

## **Employment of Members of Family of Bank Officers in Firms Enjoying the Bank's Clientage and Grant of Facilities to Such Concerns**

5. (1) No officer employee shall use his position or influence directly or indirectly to secure employment for any person related, whether by blood or marriage to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.

(2) No officer employee shall, except with the prior permission of the competent authority permit his son, daughter, or any other member of his family to accept employment in any private undertaking with which he has official dealings or in any other undertaking having to his knowledge official dealings with the bank :

Provided that where the acceptance of the employment cannot await prior permission of the Competent Authority or is otherwise considered urgent the matter shall be reported to the Competent Authority within three months from the date of the receipt of the offer of employment; and the employment may be accepted provisionally subject to the permission of the Competent Authority.

No officer employee shall, in the discharge of his official duties, knowingly grant or authorise the grant of any advance or banking facilities to or enter into or authorise entering into by or on behalf of the bank any contract, agreement, arrangement or proposal in any matter or give or sanction any contract or loan to any undertaking or person if any member of his family is employed in that undertaking or under that person or if he or any member of his family is employed in that undertaking or under that person or if he or any member of his family has interests in such matters or contracts in any other manner and the officer employee shall refer every such matter or contract or loan to his superior officer and the matter or contract or loan shall thereafter be disposed of according to the instructions of the authority to whom such reference is made.

Explanation : A person is not deemed to have any interest in an undertaking for the purpose of this sub-regulation, if he is only a shareholder having not more than 2 per cent of the paid up capital of the undertaking in his name.

### **Taking up outside Employment**

6. (1) No officer employee shall, except with the previous sanction of the bank, engage directly or indirectly in any trade or business or undertake any other employment :

Provided that an officer employee may, without such sanction, undertake 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 condition that his official duties do not thereby suffer; but he shall not undertake, or shall

discontinue such work if so directed by the competent authority, after recording reasons for the same.

**Explanation** : Canvassing by an officer 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 sub-regulation.

(2) Every officer employee shall report to the bank if any member of his family is engaged in trade or business or owns or manages an insurance agency or commission agency.

(3) No officer 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 co-operative society for commercial purposes :

Provided that an officer employee may take part in registration promotion or management of a co-operative society registered under the Co-operative 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 in force.

(4) No officer employee shall accept any payment, in the form of fee, remuneration, honorarium and like in cash and kind for any work done by him for any public body or any private person without the sanction of the Competent Authority.

(5) No officer employee shall act as an agent of, or canvass business in favour of, an Insurance Company or Corporations in his individual capacity.