

**STATE BANK OF PAKISTAN**  
(Incorporated under the State Bank of Pakistan Act, 1956)



**STATE BANK OF PAKISTAN STAFF REGULATIONS**  
(2001)

Framed under State Bank of Pakistan Act, 1956 by the Central Board of  
Directors at its meeting held on 4<sup>th</sup> December, 1993.

(Incorporates amendments approved by the Central Board of  
Directors of the Bank upto 15<sup>th</sup> August, 2001)

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## **STATE BANK OF PAKISTAN STAFF REGULATIONS (2001)**

### **PART – I**

#### **PRELIMINARY**

In exercise of the powers conferred by Section 54 of the State Bank of Pakistan Act, 1956 (XXXIII of 1956) the Central Board of Directors, hereby make the following Regulations, to define the conditions of service of the employees of the Bank:-

1. These Regulations may be called the State Bank of Pakistan Staff Regulations (2001) and shall come into force with immediate effect.
2. For the purpose of these Regulations, unless there is anything repugnant in the subject or context the term:-
  - (i) “Employee” means:
    - (a) the Officers designated as OG-1 to OG-7.
    - (b) Staff designated as S-1 to S-7 and SS-1 to SS-4.
    - (c) Persons employed on contract basis.
  - (ii) Save as otherwise provided in any Regulation, “Competent Authority” in respect of a particular Regulation shall mean the Governor. The Governor may, however, subject to such conditions as he may deem fit to impose in this behalf, delegate to a Deputy Governor, or any Officer all or any of the powers conferred upon him by these Regulations.

- (iii) The expression “year and month” used in these Regulations shall be reckoned according to the Gregorian Calendar.
3. These Regulations shall apply to employees of the Bank : provided that they shall not apply, except as otherwise provided in these Regulations or to such extent as may be specially or generally, prescribed by the Central Board, to employees transferred or deputed by the Government or any other national, multinational or international institution to the service of the Bank.
4. (i) The Central Board of the Bank reserves the right of changing the regulations laid down from time to time.
- (ii) No new regulation or alteration in an existing regulation shall have any force until passed as a resolution of the Central Board and issued in the form of a circular, a copy of which shall be made available for inspection by every employee.
5. All employees as required by the Regulations of the relative Fund/Scheme shall become a member of;
- (a) any one of the Provident Funds as applicable to him, and Benevolent Fund.
- (b) Group Term Assurance Scheme, or
- (c) any other Fund or Scheme that may be instituted by or under any Regulation other than these Regulations.
6. (i) The employees of the Bank shall be classified as under:-
- (a) Officers (OG-1 – OG-7).
- (b) Staff (S-1 – S-7) (SS-1 – SS-4).
- (c) Persons employed on contract basis.
- (ii) The Governor shall determine the number and designation of each post in the Bank.

(iii) The Central Board shall determine and prescribe from time to time the salary, benefits and other facilities for the employees of the Bank.

7. Notwithstanding anything in these Regulations, the Officer-in-Charge of an office or branch of the Bank including the Central Directorate may employ persons on contract basis in the General or Cash Department subject to such general or special directions as may be prescribed by the Governor from time to time.

### **APPOINTMENTS**

8. (i) Appointment to the service of the Bank shall be made by direct recruitment and by promotion from a lower cadre or a grade, in accordance with the policy approved by the Central Board.

(ii) All direct recruitment of employees under these Regulations shall be made by the Bank in accordance with the policy approved by the Central Board.

9. (i) Promotion of employees to higher grade shall be made on the basis of the policy approved by the Central Board.

(ii) The Board may give extension to a retiring employee or re-employ a retired employee on such positions, for such duration and on such terms and conditions as may be determined by it.

10. Notwithstanding anything contained in these Regulations the Bank may employ persons on special contracts on such terms of conditions as may be approved by the Central Board.

11. Appointment of employees by direct recruitment shall be made in accordance with the Regional or Provincial quota as prescribed by the Federal Government.

12. Subject to any law for the time being in force, a person selected for appointment to the service of the Bank shall not be appointed unless:

- (i) He is a citizen of Pakistan: provided that this condition shall not be applicable in respect of foreign experts engaged on special contract;

- (ii) He has been certified by a qualified medical practitioner, approved by the Bank, to be of sound mind and otherwise medically fit: provided that the provisions of this Sub-Regulation shall not apply to the extent these are inconsistent with the provisions of Disabled Persons (Employment and Rehabilitation) Ordinance, 1981;
- (iii) His character and antecedents have been verified to the satisfaction of the Bank.

Provided further that the service of a person so appointed shall not be retained if the character and antecedents of such person are found to be unsatisfactory by the Bank at any time, subsequent to the appointment, on receipt of report from any of the authorities prescribed by the Government.

13. All appointments, except those made by promotion, shall ordinarily be made at the minimum of the salary scale prescribed for the post. However, the Governor may allow higher salary within the salary scale in which an appointment is made.

#### **COMMENCEMENT OF SERVICE**

14. Active service shall commence from the working day on which an employee reports for duty in an appointment covered by these Regulations at the place and time intimated to him by appointing authority provided that he reports before noon, otherwise his active service shall commence from the following working day.

#### **PROBATION**

15. (i) An employee shall be on probation normally for a period of two years, which may be extended to a maximum of three years by the Governor. During the probation period, the employee shall be liable to be discharged at one month's notice or salary in lieu thereof at the discretion of the Governor without any right of appeal.

(ii) An employee upon completion of his service during the probationary period, shall be confirmed w.e.f. the date of completion of probation and this date of confirmation as determined shall be the first and final date of confirmation of the employee in the service of the Bank.

## **FACILITY OF LOAN & ADVANCES**

16. An employee who has completed 2 years of regular service in the Bank will be eligible to avail the facility of loans and advances in accordance with the Staff Loan Policy approved by the Board from time to time.

## **TERMINATION OF SERVICE**

17. (i) An employee shall not leave or discontinue his service in the Bank without first liquidating his outstanding liabilities to the Bank and giving one month's notice in writing of his intention so to do to the competent authority to be determined by the Governor. In case of breach of this Sub-Regulation, he shall be liable to pay to the Bank a sum equal to his salary for the said period of notice besides liquidating his outstanding liabilities as per Bank rules:

Provided that the payment of such compensation may be waived by the competent authority;

Provided further that an employee shall not leave or discontinue his service before the expiry of the period of his notice or the permission of the competent authority, whichever is earlier;

Provided further that the notice period specified in this Regulation shall commence from the day on which notice is received by the Bank;

Provided also that an employee against whom disciplinary proceedings have been commenced or inquiry has been initiated, shall not leave or discontinue his service without the written consent of the competent authority.

(ii) Nothing in Sub-Regulation (i) shall affect the right of the Bank (a) to retire or dismiss an employee without notice or salary in lieu thereof, in accordance with the provisions of Regulations 18 and 34, and (b) to determine the services of an employee without notice or salary in lieu thereof, on his being certified by the Bank's Medical Officer to be permanently incapacitated for further service in the Bank.

18. (i) An employee shall retire from Bank service:
- (a) on such date after he has completed twenty-five years of service qualifying for pension or other retirement benefits as the Governor may, in the interest of the Bank , direct; or
  - (b) where no direction is given under clause (a), on the completion of the sixtieth year of his age.
- (ii) No direction under clause (a) of sub-regulation (i) shall be made until the employee has been informed in writing of the grounds on which it is proposed to make the direction, and has been given a reasonable opportunity of showing cause against the said direction.
- (iii) The Governor may, on the request of an employee allow him to retire on any day after completion of 25 years of service in the Bank.

#### **RECORD OF SERVICE**

19. Service record shall be maintained by the Bank as prescribed by the Governor. The record shall contain inter-alia the names of employees in order of seniority, their date of birth, religion, date of appointment, grade, designation, salary, date of confirmation, length of service, the date of their attaining the age of 60 years, the particulars of leave availed of and due to them.

#### **PART - II**

#### **DISCIPLINE**

20. All employees while they are in the Bank's service, shall serve the Bank in its business in such capacity and at such place or office as they may, from time to time, be directed.

21. A Bank employee shall maintain the strictest secrecy regarding the Bank's affairs and the affairs of its constituents and shall not communicate directly or indirectly to his colleagues or employees belonging to other departments or profession or to the press or public, any document or information which has come into his possession in the course of his official duties, or has been prepared or collected by him in the course of his duties, whether from official sources or otherwise, unless compelled to do so by judicial or other authority, or unless instructed to do so by a superior officer in the discharge of his duties.

22. (i) No Bank employee shall take part in, subscribe in aid of or assist in any way, any political movement in Pakistan or relating to the affairs of Pakistan.

(ii) No employee shall take part in, or in any way assist, any movement or activity which is, or tends directly or indirectly to be, subversive of Government as by law established in Pakistan or detrimental to the ideology or integrity of Pakistan.

(iii) No employee shall canvass or otherwise interfere or use his influence in connection with or take part in any election to a legislative body, whether in Pakistan or elsewhere:

Provided that an employee who is qualified to vote at such election may exercise his right to vote; but if he does so, he shall give no indication of the manner in which he proposes to vote or has voted.

(iv) No employee shall indulge in any political activity, including forming a political, ethnic or linguistic association and joining it as a member or as an officer-bearer, or to act in a manner in which he is not permitted by Sub-Regulation (iii).

(v) An employee who issues an address to electors, or in any other manner publicly announces himself, or allows himself to be publicly announced as a candidate, or prospective candidate for election to a legislative body, shall be deemed for the purpose of Sub-Regulation (iii) to take part in an election to such body.

(vi) The provisions of Sub-Regulations, (iii) and (v) shall, so far as may be, apply to elections to local authorities or bodies, save in respect of employees required or permitted by or under any law, or order of the Government or Bank, for the time being in force, to be candidates at such elections.

(vii) An employee shall not speculate in stocks, shares, securities or commodities of any description, nor be connected with the formation or management of a joint-stock company.

(viii) If any question arises whether any movement or activity falls within the scope of this Regulation, the decision of the Governor thereon shall be final.

(ix) No employee shall propagate sectarian creeds or take part in sectarian controversy or indulge in sectarian partiality or favoritism.

(x) No employee shall indulge in provincialism, parochialism, nepotism, victimization and willful abuse of power.

23. (i) No employee shall, without the prior permission of the competent authority, leave the office or absent himself from his duty:

Provided that in the case of sickness or accident, an employee may absent himself, subject to producing at the earliest possible time, a medical certificate acceptable to the competent authority;

Provided further that in the case of temporary indisposition, the competent authority may, at his absolute discretion, dispense with the production of the medical certificate.

(ii) No employee shall, without the prior permission of the competent authority, absent himself from his station over-night.

(iii) In case of breach of Sub-Regulation (i) or where an employee remains absent after the end of his leave, unless extension in leave is allowed, he shall not be entitled to any remuneration for the period of such unauthorised absence, and without prejudice to any disciplinary action that may be taken against him, double the period of such absence may be debited against his leave account. Such debit shall, if there is insufficient credit in the leave account, be adjusted against his future earning.

(iv) In this Regulation, the expression "Competent Authority" means the authority empowered to sanction leave.

24. Every employee shall, attend office on time:

Provided that with the prior approval of his immediate superior officer, an employee may be allowed to attend office late;

Provided further that in case an employee who fails to attend office on time, without having obtained prior permission, on three or more occasions in a calendar month, shall be deemed to have surrendered one day's leave or salary in lieu thereof, if no leave stands to his credit for every 3 late attendances during the said calendar month.

25. (i) An employee shall not accept directly or indirectly on his own behalf or on behalf of any other person, or permit any member of his family to accept any gift, gratuity or reward or any offer of a gift, gratuity. or reward from any one with whom he is acquainted or connected in any way in his official dealings.

(ii) An employee shall not:

(a) receive any complimentary or valedictory address, accept any testimonial or attend any public meeting or entertainment held in his honour; or

(b) take part in the presentation of a complimentary or valedictory address or of a testimonial to any other employee of the Bank or to any person who has recently quitted the service of the Bank, or attend a public meeting or entertainment held in honour of such other employee or person.

26. (i) No employee shall accept, solicit, or seek any outside employment, office, or membership of any club whether stipendiary or honorary, without obtaining prior permission in writing from the competent authority.

(ii) An employee may not without the previous sanction of the competent authority engage in any trade, or undertake any employment other than his official duties. An employee may, however, undertake occasional work of a literary or artistic character, provided that his official duties do not suffer thereby; but the Bank may in its discretion, at any time forbid him to undertake or require him to abandon any employment which in its opinion is or has become detrimental to the interest of the Bank.

Note:- The Secretary-ship of a club does not constitute employment in the sense of this rule, provided that it does not occupy so much of an employee's time as to interfere with his official duties and that it is an honorary office, that is to say, that it is not remunerated by any payment in cash or any equivalent thereof other than the customary concession of free quarters and personal exemption from messing charge only. Any employee proposing to become the Honorary Secretary of a club, should inform his immediate superior who will decide, with reference to this rule and note, whether the matter should be reported for orders of the competent authority.

(iii) An employee may be permitted to accept any employment during leave preparatory to retirement and such employee on becoming entitled to such leave during his deputation will, in addition to salary or emoluments he receives from such employment, be entitled to receive leave salary from the Bank during the period of such leave.

(iv) (a) No employee shall, except when permitted by law or by the competent authority, (i) communicate in writing, orally or in any other manner whatsoever on service matters, including posting and transfer etc., obtaining in the Bank, with any person or authority outside the Bank or (ii) forward by any means whatsoever advance copy or copies of any request, including request for seeking employment opportunity or opportunities in training or stipend or scholarship or financial assistance of any kind to any person, agency or organization within or outside Pakistan.

(b) Any breach of this Sub-Regulation will render an employee liable to disciplinary action under Regulation 34.

27. An employee may not give evidence before a public committee without the previous sanction of the Competent Authority. This Regulation will not apply to evidence given before official committees appointed by the Bank.

28. An employee may not, without the previous sanction of the Governor, have recourse to any court or to the press for the vindication of his public acts or character from defamatory attacks. In granting sanction to the recourse to a court, the Governor will in each case decide whether the Bank will bear the costs of the proceedings, or whether the concerned employee shall institute the proceedings at his own expense, and, if so, whether in the event of a decision in his favour, the Bank shall reimburse him to the extent of the whole or any part of the costs. Nothing in this Regulation will limit or otherwise affect the right of any employee to vindicate his private acts or character.

29. An employee on deputation with a foreign employer whether on whole time or part-time basis and whether within or outside Pakistan shall, during the tenure of such deputation, continue to be governed by the Rules and Regulations of the Bank in addition to the terms and conditions of deputation which shall also constitute a part of the terms and conditions of his employment in the Bank. An employee committing breach of discipline or acts of misconduct, while on deputation, shall be liable to penalties as enumerated in Regulation 34.

30. (i) Notwithstanding anything to the contrary contained in these Regulations, excepting Sub-Regulation (iii) of Regulation 26, the leave terms of an employee on deputation within or outside Pakistan will be regulated according to the rules of, or the terms and conditions offered by, the borrowing employer.

(ii) Leave salary due in respect of such leave, excepting leave preparatory to retirement granted by the bank will be payable by the borrowing employer to the person concerned on deputation with it and no part of leave earned by such employee during the period of his deputation will be credited to his leave account with the Bank, nor will any liability in respect of leave salary on account of such leave devolve on the Bank.

(iii) The Bank will not recover any leave salary contribution from the borrowing employer.

(iv) The deputationist shall not be entitled to receive any leave salary in respect of disability leave or damages, whatsoever, from the Bank on account of any disability arising in, or through such foreign service, even though this disability might manifest itself after the termination of such foreign service.

31. Any employee who is in debt to any Bank or financial institution shall furnish a signed statement of his position of indebtedness as of 30<sup>th</sup> June each year to the Bank. An employee who makes a false statement under this Regulation or who fails to submit the prescribed statement within a reasonable time, shall be liable to disciplinary action under Regulation 34.

Note:-For the purpose of this Regulation an employee shall be deemed to be in debt if he is unable from his own resources to meet his financial liabilities as they fall due for settlement.

32. (i) Notwithstanding anything contained in Regulation 31, every employee shall furnish to the Bank on annual basis in such form and in such manner as may be prescribed:

- (a) a statement of all assets (movable and immovable including cash, jewellery, securities etc.) held by him or by any member of his family;
- (b) a statement of borrowings by him and by any member of his family from any commercial bank or financial institution provided the outstanding amount exceeds his six months' salary; and
- (c) a statement showing the names of his family members employed in any bank (including State Bank of Pakistan) or financial institution.

(ii) A candidate for employment in the Bank shall, at the time of entering the service of the Bank, furnish the information required under Sub-Regulation (i).

(iii) An employee who makes a false statement or fails to submit the statement shall be liable to disciplinary action under Regulation 34.

*Explanation*—For the purpose of this Regulation, the expression “member of his family” means the spouse, children and any other person dependent upon the employee.

33. (i) No employee shall raise a loan or seek other accommodation exceeding his six months' salary in his own name or in the name of his wife or other dependents from any bank or financial institution without the specific permission of the competent authority.

(ii) No employee shall seek or permit his dependents to seek, obtain or accept any relaxation from a bank or a financial institution in respect of cost or return payable, or repayment conditions of his loan not covered by security or seek, obtain or accept any write off in principle or cost or return against such loans.

(iii) No house owned by an employee or his spouse or any dependent will be rented to any bank or financial institution without the specific permission of the competent authority.

(iv) No employee shall secure employment for any member of his family as defined in Regulation 32, in any Bank or financial institution without permission of the competent authority. This restriction shall, however, not apply to any employment secured through the employer's prescribed procedure.

(v) No employee shall, without the specific permission of the competent authority permit acceptance by any member of his family, as defined in Regulation 32, of any scholarship, stipend or financial assistance except where such scholarship, stipend or financial assistance has been awarded on merit according to a publicly notified scheme for such award.

### **PUNISHMENT**

34. (i) Any employee who commits a breach of any of the Regulations of the Bank or of any provision of the State Bank of Pakistan Act, 1956, or who displays negligence, inefficiency or indolence or who knowingly does anything detrimental to the interest of the Bank or in conflict with its instructions or who commits a breach of discipline or is guilty of any other act of misconduct, or who is convicted of a criminal offence, shall be liable to one or more of the following penalties:-

- (a) Reprimand;
- (b) Freezing of salary at the existing level for any number of year;
- (c) Reduction in existing salary;
- (d) Delay in promotion;
- (e) Reversion to a lower post or salary scale;
- (f) Compulsory retirement;
- (g) Dismissal from service;
- (h) Recovery from salary of the whole or part of any pecuniary loss caused to the Bank by the employee.

Provided that in case where an employee has been found guilty of wilfully committing an act of defalcation or embezzlement, the minimum punishment shall be anyone of the punishments provided for at (f) and (g) in addition to (h) above.

*EXPLANATION: -*

In this Regulation, dismissal from service does not include the discharge of a person,

- (a) appointed on probation, during the period of probation or in accordance with the probation or training rules applicable to him; or
- (b) appointed otherwise than under a contract, to hold a temporary appointment, on the expiration of the period of appointment; or
- (c) engaged under a contract in accordance with the terms of the contract.

(ii) No employee shall be subjected to the penalties mentioned at (b), (c), (d), (e), (f), (g) and (h) of Sub-Regulation (i) except by an order in writing signed by the Governor or an officer authorised by him in this behalf, in the disciplinary case of OG-3 and above, or the officer-in-charge of an office or branch, in the case of other employees. No such order shall be passed without (i) the charge or charges having been formulated in writing and given to the said employee so that he/she shall have reasonable opportunity to answer them in writing or in person, as he/she prefers, and in the latter case his/her defense shall be taken down in writing and read to him/her by the Enquiry Officer appointed for the purpose by the officer empowered to pass the final order under this Regulation and (ii) Receipt of Enquiry Officer's report.

Provided that the requirements of this Sub-Regulation may be waived if the facts on the basis of which action is to be taken have been established in a court of law, or where the employee has absconded or where it is for any other reason impracticable to communicate with him or where there is difficulty in observing them and the requirements can be waived without injustice to the employee. In every case where all or any of the requirements of this Sub-Regulation are waived, the reasons for so doing shall be recorded in writing.

(iii) An employee may be placed under suspension by the Officer empowered to pass the final order under this Regulation. During such suspension, he shall receive 45% of monetised salary as subsistence grant provided that if no penalty under clauses (b), (c), (d), (e), (f), (g) or (h) of Sub-Regulation (i) is imposed, the employee shall be refunded the difference between the subsistence grant and the emoluments which he would have received but for such suspension, for the period while he was under suspension, and that, if a penalty is imposed on him under the said clauses, no order shall be passed which shall have the effect of compelling him to refund such subsistence grant. The period during which an employee remained under suspension shall, if he is not dismissed or compulsorily retired from the service, be treated as period spent on duty or leave as the Officer who passes the final orders may direct.

## **APPEAL**

35. An employee in the category of OG-2 and above shall have a right of appeal to the Central Board and in the case of other employee to the Governor; if he/she considers that any order passed by any superior authority injuriously affects his/her interest. Such appeal shall be sent directly to an authorised Department of Central Directorate, which shall forward it to the appellate authority with its comments. Trivial appeals, appeals on matter which do not affect an employee personally and appeals which merely repeat an appeal which has been already rejected shall not be answered. Appeals shall not be addressed personally to Director of the Central Board and any such action shall be deemed a breach of discipline.

## **PART-III**

### **PENSION, GRATUITY, FUND AND BENEFITS**

36. The Board shall prescribe from time to time the rules relating to pension, gratuity, funds, benefits and the rules relating to grouping, rank and cadre of employees, increments, leave, medical attendance and staff loans and shall also determine the conditions of eligibility and mode of payment thereof.

**PART-IV**

**MISCELLANEOUS**

37. The existing rules, regulations, orders and instructions, etc. shall continue to apply, until varied or changed by the authority empowered to do so.

38. Every employee to whom these Regulations apply, either wholly or in part shall subscribe to an agreement in the following form:-

“I hereby declare that I have read and understood the State Bank of Pakistan Staff Regulations (2001) and I hereby subscribe and agree to be bound by the said Regulations as amended from time to time.”

Name in full.....

Nature of Appointment .....

Date of Appointment .....Signature .....

Dated .....

Witness .....