

**TRANSFER POLICY OF CENTRAL COOPERATIVE BANKS FOR
TRANSFER AND POSTING OF EMPLOYEES OF THE BANK**

Notwithstanding anything contained in the Staff Service Rules of the Central Cooperative Banks, the posting and transfer of officers and employees of the Bank including employees on foreign service terms and conditions, shall be regulated in the following manner :

- 1) Any person appointed in the Bank shall be posted to work in the Head Office of the Bank or in any of its branches or at any place where the Bank has business. No T.A. shall be paid to a new employee for joining services at the place of his first posting.
- 2) Active service of an employee commences from the working day on which he/ she reports himself/ herself for duty. In case of transfer, the employee shall be entitled for Travelling Allowance for himself and his dependants as may be admissible under the Travelling Allowance Rules of the Bank.
- 3) The Bank, as special case on the request of an employee may effect transfer to Head Office or Branch offices or at any place where the Bank has business, on the condition that such employee will not be eligible to claim for transfer T.A.
- 4) **Normal Transfer :**
 - i) Transfer will be ordinarily made on completion of 3 years at a particular station to Head Office or another business centre at the same station or from one post to another on the basis of longest stay.
 - ii) Employees having service period of two years or less may be exempted from the purview of the transfer.
 - iii) Employees having service period of two years or less may be placed to his/her desired station on priority basis on representation.

- iv) In case of transfer of widows/ divorced/ physically handicapped employees, efforts will be made to consider their representation favourably subject to suitability and availability of vacancy.
- v) Transfer during a year shall not be more than 50% of the total staff strength of the Branch / Department of Head Office.
- vi) Except administrative exigencies, no transfer shall be made in the mid academic session.

5) Transfer on promotion :

Promotion to higher rank shall generally be followed by transfer from one office to another in the same or another station or from one department to another department in the Head Office as the case may be, according to necessity and suitability.

6) Transfer on representation :

- i) Representation for transfer from one station to the desired station, subject to suitability and availability of vacancy, shall be considered on receipt of representation.
- ii) Transfer on humanitarian and compassionate ground shall be considered on merit.
- iii) While effecting normal transfer, the transfers on representation shall also be considered simultaneously.
- iv) For transfer of female employees on the ground of joining her spouse may be given preference over other applicants.
- v) Transfer cannot be claimed as a matter of right on any circumstances.

7) Deputation to Primary Agricultural Cooperative Societies to act as Chief Executive Officer :

Only employees in the rank of Grade-VI (A) shall be posted to the affiliated PACS to function as Chief Executive Officer. They shall normally be withdrawn on completion of 3 years in a particular PACS.

8) Rotation of duties :

Rotation of duties be made once in every three years at the Head Office level between the departments and at least once during a period of one year at the Branch level.

9) Competent Authority :

Secretary of the Bank shall be the competent authority to effect the transfer as per these rules.

10) Notwithstanding anything contained in this Rule, the Management may transfer any employee, as and when required for Administrative expediency.

11) JOINING TIME :

An employee on transfer from one office to another of the Bank will be entitled to avail seven days joining time excluding the days to be taken for journey to the destination. When the transfer is at the same station, he may be entitled to one day joining time. In case of urgency the Bank may at its discretion cut down such joining time.

In the interest of the Bank, the Chief Executive may direct an employee to join in the new place of posting without availing joining time and in that case, the joining time can be availed at a later date.

Transfer Pricing Mechanism for evaluation of profitability of the Branches of District Central Cooperative Banks

As per the recent trends in the banking industry, all the Branches of the Banks should be transformed as profit centers for which, their individual profitability is required to be measured. The statutory auditors, inspecting officers of NABARD and the Government have been advising the State Cooperative Bank and Central Cooperative Banks to evaluate the performance of individual branches taking into account their operations and profitability. As most of the Branches of DCCBs are located in rural areas and few others located in urban areas, the rural branches have been engaged in lending whereas the urban branches have been working as deposit mobilization centers with limited avenues for retail banking business.

The Commercial Banks adopt a mechanism of transfer pricing to evaluate the performance of branches fixing cost of funds provided to the Branches and the funds brought from branches for utilization in the Head Office. Following the same principle, the DCCBs are required to adopt a transfer pricing mechanism to prepare the Branch-wise profit and loss position at the end of every financial year for evaluation of their performances and deciding on the modalities for the future activities.

Although the Commercial Banks adopt two types of transfer pricing mechanism viz. unitary and dual, the unitary pricing mechanism i.e. applying the same cost to deposits and loans appeared to be unscientific and, therefore, most of the Commercial Banks have switched over to dual transfer pricing mechanism under which, they have been charging a cost of funds remitted from the Head Office to the Branches for lending activities and paying a price to the Branches for deposits mobilized by them for deployment in the Head Office keeping in view the cost of funds and risk costs of the Bank, which was found to be more realistic, scientific and practical for Branch performance evaluation.