and dealings with officers of Government, the Bank's constituents and customers.

**21. Contribution to Press, Radio, etc.**

- (1) No officer or employee shall, except with the previous sanction of the Competent Authority, own wholly or in part or conduct or participate in the editing or management of any newspaper or any other periodical publication.
- (2) No officer or employee shall, except with the previous sanction of the Competent Authority or except in the bonafide discharge of his duties, participate in radio broadcast, television or any other electronic media or contribute any article or write any letter either in his own name or anonymously or in the name of any other person to any news paper or periodical or make public, or publish or cause to be published or pass on to others any document, paper or information which may come into his possession in his official capacity.
- (3) No officer or employee shall make any audio or video or photo recording of any official matter or publish or cause to publish any official matter without the prior permission of the Competent Authority.
- (4) No officer or employee shall, except with the previous sanction of the Competent Authority, publish or cause to be published any book or any similar printed matter of which he is the author or not:

Provided that no sanction is required if such broadcast or contribution or publication is of purely literary, artistic, scientific, academic, cultural, educational or social character.

**22. Officer or employee not to seek outside employment or business or to promote family business**

No officer or employee shall accept, solicit or seek any outside activity, employment or office whether stipendary or honorary without the previous sanction of the Competent Authority.

Provided that an officer or employee may, without such sanction, undertake the honorary work of a social or charitable nature or occasional work of a literary, artistic, scientific, professional, cultural, educational, religious or social character, subject to the conditions that his official duties do not thereby suffer:

Provided further that he shall not undertake or shall discontinue such work if so directed by the Competent Authority.

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Explanation: For the purposes of this regulation, :-

- (1) every officer or employee shall report to the Bank if any member of his family is engaged in a trade or business or owns or manages insurance agency or commission agency,
- (2) canvassing by an officer or employee in support of the business of insurance agency or commission agency, owned or managed by a member of his family shall be deemed to be a breach of this regulation.
- (3) no officer or employee shall without the previous sanction of the Bank except in the discharge of his official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Companies Act, 1956 (1 of 1956) or any other law for the time being in force or any cooperative society for commercial purposes:

Provided that an officer or an employee may take part in registration, promotion or management of a cooperative society registered under the Cooperative Societies Act, 1912 (2 of 1912) or any other law for the time being in force or of a literary, scientific or charitable society registered under the Societies Registration Act, 1860 (21 of 1860) or any corresponding law for the time being in force,

- (4) no officer or employee shall accept any fee for any work done by him for any public body or any private person without the sanction of the Competent Authority.

**23. Officer or employee not be absent from duty without permission or be late in attendance**

- (1) An officer or employee shall not absent himself from his duties without having obtained the permission of the Competent Authority, nor shall be absent himself in case of sickness or accident without submitting a proper medical certificate from a medical practitioner acceptable to the Bank.
- (2) An officer or employee, who absents himself from duty without leave or overstays his leave, shall not be entitled to draw any pay and allowances for the period of such absence or overstay, and shall be liable to such disciplinary measure as the Competent Authority may impose:

Provided that the Competent Authority may, if he is satisfied that the

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officer or employee has remained absent or over stayed, under the circumstances beyond his control, condone such absence or overstay and direct that such absence or overstay be regularized by admissible leave.

**24. Absence from station :-**

No officer or employee shall remain absent himself from his headquarters overnight without obtaining previous sanction from,-

- (1) In case of the Branch Manager/ Officer Incharge of the Branch, the Regional Manager or General Manager.
- (2) In other cases, the Branch Manager/Officer Incharge of the Branch.

**25. Prohibition to accept gifts and dowry**

- (1) No officer or employee shall solicit or accept or permit any member of his family or any other person acting on his behalf to accept any gift from a constituent of the Bank or from any officer or employee, subordinate to him.
- (2) No officer or employee shall, -
  - (a) give or take or abet the giving or taking of dowry,  
or
  - (b) demand directly or indirectly from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.

Explanation: For the purposes of this regulation, dowry has the same meaning as assigned in the Dowry Prohibition Act, 1961 (28 of 1961).

**26. Speculation in stocks, shares, etc.**

An officer or employee shall not speculate in stocks, shares, securities of any institution or commodities of any description:

Provided that nothing in this regulation shall be deemed to prohibit an officer or employee from making a bonafide investment of his own fund in such manner as he may wish.

Explanation: For the purposes of this regulation, frequent purchase or sale of stocks, shares or securities of any institution or commodities of any description shall be deemed to be speculation.

**27. Restrictions on lending, borrowings and investments**

- (1) No officer or employee shall, in his individual capacity, -
- i. borrow or permit any member of his family to borrow or otherwise place himself or a member of his family under a pecuniary obligation to a broker or a money lender or a subordinate officer or employee or any person, association of persons, firms, company or institution whether incorporated or not, having dealings with the Bank;
  - ii. buy or sell stocks, shares or securities of any description without funds to meet the full cost in the case of a purchase of scrips or delivery in the case of a sale;
  - iii. incur a debt at a race meeting;
  - iv. lend money in private capacity to a constituent of the Bank or have personal dealing with such constituent in the purchase or sale of bills of exchange, Government paper or any other securities; and
  - v. guarantee in private capacity the pecuniary obligations of another person or agree to indemnify in such capacity another person from loss except with the previous permission of the Competent Authority:

Provided that an officer or employee may give to, or accept from, a relative or personal friend a purely temporary loan of a small amount free of interest or operate a credit account with a bonafide tradesman or make an advance of pay to his private employee:

Provided further that an officer or employee may obtain a loan from a Cooperative Credit Society of which he is a member or stand as surety in respect of a loan taken by another member from a Cooperative Credit Society of which he is a member.

- (2) An officer or employee shall manage his private affairs to avoid insolvency or habitual indebtedness.
- (3) An officer or employee who is in debt shall furnish to the Competent Authority a signed statement of his position half yearly on the 30th June and 31st December and shall indicate in the statement the steps he is taking to rectify his position.

Explanation : For the purposes of this sub-regulation, an officer or employee shall be deemed to be in debt;

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- i. if his total liabilities, exclusive of those, which are fully secured, exceed his substantive pay for twelve months;
  - ii. unable to liquidate his debts within a reasonable time if it appears, having regard to his personal resources and unavoidable current expenses, that he shall not cease to be in debt within a period of two years.
- (4) An officer or employee who makes a false statement under this regulation or who fails to submit the prescribed statement or appears unable to liquidate his debts within a reasonable time or applies for the protection of an insolvency court shall be liable for dismissal.

**28. Movable, immovable and valuable property**

- (1) Every officer on his first appointment shall submit a return of his assets and liabilities giving full particulars regarding -
- (a) the immovable property, inherited by him or owned or acquired by him or held by him on lease or mortgage either in his name or in the name of any member of his family;
  - (b) shares, debentures and cash including bank deposits inherited by him or similarly owned or acquired or held by him;
  - (c) other movable property inherited by him or similarly owned or acquired or held by him; and
  - (d) debts and other liabilities incurred by him directly or indirectly:

Provided that, in the case of an officer, who is already in the service of the Bank on the date of the commencement of these regulations shall submit a return within three months from the date of commencement of these regulations.

- (2) Every officer shall submit a return of the immovable/movable property to the Bank as on 31st March of every year before 30th April of that year.
- (3) No officer shall, except with the prior intimation to the Competent Authority, acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or otherwise either in his own name or in the name of any dependent member of his family:

Provided that the previous sanction of the Competent Authority, shall be

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obtained by the officer if any such transaction is, -

- (a) with a person having official dealings with the officer; or
  - (b) otherwise than through a regular or reputed dealer.
- (4) Every officer shall report to the Competent Authority every transaction concerning movable property owned or held by him either in his name or in the name of any dependant member of his family if the value of such a property exceeds Rs 25,000/.

Provided that, the previous sanction of the Competent Authority shall be obtained, if such transaction is:-

- (a) with a person having official dealings with the officer; or
  - (b) otherwise than through a regular or reputed dealer.
- (5) Notwithstanding anything contained in the foregoing sub-regulation, the Competent Authority may, at any time by general or special order, require an officer or employee to furnish, within a period as specified in that order, a full and complete statement of such movable or immovable property held or acquired by him or on his behalf or in the name of any dependant member of his family as may be specified in that order, and such statement, if so required by the Bank, include the details of the means by which or the sources from which such property was acquired.

**29. Restrictions regarding marriage**

- (1) (i) No officer or employee shall enter into, or contract, a marriage with a person having a spouse living;
- (ii) No officer or employee, having a spouse living shall enter into or contract a marriage with any person:

Provided that the Competent Authority may permit an officer or employee enter into or contract, any such marriage as referred to in clause (i) or clause (ii) if it is satisfied that,

- (a) such marriage is permissible under the personal law applicable to such officer or employee and the other party to the marriage; and
- (b) there are other grounds for so doing.

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- (2) An officer or employee who has married, or marries a person other than Indian nationality shall forthwith intimate the fact to the Bank.

**30. Officer or employee arrested for debt or on a criminal charge**

- (1) An officer or employee who is arrested for debt or on a criminal charge or detained in pursuance of any process of law for the time being in force, may, if so directed by the Competent Authority, be treated as being or having been under suspension from the date of his arrest, and/or detention, as the case may be, upto such date or during such period as the Competent Authority may direct:

Provided that in respect of the period in regard to which he is so treated, he shall be paid subsistence allowance as specified in regulation 46.

- (2) Any payment made to an officer or employee under sub-regulation (1) shall be subject to adjustment of his pay and allowances which shall be made according to the circumstances of the case and in the light of the decision as to whether such period is to be accounted for as a period of duty or leave:

Provided that full pay and allowances shall be admissible only if the officer or employee,

- i. is treated as on duty during such period; and
  - ii. is acquitted of all charges or satisfies the Competent Authority, in case of his release from detention or his detention being set aside by the Competent Court, that he had not been guilty of improper conduct resulting in his detention.
- (3) (a) An officer or employee shall be liable to dismissal or to any of the other penalties referred to in regulation 39 if he is committed to prison for debt or is convicted of an offence which in the opinion of the Competent Authority, either involves moral turpitude, or has a bearing on any of the affairs of the Bank or on the discharge by the officer or employee of his duties in the Bank, the opinion in this respect of the Competent Authority shall be conclusive and binding on the officer or employee;
- (b) such dismissal or other penalty may be imposed as from the date of his committal to prison or conviction and nothing in regulation 39 shall apply to such imposition.
- (4) Where an officer or employee has been dismissed in pursuance of sub

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regulation (3) and the relative conviction is set aside by a higher court and the officer or employee is acquitted, he shall be reinstated in the service of the Bank.

- (5) Where the absence of an officer or employee from duty is without leave or his overstay is due to his having been arrested for debt or on criminal charge or to his having been detained in pursuance of any law for the time being in force, the provisions of regulation 23 shall also apply and for the purpose of that regulation the officer or employee shall be treated as having absented himself without leave or as the case may be, overstayed otherwise than under circumstances beyond his control.

**31. Prohibition against participation in politics and contesting elections**

No officer or employee shall take part in politics or in any political demonstration or contest election as a member for any Legislative Body, Municipal Council, Zilla Parishad, District Board or any other local body.

**32. Prohibition against joining certain associations, strikes, etc.**

- (1) No officer, who is not a workman within the meaning of the Industrial Disputes Act, 1947 shall, -
- (a) become or continue to be a member or office bearer of, or be otherwise directly or indirectly associated with any trade union of the employees of the Bank who are workmen within the meaning of the Act, or a federation of such trade unions;
- (b) resort to or in any way abet, any form of strike or participate in any violent, unseemly or indecent demonstration in connection with any matter pertaining to his conditions of service or the conditions of service of any other employees of the Bank.
- (2) In relation to an employee who officiates in a grade or post, which is not a grade or post of a workmen, this regulation shall also apply so long as such employee officiates in such higher grade or post.
- (3) No employee shall join or continue to be a member of an association, the objects or activities of which are prejudicial to the interest of sovereignty and integrity of India, the security of the state, friendly relations with foreign States, public order, defamation or incitement to offence.

**33. Give evidence**

- (1) No officer or employee shall, except with the previous approval of the

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Competent Authority, give evidence in connection with any enquiry conducted by any person, committee or authority.

- (2) Where any approval has been accorded under sub-regulation (1), no officer or employee giving such evidence shall criticize the policy or any action of the Government of India or State Government or the Bank.

**34. Function in honour of officer or employee**

- (1) No officer or employee shall, except with the previous sanction of the Competent Authority, receive any complimentary or valedictory address or accept any testimonial or attend any meeting or entertainment held in his honour or in the honour of any other officer or employee:

Provided that nothing in this sub-regulation shall apply to, -

- i. a farewell entertainment of a substantially private and informal character held in honour of the officer or employee or any other officer or employee on the occasion of his retirement or transfer or any person who has recently quit the service of the Bank; and
  - ii. the acceptance of simple and inexpensive entertainment arranged by association of officers or employees.
- (2) (a) no officer or employee shall either directly or indirectly exercise pressure or influence on any officer or employee to induce or compel him to subscribe towards any farewell entertainment;
- (b) no officer or employee shall collect subscription for farewell entertainment from any intermediate or lower grade officer or employee for the entertainment of any officer or employee belonging to any higher grade.

**35. Canvassing**

No officer or employee shall bring or attempt to bring any political or other outside influence to bear upon any superior authority to further his interests in respect of matters pertaining to his service in the Bank.

**36. Subscriptions**

No officer or employee shall, except with the previous sanction of the Competent Authority, ask for, or accept, contributions or otherwise associate himself with the raising of any funds or other connections in cash or in kind from constituents or customers in pursuance of any objective whatsoever.

**37. Consumption of intoxicating materials**

An officer or employee shall,

- (a) strictly abide by any law relating to intoxicating drinks, drugs or other materials in force in any area in which he may happen to be for the time being;
- (b) not be under the influence of any intoxicating drinks, drugs or other materials during the course of his duty and shall also take due care that the performance of his duties at any time is not affected in any way by the influence of such drinks, drugs or materials;
- (c) refrain from consuming any intoxicating drinks, drugs or other materials in a public place;
- (d) not appear in a public place, in a state of intoxication.

Explanation : For the purposes of this regulation; "public place", means any place or premises to which the public have or are permitted to have access, whether on payment or otherwise.

**38. Sexual harassment**

No officer or employee shall commit any act which amounts to sexual harassment of women at work place.

Explanation : For the purposes of this regulation, "sexual harassment" includes such unwelcome sexually determined behaviour, whether directly or otherwise, such as, -

- (a) physical contact and advances;
- (b) demand or request for sexual favours;
- (c) sexually coloured remarks;
- (d) showing any pornography; or
- (e) any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.

**39. Penalties**

Without prejudice to the foregoing regulations of this Chapter, an officer or employee who commits a breach of these regulations or who displays negligence, inefficiency or indolence or who commits acts detrimental to the interests of the

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Bank or in conflict with its instructions, or who commits a breach of discipline or is guilty of any other acts of misconduct, shall be liable for any one or more penalties as follows, namely, -

**1. Officers**

(a) Minor Penalties

- i. censure;
- ii. withholding or stoppage of increments of pay without cumulative effect;
- iii. withholding of promotion;
- iv. recovery from emoluments or such other amounts as may be due to him, of the whole or part or any pecuniary loss caused to the Bank by negligence or breach of orders;
- v. reduction to a lower stage in time scale of pay for a period not exceeding two years without cumulative effect;

(b) Major Penalties:

- i. save as provided in item (v) of clause (a) of sub-regulation (1) of regulation 39, reduction to a lower stage in time scale of pay for a specified period with further directions as to whether or not the officer shall earn increments of pay during the period of such reduction and whether on expiry of such period the reduction shall or shall not have the effect of postponing the future increments of his pay;
- ii. reduction to a lower grade or post;
- iii. compulsory retirement;
- iv. removal from service which shall not be a disqualification for future employment;
- v. dismissal which shall ordinarily be a disqualification for future employment.

Explanation: For the purposes of this regulation, - the following shall not amount to be a penalty, namely, -

- i. withholding of one or more increments of an officer on account of

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- his failure to pass a departmental test or examination in accordance with the terms of appointment to the post which he holds;
- ii. stoppage of increment(s) of an officer at the efficiency bar in a time scale on the grounds of his unfitness to cross the bar;
  - iii. not giving an officiating assignment or non-promotion of an officer to a higher grade of post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case;
  - iv. reserving or postponing the promotion of an officer for reasons like completion of certain requirement for promotion or pendency of disciplinary proceedings;
  - v. reversion to a lower grade or post of an officer officiating in a higher grade or post, on the ground that he is considered, after trial, to be unsuitable higher grade or post or on administrative grounds unconnected with his conduct;
  - vi. reversion to the previous grade or post of an officer appointed on probation to another grade or post during or at the end of the period of probation, in accordance with the terms of his appointment or rules, or orders governing such probation;
  - vii. reversion of an officer on deputation to his parent organization;
  - viii. termination of service of an officer, -
    - (a) appointed in a temporary capacity otherwise than under a contract or agreement on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment;
    - (b) appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
    - (c) as part of retrenchment:

Provided that no minor penalties as specified in items (i) to (v) of clause (a) of sub-regulation (1) of regulation 39, shall be imposed by the Competent Authority unless the officer is given a notice in writing,

- i. informing him of the grounds on which it is proposed to impose the said penalties;

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- ii. giving him a reasonable opportunity for making a statement of defence in writing within a period of 15 days from the date of receipt of notice, and statement of defence, if any, submitted by the Officer shall be taken into consideration and of being heard.

Provided further that no order in imposing any of the major penalties specified above, shall be made except by an order in writing signed by the Competent Authority and no such order shall be passed without the charge or charges being framed in writing and given to the officer and enquiry held so that he shall have reasonable opportunity to answer the charge or charges and defend himself.

Provided further that no enquiry shall be made, if,

- i. the misconduct in such cases even if proved, the Bank does not intend to impose the punishment of removal or dismissal; and
- ii. the Bank has issued a show cause notice to the officer advising him of the misconduct and the punishment for which he may be liable for such misconduct; and
- iii. the officer makes a voluntary admission of his guilt in his reply to the aforesaid show cause notice;

**2. Employees:**

**(a) Minor Penalties :**

- i. censure;
- ii. recording of adverse remarks against him;
- iii. withholding of increments for a period not exceeding six months;

**(b) Major Penalties:**

- i. fine;
- ii. withholding of increment(s) for a period exceeding 6 months;
- iii. withdrawal of special allowance;
- iv. reduction of pay to next lower stage upto a maximum period of two years in case the staff has reached the maximum in the scale of pay;
- v. removal from service which shall not be a disqualification for future employment;
- vi. dismissal :

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Provided that no major penalties as specified in items (i) to (vi) of clause (b) of sub-regulation (2) of regulation 39 shall be imposed by the Competent Authority unless, -

- i. an order in writing signed by the competent authority and no such order shall be passed without the charge(s) being framed in writing and given to the employee and enquiry held;
- ii. giving him reasonable opportunity to answer the charge(s) in writing, and defend himself.

Provided further that an enquiry need not be held if, -

- i. the misconduct is such that even if proved, the Bank does not intend to impose punishment of removal or dismissal; and
- ii. the Bank has issued a show cause notice to the employee advising him of the misconduct and the punishment for which he may be liable for such misconduct; and
- iii. the employee makes a voluntary admission of his guilt in his reply to the aforesaid show cause notice.

**40. Waiver of the procedure**

The requirements of regulation 39 may be waived by the Competent Authority, -

- (a) if the fact on the basis of which penalty is to be imposed on the officer or employee have been established in the Court of Law or Court martial; or
- (b) where the officer or employee has been convicted on a criminal charge; or
- (c) where the officer or employee has been absconding; or
- (d) where it is for any other reason impracticable to communicate with the officer or employee; or
- (e) where it is reasonably not practicable to observe the procedure specified under regulation 39:

Provided that no requirements of regulation 39 may be waived unless the reasons for doing so are recorded in writing and placed before the Board.

**41. Delegation of the power to enquire**

The Competent Authority may, by general or special order in writing, delegate to, -

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- i. An officer who is in a higher scale to the officer against whom the proceeding is instituted, in the case of officer;
- ii. An officer, in case of employee, to conduct the enquiry under regulation 39.

Provided that the Competent Authority may, at his discretion, nominate any officer working in the Bank, including those on deputation from other institutions or any public servant who is in a higher scale to the officer or employee against whom the proceeding is instituted, to conduct the enquiry.

**42. Common enquiry**

Notwithstanding anything contained in these regulations, if two officers in different grades or an officer and an employee are involved jointly in an incident and disciplinary proceedings are sought to be instituted against both of them and the Chairman is of the opinion that having regard to the facts and circumstances of the case, the Competent Authority in respect of both the officer and employee should be the same, the Chairman may direct that the Competent Authority in respect of the officer shall be the Competent Authority in respect of both the officer and employee involved and a common enquiry shall be held into the charges against both of them.

**43. Corrupt Practices**

Notwithstanding anything contained in these regulations, the following provisions shall apply where it is alleged that an officer or employee has been guilty of corrupt practices, namely, -

- (a) where it is alleged that an officer or employee is possessed of disproportionate assets or that he has committed an act of criminal misconduct or where the investigation and proof of the allegation would require the evidence of persons who are not officers or employees of the Bank or where, in the opinion of the Chairman, the investigation into the allegations cannot be conveniently undertaken by the Bank, the investigation into the allegations may be entrusted to the Central Bureau of Investigation or the Central Vigilance Commission or such other Authority as may be approved by the Chairman,
- (b) if after considering the report on the investigation, the Competent Authority is satisfied that there is a prima-facie case of instituting disciplinary proceeding against the officer or employee, he may send the investigation report to the Central Vigilance Commission or such

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other authority as may be decided by the Chairman from time to time in this behalf, for its advice whether disciplinary proceeding should be taken up against the officer or employee concerned,

- (c) if after considering the advice of the Central Vigilance Commission or such other Authority, as the case may be, the Competent Authority is of the opinion that disciplinary proceeding may be instituted against the employee concerned, then, the enquiry under this regulation may be entrusted to a Commissioner for Departmental Enquiries or any other person who may be nominated by the Central Vigilance Commission for this purpose;
- (d) The Commissioner for Departmental Enquiries or any other person nominated by the Central Vigilance Commission shall submit his report to the Competent Authority.
- (e) The Competent Authority shall forward such report to the Central Vigilance Commission for its advice as to whether the charge or charges, as the case may be, to be framed and the penalty or penalties to be imposed under regulation 39.
- (f) The Competent Authority shall, after considering the advice of the Central Vigilance Commission, impose the penalty.

Explanation : For the purposes of this regulation, an officer or employee shall be deemed to be guilty of corrupt practices if he has committed an act of criminal misconduct as defined in sections 13, 14, 15 and 16 of the Prevention of Corruption Act, 1988 (49 of 1988) or he has acted for an improper purpose or in a corrupt manner or had exercised or refrained from exercising his powers with an improper or corrupt motive.

**44. Restriction on engagement of a Legal Practitioner**

For the purposes of any enquiry under these regulations, the officer or employee shall not engage a legal practitioner without prior permission of the Competent Authority.

**45. Disciplinary proceedings after retirement**

- (1) An officer or employee who is under suspension on a charge of misconduct and who attains the age of superannuation, shall be deemed to be in service even after the age of superannuation for the specific purpose of continuation and conclusion of the disciplinary proceedings and issue of final orders thereon.

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- (2) The officer or employee who is under suspension shall not be eligible for any subsistence allowance for the period beyond the date of superannuation.
- (3) The officer or employee against whom disciplinary proceeding has been initiated shall cease to be in service on the date of superannuation but the disciplinary proceeding shall continue as if he was in service until the proceedings are concluded and final order is passed in respect thereof.
- (4) The officer or employee against whom disciplinary proceedings has been initiated shall not receive any pay and/or allowances after the date of superannuation and also not be entitled for the payment of retirement benefits till the proceeding is completed and final order is passed thereon except his own contribution to Contributory Provident Fund (CPF).

Explanation: For the purposes of this regulation, the normal retirement benefits such as encashment of privilege leave and Gratuity may be withheld till the completion of the disciplinary proceeding and passing of final order by the Competent Authority and the release of benefits shall be as per the final order of the Competent Authority.

**46. Suspension**

An officer or employee may be placed under suspension by the Competent Authority and during such suspension period, the officer or employee shall be entitled for the following subsistence allowance, namely, -

**1. In case of an Officer :**

**(A) Basic Pay**

- i. For the first three months of suspension, one third (1/3) of the basic pay which the officer was drawing on the date prior to the date of suspension irrespective of the nature of enquiry;
- ii. For the subsequent period, -
  - (a) where the enquiry is held departmentally by the Bank, one half (1/2) of the basic pay the officer was drawing on the date prior to the date of suspension;
  - (b) where the enquiry is held by an outside agency, one third (1/3) of the basic pay for the next three months and one half (1/2) of the remaining period of suspension;

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**(B) Allowances**

For the entire period of suspension, dearness allowance and other allowances excepting special allowance, if any, will be calculated on the reduced pay as specified in items (i) and (ii) of clause (A) of subregulation (1) of regulation 46 at the prevailing rates or at rates applicable to similar category of officers.

**2. Employee**

**(A) Basic Pay : -**

- i. For the first three months of suspension, one third (1/3) of the basic pay which the employee was drawing on the date prior to the date of suspension irrespective of the nature of enquiry.
- ii. For subsequent period
  - (a) where the enquiry is held departmentally by the Bank, one half (1/2) of the basic pay, the employee was drawing on the date prior to the date of suspension;
  - (b) after one year, full pay if the departmental enquiry is not delayed for reasons attributable to the concerned employee or any of his representative(s);
  - (c) where the enquiry is done by an outside agency and the said agency has come to the conclusion not to prosecute the employee, full pay shall be payable after six months from the date of receipt of report of such agency or one year after suspension, whichever is later, and in the event the enquiry is not delayed for reasons attributable to the employee or any of his representative(s).

**(B) Allowances :**

For the entire period of suspension, dearness allowance and other allowances excepting special allowance, if any, shall be calculated on the reduced pay as specified in terms of items (i) and (ii) of clause (A) of sub - regulation (2) of regulation 46 at the prevailing rates or at rates applicable to similar category of employees:

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Provided that no officer or employee shall be entitled to receive payment of subsistence allowance unless he furnishes a declaration that he is not engaged in any other employment, business, profession or vocation:

Provided further that if during the period of suspension an officer or employee retired by reason of his attaining the age of superannuation, no subsistence allowance shall be paid to him from the date of his retirement.

**47. Recoveries from subsistence allowance**

All compulsory deductions and all installments towards repayment of unsecured loans and advances given by the Bank, if any, shall be recovered from the subsistence allowance payable to officer or employee.

**48. Treatment of suspension period and allied matters**

(1) The Competent Authority may, while imposing penalty, direct whether the officer or employee shall be paid the difference between the subsistence allowance and the emoluments which he would have received but for such suspension or the period he was under suspension and that, if the Competent Authority decides otherwise, no order shall be passed which shall have the effect of compelling the officer or employee to refund such subsistence allowance.

(2) The period during which an officer or employee is under suspension shall, if he is not removed or dismissed from the service, be treated as period spent on duty or otherwise as the Competent Authority may direct.

**49. Right to appeal**

(1) An officer or employee may prefer an appeal against any order passed under these regulations to the Appellate Authority mentioned in regulation 50 within a period of 45 days from the date of receipt of such order.

(2) The Appellate Authority shall decide the appeal and pass order preferably within a period of 6 months from the date of receipt of the appeal.

**50. Appellate authority**

An appeal shall lie before, -

- i. the Board, where the Chairman is the Competent Authority.

- ii. the Chairman, where the General Manager is Competent Authority; and
- iii. the General Manager, where the Competent Authority is decided by the Board under sub-clause (iii) of clause (g) of sub-regulation (1) of regulation 2.

**51. Requirement of an appeal**

Every appeal shall comply with the following requirements; namely, -

- i. it shall be in writing and couched in polite and respectful language and shall be free from unnecessary padding or superfluous verbiage;
- ii. it shall contain all material statements and arguments relied on and shall be complete in itself,
- iii. it shall specify the relief desired,
- v. it shall not be addressed to director personally.

**CHAPTER - V**  
**PAY AND ALLOWANCES**

**52. When accrue and payable**

Subject to the provisions of these regulations, pay and allowances shall accrue from the commencement of the service of an officer or employee and shall become payable on the last working day of the each month in respect of the service performed during the said month.

**53. When pay and allowances ceases**

Pay and allowances shall cease to accrue as soon as an officer or employee ceases to be in service:

Provided that if an officer or employee dismissed from the service of the Bank, the pay and allowances of the officer or employee shall cease from the date of dismissal:

Provided further that if an officer or employee dies in service, the pay and allowances shall cease from the day following that on which the death occurs.

**54. Increments**

In a scale, the increment shall accrue on the completion of each specified period of service on each stage of that scale, whether such period be probationary, officiating or substantive :

Provided that an officer or employee shall draw increment on the first day of the month in which it falls due irrespective of the actual date of its accrual.

**CHAPTER - VI**  
**LEAVE AND JOINING TIME**

**55. Kinds of leave**

Subject to the provisions of these regulations, an officer or employee may be eligible for the following kinds of leave, namely, -

- (a) Casual Leave,
- (b) Privilege Leave,
- (c) Sick Leave,
- (d) Extra-ordinary Leave,
- (e) Special Casual Leave and Special Leave,
- (f) Maternity Leave, and
- (g) Paternity leave.

**56. Authorities empowered to grant leave**

The Competent Authority or any other officer authorized by him in this behalf shall grant any kinds of leave as referred to in regulation 55.

**57. Power to refuse leave or recall an officer or employee from leave**

- (1) Leave cannot be claimed as a matter of right. When the exigencies of the service of the Bank requires, the Competent Authority shall, by order in writing, refuse or revoke the leave of any description.
- (2) The Competent Authority may, whenever the Bank deems fit to do so, recall the officer or employee who is on leave to join in his duty in the Bank:

Provided that if the officer or employee is out of headquarter, he shall be eligible to be paid the actual expenses incurred by him and the members of his family for returning to the headquarter.

**58. Place of reporting on return from leave**

An officer or employee who is on leave shall, unless otherwise instructed to the contrary, return for duty to the place where he was posted before proceeding on leave.

**59. Leave not admissible for an officer or employee placed under suspension**

No leave shall be granted to an officer or employee who is under suspension.

**60. Casual Leave**

- (1) An officer or employee shall be eligible for casual leave on full emoluments for 12 working days in a calendar year:

Provided that not more than four days casual leave may be availed of at any one time:

Provided further that holidays and Sundays may not be combined with such leave in such a manner as to increase the absence at any one time beyond six days.

- (2) Casual leave to an officer or employee during the first calendar year of his service shall be admissible on a pro-rata basis at the rate of one day for each completed month or part thereof.
- (3) (a) Casual leave not availed of in a calendar year may be suffixed or prefixed to sick leave in the following year in respect of an officer,  
(b) Casual leave not availed of in a calendar year may be converted into sick leave on full substantive pay in respect of employees and such sick leave shall be in addition to the eligible sick leave limits specified in regulation 62;
- (4) Casual leave may not be granted in combination with any other kinds of leave except as provided under clause (a) of sub-regulation (3), Special Casual leave under regulation 64, Maternity leave under regulation 65 and Paternity leave under regulation 66.

**61. Privilege leave**

- (1) An officer or employee shall be eligible for privilege leave computed at one day for every 11 days of service on duty:

Provided that no privilege leave shall be availed of before the completion of 11 months of service on duty at the joining of his service.

- (2) The period of privilege leave to which an officer or employee is entitled at any time shall be the period which he has earned less the period availed of.
- (3) An officer or employee on privilege leave shall be entitled to full emoluments for the period of leave.
- (4) Privilege leave may be accumulated upto 31st December, 1989 for an aggregate period upto 180 days and from 1st January 1990, the privilege leave may be accumulated upto not more than 240 days.

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- (5) An application for privilege leave shall be submitted by an officer or employee one month before the date from which such leave is required.
- (6) The application which does not satisfy the requirement of sub-regulation (5) may be refused without assigning any reason:

Provided that if the Competent Authority is satisfied that such requirement was not possible, he may, at his discretion, waive the requirement.

**62. Sick Leave and Additional sick leave**

- (1) The sick leave or medical leave account of every officer or employee shall be credited with medical leave in advance, in two installments of fifteen days each on the first day of January and July of every calendar year.
- (2) (a) The leave shall be credited to the said leave account at the rate of 5/2 days for each completed calendar month of service, which he is likely to render, in the sick leave or medical leave of the calendar year in which he is appointed,
- (b) The credit for the sick leave or medical leave in which an officer or employee is due to retire or resign from the service shall be allowed at the rate of 5/2 days per completed calendar month up to the date of retirement or resignation,
- (c) When an officer or employee is removed or dismissed from service or dies while in service, credit of sick leave or medical leave shall be allowed at the rate of 5/2 days per completed calendar month up to the end of the calendar month preceding the calendar month in which he is removed or dismissed from service or dies in service.
- (d) Where a period of absence or suspension of an officer or employee has been treated as 'dies non' in a sick leave or medical leave, the credit to be afforded to his sick leave or medical leave account at the commencement of next sick leave or medical leave shall be reduced by one eighteenth of the period of 'dies non' subject to a maximum of ten days :

Provided that sick leave or medical leave can be accumulate during his entire service subject to the following conditions, namely -

- i. An officer or employee shall be eligible to receive one month's full emoluments during the period of sick or medical leave:

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Provided that if an officer or employee so desires, the Bank may permit him to draw full emoluments in respect of any portion of sick leave granted to him and the twice the amount of such period on full emoluments shall be debited against his sick or medical leave account for this purpose.

- ii. The sick or medical leave shall be granted on pro rata basis during the first year of service;
- iii. The sick or medical leave may be availed of only on production of medical certificate issued by a recognized medical practitioner acceptable to the Bank;
- iv. Any officer or employee desirous of resuming duty on expiry of sick or medical leave shall produce medical certificate issued by a recognized medical practitioner acceptable to the Bank stating that he is fit for duty.

EXPLANATION : For the purposes of this regulation, -

1. Till the 1st day of September, 1987 an officer or employee is eligible for 20 days sick or medical leave for each completed year of service and such leave can be accumulated upto 180 days.
2. From the 1st day of September, 1987 till October 18, 2005, an officer or employee shall be eligible for 20 days of sick or medical leave for each completed year of service.
3. From October 19, 2005, an officer or employee shall be eligible for 30 days of sick or medical leave for each completed year of service subject to a maximum of 18 months during the entire service and such leave can be accumulated up to a period of 540 days during the entire service and may be availed of only on production of medical certificate issued by a medical practitioner acceptable to the Bank or at the Bank's discretion nominated by it at its cost.
4. From October 19, 2005, where an officer or an employee who has completed 24 years of service shall be eligible for 30 days additional sick leave for each completed year of service subject to a maximum of 90 days.

**63. Extraordinary Leave :**

- (1) Extraordinary leave may be granted to an officer or employee when no other

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leave is due to him and when having regard to his length of service, sick leave is not considered justified by the Competent Authority.

- (2) The duration of extraordinary leave to be granted to an officer or employee shall not exceed 90 days on any occasion and 360 days during the entire period of his service:

Provided that in the exceptional circumstances, the Chairman may, with the approval of Board, grant extraordinary leave upto a total period of 720 days to an officer or employee:

Provided further that in case of chronic sickness of an officer or employee, the Chairman may, with the approval of the Board grant extraordinary leave in excess of 720 days to him and the Board, while according such approval, shall record the specific reasons there for in writing.

- (3) Save as otherwise provided in these regulations, the Competent Authority may grant extraordinary leave in combination with or in continuation of any other kind of leave admissible to the officer or employee.
- (4) No pay and allowances are admissible during the period of extraordinary leave and the period spent on such leave shall not count for increment:

Provided that where the Competent Authority is satisfied that sanction of extraordinary leave was necessitated on account of illness or any other reason beyond the control of officer or employee, he may direct that the period of extraordinary leave would count for increment.

**64. Special casual leave and special leave**

An officer or employee may be granted special casual leave and special leave for sports, donation of blood, family planning, defending another officer or employee in an enquiry, or for joining civil defence services or any other purposes as may be decided by the Board in accordance with the guidelines of the Central Government.

**65. Maternity Leave**

- (1) Leave upto a period of six months at a time may be granted by way of maternity leave including in respect of post natal period or at the time of miscarriage or abortion or medical termination of pregnancy, so however, that not more than 12 months of such leave shall be available during the entire period of service of a female officer or employee.

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- (2) Maternity leave may be combined with any other kind of leave but any leave applied for in continuation of the former may be granted only if the request is supported by certificate issued by a recognized medical practitioner acceptable to the Bank.
- (3) The Maternity leave may also be granted once during the entire service period to a female officer or employee who has no living child, for legally adopting a child who is below 1 year of age till the child reaches the age of 1 year subject to a maximum period of 2 months subject to the following terms and conditions, namely, -
  - (a) leave shall be granted for adoption of only one child;
  - (b) the officer or employee shall adopt a child through the due process of law for the time being in force and produce the adoption deed to the Bank for sanctioning such leave.

**66. Paternity Leave**

- (1) The male officer or employee who having less than two surviving children, may be granted paternity leave for a period of 15 days, during the confinement of his wife for childbirth, i.e. upto 15 days before, or upto six months from the date of delivery of the child.
- (2) During such period of 15 days, the male officer or employee shall be paid leave salary equal to the pay drawn immediately before proceeding on leave.
- (3) The paternity leave may be combined with leave of any other kind.
- (4) The paternity leave shall not be debited against any other leave account of the male officer or employee.
- (5) If paternity leave is not availed of within the period specified above such leave shall be treated as lapsed.

**67. Lapse of leave**

All leave shall lapse on the death of an officer or employee or if he ceases to be in the services of the Bank:

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

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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.

**68. Furnishing of leave address to the Bank**

An officer or employee who has been sanctioned leave and leaves his place of duty shall furnish to the Bank, the address at which he can be contacted, while out of headquarters.

**69. Commencement and Termination of leave**

- (1) The first day of leave of an officer or employee is the working day succeeding that upon which he hands over charge.
- (2) The last day of leave of an officer or employee is the working day preceding that upon which he reports on his return to duty.

**70. Joining time**

- (1) An officer or employee shall be eligible for joining time on one occasion to enable him, -
  - (a) to join a new post to which he is appointed while on duty in his old post,
  - or
  - b) to join a new post on return from leave.
- (2) The period of joining time shall be, -
  - (a) in respect of an officer, a period not exceeding seven days exclusive of the number of days spent on travel, and
  - (b) in respect of an employee, a period not exceeding six days exclusive of the number of days spent on travel.
- (3) During the period spent on joining time, an officer or employee shall be eligible to draw the emoluments at the place of old or new posting, whichever is less.

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- (4) In calculating the joining time admissible to an officer or employee, the day on which he is relieved from his post shall be excluded:

Provided that public holidays following the day of his relief shall not be included in computing the joining time.

- (5) No joining time shall be admissible to an officer or employee if,
- i. the transfer does not involve a posting to a different place;
  - ii. his posting is of temporary nature, irrespective of the fact that the posting is to a place or station other than the one at which he is permanently posted;
  - iii. the transfer is at his own request;
  - iv. the transfer is within the same Panchayat or Municipality or Urban Agglomeration or Municipal Corporation or Town or City.

**CHAPTER - VII**  
**MISCELLANEOUS**

**71. Provident Fund and Pension**

- (1) An officer or employee who has completed continuous minimum service as specified in the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (19 of 1952) shall be a member of the Employees' Provident Fund and the contribution to the Provident Fund by the officer or employee and the Bank shall be in accordance with provisions of the said Act.
- (2) (a) An officer or employee covered under the provisions of Employees' Provident Fund and Miscellaneous Provisions Act 1952 (19 of 1952) shall be governed by the provisions of employees Pension Scheme 1995 framed by the Central Government in exercise of the powers conferred by section 6A of the said Act;  
(b) the Pension Scheme so framed shall come into force from the 16th day of November, 1995.
- (3) An officer or employee exercising the option to become a member of the Pension Regulation Fund under sub-regulation (1) of regulation 3 of the Pension Regulations and after exercising the said option, refunding the amount by causing the trust of the Provident Fund of the Bank to transfer the entire contribution of the Bank along with the interest accrued thereon to the credit of the Fund constituted the Pension Regulations, in accordance with the said sub-regulation, shall be governed by the Pension Regulations.
- (4) The family of the deceased employees exercising the option to become a member of the Pension Regulation Fund under sub-regulation (1) of regulation 3 of the Pension Regulations and after exercising the said option, refunding the amount in accordance with the said sub-regulation, shall be governed by the Pension Regulations.
- (5) Notwithstanding anything contained in sub-regulations (1) to (4) of this regulation, any employee who joins the service of the Bank on or after the 1st day of April, 2018, shall be governed by the National Pension System.

Explanation : For the purpose of this sub-regulation, the National Pension System

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means the National Pension System as defined in clause (i) of sub-section (1) of section 2 of Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013).

Note : The principal notification was published vide number 56 dated 13th February 2014 in the Gazette of India, Extraordinary, Part III, section 4.

**72. Gratuity**

- (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.

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

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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.

**73. Domicile**

- (1) Every officer or employee shall on his appointment declare his domicile in writing to the Bank in Schedule - III and if such domicile is not his place of birth he shall establish the same to the satisfaction of the Appointing Authority.
- (2) No officer or employee who has once indicated his domicile, shall be permitted to alter the same unless he satisfies the Bank that the change is bonafide.
- (3) An officer or employee may not be permitted to change his domicile in such a manner as to increase the cost to the Bank of any such concession.

**74. Transferability**

- (1) Every officer or employee is liable for transfer to any office or branch of the Bank.
- (2) Notwithstanding anything contained in these regulations, an officer appointed under scale IV or scale V shall be liable to be transferred to any Regional Rural Bank sponsored by the same Bank.

**75. Lending of services of an officer or employee to other organization**

The service of an officer or employee may be lent to other organization subject to such terms and conditions and for such duration as may be approved by the Board:

Provided that the service of an officer or employee may not be lent to other organization against his will:

Provided further that in case of lending of an officer or employee to the Regional Rural Bank sponsored by the Sponsor Bank, the first proviso shall not be applicable.

**76. Implementation of regulations**

The Chairman may, from time to time, issue such instruction or direction as he may

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consider necessary for giving effect to, or carrying out the provisions of these regulations.

**77. Repeal and Savings**

- (1) Every rule, regulation, bye-law or any provision in any agreement or a resolution corresponding to any of the regulations herein contained and in force immediately before the commencement of these regulations and applicable to officers and employees is hereby repealed.
- (2) Notwithstanding such repeal, any order made or action taken under the provisions so repealed shall be deemed to have been made or taken under the provisions of these regulations.

**SCHEDULE - I**

**[See Regulation 5(4)(ii)]**

**DECLARATION OF MARITAL STATUS**

1. Shri/Smt/Kum \_\_\_\_\_  
s/o d/o w/o \_\_\_\_\_  
declare as under:

i. That I am unmarried/a widower/widow.

ii. That I am married and have only one spouse living.

iii. That I have entered into or contracted a marriage with a person having a spouse living. I may be granted exemption on the basis of ground given below. Application for grant of exemption is enclosed.

Ground:

2. I solemnly affirm that the above declaration is true and I understand that in the event of the declaration being found to be incorrect after my appointment, I shall be liable to be dismissed from service.

Date:

Signature

**SCHEDULE - II**

**(See Regulation 19)**

**DECLARATION OF FIDELITY AND SECRECY**

I, \_\_\_\_\_, do hereby declare that I will faithfully, truly and to the best of my skill and ability execute and perform the duties required of me as officer or employee of the Karnataka Gramin Bank and which properly relate the office or position held by me in the said Bank.

I further declare that I will not divulge or allow to be divulged to any person not legally entitled thereto any information relating to the affairs of the said Bank or to the affairs of any person having any dealing with the said Bank and nor will I allow any such person to inspect or have access to any books or documents or electronic records belonging to or in possession of the said Bank and relating to the business of the said Bank or the business of any person having any dealing with the said Bank.

Signed before me

Signature :

Name in full :

Designation :

Signature :

Name in full :

Designation :

Place :

Date :

**SCHEDULE - III**  
**(See Regulation 73)**

**DECLARATION OF DOMICILE**

I, the undersigned having been appointed in the service of the Karnataka Gramin Bank hereby declare \_\_\_\_\_(place) in \_\_\_\_\_(District) as my place of domicile.

1. \* The above is my place of birth.

or

\*The above is not my place of birth. My place of birth is \_\_\_\_\_ (Place) in \_\_\_\_\_(District) but \_\_\_\_\_(Place) has been declared as my place of domicile for the reasons given below.

\_\_\_\_\_  
\_\_\_\_\_

Signature :

Name in full :

Designation and :

Nature of appointment :

Date of appointment :

\*Strike out whichever is not applicable.