CHAPTER V
CHAPTER 5

ORGANISATIONAL STRUCTURE AND PERSONNEL POLICIES OF
COOPERATIVE BANKS

The chapter is devoted to present the organisational structure and personnel policies of all the three cooperative banks. Hence, an attempt is made to study the objectives, organisational structure, composition of General Body, and Managing Board and establishment of all the three cooperatives Banks i.e. the H.p. State Cooperative Bank, the Kangra Central Cooperative Bank and the Jogindra Central Cooperative Bank. Second part of the chapter explains the important personnel policies of the cooperative Banks.

Part-I

5-1 Organisational Structure and Management of Cooperative Banks

Organisational structure is the means by which an organisation can achieve its objectives while designing the organisational structure, due care should be taken to ensure proper grouping of work, division of labour and division of authorities and responsibilities among different levels. The organisational structure must be
changed suitably as per needs of time and circumstances.

As far the organisational structure and management of the proposed cooperative Banks is concerned, there is almost unanimity of opinion. In certain areas like designation, nature of duties and responsibilities, composition of Board of Directors line of Control etc., a difference of opinions exists.

In the following paras, an attempt is made to explain the objectives, organisational structure and management of the cooperative Banks.

5-2 Organisational Structure and Management of the H.P. State Cooperative Bank

5-2(a) Objectives

The H.P. State Cooperative Bank has the following objectives to achieve:

(a) To promote economic interests of the members of the bank in accordance with the cooperative principles and to facilitate the operations of the cooperative societies.

(b) To serve as balancing-centre and clearing house for cooperative societies in the state.

(c) To make the provision of credit for agriculturists, marketing and processing, and to ensure efficient performance in the functioning of central cooperative
Banks and other Cooperative Societies in the State.

(d) To make loans and advances to and open overdrafts and cash credit accounts for member societies with or without security.

(e) To lend money or grant over-draft or open cash credits for all persons against the security of Gold, Silver, Loans and advances, etc.

(f) To act as custodian of the Reserve fund of Central Cooperative Bank and the Societies.

(g) To act as a banking Agent for the Government of Himachal Pradesh, Public bodies, corporations, for any Bank.

(h) To open its branches in the area of operation of the bank with prior approval of Registrar of Cooperative Societies.

(i) To establish, promote and maintain the cadre of Key personnel for the benefit of affiliated Central cooperative Banks and the Cooperative Societies.

(j) To advise Banks and societies in the matters of principle and practice of Banking and inspect them as and when necessary.

(k) To undertake exchange business by drawing, accepting, endorsing, negotiating, selling or otherwise, dealing in bills of exchange, or other negotiable instruments with or without security.
5-2(b) Organisation Design

The H.P. State Cooperative Bank is having its Board of Directors as the highest decision-making body. Managing Director is appointed by the state Government on deputation basis. General Manager, the Deputy General Manager, and Assistant General Manager are appointed by the Board of Directors. For the purpose of efficient, effective management, the Bank has divided its management into two categories.

i) Branch Management for the efficient or effective management of branches and

ii) Office Management, to facilitate the management at the Head Office.

In Branch Management, district managers are appointed in every Distt. Headquarters. In the branches, Branch Manager are the in-charges, assisted by subordinate staff. In the office management, the bank has different branches mentioned in the chart. Grade I official is the in-charge of each branch.
Chart-I

Organisational Structure of the H.P. State Cooperative Bank

Board of Directors

Managing Director

General Manager

Deputy General Manager

Asstt. General Manager

Branch Management

Office Management

Distt. Personnel Statistical Planning Loans Branch Accounts Legal
Manager Section Section Section and and and Cell
advanced Controls Banking Section
Section Section Section

Branch Manager

(office Grade I, II, III)

Grade IV (Clerks)

Subordinate staff

Grade I Where Deposits are more than Rs.1 crores

Grade II Where Deposits are more than Rs.50 lakhs but less than Rs. 5 crores

Grade III Where Deposits are less than Rs.50 lakhs

Subordinate Staff
5-2(c) Composition of Management

The management of the Bank shall vest in a Board of Directors constituted as follows.

1. Six Directors from six districts, viz. one director each from Bilaspur, Chamba, Kinnaur, Mandi, Shimla and Sirmaur Districts are duly elected by members, cooperative society at the respective district headquarters. Provided that out of six Directors to be elected in the manner aforesaid at least one Director shall be from among marginal/small farmers/Scheduled Castes/Scheduled Tribes.

2. One Director each to be nominated by the Kangra and Jogindra Central Cooperative Banks from among the members of their respective Boards.

3. One Director to be nominated by the Himachal Pradesh State Cooperative Marketing and Consumer Federation.

4. One Director to be nominated by the H.P. State Cooperative Agriculture and Rural Development Bank.

5. One Director representing weavers and industrial cooperative societies to be nominated by General House out of the members of such societies.

6. Three Directors, 1/3rd of the total number of Directors, whichever is less, to be nominated by state Government.
7. The Registrar or his nominee.
8. The Managing Director as Ex-officio-Director

5-2(d) Bank Establishment

The H.P. State Cooperative Bank had 169 employees as on 10.1.1968 out of which there were 3 Managers of special Grade (General Manager 1, Deputy General Manager 1, Assistant General Manager 1, Head Cashier 1, Accountants 2, Steno, 1 Clerk 74, and peons 60. By and by the bank has made a tremendous progress in every sphere. At present the number of branches has gone to 101, with the strength of 1000 employees.

5-2(e) The Composition of General Body

The General Body is the supreme authority from which the authority is delegated and responsibilities are assigned to the executive wing. The composition of the General Body is as following:

a) The President of the Bank.
b) One nominee each of the member Central Cooperative Banks, H.P. Cooperative State Land Development Bank and H.P. State Cooperative Marketing and Consumer Federation.
c) Delegates of the members of cooperative societies.
d) Finance Secretary of the State of Himachal Pradesh or his nominee.
5-3 Organisational Structure and Management of the Kangra Central Cooperative Bank

5-3(a) Objectives

The objectives of the Kangra Central Cooperative Bank are spelled out as:

1. To secure deposits from the Public and other agencies;
2. To make advances to rural masses through Cooperative Societies;
3. To provide funds to cooperative societies for marketing and consumer activities;
4. To meet the credit requirements of the cooperative societies for the supply of controlled and essential commodities under the Public Distribution system;
5. To open its Branches in the area of operation of the Bank with prior approval of the Registrar;
6. To act as a custodian of the reserve fund of the cooperative societies.

Thus, Cooperative Banks were established for the promotion of cooperative sector in the state.

5-3(b) Composition of Board of Management

The management of the affairs of the Bank shall rest defined in the Bye laws in the following bodies and officers:
<table>
<thead>
<tr>
<th>Establishment Section (Branch Manager)</th>
<th>Central Accounts Section (Zonal Manager)</th>
<th>Statistical Section (Branch Manager)</th>
<th>Loan Head Office Section (Branch Manager)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zonal Manager</td>
<td>Zonal Manager</td>
<td>Zonal Manager</td>
<td>Zonal Manager</td>
</tr>
<tr>
<td>Dharamsala</td>
<td>Nagrota Bagwan</td>
<td>Unna</td>
<td>Hamirpur</td>
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<td></td>
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<td>Kullu</td>
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<tr>
<td>Branch Manager</td>
<td>Branch Manager</td>
<td>Branch Manager</td>
<td>Branch Manager</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Sub-Accountant/Cashier</td>
<td>Sub-Accountant/Cashier</td>
<td>Sub-Accountant/Cashier</td>
<td>Sub-Accountant/Cashier</td>
</tr>
<tr>
<td>Clerk/Supervisor</td>
<td>Clerk/Supervisor</td>
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<td>Clerk/Supervisor</td>
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<td>Peon</td>
<td>Peon</td>
<td>Peon</td>
<td>Peon</td>
</tr>
</tbody>
</table>
5-3(c) Constitution of Board of Directors

The Board of Directors of the Bank shall be the chief executive body and all responsibility for carrying out the affairs of the bank shall vest in it.

The Board of Directors, shall be constituted as under:

a) Members elected out of member cooperative societies as per bye-laws 57A(b);

b) Three Directors or 1/5 of the total number of Directors whichever is less to be nominated by the State Government.

c) Registrar of Cooperative societies, H.P. Government or his nominee.

d) In addition to the prescribed number of members of Board of Directors of the Bank, the Deputy Registrar In-charge shall be on the Board as Advisor.

No Director shall be elected from among the individual shareholders. The number of Directors so elected shall not exceed 15.
The President/Vice-President elected by the Board of Directors, for a period of five years, shall be eligible for re-election continuously for a maximum of two terms. Each member will have one vote irrespective of number of shares held by him. In terms of Bye-laws of the Bank, each of the three nominees of the State Government and Registrar, Cooperative Societies has a right to vote which goes contrary to the provisions of Bye-laws which restrict a member's right to one vote irrespective of the number of share held by him. These Bye-laws may be suitably amended to restrict the right of the State government to one vote.

5-3(d) Bank's Establishment

Besides the General Manager, three Zonal Managers and one Statistical Officer, there were about 40 Accountants, 80 Clerks/Cashiers, 24 Supervisor and 80 Peons/Drivers etc. working in the Banks on June 30, 1977. The staffing pattern in branches consisted of a Branch Manager, 2 Clerks, 2 Peons and a Recovery Supervisor was also attached to a Branch depending on the loan business in the area of the Branch. The strength of staff as on August 1994 has gone to 800 including 1 General Manager, 2 Deputy General Managers, 7 Zonal Managers and Subordinate Staff.

5-3(e) The Composition of General Body

The Composition of General Body shall consist of:

a) President;
b) Representative of member Cooperative societies;

c) The delegates elected by individual shareholders;

d) Three directors or 1/3 of the total number of Directors whichever is less, nominated by the Government;

e) Representatives of joint stock companies/societies/associations, firms, religious and charitable institutions, Government undertakings/corporations/institutions who are member of the Bank.

5-4 Organisational Structure and Management of the Jogindra Central Cooperative Bank

5-4(a) Objectives

The main objectives of the Bank are spelt out as under:

1. To carry out Banking and Credit Business.

2. To provide credit facilities to its members on convenient and easy terms.

3. To encourage thrift and saving amongst its members by offering suitable facilities.

4. To make arrangement for supervision and inspection of its affiliated cooperative societies and

5. To undertake such measures as are conducive to the spreading of cooperative education and training.
Organisations Structure and Composition of Board of Management

The Board of Directors is the highest authority which decides the operations and enlargement of functions of the Bank. Managing Director is the top level officer of the Bank and is appointed by the Board of Directors. General Manager is the officer of the Bank who is mainly concerned with the management functions of the Bank. The organisation chart showing the different levels of management of the Bank is given below:

Chart-III

Organisational Structure of the Jogindra/Central Cooperative Bank

Board of Directors

Managing Director

General Manager

Bank Staff

Grade I Officer

Grade II Officer

Grade III Officer

Grade IV Officer

Grade IV Officer

Subordinate Staff

Subordinate Staff
Bank's staff are the employees who are working for the Bank and are engaged in the execution of policies, procedures and programmes framed by the top level management.

5-4(c) Constitution of Board of Directors

The management of the Bank is vested in the Board of Directors which is constituted as under:

1. The Directors to be nominated by the Government of Himachal Pradesh till the time, the share of the Government in the share capital is not fully redeemed.

2. One Director to be nominated out of individual members.

3. Five Directors to be elected by the member cooperative societies with one each from each Block.

The President and Vice-President of the Bank are elected for a term of 3 years by the Board of Directors amongst such of its members as are elected representatives of member societies and individual shareholders.

The elected Directors retire after completion of three years. Retiring Directors are eligible for re-election as per rules. The Board of Directors may co-opt a member to fill a vacancy occurring during the period.

The Bye-laws of the Bank do not provide for a specific representation for marketing societies, weavers and other industrial societies as well as weaker sections.
comprising small/marginal farmers and scheduled castes and tribes. The scheduled caste constitute a major segment, at almost 1/3 (30.4%) of the total population of the bank's jurisdiction.

5-4(d) Bank's Establishment

During 1977, the total staff strength of the Bank was 46 which consisted of 1 Manager, 3 Accountants, 20 Clerks/Cashiers, 11 Recovery Supervisors and 11 Peons. The Bank has adopted the Punjab Cooperative Finance Institutions Service Rules framed by Registrar of Cooperative Societies, Punjab, to govern the service conditions of the staff. The total strength of employees of the Bank as on 30.6.1994 has increased to 90 including 1 Managing Director, 1 General Manager, 2 Managers Grade-I, 3 Managers Grade-II, 16 Managers Grade-III, and 37 Grade-IV employees.

Part-II

5-5 Personnel Policies

Personnel Policies provide guidelines for achieving the goals of personnel management and also expedite the process of Human Resource Development. Personnel Policies comprise the body of principles and rules of conduct which govern an enterprise in its
relationships with its employees. The success of the personnel department will be evident in the process of interpreting personnel policies for the various departments of the organisation so as to help in implementing them in a fair manner. Sound and effective personnel policies play a significant role in the development of human resources.

Personnel policies exist in every organisation. The extent to which they are written, communicated and consistently applied may differ from organisation to organisation. Organisation interested in maintaining the trust and confidence of their employees strives to score high on these three counts. The personnel policies may include policy on recruitment of personnel, policies on working conditions, wage policy, promotion policy, policy on termination and retirement, welfare and industrial relation etc.

5-5(i) Personnel Policies in the Cooperatives

The cooperatives as business units are to operate independently and compete in the market but these personnel policies are directed externally by the Government. The personnel policies in the cooperatives are evolved by Board of Directors. These are influenced by the external social environment, organisation culture, pressure from employees and economic viability of the organisation. While formulating personnel policies, the above factors have to
be taken into account and when there is a change in the above factors, the Board of Directors have to change the personnel policy suitably. Besides, the Board of Directors, the external agencies like the Registrar of Cooperative Societies, the Government or the Federal organisation also influence the personnel policies of the cooperative organisation significantly. It has been observed in many cooperative organisations that sound personnel policies have not been developed as the personnel units are only establishment units which are concerned with only routine functions like appointment, transfer, promotion, extension of training etc.

5-6 Personnel Policies of the Himachal Pradesh State Cooperative Bank

5-6(a) Promotion

i) A temporary vacancy caused on account of an employee proceeding on leave, training or for any other similar reason may be filled up by the managing Director by promoting the person as the next lower grade on the basis of seniority. Such promotion/arrangement shall be without prejudice to the claims of the seniority and shall automatically cease on the return of the incumbent to his post. The promotee has to join the office within three months. When an employee holds
additional post of higher grade, he is paid acting allowance under Section 23(a).

ii) When an employee is promoted or appointed after selection to officiate on a higher post he is paid one additional increment along with the basic pay actually drawn by him in the lower post.

5.6(b) Posting and Transfers

i) A person appointed in the Bank may be posted at any place in its area of operation. No travelling allowance is paid to a new entrant for joining service at the place of his posting.

ii) The Bank has a discretion to transfer an employee anywhere in its jurisdiction. The employee is entitled to get transfer allowances for himself and his dependents.

iii) The Bank has an absolute discretion to accede to the request of an employee to transfer him at a particular place as special case. In such circumstances, the employee is not entitled for transfer allowance.

iv) Unless the exigencies of services require, otherwise, the period of stay of an employee at a place shall not normally exceed 5 years.

5.6(c) Deputation

i) The Bank has a discretion to depute an employee to any Central Cooperative Bank or any society on set terms
and conditions decided between the Bank and such Central Bank or the society.

ii) While on deputation, an employee shall be entitled to get deputation allowance equivalent to 20% of his basic pay from the Central Bank or the society to which his services have been lent.

5-6(d) Selection, Appointment and Recruitment

The vacancies arising in any Grade may be filled up either by direct recruitment or by promotion as indicated below:

i) Normally Grade-IV posts are filled up by direct recruitment, provided that 15% posts of Class-IV are reserved for the employees of sub-ordinate category if they fulfil the minimum education qualification.

ii) Further 15 per cent of the vacancies in grade-IV shall be reserved for the employees of cooperative societies, 80% posts there will be reserved for trained secretaries of PACS and remaining 20% posts for the employees of other cooperative societies. The posts of jamadars and daftaris are filled up by promoting the senior most peons subject to their satisfying the selecting authority about their ability to perform the duties attached to these posts.

iii) The vacancies in Grade-I, II and III are filled up by the promotion of the officer from the immediately next...
lower category on the basis of seniority-cum-merit and direct recruitment in the ratio of 3:1.

iv) The posts of General Manager, Deputy General Manager and Assistant General Manager are filled up by promoting the officers from the immediately next lower-category on the basis of merit-cum-seniority. In case a non-suitable candidate, the board of management may decide to fill up the vacancies from open category.

v) The selecting authorities involved in the process of selecting various categories of employees are shown as under:

<table>
<thead>
<tr>
<th>Category of Post</th>
<th>Selecting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing Director</td>
<td>Government of Himachal Pradesh</td>
</tr>
<tr>
<td>General Manager</td>
<td>Committee consisting of President, Vice-President, Registrar or his nominee, one other director co-opted by committee and the managing Director</td>
</tr>
<tr>
<td>Additional General Manager, Deputy General Manager, Assistant General Manager</td>
<td>Same committee as above (in case of direct recruitment)</td>
</tr>
<tr>
<td>Officers in Grade-I, II, and III</td>
<td>Committee consisting of President, Vice-President and Managing Director (in case of appointment by promotion)</td>
</tr>
</tbody>
</table>
Grade-IV

Committee consisting of Managing Director, General Manager and Dy. General Manager

Subordinate Staff

Committee consisting of elected Director of the District Concerned/General Manager/Additional General Manager and Distt. Manager of the District

5-6(e) Training

i) An employee of the Bank shall have to undergo training at a training centre/college if required to do so by the Bank at the expenses of the Bank. He may be further required to execute a Bond to serve the Bank for a period up to five years on completion of such training as may be decided by executive committee.

5-6(f) Disciplinary Action, Misconduct and Punishment

Under rule 54(a) of the State Cooperative Bank, disciplinary action is taken against an employee if he is found irregular in his duty committing, wilful damage, indulging in illegal gratification, disobeying the bye-laws of the Bank, refuse to accept charge sheet, or any type of unauthorised activity which is beyond the purview of an employee.
5-7 Personnel Policies of the Kangra Central Cooperative Bank

5-7(a) Promotion

i) A temporary vacancy caused on account of an employee proceeding on leave, training or for any other similar reason is filled up by the General Manager by promoting the person from the next lower grade available in the same office on the basis of seniority by asking the senior most person in the lower grade to hold additional charge of such temporary vacancy. Such promotions/arrangement is without prejudice to the claims of the seniority and shall automatically cease on the incumbent returning to his post.

ii) When an employee in a lower grade holds additional charge of a post in a higher grade for a period of not less than 30 days then he is entitled for an acting allowance equal to 1/10 of the starting basic pay of the higher post in addition to his emoluments.

iii) When the employee is promoted or appointed after selection to officiate on a higher post, his initial basic pay in the time scale of the higher post shall be fixed at the stage next above the basic pay notionally arrived at by adding one increment to the basic pay actually drawn by him in the lower post.

iv) The Bank maintains a training roster and sponsors the
candidates accordingly.

5-7(b) Posting and Transfers

i) A person appointed in the Bank may be posted in any place of its jurisdiction. No travelling allowance is paid to a new employee for joining service at the place of his first posting. The Bank has a discretion to transfer an employee, from the Head Office to Branch Office or vice-versa or from one branch to another branch or to any place where the Bank has its business. On such transfer the employee is entitled for transfer allowances for himself and his dependents as per rules of the H.P. Government.

ii) The Bank may at its absolute discretion and as a special case accede to the request of an employee for transfer to Head Office or a Branch Office on the condition that such employee is not eligible to claim transfer allowances.

iii) Unless the exigencies of services require otherwise the period of stay of an officer at a place shall not normally exceed 5 years.

The Bank may at its discretion depute an employee to any cooperative society on the terms and conditions as may be decided upon between the Bank and such Cooperative Society. While on deputation, the employee is entitled to get deputation allowance equivalent to 20% of his basic pay
from the cooperative society to which services have been lent.

5-7(c) Procedure of Selection, Appointment and Recruitment

i) All the vacant posts in grade-IV and in subordinate categories are filled up by direct recruitment provided that 15% of the vacancies in Grade-IV shall be reserved for such of the employees in the subordinate categories as fulfil the condition of minimum educational qualifications for the appointment in grade-IV.

ii) The vacancies in Grade-I, II, and III are filled up by promotions of officers from the immediately next lower category on the basis of merit-cum-seniority and direct recruitment in the ratio of 3:1. Ordinarily the post of General Manager, Deputy General Manager are filled up internally by promotion from the officers not below the officer Grade-I on merit-cum-seniority basis. In case, suitable candidate is not available for promotion, the Board may decide to fill up the vacancies from open.

The authority involved in the process of direct recruitment and promotion is given as below:
a) General Manager/Deputy General Manager

b) Officers in Grade-I, ii) Officers in Grade-II, and III.
   i) Same committee as above (in case of direct recruitment)
   ii) Committee consisting of President, Vice-President, Managing Director/General Manager and Registrar or his nominee (in case the appointment is by promotion)

c) Staff in Grade-IV

Committee consisting of President/Vice-President, Managing Director/General Manager and Registrar or his nominee.

d) Subordinate Staff

Committee consisting of Manager Director/General Manager, one Deputy General Manager and Registrar or his nominee.

All fresh appointments through direct recruitment are made on probation for a period specified in the order. The appointments by promotion are made on officiating basis for a period specified in the order.

5-7(d) Probation/Officiating Period

A person who is given a direct appointment shall be on probation for a period of twelve months, provided
that if the appointing authority is of the opinion that an extension of the probationary period is necessary. It can be further be extended by one year.

If during probation, the work and conduct of the employee is found satisfactory by the General Manager recommends the case to the Board for confirmation and in case of unsatisfactory performance the services can be terminated by the Board without assigning any reason.

5-8 Personnel Policies of the Jogindera Central Cooperative Bank Ltd.

5-8(a) Conditions for Appointment, Selection and Recruitment

The vacant posts in grade IV and in subordinate categories are filled up by direct recruitment.

i) Provided that 15% of the vacancies in Grade-IV are reserved for such of the employees in the subordinate category who are matriculates, having three years experience in the subordinate category. If no eligible candidate is available in subordinate category the vacancies are filled up by direct recruitment. The mode of all direct recruitment is through the employment exchange.

ii) The vacancies in Grade-I, II and III shall be filled up by promotion of officers from the immediately next
lower category on the basis of merit-cum-seniority and direct recruitment in the ratio of 3:1. The post of General Manager, Deputy General Manager and Asstt. General Manager are filled up by promoting the officers from the immediately next lower category on the basis of merit-cum-seniority. If suitable candidates are not available, the board may decide to fill up the vacancies in these posts from open market.

iii) The authorities involved in the process of selection are as below:

<table>
<thead>
<tr>
<th>Category of Post</th>
<th>Selecting Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing Director</td>
<td>Government of Himachal Pradesh</td>
</tr>
<tr>
<td>General Manager Deputy</td>
<td>Committee consisting of President, Vice-President, Registrar or his nominee, or other director co-opted by committee and the managing Director</td>
</tr>
<tr>
<td>General Manager, Deputy General Manager, Assistant General Manager</td>
<td></td>
</tr>
<tr>
<td>Officers in Grade-I, II, and III.</td>
<td>i) Same committee as above (in case of direct recruitment)</td>
</tr>
<tr>
<td></td>
<td>ii) Committee consisting of President, Vice-President and Managing Director (in case the appointment is made by promotion)</td>
</tr>
<tr>
<td>Grade-IV</td>
<td>Committee consisting of General Manager, Deputy General Manager and Asstt. General Manager</td>
</tr>
<tr>
<td>Subordinate Staff</td>
<td>Committee consisting of General Manager Deputy General Manager, Asstt. General Manager</td>
</tr>
</tbody>
</table>
5-8(b) Promotion

A temporary vacancy caused on account of an employee proceeding on leave, training or for any other similar reason may be filled up by the Managing Director by promoting the persons from the next lower grade available in the same office on the basis of seniority. Such promotion/arrangement is made without prejudice to the claims of seniority and it automatically ceases on the incumbent returning to this post. Such temporary promotion is not made unless the post is likely to remain vacant for 15 days or more and shall not exceed 10 months. Promotion can also be made on the basis of seniority against the vacancies of permanent nature pending filling up of such vacancies by selection as provided under rule 7. Such promotions will also cease to have effect as soon as the selected candidates are appointed to take charge of the vacant posts or after expiry of three months from the date of appointment whichever is earlier. If any person holds the additional charge of higher post, then he is entitled to an acting allowance equal to 1/10 of the starting basic pay of the higher post in addition to his emoluments.

5-8(c) Posting and Transfers

Any person appointed in the Bank may be posted to work in the Head Office of the Bank or in any of its
Branches or at a place where the Bank has any business. No travelling allowance is paid to new entrant. He may be transferred at the discretion of the Bank from the Head Office to a Branch or vice-versa or from one Branch to another Branch or to any place where the Bank has its business. On such transfer the employee shall be entitled to transfer allowances for himself and his dependents. The transfer can also be made on employee's request. Such employees are not eligible to claim any transfer allowance. Unless exigencies of services require otherwise, the period of stay of an officer at a place does not normally exceed 5 years. In case of transfer of an employee, provides seven day's joining time.

5-8(d) Deputation

The Bank may depute an employee to any co-operative society. In that case, one is entitled to get deputation allowance equivalent to 20% of his basic pay from the cooperative society to which his services have been lent.

5-8(e) Disciplinary Action, Misconduct and Punishment

Under rule 54(a) of the Bank, disciplinary action is taken against an employee found guilty of being irregular in his duty, committing wilful damage, illegal gratification, disobeying the bye-laws of the Bank, wilful insubordination, refusal to accept charge sheet, or any
type of unauthorised activity which is beyond the purview of an employee.

5-8(f) Training

An employee of the Bank has to undergo training at a training centre/college if required to do so by the Bank at the expenses of the Bank. He is further required to execute a Bond to serve the Bank for a period upto five years on completion of such training. In case of misconduct during training, he is liable to pay the expenses incurred on his training by the Bank. If the employee does not successfully complete his training programme he is not allowed to draw his next increment. The Bank maintains a training roster and sponsors the employees for training according to seniority.

5-8(g) Performance Appraisal

The Bank has a system to evaluate the performance of the employees with the help of Annual Confidential Reports. In case of outstanding performance, one is awarded with monetary incentive and some relaxation is also given at the time of promotion or vice-versa.

It is observed from the above analysis that banks have the policies regarding training, promotion, transfer, selection & recruitment and performance appraisal. But banks service rules are silent about certain important aspects such as redressal of grievances, welfare
facilities, inter-personal relations and OD efforts which require urgent attention.
References


5. The Kangra Central Cooperative Bank Ltd. Rules relating to the terms of employment and working conditions of the employees, pp.6-39.

6. The Joginder Central Cooperative Bank Ltd. Rules relating to the terms of employment and working conditions of the employees, pp.5-42.