

F.No.18/1/2009-BO.I
Government of India
Ministry of Finance
Department of Financial Services

Jeevan Deep Building, Parliament Street,
New Delhi, dated the *27th March, 2012*

To,

1. The Chairman & Managing Directors (All Nationalised Banks)
2. The Chairman, State Bank of India
3. The Chairman, NABARD
4. The Chairman, LIC
5. The Chairman & Managing Director, IDBI Bank
6. The Chairman & Managing Director, National Housing Bank
7. The Chairman & Managing Director, SIDBI
8. The Chairman & Managing Director, EXIM Bank
9. The Chairman & Managing Director, IIFCL
10. The Chairman & Managing Director, GIC
11. The Chairman & Managing Director, New India Assurance Co.
12. The Chairman & Managing Director, Oriental Insurance Co.
13. The Chairman & Managing Director, National Insurance Co.
14. The Chairman & Managing Director, United India Insurance Co.

Subject: Proposals for foreign tours of CMDs and EDs of Public Sector Banks, Financial Institutions and Insurance Companies – regarding.

In supersession of previous guidelines/instructions issued vide this Department's communications No.18/1/97-BO.I dated 11.12.1997 and 11.04.2001; No.18/2/2005-BO.I dated 27.09.2005; No.18/1/2009-BO.I dated 17.09.2009, 01.12.2009 and 03.11.2010; D.O.No.18/1/2009-BO.I dated 03.11.2010; No.8(17)/92-Ins.V dated 20.01.1993, 06.06.1998 and 29.05.2001; and No.H.11012/7/2006.Ins.V dated 11.08.2006 regarding foreign tours of Whole Time Directors of Public Sector Banks, the Government of India, after taking into consideration the changing banking scenario, the extent of overseas operations by the Public Sector Banks, Financial Institutions and Insurance Companies and the technological advancements in the field of telecommunication, has decided to revise the guidelines for foreign travel by the Whole Time Directors on the Public Sector Banks, Financial Institutions and Insurance Companies as under:

- a. The ceiling on the number of days spent on foreign travel in a calendar year will be as indicated at Para-2. The total duration of foreign travel will include travel time. Visits funded by other organizations, including IBA, shall also be counted for the purpose of limit on foreign travel.
- b. Foreign visits within the permissible limits would be undertaken only with the prior approval of the Board. The Government of India would need to be informed prior to the commencement of the visit.

- c. Prior approval of the Government of India would be necessary for foreign visits exceeding the permissible limits. In such cases the proposal, after the approval of the Board, except in exceptional circumstances, must reach the Government at least 10 working days before the commencement of the visit.
- d. Foreign visits must be meticulously planned taking into account the business needs and the level of representation required. It is expected that the Whole Time Directors would undertake foreign visits only when their personal presence is required. Facilities of video conferencing should be used to the extent possible for interfacing with overseas organizations, branches, etc.
- e. Normally there should be no need for the Chairman & Managing Director and the Executive Director, or their equivalents, to travel to the same destination together. In cases where such representation is considered necessary, prior approval of the Government for the consolidated proposal would be required even for visits within the permissible limit. In such exceptional cases, it must be ensured that at least one of the WTD is available in the Country during the foreign visits by other WTDs.
- f. It is expected that visits to attend seminars, conferences, etc. is kept to the minimum and are, wherever considered necessary, combined with other business visits. It would need to be ensured that at least 50% of the days spent on foreign travel are for business development and mentoring of foreign offices.
- g. Foreign visit should be planned in such a manner that the WTDs are not required to stay overseas during the weekend to participate in the engagements in the next week. In case, the visit includes intervening weekends, such period will be counted as part of the visit and included in the permissible limit.
- h. Foreign visits should be planned in such a manner that there is a uniform spread of visit to overseas offices during the year and more than one WTD is, generally, not required to visit the same destination within a short period. The limit of foreign visits is for the entire calendar year and in cases the WTD is superannuating during the year, the permissible limits would be in proportion to the period to be spent in service during the year so that the successor is not limited by the excessive utilization by the predecessor.
- i. Foreign visits by WTDs during Parliament Session, even within the permissible limits, would require prior approval of the Government.
- j. The WTDs of Public Sector Banks, Financial Institutions and Insurance Companies are also advised not to proceed on foreign visit before three months of date of superannuation without the prior permission of the Central Government. It may be noted that if permissible visits have been consumed for inessential purposes, further permission will not be given by the Government.
- k. The powers delegated as mentioned in Para-2 are by designation and not to any individual. Thus, in case there have been two incumbents during a calendar year in a bank/financial institution/insurance companies, total

period of foreign visits by both incumbents of the post is required to be restricted to the specified period as stipulated below.

2. Whole Time Directors of Public Sector Banks, Financial Institutions and Insurance Companies would be allowed to undertake foreign visits, as per the above guidelines, in a calendar year as per the limits indicated below (including journey time):

Table-I

Category of post	Institutions having more than 20% of net profits from overseas business	Institutions having between 20% and 10% net profits from overseas business	Institutions having less than 10% of net profits from overseas business
CMDs of Nationalised Banks (including CMDs of IDBI Bank/Oriental Insurance Co. National Insurance Co. United India Insurance Co.	50 days in a calendar year	35 days	20 days
EDs of Nationalised Banks (including DMD of IDBI Bank)	30 days	20 days	10 days

Table-II

Category of post	Number of days
Chairman, SBI/MD, SBI (International Banking)	50 days
MD, SBI (Others)	30 days
CMD, SIDBI; Chairman, NABARD; CMD, NHB; CMD, EXIM Bank; CMD, IIFCL	30 days
DMDs, SIDBI	15 days
Chairman, LIC CMD, GIC MD, LIC	50 days
CMD, New India Assurance Co.	40 days

3. No visit beyond the prescribed limits, as above, may be undertaken by WTDs except with the prior approval of the Government. No deemed approval should be presumed before undertaking visits and no cases of ex-post facto approval may be referred to this Department. Proposal for foreign visits beyond permissible limits should be sent in the enclosed format at least 10 working days before the commencement of the visit.

4. On completion of visit, a report would need to be presented to the Board and the Government within a week covering the following:

i. Objective of the visit and main highlights,

- ii. Operational analysis of overseas business including follow up on previous visits, identification of priority areas, constraints in business development and directions for business development,
 - iii. These visit reports should not be merely reflection of itineraries indicating day-to-day engagements.
5. Ex-India leave will require prior approval of the Government and would be limited to 50% of the period of official duty abroad (excluding enforced halt, holidays and travel time).

Yours faithfully,



(Vijay Malhotra)
Under Secretary (BO-I)
Ph. 23748751

**Proforma for seeking approval of Government of India for foreign visits by
the Whole Time Director**

Details of proposed visit		
1.	Place and Country proposed to be visited	
2.	Number of days of the proposed visit including travel time, intervening holidays and enforced halt	
3.	Type of visit: - Business - Official - Attending a Conference/Seminar	
4.	Specific purpose of visit and task to be accomplished	
5.	Justification for the visit	
6.	Reasons why the visit warrants presence of CMD /Chairman /ED /MD / DMD	
7.	Whether the proposed visit is within the limits as per the existing guidelines?	
8.	Does this visit exceed the number of days permissible? If yes, number of days by which it exceed the limit.	
9.	Number of visits already undertaken in the current year	
10.	Names of the Countries visited in the current year	
11.	Number of days spent overseas including travel time, holidays and enforced halt in the current year	
12.	Achievements of the last visit	
13.	In case of visit to attend Conference/Seminar, whether any business activities of the Bank were clubbed	
14.	Details of Board approval	
15.	Whether visits reports of previous visits have been sent to the Department?	