



MANDATORY LEAVE POLICY FOR EMPLOYEES POSTED IN SENSITIVE POSITIONS OR AREA OF OPERATIONS

RBI vide its circular no. DoR.ORG.REC.31/21.06.014/2021-22, dated July 9, 2021 all banks are requested to implement a 'Mandatory Leave' policy for the employees posted in sensitive positions or areas of operation.

In line with RBI directions, The Life Insurance Corporation of India Staff Co-operative Urban Bank has to frame a policy for Mandatory Leave/Vacation Policy for Employees posted in Sensitive Positions or Areas of Operations & identification of Sensitive positions / Areas of Operations wherein the officers working in sensitive positions were advised to avail 10 days mandatory leave in a single spell every year, during his/her posting in such areas, also Banks shall ensure that the employees, while on 'mandatory leave', do not have access to any physical or virtual resources related to their work responsibilities, with the exception of internal/corporate email which is usually available to all employees for general purpose.

The Director Board in its meeting dt. 15/03/2025 has approved the Mandatory Leave Policy for Employees Posted in Sensitive Positions or Area of Operation vide Res No. 4.

1) Objective of the Policy: -

- Towards a Prudent Operational Risk Management Measure
- As a risk containment measure
- To reduce /avoid chances of frauds
- To control / mitigation of operational risk

2) Applicability: -

The policy is applicable to staff members working in sensitive post / positions as identified by the Bank. Such staff members holding sensitive posts or areas of operations shall be compulsorily subjected to Mandatory Leave policy during the posting in such areas. **These employees should compulsorily be sent on leave i:e for a period of 10**



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working days in a single spell every year, without giving any prior intimation to the employee, thereby maintaining an element of surprise.

Operational Guidelines & Policy Prescriptions: -

- (i) List of sensitive positions or areas of operations to be brought under mandatory leave policy, shall be identified by the Bank which is noted as Annexure 1
- (ii) Such employees will be advised by the competent authorities to proceed on mandatory leave for a period of 10 working days in a single spell every year which is excluding of prefixing / suffixing holidays or any deputation period, without any prior intimation.
- (iii) The competent authorities should not reveal the mandatory leave period in advance & it is to be intimated to concerned employee only after closing of office hour on the last working day prior to the start date of the leave.
- (iv) During such leave/absence, the employees shall not have access to any physical or virtual resources to his/her work responsibilities with an exception to corporate e-mails.
- (v) The above vacation may be a special leave in addition to the usual leave applicable to him/her as per KSR. Interim Sundays/holidays and those at prefix / suffix will not be counted for the purpose and leave will be availed as per existing Leave rules.
- (vi) Absence of the employees from their workplace for ten continuous working days on account of any type of leave/training/deputation (outside Bank) / transit leave etc. will also qualify for the above purpose provided their IDs are de-activated during such period.
- (vii) It is the responsibility of the competent authority to take appropriate action as deemed fit, keeping in mind the spirit of the policy. The authorities shall prepare a "confidential schedule of proposed leaves" under mandatory leave policy for eligible officers working under them & issue necessary instructions as and when required at the beginning of the year to ensure smooth functioning of the Branches/Departments.



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- (viii) As per the RBI guidelines, the internal auditors as also the concurrent auditors shall invariably examine the implementation of this policy and point out instances of breaches irrespective of apparent justifications for non-compliance, if any. The decision taken / transactions effected by officers and staff not rotated / availing leave as per policy should be subjected to comprehensive examination by the internal auditors / inspectors including concurrent auditors. The findings thereon should be documented in a separate section of the audit / inspection reports.

Annexure -I

- 1) **Sensitive Positions and Sensitive Areas** – Following positions and areas are included in term 'sensitive'. Cade wise Velocity of sending the designations under sensitive positions is also listed below.
- a) General Manager – 100% during the year;
 - b) Compliance Officer - 100% during the year;
 - c) Head of Department – (50% during the year on rotation basis) as decided by management from time to time and as required,
 - d) Branch Manager of Branches – (25% during the year on rotation basis) as decided by management from time to time and as required,
 - e) System Administrator of Data Centre 100% during the year;
- 2) **Exclusions** – The Policy will not be applicable to following employees of whatever cadre-
- (i) Employees who have been transferred or assigned the portfolio since the period less than 1 year from the date of commencement of mandatory leave year i.e. 01st April. However higher management will take decision on the case to case basis and on sensitivity of job.
 - (ii) Newly Recruited Employees on Probation/Contract.
 - (iii) Employees on suspension.