



CRWC (Conduct, Discipline And Appeal) Rules, 2012

**Central Railside Warehouse Company Ltd.
A Govt. of India Enterprise
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CENTRAL RAILSIDE WAREHOUSE COMPANY LTD.

CRWC (CONDUCT, DISCIPLINE AND APPEAL) RULES, 2012

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CENTRAL RAILSIDE WAREHOUSE COMPANY LTD.

CRWC (CONDUCT, DISCIPLINE AND APPEAL) RULES, 2012

1. Short title and commencement.

- (i) These rules may be called the Central Railside Warehouse Company Ltd. (Conduct, Discipline and Appeal) Rules, 2012.
- (ii) These rules shall come into force with immediate effect from date of issue of circular and shall replace the existing rules.

2. Application

These rules shall apply to all employees except:

- (i) The persons who are engaged on casual basis.
- (ii) The persons who are engaged on contract basis, or, whose services have been outsourced through an agency, or those experts engaged to provide consultancy.
- (iii) Those workmen who are governed by the Standing Orders certified under ("The Industrial Employment Standing Orders) Act, 1946".

3. Definitions

In these rules, unless the context otherwise requires,

- (a) "Employee" means any person appointed by the Corporation in connection with the affairs of the Corporation and shall include, in relation to rule 54, a person, who ceases to be in the service of the Corporation on attaining the age of superannuation/ retirement and who has not completed a period of two years from the date of his superannuation / retirement.
- (b) "Company" means the Central Railside Warehouse Company Ltd. (CRWC).
- (c) "Board" means the Board of Directors of the Company and includes, in relation to the exercise of powers, any Committee of the Board/Management or any officer of the Company to whom the Board delegates any of its powers.
- (d) "Managing Director" means the Managing Director of the Company.
- (e) "Appointing Authority" in relation to an employee means -
 - (i) The authority empowered to make appointments to the Service of which the employee is, for the time being, a member or to the grade of the Service in which the employee is, for the time being, included, or
 - (ii) The authority empowered to make appointments to the post which the

employee for the time being holds, or

- (iii) The authority which appointed the employee to such Service, grade or post, as the case may be, or
- (iv) Where the employee having been a permanent member of any other Service or having substantively held any other permanent post, has been in continuous employment in the Company, the authority which appointed him to that Service or to any grade in that Service or to that post.

Whichever authority is the highest authority.

(f) Disciplinary Authority means –

- (i) In relation to the imposition of a penalty on an employee, the authority competent, under these rules, to impose on him that penalty as per schedule appended to these rules ;
- (ii) In relation to Rule 35 and clauses (i) and (ii) of sub-rule (1) of Rule 37 in the case of any Executive, an authority competent to impose any of the penalties specified in Rule 33 ;
- (iii) In relation to Rule 35 in the case of Non-executive, an authority competent to impose any of the major penalties specified in Rule 33;
- (iv) In relation to clauses (i) and (ii) of sub-rule (1) of Rule 37, in the case of Non-executive, an authority competent to impose any of the penalties specified in Rule 33;

(g) "Competent Authority" means the authority empowered by the Board of Directors by any general or special rule or order to discharge the function or use the powers specified in the rule or order.

(h) "Government" means the Government of India.

(i) "President" means President of India.

(j) "Appellate Authority" means the authority specified in Rule 45 and in the Schedule appended to these rules.

(k) "Reviewing Authority" means the authority specified in Rule 50 and in the Schedule appended to these rules.

(l) "Schedule" means the Schedule appended to these rules.

(m) "Family" in relation to an employee includes –

- (i) The wife or husband, as the case may be of the employee, whether residing with him or not but does not include a wife or husband, as the case may be, separated from the employee by a decree or order of a competent court;
 - (ii) Legitimate children and step children of the employee and wholly dependent on him, but does not include a child or step child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived of by or under any law;
 - (iii) Any other person related, whether by blood or marriage, to the employee or to the employee's wife or husband and wholly dependent on the employee.
- (n) "Public Servant" shall mean and include a person as mentioned in Section 21 of Indian Penal Code as amended from time to time.
 - (o) "Service" means the service in the Company.
 - (p) In case of female employees, the words "he", "him", or "his" where appearing in these rules, may be read as "she", "her", and "her" respectively.

4. General

- (1) Every employee of the Company shall at all times-
 - (i) Maintain absolute integrity;
 - (ii) Maintain devotion to duty; and
 - (iii) Do nothing which is unbecoming of an employee.
- (2)
 - (i) Every employee of the Company including an executive holding a supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all employees for the time being under his control and authority.
 - (ii) No employee shall, in the performance of his official duties, or in exercise of powers conferred on him, act otherwise than in his best judgment except when he is acting under the direction of his official superior ;
 - (iii) The direction of the official superior shall ordinarily be in writing, and where the issue of oral direction becomes unavoidable, the official superior shall confirm it in writing immediately thereafter; and,
 - (iv) An employee who has received oral direction from his official superior, shall seek confirmation of the same in writing as early as possible,

whereupon it shall be the duty of the official superior to confirm the direction in writing.

Explanation

- 1 --- An employee who habitually fails to perform the task assigned to him within the time set for the purpose and with the quality of performance expected of him shall be deemed to be lacking in devotion to duty within the meaning of Clause (ii) of sub-rule (1).
- 2 --- Nothing in Clause (ii) of sub-rule (2) shall be construed as empowering an employee to evade his responsibilities by seeking instructions from, or approval of a superior official or authority when such instructions are not necessary under the scheme of distribution of powers and responsibilities.

4-A Promptness and Courtesy

No employee shall ---

- (a) In the performance of his official duties act in a discourteous manner ;
- (b) In his official dealings with the public or otherwise adopt dilatory tactics or willfully cause delays in disposal of the work assigned to him.

4-B Observance of Government's policies

Every employee shall, at all times ---

- (a) Act in accordance with the Government policies regarding age of marriage, preservation of environment, protection of wildlife and cultural heritage ;
- (b) Observe the Government policies regarding prevention of crime against women.
- (c) observe any other rule / instruction as may be prescribed by the Government or Company.

5. Misconduct

Without prejudice to the generality of the term "misconduct" the following acts of omission and commission shall be treated as "misconduct" -

- (1) Theft, fraud or dishonesty in connection with the business or property of the Company or of property of another person within the premises of the Company;
- (2) Taking or giving bribes or any illegal gratification;
- (3) Possession of pecuniary resources or property disproportionate to the known

source of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for;

- (4) Furnishing false information regarding name, age, father's name, qualification, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment;
- (5) Acting in a manner prejudicial or likely to be prejudicial to the interests of the Corporation;
- (6) Willful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of his superior;
- (7) Absence without leave or over-staying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation;
- (8) Habitual late or irregular attendance;
- (9) Neglect of work or negligence in the performance of duty including malingering or slowing down of work;
- (10) Damage to any property of the Company;
- (11) Interference or tampering with any safety device installed in or about the premises of the Company;
- (12) Drunkenness or riotous or disorderly or indecent behavior in the premises of the Company or outside such premises where such behavior is related to or connected with the employment;
- (13) Gambling within the premises of any establishment of the Company.
- (14) Smoking within the premises of any establishment of the Company.
- (15) Collection of any money within the premises of the Company without the permission of the competent authority except as sanctioned by any law of the land for the time being in force or rules of the Company;
- (16) Sleeping while on duty;
- (17) Commission of any act which amounts to a criminal offence involving moral turpitude;
- (18) Absence from the employee's appointed place of work without permission or sufficient cause;
- (19) Purchasing properties, machinery, stores, etc. from or selling properties, machinery, stores, etc., to the Company without express permission in

writing from the competent authority;

- (20) Commission of any act subversive of discipline or of good behavior;
- (21) Abetment of or attempt at abetment of any act which amounts to misconduct;
- (22) Conviction by a Criminal Court and / or failure to inform the superior about his conviction by a Criminal Court.
- (23) Failure to inform the superior about his arrest or detention by the police.
- (24) Neglecting one's spouse and family.
- (25) Act to insulting and insubordination to such a degree that continuation of the relation of master and servant become incompatible.
- (26) Taking part in illegal strike; picketing, gherao, striking work or inciting others to strike work in contravention of the provisions of any law or rule having the force of law.
- (27) Practice of un-touchability
- (28) Participating in proselytizing activities or direct or indirect use of official position and influence such activities.
- (29) Taking active part in holding rallies in support of political parties.
- (30) To bring or attempt to bring political or other outside influence to further his Interest in respect of matters pertaining to his service in the Company.
- (31) any other act of omission or commission in violation of these rules or any act of omission or commission unbecoming of an employee of the Company;

Note:- The above instances of misconduct are illustrative in nature, and not exhaustive.

6. Employment of near relatives of the employees in companies,corporations or firms.

- (1) No employee shall use his position or influence directly or indirectly to secure employment for any member of his family in any Company/corporation or firm.
- (2) No employee shall, except with the previous sanction of the competent authority, permit his son, daughter or any member of his family to accept employment with any Company/Corporation or firm with which he has official

dealings or with any other Company/Corporation or firm having official dealings with the Company:

Provided that where the acceptance of the employment cannot await the prior permission of the competent authority or is otherwise is considered urgent, the matter shall be reported to the competent authority forthwith; and the employment may be accepted provisionally subject to the permission of the competent authority.

(3) No employee shall in the discharge of his official duties deal with any matter or give or sanction any contract to any Company/Corporation or firm or any other person if any member of his family is employed in that Company/ Corporation or firm or under that person or if, he or any member of his family is interested in such matter or contract in any other manner and the employee shall refer every such matter or contract to his official superior and the matter or the contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

Explanation :

- (1) The term "Employment" in the rule includes apprenticeship, whether paid or unpaid with firms.
- (2) Acceptance of employment in any of the following categories of foreign organizations in India by any member of family of an employee would be subject to prior permission or prior intimation, as the case may be :-
 - (a) Foreign mission and related organizations like United States International Communication Agency, Catholic Relief Services, British Council, Co-operative for American Relief Everywhere, etc.
 - (b) International organizations namely, U.N. and other related organizations or any other similar body of which India is a member.
 - (c) Foreign Commercial Organizations within the meaning of the Companies Act, 1956 / Foreign Contribution (Regulation) Act, 1976.

7. Taking part in politics and elections

- (1) No employee shall be a member of, or be otherwise associated with, any political party or any organization which takes part in politics nor shall he take part in, subscribe in aid of, or assist in any other manner, any political movement or activity.
- (2) It shall be the duty of every employee to endeavor to prevent any member of his family from taking part in, subscribing in aid of, or assisting in any other manner any movement or activity which is, or tends directly or indirectly to be subversive of the Government as by law established and

where an employee is unable to prevent a member of his family from taking part in, or subscribing in aid of or assisting in any other manner, any such movement or activity, he shall make a report to that effect to the competent authority.

- (3) If any question arises whether a party is a political party or whether any organization takes part in politics or whether any movement or activity falls within the scope of sub-rule (2) the decision of the competent authority thereon shall be final.
- (4) No employee shall canvass, otherwise interfere with, or use his influence in connection with or take part in, an election to any Legislature or Local Authority :

Provided that ---

- (i) An employee qualified to vote at such election may exercise his right to vote, but where he does so, he shall give no indication of the manner in which he proposes to vote or has voted ;
- (ii) An employee shall not be deemed to have contravened the provisions of this sub-rule by reason only that he assists in the conduct of an election in the due performance of a duty imposed on him by or under any law for the time being in force.

Explanation :

- (1) The display by an employee on his person, vehicle or residence of electoral symbol shall amount to using his influence in connection with an election within the meaning of this sub-rule.
- (2) (a) It is the duty of the employee who wishes to join, or take part in the activities of any association or organization, positively to satisfy himself that its aim and activities are not of such a nature as are likely to be objectionable under this rule.

(b) The responsibility for the consequences of his decision and action must rest squarely on his shoulder and that a plea of Ignorance or misconception as to the Government's attitude towards the association or organization will not be tenable.

(c) In case where the slightest doubt exists whether participation in the activities of the association or organization involves an infringement of this rule, the employee should consult his official superiors.

8 Joining of Associations or Unions by the employees.

No employee shall join, or continue to be a member of, an association or union the objects or activities of which are prejudicial to the interests of the sovereignty

and integrity of India or public order or morality.

9 Demonstration and Strikes.

No employee of the Company shall ---

- (i) Engage himself or participate in any demonstration which is prejudicial to the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign states, public order, decency or morality, or which involves contempt of court, defamation or incitement to an offence, or
- (ii) Resort to or in any way abet any form of strike or coercion or physical duress in connection with any matter pertaining to his service or the service of any other employee.

Explanation :

- (1) Holding of “Gherao” involving forcible confinement of other employees /public servants within the office premises by surrounding their place of duty or holding of meetings /demonstrations by any employee(s) without permission both within his / their office premises during office hours and also outside the office premises beyond office hours is strictly prohibited.
- (2) Strike means refusal to work or stoppage or slowing down of work by a group of employees acting in combination and includes ---
 - (i) Mass abstention from work without permission (which is wrongly described as “mass casual leave”) ;
 - (ii) Refusal to work overtime where such overtime work is necessary in the public interest;
 - (iii) Resort to practices or conduct which is likely to result in or results in the cessation or substantial retardation of work in the Company. Such practices would include, what are called, “go-slow” , ‘sit-down’, ‘pen-down’, ‘stay-in’, ‘token’, ‘sympathetic’ or any other similar strike; as also absence from work for participation in a Bandh or any similar movements.
- (3) Absence from work on account of participation in “Gherao” or for the purpose of participation in a demonstration / strike shall in all case be treated as unauthorized absence with all the attendant consequences of the unauthorized absence.

10. Connection with Press or other media

- (1) No employee of the Company shall, except with the previous sanction of the competent authority, own wholly or in part, or conduct or participate in the editing or management of, any newspaper or other periodical publication or electronic media.

- (2) Nothing in sub-rule (1) shall apply in case an employee in the bona fide discharge of his official duties publishes a book or participates in a public media.
- (3) An employee publishing a book or participating in a public media shall, at all times, make it clear that the views expressed by him are his own and not that of the Company.

11. Criticism of Government and the Company

No employee shall, in any radio broadcast, telecast through any electronic Media or in any document published in his own name or anonymously, pseudonymously or in the name of any other person or in any communication to the press, or in any public utterance, make any statement of fact or opinion ----

- (a) Which has the effect of an adverse criticism of any policy or action of the Central or a State government, or of the Company; or
- (b) Which is capable of embarrassing the relations between the Company and the public:
- (c) Which is capable of embarrassing the relations between the Central Government and the Government of any foreign State:

Provided that nothing in this rule shall apply to any statement made or views expressed by an employee in his official capacity or in due performance of the duties assigned to him.

Provided further that nothing contained in this clause shall apply to bona fide expression of views by him as an office bearer of a recognized trade union for the purpose of safeguarding the conditions of service of such employees or for securing an improvement thereof.

12. Evidence before Committee or any other Authority

- (1) Save as provided in sub-rule (3), no employee of the Company shall, except with the previous sanction of the competent authority, give evidence in connection with any enquiry conducted by any person, committee or authority.
- (2) Where any sanction has been accorded under sub-rule(1), no employee giving such evidence shall criticize the policy or any action of the Central Government or of a State Government, or of the Company.
- (3) Nothing in this rule shall apply to-
 - (a) Evidence given at any enquiry before an authority appointed by the Government, Parliament or a State Legislature or the Company;

- (b) Evidence given in any judicial enquiry; or
- (c) Evidence given at any enquiry ordered by the Competent Authority of the Company.

13. Communication of Official Information

Every employee shall, in performance of his duties in good faith, communicate, information to a person in accordance with the Right to Information Act, 2005 (22 of 2005) and the rules made there under:

Provided that no employee shall, except in accordance with any general or special order of the Government or in performance in good faith of the duties assigned to him, communicate, directly or indirectly, any official document or any part thereof or classified information to any employee or any other person to whom he is not authorized to communicate such document or classified information.

14. Subscription

No employee shall, except with the previous sanction of the competent authority ask for or accept contributions to, or otherwise associate himself with the raising of, any funds or other collections in cash or in kind in pursuance of any object whatsoever.

15 Gifts

- (1) Save as otherwise provided in these rules, no employee of the Company shall accept or permit any member of his family or any other person acting on his behalf, to accept any gift.

Explanation- The expression "gift" shall include free transport, boarding, lodging or other service or any other pecuniary advantage provided by any person other than a near relative or a personal friend having no official dealings with the employee.

Note I - A casual meal, lift or other social hospitality shall not be deemed to be a gift.

- 2 - An employee of the Company shall avoid acceptance of lavish or frequent hospitality from any individual or from industrial or commercial firms, organizations having official dealings with him. The employee shall neither accept, nor be permitted to accept offers of the cost of passage to foreign countries and hospitality by way of free board and lodging there, if such offers are made by foreign firms contracting with the Corporation either directly or through their agents/ representatives in India.

- (2) On occasions such as weddings, anniversaries, funerals or religious

functions, when the making of gifts is in conformity with the prevailing religious or social practices, an employee of the Company may accept gifts from his near relatives or from his personal friends having no official dealings with him, but he shall make a report to the competent authority if the value of the gift exceeds Rs 10,000/- (Rupees ten thousand) in case of an Executive of Manager-E-3 grade and above and Rs. 5000/- (Rupees Five thousand) in case of Executives of Deputy Manager-E-2 grade and below.

- (3) In any other case, an employee of the Company shall not accept or permit any other member of his family or any other person acting on his behalf to accept any gifts without the sanction of the competent authority if the value thereof exceeds Rs.2,000/- (Rupees two thousand) in case of an Executive of Manager-E-3 grade and above and Rs. 1500/- (Rupees one thousand and five hundred) in case of Executives of Deputy Manager-E-2 grade and below.

Provided that when more than one gift has been received from same person within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of the gifts exceeds the amount as shown in sub-rule (2) or (3), as the case may be.

- (4) Notwithstanding any thing contained in sub-rules (2) and (3), an employee being a member of the Indian delegation or otherwise, may receive gifts of symbolic nature from foreign dignitaries and retain such gifts.
- (5) An employee shall not accept any gifts from any foreign firm which is either contracting with the Company or is one with which the employee had, has or is likely to have official dealings. Acceptance of gifts by an employee from any other firm shall be subject to the provisions of sub-rule (3).

16. Dowry

No employee of the Company shall –

- (i) Give or take or abet the giving or taking of dowry; or
- (ii) Demand, directly or indirectly, from the parent or guardian of a bride or bridegroom, as the case may be, any dowry.

Explanation - For the purposes of this rule, "dowry" has the same meaning as in the Dowry Prohibition Act, 1961 (28 of 1961).

17. Public demonstration in honour of the employees

No employee shall, except with the previous sanction of the competent authority, receive any complimentary or valedictory address or accept any testimonial or attend any meeting or entertainment held in his honour ; or

in the honour of any other employee:

Provided that nothing in this rule shall apply to ---

- (i) A farewell entertainment of a substantially private and informal character held in honour of an employee or any other employee on the occasion of his retirement or transfer or any person who has recently quitted the service of the Company ; or
- (ii) The acceptance of simple and inexpensive entertainments arranged by public bodies or institutions.

Note – (1) Exercise of pressure or influence of any sort on any employee to induce him to subscribe towards any farewell entertainment if it is of a substantially private or informal character and the collection of subscription from non-executive employees for the entertainment of any employee not belonging to the non-executive cadre is forbidden.

(2) The employees should not be permitted to accept awards of monetary benefits instituted by private trusts / foundations, etc.

18. Private trade or employment

(1) No employee of the Company shall, except with the previous sanction of the competent authority ---

- (a) Engage directly or indirectly in any trade or business ; or,
- (b) Negotiate for, or undertake any other employment, or
- (c) Hold an elective office, or canvass for a candidate or candidates for an elective office, in any body, whether incorporated or not, or
- (d) Canvass in support of any business of insurance agency, commission agency, etc., owned or managed by any member of his family, or
- (e) Take part except in the discharge of his official duties, in the registration, promotion or management of any Bank or other Corporation registered or required to be registered, under the Companies Act, 1956 (1 of 1956), or any other law for the time being in force, or of any co-operative society for commercial purposes.
- (f) Participate in or associate himself in any manner in the making of ----
 - (i) A sponsored media (radio or television) programme ; or
 - (ii) A media programme commissioned by Government media but produced by a private agency ; or
 - (iii) A privately produced media programme including video

magazine :

Provided that no previous permission shall be necessary in case where the employee participates in a programme produced or commissioned by Government media in his official capacity.

- (2) An employee may, without the previous sanction of the competent authority, ----
- (a) Undertake honorary work of a social or charitable nature, or
 - (b) Undertake occasional work of a literary, artistic or scientific character, or
 - (c) Participate in sports activities as an amateur, or
 - (d) Take part in registration, promotion or management (not involving the holding of an elective office) of a literary, scientific or charitable society or of a club or similar organization, the aims or objects of which relate to promotion of sports, cultural or recreational activities, registered under the Societies Registration Act, 1860 (21 of 1860), or any other law for the time being in force, or
 - (e) Take part in the registration, promotion or management (not involving the holding of an elective office) of a Consumer/House Building Co-operative society substantially for the benefit of the employees of the Corporation, registered under the Co-operative Societies Act, 1912 (2 of 1912) or any other law for the time being in force:

Provided that ---

- (i) He shall discontinue taking part in such activities, if so directed by the competent authority; and
 - (ii) In a case falling under clause (d) or clause (e) of this sub-rule, his official duties shall not suffer thereby and he shall, within a period of one month of his taking part in such activity, report to the competent authority giving details of the nature of his participation.
- (3) Every employee of the Company shall report to the competent authority if any member of his family is engaged in a trade or business or owns or manages an insurance agency or commission agency.
- (4) No employee of the Company may accept any fee or any pecuniary advantage for any work done by him for any private or public body or any private person without the sanction of the competent authority.

19. Subletting and vacation of Company accommodation

- (1) Save as otherwise provided in any other law for the time being in force, no employee shall sublet, lease or otherwise allow occupation by any other person of Company accommodation which has been allotted to him.
- (2) An employee shall, after the cancellation of his allotment of Company accommodation, vacate the same within the time limit prescribed by the allotting authority.

20. Investment, lending and borrowing

- (1) No employee shall speculate in any stock, share or other investment; provided that nothing in this sub-rule shall apply to occasional investment made through stockbrokers or other persons duly authorized and licensed or who have obtained a certificate of registration under the relevant law.

Explanation :

Frequent purchase or sale or both, of shares, securities or other investment shall be deemed to be speculation within the meaning of this sub-rule. An intimation should be sent by the employee to the competent authority in the following cases :---

- (i) Executives (Manager-E-3 grade and above) --- If the total transactions in shares, securities, debentures or mutual fund scheme, etc. exceeds Rs. 50,000/- (Rupees fifty thousand) during the calendar year.
 - (ii) Non-executives (Deputy Manager-E-2 grade and below) --- If the total transactions in shares, securities, debentures or mutual fund scheme, etc. exceeds Rs.25,000/- (Rupees twenty five thousand) during the calendar year.
- (2) No employee shall make, or permit any member of his family or any person acting on his behalf to make, any investment which is likely to embarrass or influence him in the discharge of his official duties. For this purpose, any purchase of shares out of the quotas reserved for Directors of Companies or their friends and associates shall be deemed to be an investment, which is likely to embarrass the employee.
 - (3) If any question arises whether any transaction is of the nature referred in sub-rule (1) or sub-rule (2), the decision of the competent authority thereon shall be final.
 - (4) (i) No employee shall save in the ordinary course of business with a bank or a public limited Company/Corporation, either himself or through any member of his family or any other person acting on his behalf, –
 - (a) Lend or borrow or deposit money, as a principal or an agent to, or from or with, any person or firm or private limited Company within the local limits of his authority, or with whom he is likely to have official dealings

or otherwise place himself under any pecuniary obligation to such person or firm or private limited Company ; or

- (b) lend money to any person at interest or in a manner whereby return in money or in kind is charged or paid :

Provided that an employee may give to, or accept from, a relative or a personal friend, a purely temporary loan of a small amount free of interest, or operate credit account with a bona fide tradesman or make an advance of pay to his private employee :

Provided further that nothing in this sub-rule shall apply in respect of any transaction entered into by an employee with the previous sanction of the competent authority.

- (ii) When an employee is appointed or transferred to a post of such nature as would involve him in the breach of any of the provisions of sub-rule (2) or sub-rule (4), he shall forthwith report the circumstances to the competent authority and shall thereafter act in accordance with such order as may be made by such authority.

21. Insolvency and habitual indebtedness

An employee of the Company shall so manage his affairs as to avoid habitual indebtedness or insolvency. An employee against whom any legal proceeding is instituted for the recovery of any debt due from him or for adjudging him as an insolvent, shall forthwith report the full facts of the legal proceedings to the competent authority.

Note -- Cases where salary of an employee is consistently being attached for debt, or has been continuously under attachment for more than two years, or is attached for a sum which, under normal circumstances, it will require more than two years to repay, shall constitute such a state of indebtedness as to render it undesirable that the debtor should be retained in the services of the Company.

The proceedings referred to above shall be submitted through usual official channel for appropriate orders of the disciplinary authority

22. Movable, immovable and valuable property

- (1) (i) Every employee shall, on first appointment in the Company, submit a return of assets and liabilities in the prescribed form giving the particulars regarding -

- (a) The immovable property inherited by him, or owned or acquired by him, held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person;

- (b) Shares, debentures, and cash including bank deposits inherited by him or similarly owned, acquired, or held by him;
- (c) Other movable property inherited by him or similarly owned, acquired or held by him ;
- (d) Debts and other liabilities incurred by him directly or indirectly.

Note –(i) In all returns, the values of items of movable property worth less than Rs. 15,000 /- (Rupees Fifteen thousand) may be added and shown as lump sum. The value of articles of daily use such as clothes, utensils, crockery, books etc., need not be included in such return.

(ii) Every employee belonging to Executive / Supervisory cadre shall, on 1st January of every year, shall submit a return in the prescribed form giving full particulars regarding the immovable property inherited by him or owned/acquired by him or held by him on lease or mortgage either in his own name or in the name of any member of his family or in the name of any other person.

- (2) No employee of the Company shall, except with the previous knowledge of the competent authority, acquire or dispose of any immovable property by lease, mortgage purchase, sale, gift or otherwise either in his own name or in the name of any member of his family.

Provided that the previous sanction of the competent authority shall be obtained by the employee if any such transaction is with a person having official dealing with him.

- (3) Where an employee enters into a transaction in respect of movable property either in his own name or in the name of member of his family, he shall, within one month from the date of such transaction, report the same to the competent authority, if the value of such property exceeds Rs. 25,000/- (Rupees twenty five thousand) in the case an Executive of Manager-E-3 grade and above and Rs. 15,000/- (Rupees twenty thousand) in the case of Executives of Deputy Manager-E-2 grade and below.

Provided that the previous sanction of the competent authority shall be obtained by the employee if any such transaction is with a person having official dealing with him.

- (4) The competent authority may, at any time, by general or special order require an employee to furnish, within a period specified in the order, a full and complete statement of such movable or immovable property held or acquired by him or on his behalf or by any member of his family as may be specified in the order. Such statement shall, if so required by the competent authority, include the details of the means by which, or the source from which, such property was acquired.

Explanation :

- (1) For the purpose of this rule, the expression “movable property” includes –
 - (a) Jewellery, insurance policies the annual premia of which exceeds Rs. 15,000 (Rupees Fifteen thousand) or one-sixth of the total annual emoluments received from the Company whichever is less, shares, securities and debentures;
 - (b) All loans, whether secured or not, advanced or taken by the employee. Motor cars, motor cycles, or any other means of conveyance; and
 - (c) Refrigerators, radios, radiograms, television sets, computer, laptop or any other costly electronic device.
- (2) For the purposes of this rule, “lease” means, except where it is obtained from, or granted to, a person having official dealings with the employee, a lease of immovable property from year to year or for any term exceeding one year or reserving a yearly rent.
- (3) The winning of cash prizes from competitions etc. exceeding the prescribed monetary limit in value should be regarded as “transactions” for the purpose of this rule and that an employee should give intimation of such transactions to the competent authority.
- (4) Before commencing construction of or addition to an existing building, the employee should report or seek permission, as the case may be , and, after completion of the house, he should report to the competent authority. While doing so the details should be furnished indicating the covered area on which building is proposed to be erected and the estimated cost of the building.
- (5) Sanction of the prescribed authority shall be required In cases where the expenditure to be incurred on repairs or minor construction work in respect of any immovable property belonging to an employee is estimated to exceed ---
 - (i) Rs. 15,000/- (Rupees Fifteen thousand), in case of Executives of Deputy Manager-E2 grade and below and
 - (ii) Rs. 20,000/- (Rupees Twenty thousand), in case of Executives Manager-E3 grade and above.
- (6) In order to ensure that the employees do not indulge in benami transaction or ostensible transfers and acquisitions to secret assets illegally earned and also without imposing unnecessary restraints on them, all transactions both of immovable and movable property made out of the funds of the employee (irrespective the person in whose name transaction is made) should be governed by this rule.
- (7) Transactions entered into by the spouse or any other member of family of an employee out of his or her own funds (including stridhan, gifts,

inheritance etc.), as distinct from the funds of the employee himself, in his or her own name and in his or her own right, would not attract the provision of this rule.

22 A Restrictions in relation to acquisition and disposal of immovable property outside India and transaction with foreigners, etc.

Notwithstanding anything contained in rule 22, no employee shall, except with the previous sanction of the Company :

- (a) Acquire, by purchase, mortgage, lease, gift or otherwise, either in his own name or in the name of any member of his family, any immovable property situated outside India ;
- (b) Dispose off, by sale, mortgage, gift or otherwise, or grant any lease in respect of any immovable property situated outside India which was acquired or is held by him either in his own name or in the name of any member of his family;
- (c) Enter into any transaction with any foreigner, foreign Government, foreign organization or concern, –
 - (i) For the acquisition, by purchase, mortgage, lease, gift or otherwise, either in his own name or in the name of any member of his family, or any immovable property.
 - (ii) For the disposal off, by sale, mortgage, gift or otherwise, or the grant of any lease in respect of any immovable property which was acquired or held by him either in his own name or in the name of any member of his family.

23 Vindication of acts and character of an employee :

- (1) No employee shall, except with the previous sanction of the competent authority, have recourse to any Court or to the press for the vindication of any official act which has been the subject-matter of adverse criticism or an attack of a defamatory character :

Provided that, if no such sanction is received by the employee within a period of three months from the date of the receipt of his request by the Company, he shall be free to assume that the permission as sought for has been granted to him.

- (2) Nothing in this rule shall be deemed to prohibit an employee from vindicating his private character or any act done by him in his private capacity and where any action for vindicating his private character or any act done by him in private capacity is taken, the

employee shall submit a report to the competent authority regarding such action.

Explanation :- Employees seeking redress of their grievances arising out of their employment or conditions of service should in their own interest and also consistently with official propriety and discipline first exhaust the normal official channels of redress before they take the issue to a court of law. Any attempt by the employees to seek redress from the court of law or such matters (even in cases where such a remedy is legally admissible) without first exhausting the normal official channels of redress can only be regarded as contrary to official propriety and subversive of good discipline and may well justify the initiation of disciplinary action against them.

24. Canvassing of non-official or other outside influence

No employee shall bring or attempt to bring any political or other outside influence to bear upon any superior authority to further his interests in respect of matters pertaining to his service in the Company.

Note -- Any instances of violation of this rule may be viewed seriously and the employees responsible for such violation be severely dealt with.

25. Restriction regarding marriage

- (1) No employee shall enter into, or contract, a marriage with a person having a spouse living; and
- (2) No employee, having a spouse living, shall enter into, or contract, a marriage with any person:

Provided that the Board may permit an employee to enter into, or contract, any such marriage as is referred to in clause (1) or clause (2), if it is satisfied that –

- (a) Such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and
 - (b) There are other grounds for so doing.
- (3) An employee, who has married or marries a person other than of Indian nationality, shall forthwith intimate the fact to the competent authority.

26. Consumption of intoxicating drinks and drugs

An employee shall -

- (a) Strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be for the time being;
- (b) Not be under the influence of any intoxicating drink or drug during the course of his duty and shall also take due care that the performance of his duties at any time is not affected in any way by the influence of such drink or drug;
- (c) Refrain from consuming any intoxicating drink or drug in a public place;
- (d) Not appear in a public place in a state of intoxication; and
- (e) Not use any intoxicating drink or drug to excess.

27. Prohibition of sexual harassment of working women

- (1) No employee of the Company shall indulge in any act of sexual harassment of any woman at her work place.
- (2) Every employee of the Company who is in charge of a work place shall take appropriate steps to prevent sexual harassment to any woman at such work place.

Explanation – For the purpose of this rule, "sexual harassment" includes such unwelcome sexually determined behavior, whether directly or otherwise, as –

- (a) physical contact and advances;
- (b) demand or request for sexual favors;
- (c) sexually colored remarks;
- (d) showing any pornography; or
- (e) any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.

- (3) Complaints pertaining to sexual harassment of woman at work places shall be looked into by a Complaint Committee set up for the purpose. The report of the Complaint Committee shall be treated as preliminary inquiry report against the accused employee. Its findings shall be binding on the disciplinary authority to initiate disciplinary proceedings against the delinquent employee under the provisions of these Rules
- (4) The procedure for initiating inquiry and imposing penalty against the delinquent employee shall be the same as laid down in these rules for any other misconduct. The Disciplinary Authority may impose any of the penalties specified in Rule 33 on the delinquent employee involved in a sexual harassment case.

28. Prohibition regarding employment of children below 14 years of age

No employee shall employ any child below the age of 14 years to work as

domestic work or servant.

29. Obligations to abide by all administrative instructions

Notwithstanding anything contained in these rules, an employee shall be governed by all the administrative instructions that may be issued from time to time in regard to the conduct of its employees.

30. Suspension

(1) The appointing authority or any authority to which it is subordinate or the disciplinary authority or any authority empowered in that behalf may place an employee under suspension:

- (a) Where disciplinary proceeding against him is contemplated or is pending; or
- (b) Where, in the opinion of the authority aforesaid, he has engaged himself in activities prejudicial to the interest of the security of the State; or
- (c) Where case against him in respect of any criminal offence is under investigation, inquiry or trial.

Provided that, in any exceptional circumstances, any other authority may place any subordinate employee under suspension but that authority shall forthwith report to the authority competent to place such employee under suspension, the circumstances in which the order was made and obtain its approval.

(2) An employee shall be deemed to have been suspended by an order of the competent authority ---

- (a) With effect from the date of his detention, if he is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours.
- (b) With effect from the date of his conviction, if, in the event of a conviction for an offence, he is sentenced to a term of imprisonment exceeding 48 hours and is not forthwith dismissed or removed or compulsorily retired consequent to such conviction.

Explanation --- The period of 48 hours referred to in Clause (b) of this sub-rule shall be computed from the commencement of the imprisonment after the conviction and for this purpose, intermittent periods of imprisonment, if any, shall be taken into account.

(3) Where a penalty of dismissal, removal or compulsory retirement from service imposed upon an employee under suspension is set aside in appeal

or on review under these rules and the case is remitted for further inquiry or action or with any of the directions, the order of his suspension shall be deemed to have continued in force, on and from the date of the original order of dismissal, removal or compulsory retirement and shall remain in force until further orders.

- (4) Where a penalty of dismissal, removal or compulsory retirement from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of a Court of Law and the Disciplinary Authority, on consideration of the circumstances of the case, decides to hold a further inquiry against him on the allegations on which the penalty of dismissal, removal or compulsory retirement was originally imposed, the employee shall be deemed to have been placed under suspension by the Appointing Authority from the date of the original order of dismissal, removal or compulsory retirement and shall continue to remain under suspension until further orders.

Provided that no such further enquiry shall be ordered unless it is extended to meet a situation where the Court has passed an order purely on technical grounds without going into the merits of the case.

- (5) (a) An order of suspension made or deemed to have been made under this rule shall continue to be in force until it is modified or revoked by the authority competent to do so.
- (b) Where an employee is suspended or is deemed to have been suspended (whether in connection with any disciplinary proceeding or otherwise), and any other disciplinary proceeding is commenced against him during the continuance of that suspension, the authority competent to place him under suspension may, for reasons to be recorded in writing, direct that the employee shall continue to be under suspension until the termination of all or any of such proceedings.
- (c) An order of suspension made or deemed to have been made under this rule may at any time be modified or revoked by the authority which made or is deemed to have made the order or by any authority to which that authority is subordinate.
- (6) An order of suspension made or deemed to have been made under this rule shall be reviewed by the authority which is competent to modify or revoke the suspension before expiry of ninety days from the date of order of suspension and pass orders either extending or revoking the suspension. Subsequent reviews shall be made before expiry of the extended period of suspension. Extension of suspension shall not be for a period exceeding one hundred and eighty days at a time.
- (7) Notwithstanding anything contained in sub-rule (5) (a), an order of suspension made or deemed to have been made under sub-rule (1) or (2) of this rule shall not be valid after a period of ninety days unless it is extended after review, for

a further period before the expiry of ninety days.

(8) General instructions regarding suspension

- (i) An employee should not be placed under suspension in a perfunctory or in a routine and casual manner. The power in this regard should be exercised with care and caution and only when it is absolutely essential.
- (ii) Reasons for suspension : Whenever an employee is placed under suspension, he has a right of appeal against the order of suspension. It is, therefore, necessary that the employee who has been placed under suspension should generally know the reasons leading to his suspension. Where an employee has been placed under suspension on the ground of contemplated disciplinary proceedings, the charge sheet against him should, as far as possible, be finalized and issued within a period of three months of the date of suspension. However, if charge sheet is not issued within three months from the date of suspension, the reasons for suspension should be communicated to the employee concerned immediately on the expiry of aforesaid time limit prescribed for the issue of charge sheet, enabling him to effectively exercise the right to appeal.
- (iii) Arrest to be reported : An employee who may be arrested for any reasons even if he might have subsequently been released must inform the fact of his arrest and the circumstances connected to his superior officials promptly. Failure to do so will be regarded as suppression of material information rendering him liable to disciplinary action on this account alone, apart from the action that may be called for on the outcome of the police case against him.
- (iv) Headquarters during suspension:
 - (a) An employee under suspension is regarded as subject to all other conditions of service applicable to him and cannot, therefore, leave his headquarters without prior permission of the authority who suspended him. The last place of posting immediately before his suspension will be the headquarters of the suspended employee.
 - (b) The competent authority can change the headquarters of a suspended employee in the interest of the Company.
 - (c) Where an employee under suspension requests for a change of headquarters, the competent authority may accept his request, provided it is satisfied that such change will not put the Company to any administrative inconvenience or financial loss.

- (v) Resignation during suspension: (a) If an employee under suspension tenders his resignation from the services of the Company, the authority, who is competent to impose on him the penalty of dismissal from service, shall examine with reference to the merits of the disciplinary case pending against him, whether it would be in the public interest to accept the same.
- (b) Normally suspension is resorted to only in cases of grave delinquency and it would not be correct to accept the resignation.
- (c) However, where the alleged offences do not involve moral turpitude, or where the quantum of evidence against him is not strong enough to justify the assumption that if departmental proceedings were continued, he would be dismissed or removed from service, or where the departmental proceedings are likely to be so protracted that it would be cheaper and in the overall interest of the Company to accept the resignation, it may be accepted.
- (d) The acceptance of resignation shall be subject to fulfilling all the conditions prescribed for this purpose.
- (vi) Grant of leave during suspension: No leave will be granted to an employee under suspension.
- (vii) Retirement while under suspension: If an employee under suspension attains the age of superannuation before the termination of departmental or Court proceedings, he will retire on the due date of his retirement. He will cease to draw subsistence allowance, but departmental/judicial proceedings will be continued and concluded in the same manner as if the employee continued in service.
- (viii) Forwarding of applications: Applications of employees who are under suspension or against whom departmental proceedings are pending should not be forwarded nor should they be released, for any assignment, scholarship, fellowship, training, etc. Such employee should also not be sent or allowed to go on deputation or foreign service.
- (ix) Leave Travel Concession : An employee under suspension is not himself eligible to avail the leave travel concession. His family, however, can avail leave travel concession independently of him, subject to fulfillment of all other conditions in this regard.
- (x) Advance during suspension : (a) Notwithstanding anything contained in existing rules of advances, any advance for the purchase of Personal Computer or a conveyance shall not be granted to an employee who is under suspension, and, if an advance has already been sanctioned to him before he was placed under suspension, he shall not be permitted to draw such advance during the period of suspension.

(b) Festival Advance shall not be granted to an employee during the period of suspension.

(c) The employees, during the suspension period, shall, however, be entitled to get Interest Subsidy on House Building Loan provided loan installments are being deposited regularly and on due dates, and subject to fulfillment of other conditions to the grant of the same under the rules.

(xi) Medical / Educational facilities : The employees, who are under suspension, will continue to avail medical facilities and reimbursement of tuition fee, Children Educational Allowance and Hostel Subsidy under the Education Assistance Scheme, if otherwise admissible under the relevant rules.

(xii) The following perks / facilities are not admissible to the employees during their suspension period :---

- (a) Transport Subsidy / Conveyance Allowance
- (b) Corporation's Telephone
- (c) Productivity Linked Incentive / Bonus
- (d) Reimbursement of Newspaper/ Magazine/ Periodicals
- (e) Reimbursement of Holiday Expenses
- (f) Reimbursement of Soft Furnishing Expenses
- (g) Washing Allowance
- (h) Reimbursement of Membership of Professional Bodies. This is to be decided after completion of inquiry.

31. Subsistence Allowance

- (1) An employee under suspension shall be entitled up to the first three months of the period of suspension, to subsistence allowance at an amount equal to the leave salary which he would have drawn if he had been on leave on half average pay or half pay and, in addition, dearness allowance, if admissible on the basis of such leave salary.
- (2) Any other compensatory allowances admissible from time to time on the basis of pay of which the employee was in receipt on the date of suspension like house rent allowance and city compensatory allowance shall also be payable subject to the fulfillment of other conditions laid down for the drawl of such allowances.
- (3) No payment as indicated above shall be made unless the employee furnishes a certificate that he is not engaged in any other employment, business, profession or vocation.

- (4) The competent authority may vary the amount of subsistence allowance for any period exceeding the first three months as follows: -
- (i) The amount of subsistence allowance may be increased by a suitable amount, not exceeding 50 percent of the subsistence allowance admissible during the period of the first three months, if in the opinion of the competent authority, the period of suspension has been prolonged for reasons, to be recorded in writing, not directly attributable to the employee;
 - (ii) The amount of subsistence allowance may be reduced by a suitable amount, not exceeding 50 percent of the subsistence allowance admissible during the period of first three months, if, in the opinion of the competent authority, the period of suspension has been prolonged due to reasons, to be recorded in writing, directly attributable to the employee;
 - (iii) The rate of dearness allowance will be based on the increased or, as the case may be, the decreased amount of subsistence allowance under sub-clauses (i) and (ii) above.
- (5) Second or subsequent review : A second or subsequent review may be made at any time after the first review at the discretion of the competent authority. As a result of such a review the amount of subsistence allowance can be enhanced (or reduced) up to 50 % of the amount of subsistence allowance initially granted, if the period of suspension has been prolonged for the reasons not attributable to him (or directly attributable to him in case of reduction).
- (6) Denial of Subsistence Allowance: The subsistence allowance shall not be denied on any ground unless an employee is unable to/does not furnish a certificate that he is not engaged in any other employment, business, profession or vocation, during the period of suspension.

32. Reinstatement and treatment of the period of suspension

- (1) An employee, who is placed under suspension / dismissed / removed or compulsorily retired, will be reinstated in the following cases :-
- (i) When the disciplinary proceedings are dropped and the employee is fully exonerated.
 - (ii) When disciplinary proceedings end in imposing any of the minor penalties.
 - (iii) When the employee is acquitted in criminal proceedings,
 - (iv) When the employee is released from police custody without any case being instituted against him,
 - (v) When the order of dismissal, removal or compulsory retirement is set aside by the court or in an appeal or review.

(2) Order of Reinstatement

The competent authority making order for reinstatement shall make specific order as to –

- (i) the pay and allowances to be paid to the employee for the period of his absence from duty due to suspension / dismissal / removal / compulsory retirement, and
- (ii) whether or not the said period be treated as a period spent on duty.

Note: The decision of the competent authority in this regard is in respect of two separate and independent matters, viz., (a) pay and allowances for the period of absence, and (b) whether or not the period of absence should be treated as duty. It is not necessary that the decision on (a) above should depend on the decision on (b). The competent authority has the discretion to pay the amount (not being the whole) of pay and allowances and at the same time treat the period as duty for any specified purpose(s) or only to pay the amount (not being the whole) of pay and allowances and treat the period as non-duty for all purposes. It has, however, no discretion to pay full pay and allowances when the period is treated as 'non-duty'.

(3) Pay and Allowances on Re-instatement

(i) If the employee is fully exonerated in an appeal or review, or as a result of setting aside of dismissal order on merits by Court or when suspension is considered unjustified and he is not awarded any of the penalties mentioned in Rule 33:

(a) He will be entitled to full pay and allowances to which he would be entitled, had he not been suspended.

(b) If the proceedings had been delayed due to the reasons which are directly attributable to the employee, the pay and allowances for the period of delay can be reduced, but not below subsistence allowance and other allowances admissible for the period of suspension, stating reasons in writing and after giving opportunity to the employee for an explanation.

(c) The period of absence from duty shall be treated as duty.

(ii) If the employee is not fully exonerated in an appeal or review, or setting aside of dismissal order on mere technical grounds by Court, or when suspension is considered not unjustified:

(a) He will get a part of pay and allowances to which he would have been entitled had he not been suspended subject to minimum of subsistence allowance and other allowances, admissible for the

period of suspension, after giving him opportunity to represent against the amount so decided.

- (b) The period of absence from duty shall not be treated as duty period unless specifically directed by the authority.
 - (d) The period of absence can, however, be converted into leave of any kind due and admissible to him on the request of the employee. In case where the period of suspension is treated as leave due and the total amount of subsistence allowance exceed the amount of leave salary and allowance, the excess amount will be recovered.
- (iii) If suspension is revoked and the employee reinstated pending finalization of proceedings, interim orders relating to pay and allowances shall be passed separately and shall be reviewed on conclusion of proceedings in accordance with (i) or (ii) above.
- (iv) The amount payable on reinstatement shall be reduced by earnings, if any, through an employment, vocation etc. during any period between the date of dismissal / removal / compulsory retirement and the date of reinstatement.

Note -- While making payment of arrears, the law of limitation should not be invoked.

(4) Treatment of suspension period in certain special cases

- (i) Erroneous Detention / Arrest : If an employee has been detained erroneously and discharged, or, discharged without conviction after arrest, the competent authority may apply its mind to decide whether the suspension is wholly unjustified and take action accordingly.
- (ii) Minor Penalty: If at the conclusion of the proceedings against a suspended employee, he is fully exonerated or only minor penalty is imposed, suspension will be considered wholly unjustified and the period of suspension shall be treated as duty, entitling him for payment of the full pay and allowance for that period. The subsistence allowance already paid, if any, shall, however, be adjusted.
- (iii) Death while under Suspension: If the employee dies while under suspension but before conclusion of disciplinary proceedings—
 - (a) Such proceedings would terminate and abate by reason of death.
 - (b) The period between date of suspension and date of death shall be treated as duty,
 - (c) His family will be paid full pay and allowances for the above period subject to adjustment of subsistence allowance and other allowances already paid, if any.

33. Penalties

The following penalties may for good and sufficient reasons and as hereinafter provided, may be imposed on an employee, namely :----

Minor Penalties

- (a) Censure ;
- (b) With-holding of increments of pay with or without cumulative effect;
- (c) With-holding of promotion for a specified period ;
- (d) Recovery from pay of the whole or part of any pecuniary loss caused by him to the Corporation by negligence or breach of orders ;
- (e) Reduction to a lower stage in the time-scale of pay by one stage for a period not exceeding 3 years, without cumulative effect and not adversely affecting his terminal benefits;

Major Penalties

- (f) Save as provided in clause (e), reduction to a lower stage in the time-scale of pay for a specified period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period, the reduction will or will not have the effect of postponing the future increments of his pay;
- (g) Reduction to a lower time-scale of pay, grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time-scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post or service from which the employee was reduced and his seniority and pay on such restoration to that grade, post. or service;
- (h) Compulsory retirement ;
- (i) Removal from service which shall not be a disqualification for future employment under the Govt. or a Company/Corporation owned or controlled by the Government;
- (j) Dismissal from service which shall ordinarily be a disqualification for future employment under the Government or a Company/Corporation owned or controlled by the Government.

Provided that, in every case in which the charge of possession of assets disproportionate to known sources of income or the charge of acceptance from any person of any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act is established, the penalty mentioned in clause (i) or (j) shall be imposed:

Provided further that in any exceptional case and for special reasons recorded in writing, any other penalty may be imposed.

Note –1. Imposition of two penalties for one lapse / offence ----

The penalty of recovery from pay of the whole or part of any pecuniary loss caused by an employee to the Company by negligence or by breach of order can be imposed in addition to any of the other minor / major penalties, if the circumstances of the case so warrant. In such cases, the disciplinary authority should carefully assess the severity of the strain on the employee because of the imposition of two penalties vis-à-vis the nature of offence committed by him. Both the penalties can be imposed by way of one and the same order and in pursuance of one and the same proceedings.

2. The following shall not amount to a penalty within the meaning of this rule:-

- (i) Non-promotion of an employee, whether in an officiating capacity or otherwise, after consideration of his case, to a service, grade or post for promotion to which he is eligible;
- (ii) Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered to be unsuitable for such higher grade or post, or on any administrative ground unconnected with his conduct;
- (iii) Reversion to his previous grade or post, of an employee appointed on probation to another service, grade or post, during or at the end of the period of probation in accordance with the terms of his appointment or the rules and orders governing such probation;
- (iv) Replacement of the services of an employee, whose services had been borrowed from the Central / State Government or any autonomous body / public enterprise at the disposal of Central /State Government or autonomous body / public enterprise from which the services of that employee had been borrowed;
- (v) Compulsory retirement of an employee in accordance with the provisions relating to his superannuation or retirement;
- (vi) Termination of the services ---
 - (a) Of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment or the rules and orders governing such probation, or

- (b) Of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment, or
- (c) Of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; or
- (d) Of any employee on reduction of establishment.

34. Disciplinary Authority

The Disciplinary Authority, as defined in Rule 3 (f) or as specified in the schedule, or any authority higher than it may ---

- (i) Impose any of the penalties specified in Rule 33 on any employee.
- (ii) Institute any disciplinary proceeding against an employee under Rule 35 or Rule 37

35 Procedure for imposing major penalties

- (1) No order imposing any of the major penalties specified in clauses (f), (g), (h), (i), and (j) of Rule 33 shall be made except after an inquiry is held in accordance with this rule.
- (2) Whenever the disciplinary authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehavior against an employee, it may itself inquire into, or appoint under this rule any executive of the Company or a retired public servant or any authority to inquire into the truth thereof.

Explanation - Where the disciplinary authority itself holds the inquiry, any reference in sub-rules (8) to (21) to the inquiring authority shall be construed as a reference to the disciplinary authority.

- (3) Where it is proposed to hold an inquiry against an employee under this rule and Rule 37, the disciplinary authority shall draw up or cause to be drawn up –
 - (i) The substance of the imputations of misconduct or misbehaviour into definite and distinct articles of charge;
 - (ii) A statement of the imputations of misconduct or misbehaviour in support of each article of charge which shall contain –
 - (a) A statement of all relevant facts including any admission or confession made by the employee.

(b) A list of documents by which and a list of witnesses by whom, the articles of charge are proposed to be sustained.

(4) The disciplinary authority shall deliver or cause to be delivered to the employee a copy of the articles of charge, the statement of the imputations of misconduct or misbehaviour and a list of documents and witnesses by which each article of charge is proposed to be sustained and shall require the employee to submit, a written statement of his defence within ten days or such further time as the disciplinary authority may allow.

Note : If copies of documents have not been delivered to the employee along with the articles of charge and if he desires to inspect the same for the preparation of his defence, he may do so, within 10 days from the date of receipt of the articles of charge by him and complete inspection within ten days thereafter and shall state whether he desires to be heard in person.

(5) The employee may, for the purpose of his defence submit with the written statement of his defence, a list of witnesses to be examined on his behalf.

Note : If the employee applies in writing for the supply of copies of the statements of witnesses mentioned in the list referred to in sub-rule (3), the disciplinary authority shall furnish him with a copy each of such statement as early as possible and in any case not later than three days before the commencement of the examination of the witnesses on behalf of the disciplinary authority.

(6) (i) (a) On receipt of the written statement of defence, the disciplinary authority shall consider the same and decide whether the inquiry should be proceeded with under this rule.

(b) Where the disciplinary authority decides to proceed with the inquiry it may itself inquire into such of the articles of charge as are not admitted or appoint under sub-rule(2) an Inquiring authority for the purpose.

(c) Where all the articles of charge have been admitted by the employee in his written statement of defence, the disciplinary authority shall record its findings on each charge, after taking such further evidence as it may think fit and shall act in the manner laid down in Rule 36.

(d) If the disciplinary authority, after consideration of the written statement of defence, is of the opinion that the imposition of a major penalty is not necessary, it may drop the proceedings already initiated by it for imposition of major penalty, without prejudice to its right to impose any of the minor penalties, not attracting the provisions of sub-rule (2) of Rule 37.

Where the disciplinary authority so drops the proceedings but considers it appropriate to impose any of the minor penalties, not attracting the provisions of sub-rule(2) of Rule 37, it shall record the speaking order as to why major penalty proceedings are dropped, and as part of further orders the disciplinary authority shall also impose one of the minor penalties indicating grounds for imposition of the same. Thus, the single speaking order of the disciplinary authority shall cover both dropping of the majority penalty proceedings and imposition of the minor penalty. It will not be necessary to give the employee any further opportunity of making representation before the penalty is imposed.

- (ii) If no written statement of defence is submitted by the employee, the disciplinary authority may itself inquire into the articles of charge or may, if it considers it necessary to do so, appoint, under sub-rule (2) an inquiring authority for the purpose and also inform the employee of such appointment.
 - (iii) Where the disciplinary authority itself inquires into an article of charge or appoints an Inquiring Authority for holding an inquiry into such charge, it may, by an order in writing, appoint an employee or a legal practitioner, to be known as the “Presenting Officer” to present on its behalf the case in support of the articles of charge.
- (7) The disciplinary authority shall, where it is not the Inquiring Authority, forward to the Inquiring Authority –
- (i) A copy of the articles of charge and the statement of the imputations of misconduct or misbehaviour.
 - (ii) A copy of the written statement of defence, if any, submitted by the employee;
 - (iii) A copy of the statement of witnesses, if any, referred to in sub-rule(3);
 - (iv) Evidence proving the delivery of the documents referred to in sub-rule (3) to the employee.
 - (v) A copy of the order appointing the “Presenting Officer”, if any; and
 - (vi) A copy of the list of witnesses, if any, furnished by the employee.
- (8) The employee shall appear in person before the Inquiring Authority on such day and at such time within ten working days from the date of receipt by the Inquiring Authority of the order appointing him as such, as the Inquiring Authority may, by a notice in writing, specify in this behalf, or within such further time, not exceeding ten days, as the Inquiring Authority may allow.

- (9) (i) The employee may take the assistance of any other employee of the Company posted in any office either at his headquarters or at the place where the inquiry is held, to present the case on his behalf, but may not engage a legal practitioner for the purpose, unless the Presenting Officer appointed by the Disciplinary authority is a legal practitioner, or the Disciplinary Authority, having regard to the circumstances of the case, so Permits.

Provided that the employee may take the assistance of any other employee posted at any other place, if the Inquiring Authority having regard to the circumstances of the case, and for the reasons to be recorded in writing so permits.

Note --The employee shall not take assistance of any other employee of the Company who has more than three pending disciplinary cases on hand in which he has to give assistance.

- (ii) The employee may also take assistance of a retired employee of the Company to present the case on his behalf, subject to such conditions as may be specified by the management from time to time by general or special order in this behalf.

Note --- The retired employee cannot act as a Defence Assistant in more than seven cases at a time. He should, therefore, satisfy the Inquiring Authority that he does not have more than seven cases at hand including the case in question.

- (10) The Inquiring Authority shall, if the employee fails to appear within the specified time or refuses or omits to plead, require the Presenting Officer, if any, to produce the evidence by which he proposes to prove the articles of charge, and shall adjourn the case to a later date not exceeding thirty days, after recording an order that the employee may for the purpose of preparing his defence -----

- (i) Inspect within five days of the order or within such further time not exceeding five days as the Inquiring Authority may allow, the documents specified in the list referred to in sub-rule (3);
- (ii) Submit a list of witnesses to be examined on his behalf;
- (iii) Give a notice within ten days of the order or within such time not exceeding ten days as the Inquiring Authority may allow, for the discovery or production of any documents which are in possession of the management but not mentioned in the list referred to in sub-rule (3).

Note : The employee shall indicate the relevance of the documents required by him to be discovered or produced by the management

- (11) The Inquiring Authority shall, on receipt of the notice for discovery or production of documents, forward the same or copies thereof to the authority in whose custody or possession the documents are kept, with a requisition for the production of the documents by such date as may be specified in such requisition:

Provided that the inquiring authority may, for reasons to be recorded by it in writing, refuse to requisition such of the documents as are, in its opinion, not relevant to the case. .

- (12) On receipt of the requisition referred to above, every authority in whose custody or possession the requisitioned documents are, shall arrange to produce the same before the Inquiring Authority :

Provided that if the authority having the custody or possession of the requisitioned documents is satisfied for reasons to be recorded by it in writing that the production of all or any of such documents would be against the public interest or security of State or the interest of the Company, it shall inform the Inquiring Authority accordingly and the Inquiring Authority shall, on being so informed, communicate the information to the employee and withdraw the requisition made by it for the production or discovery of documents.

- (13) On the date fixed for the inquiry, the oral and documentary evidence by which the articles of charge are proposed to be proved shall be produced by or on behalf of the Disciplinary Authority. The witnesses shall be examined by or on behalf of the Presenting Officer and may be cross-examined by or on behalf of the employee. The Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on any new matter, without the leave of the Inquiring Authority. The Inquiring Authority may also put such questions to the witnesses as it thinks fit.

- (14) If it shall appear necessary before the close of the case on behalf of the Disciplinary Authority, the inquiring authority may, in its discretion, allow the Presenting Officer, to produce evidence not included in the list given to the employee or may itself call for new evidence or recall and re-examine any witness and in such case the employee shall be entitled to have, if he demands it, a copy of the list of further evidence proposed to be produced and an adjournment of the inquiry for three clear days before the production of such new evidence, exclusive of the day of adjournment and the day to which the inquiry is adjourned. The Inquiring Authority shall give the employee an opportunity of inspecting such documents before they are taken on the record. The Inquiring Authority may also allow the employee to produce new evidence, if it is of the opinion that the production of such evidence is necessary in the interests of justice

Note -- New evidence shall not be permitted or called for or any witness shall not be recalled to fill up any gap in the evidence. Such evidence may be called for only when there is an inherent lacuna or defect in the evidence, which has been produced originally

- (15) When the case for the Disciplinary Authority is closed, the employee shall be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case, a copy of the statement of defence shall be given to the Presenting officer, if any, appointed.
- (16) The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf if he so prefers. The witnesses produced by the employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the Inquiring Authority according to the provisions applicable to the witnesses for the Disciplinary Authority.
- (17) The Inquiring Authority may, after the employee closes his case, and shall if the employee has not examined himself, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.
- (18) The Inquiring Authority may, after completion of the production of evidence, hear the Presenting Officer, if any, appointed, and the employee or permit them to file written briefs of their respective cases, if they so desire.
- (19) If the employee to whom a copy of articles of charge has been delivered, does not submit the written statement of defence on or before the date specified for the purpose or does not appear in person before the Inquiring Authority or otherwise fails or refuses to comply with any of the provisions of this rule, the Inquiring Authority may hold the inquiry ex parte.
- (20) Whenever any Inquiring Authority, after having heard and recorded the whole or any part of the evidence in an inquiry ceases to exercise jurisdiction therein, and is succeeded by another Inquiring Authority which has, and which exercises, such jurisdiction, the Inquiring Authority so succeeding may act on the evidence so recorded by its predecessor, or partly recorded by its predecessor and partly recorded by itself:

Provided that if the succeeding Inquiring Authority is of the opinion that further examination of any of the witnesses whose evidence has already been recorded is necessary in the interests of justice, it may recall, examine, cross-examine and re-examine any such witnesses as hereinbefore provided.

- (21) (i) After the conclusion of the inquiry, a report shall be prepared and it shall contain ---
- (a) the articles of charge and the statement of the imputations of misconduct or misbehaviour ;
 - (b) the defence of the employee in respect of each article of charge;
 - (c) an assessment of the evidence in respect of each article of charge; and
 - (d) the findings on each article of charge and the reasons therefor.

Explanation:– If in the opinion of the Inquiring Authority the proceedings of the inquiry establish any article of charge different from the original articles of the charge, it may record its findings on such article of charge:

Provided that the findings on such article of charge shall not be recorded unless the employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

- (ii) The Inquiring Authority, where it is not itself the Disciplinary Authority, shall forward to the Disciplinary Authority the records of inquiry which shall include ---
- (a) the report of the inquiry prepared by it under sub-clause (i) above;
 - (b) the written statement of defence, if any, submitted by the employee.;
 - (c) the oral and documentary evidence produced in the course of the inquiry;
 - (d) written briefs, if any, filed by the Presenting Officer or the employee or both during the course of the inquiry; and
 - (e) the orders, if any, made by the Disciplinary Authority and the Inquiring Authority in regard to the inquiry.

36. Action on the Inquiry Report

- (1) The disciplinary authority, if it is not itself the Inquiring Authority may, for reasons to be recorded by it in writing, remit the case to the Inquiring Authority for further inquiry and report and the Inquiring Authority shall thereupon proceed to hold the further inquiry according to the provisions of Rule 35, as far as may be.

- (2) The disciplinary authority :-
- (i) Shall forward or cause to be forwarded a copy of the report of the inquiry, if any, held by Disciplinary Authority or, where the Disciplinary Authority is not the Inquiring Authority, a copy of the report of the Inquiring Authority, together with its own tentative reasons for disagreement, if any, with findings of the Inquiring Authority on any article of charge to the employee who shall be required to submit, if he so desires, his written representation or submission to the Disciplinary Authority within fifteen days, irrespective of whether the report is favourable or not to the employee;
 - (ii) Shall consider the representation if any, submitted by the employee and record its findings before proceeding further in the matter as specified in sub-rules (3) to (6).
- (3) Where the Disciplinary Authority is of the opinion that the penalty warranted is such as is not within its competence, it shall forward the records of the inquiry to the appropriate Disciplinary Authority who shall act on the basis of his independent assessment of the evidence taking into account the record of inquiry proceedings and findings of the Inquiring Authority and pass such orders as it may deem fit in accordance with these rules.
- (4) If the disciplinary authority, having regard to its findings on all or any of the articles of charge, is of the opinion that any of the penalties specified in clauses (a) to (e) of Rule 33 should be imposed on the employee, it shall notwithstanding anything contained in Rule 37 make an order imposing such penalty :
- (5) If the disciplinary authority, having regard to its findings on all or any of the articles of charge and on the basis of the evidence adduced during the inquiry, is of the opinion that any of the penalties specified in clauses (f) to (j) of Rule 33 should be imposed on the employee, it shall make an order imposing such penalty and it shall not be necessary to give the employee any opportunity of making representation on the penalty proposed to be imposed :
- (6) If the disciplinary authority having regard to its findings on all or any of the articles of charge is of the opinion that no penalty is called, it may pass an order exonerating the employee concerned.

37. Procedure for imposing minor penalties

- (1) Subject to the provisions of sub-clause (d) of sub-rule (6)(i) of Rule 35 and of sub-rule (4) of Rule 36, no order imposing on a employee any of the penalties specified in clauses (a) to (e) of Rule 33 shall be made except after –

- (i) Informing the employee in writing of the proposal to take action against him and of the imputations of misconduct or misbehaviour on which it is proposed to be taken, and giving him a reasonable opportunity of making such representation as he may wish to make against the proposal;
 - (ii) Holding an inquiry in the manner laid down in Rule 35, in every case in which the Disciplinary Authority is of the opinion that such inquiry is necessary;
 - (iii) Taking the representation, if any, submitted by the employee under clause (i) and the record of inquiry, if any, held under clause (ii) into consideration; and
 - (iv) Recording a finding on each imputation of misconduct or misbehaviour.
- (2) Notwithstanding anything contained in clause (ii) of sub-rule (1), if in a case, it is proposed, after considering the representation, if any, made by the employee under clause (i) of that sub-rule to withhold increments of pay and such withholding of increments is likely to affect adversely the amount of terminal benefits payable to him, or to withhold increments of pay for a period exceeding three years, or to withhold increments of pay with cumulative effect for any period, an inquiry shall be held in the manner laid down in Rule 35, before making any order imposing on the employee any such penalty.
- (3) The record of the proceedings in cases specified in sub-rules (1) and (2) shall include-
- (i) A copy of the intimation to the employee of the proposal to take action against him;
 - (ii) A copy of the statement of imputations of misconduct or misbehaviour delivered to him;
 - (iii) His representation, if any;
 - (iv) The evidence produced during the inquiry;
 - (v) The findings on each imputation of misconduct or misbehaviour; and,
 - (vi) The orders on the case together with the reasons there for.

38. Communication of orders

Orders made by the Disciplinary Authority shall be communicated to the employee concerned, who shall also be supplied with a copy of the report of inquiry, if any, held by the Disciplinary Authority and a copy of its finding on each article of charge, or where the Disciplinary Authority is not the Inquiring Authority, a copy of the report of Inquiring Authority and a statement of the findings of the Disciplinary Authority together with brief reasons for its disagreement, if any, with the findings of the Inquiring Authority.

39. Common proceedings

Where two or more employees are concerned in a case, the authority competent to impose a penalty of dismissal from service on all such employees may make an order directing that disciplinary proceedings against all of them may be taken in a common proceeding

Note:-- (1) If the authorities competent to impose the penalty of dismissal on such employees are different, an order for taking disciplinary action in common proceeding may be made by the highest of such authorities with the consent of the others.

(2) Any such order shall specify.

- (i) The authority, which may function as the Disciplinary Authority for the purpose of such common proceedings;
- (ii) The penalties specified in Rule 33 which such Disciplinary Authority shall be competent to impose; provided that such authority shall not impose the penalties specified in clauses (vii) to (ix) of that rule if that authority is subordinate to the Appointing Authority; and
- (iii) Whether the procedure laid down in Rule 35 and Rule 36 or Rule 37 shall be followed in the proceedings.

40. Special procedure in certain cases

Notwithstanding anything contained in Rule 35 to Rule 39, the disciplinary authority may impose any of the penalties specified in Rule 33 in any of the following circumstances :-

- (i) Where any penalty is imposed on an employee on the ground of conduct which led to his conviction on a criminal charge; or
- (ii) Where the disciplinary authority is satisfied for reasons to be recorded by it in writing that it is not reasonably practicable to hold an inquiry in the manner provided in these rules; or

- (iii) Where the Board is satisfied that in the interest of the security of the State / Corporation, it is not expedient to hold any inquiry in the manner provided in these rules.

Provided that the employee may be given an opportunity of making representation on the penalty proposed to be imposed before any order is made in a case under Clause (i).

41. Continuation of departmental / judicial proceedings after the age of superannuation:

(1) The employee against whom the disciplinary proceedings for a major penalty or any judicial proceedings, have been instituted while the employee was in service, shall cease to be in service on the date of superannuation, but the disciplinary / judicial proceedings shall be deemed to be proceedings under these rules and shall be continued, concluded and final order is passed in respect thereof by the authority by which these were commenced in the same manner as if the employee had continued in service. The concerned employee shall not receive any pay and/ or allowance after the date of superannuation. He shall also not be entitled for the payment of retirement benefits, except his own contribution to Provident Fund, till the proceedings are completed and a final order is passed thereon.

(2) If in the departmental or judicial proceedings the employee is found guilty of grave misconduct or negligence during the period of service, including service rendered upon re-employment after retirement, the disciplinary authority may impose penalty of dismissal / removal from service retrospectively from the date of superannuation. The disciplinary authority may also order recovery of the whole or part of any pecuniary loss caused to the Corporation as a result of his said misconduct or negligence.

(3) For the purpose of this rule:

- a. Departmental proceedings shall be deemed to be instituted on the date on which the statement of charges is issued to the employee, or if the employee has been placed under suspension from an earlier date, on such date; and,
- b. Judicial proceedings shall be deemed to be instituted –
 - (i) In the case of criminal proceedings, on the date on which the complaint or report of a police officer, of which the Magistrate takes cognizance, is made, and
 - (ii) In the case of civil proceedings, on the date the plaint is presented in the court.

42. Provisions regarding CRWC employees lent to any Ministry / Department of Central / State Government, Public Undertakings, Autonomous Bodies etc. –

- (1) Where the services of an employee of the Company are lent to any other Ministry or Department of the Central Government or to a State Government, or another public undertaking / autonomous body, or an authority subordinate thereto or to a local or other authority (hereinafter in this rule referred to as "the borrowing authority"), the borrowing authority shall have the powers for the purpose of placing him under suspension and of the Disciplinary Authority for the purpose of conducting disciplinary proceedings against him:

Provided that the borrowing authority shall forthwith inform the appropriate authority of the Company which lent the services of the employee (viz. Lending Authority) of the circumstances leading to the order of his suspension or the commencement of the disciplinary proceedings, as the case may be.

- (2) In the light of the findings in the disciplinary proceedings conducted against such employee ---

- (i) If the borrowing authority is of the opinion that any of the penalties specified in clauses (a) to (e) of Rule 33 should be imposed on the employee, it may, after consultation with the appropriate authority of the Company make such orders on the case as it deems necessary.

Provided that in the event of a difference of opinion between the borrowing authority and the lending authority of the Company, the services of the employee shall be replaced at the disposal of the Company.

- (ii) If the borrowing authority is of the opinion that any of the penalties specified in clauses (f) to (j) of Rule 33 should be imposed on the employee, it shall replace his services at the disposal of the Company and transmit to it the proceedings of the inquiry and thereupon the appropriate authority of the Company may, if it is the Disciplinary Authority, pass such orders thereon as it may deem necessary, or, if it is not the Disciplinary Authority, submit the case to the Disciplinary Authority which shall pass such orders on the case as it may deem necessary:

Provided that before passing such orders, the Disciplinary Authority shall comply with the provisions of sub-rules (4) and (5) of Rule 36.

Explanation -- The Disciplinary Authority may make an order under this clause on the record of the inquiry transmitted to it by borrowing authority, or after holding such further inquiry as it may deem necessary, as far as may be, in accordance with Rule 35.

43. Provisions regarding Employees on deputation from the Central Government or the State Government, Public Undertakings, Autonomous Bodies etc.

- (1) Where an order of suspension is made or a disciplinary proceeding is conducted against an employee, who is on deputation to the Company from the Central or State Government, or another public undertaking / autonomous body, or a local or other authority, the authority lending his services (hereinafter in this rule referred to as "the Lending Authority") shall forthwith be informed of the circumstances leading to the order of his suspension, or the commencement of the disciplinary proceeding, as the case may be.
- (2) In the light of the findings in the disciplinary proceeding conducted against the employee:
 - (a) If the Disciplinary Authority is of the opinion that any of the minor penalties specified in Clauses (a) to (e) of Rule 33 should be imposed on him, it may, subject to the provisions of sub-rule (3) of Rule 36, and after consultation with the lending authority, pass such orders on the case as it may deem necessary:

Provided that in the event of a difference of opinion between the Borrowing authority and the lending authority, the services of the employee shall be replaced at the disposal of the lending authority.
 - (b) If the Disciplinary Authority is of the opinion that any of the major penalties specified in Clauses (f) to (j) of Rule 33 should be imposed on him, it shall replace his services at the disposal of the lending authority and transmit to it the proceedings of the inquiry for such action as it may deem necessary.
- (3) If the employee submits an appeal against an order imposing a minor penalty on him under sub-rule (2) (a), it will be disposed of after consultation with the lending authority;

Provided that if there is a difference of opinion between the Appellate Authority and the lending authority, the services of the employee shall be placed at the disposal of the lending authority, and the proceedings of the case shall be transmitted to that authority for such action as it may deem necessary.

APPEALS

44 Orders against which appeal lies

An employee may prefer an appeal against all or any of the following orders under these rules, namely:--

- (1) An order of suspension made or deemed to have been made under Rule 30;
- (2) An order imposing any of the penalties specified in Rule 33 whether made by the disciplinary authority or by an appellate or reviewing authority;
- (3) An order enhancing any penalty, imposed under Rule 33;
- (4) An order :-
 - (i) Determining the subsistence and other allowances to be paid to him for the period of suspension or for the period during which he is deemed to be under suspension or for any portion thereof;
 - (ii) Determining his pay and allowance ---
 - (a) For the period of suspension, or
 - (b) For the period from the date of his dismissal, removal or compulsory retirement from service , or from the date of his reduction of a lower service, grade, post, time-scale or stage in a time-scale of pay to the date of his reinstatement or restoration to his service, grade or post; or
 - (c) Determining whether or not the period from the date of his suspension or from the date of his dismissal, removal or compulsory retirement or reduction to a lower service, grade, post, time-scale or pay or stage in a time-scale of pay to the date of his reinstatement or restoration to his service, grade or post shall be treated as a period spent on duty for any purpose.

Explanation :- In this rule the expression 'employee' includes a person who has ceased to be in service.

45. Appellate Authority

- (1) An employee, including a person who has ceased to be in service, may prefer an appeal against all or any of the orders specified in Rule 44 to the authority specified in this behalf either in the Schedule or, where no such authority is specified.
 - (i) Where a penalty is imposed by a reviewing authority under Rule 50, to the authority to which it is immediately subordinate;

- (ii) Where a penalty is enhanced, whether on appeal or on review, to the authority to which the authority making the order is immediately subordinate;
 - (iii) In the case of an appeal against an order specified in sub rule (4) of Rule 44 to the authority to which the authority making the order is immediately subordinate.
- (2) Notwithstanding anything contained in sub-rule(1) ---
- (i) An appeal against an order in a common proceeding held under Rule 39, shall lie to the authority to which the authority functioning as the Disciplinary Authority for the purpose of that proceeding, is immediately subordinate;
 - (ii) Where the person who made the order appealed against becomes, by virtue of his subsequent appointment or otherwise, the Appellate Authority in respect of such order, an appeal against such order shall lie to the authority to which such person is immediately subordinate;

46. Period of limitation for appeals.

No appeal preferred under these rules, shall be entertained unless such appeal is preferred within a period of 45 days from the date on which a copy of the order appealed against, is delivered to the appellant ;

Provided that the appellate authority may entertain the appeal, after the expiry of the said period, if it is satisfied that the appellant had sufficient cause for not preferring the appeal in time.

47 . Form, contents and submission of appeal

- (1) Every person preferring an appeal shall do so separately and in his own name. An appeal forwarded through or counter-signed by a legal practitioner or an assisting employee or a Trade Union Official shall not be entertained but shall be returned with the direction to submit it under the signature of the appellant only.
- (2) The appeal shall be presented to the authority to whom the appeal lies, a copy being forwarded by the appellant to the authority, which made the order appealed against. It shall contain all material statements and arguments on which the appellant relies, but shall not contain any disrespectful or improper language and shall be complete in itself.
- (3) The authority which made the order appealed against, shall, on receipt of a copy of the appeal, forward the same with its comments thereon together with the relevant records to the Appellate Authority without any avoidable delay and without waiting for any direction from the Appellate Authority.

48. Consideration of appeal

- (1) In the case of an appeal against an order of suspension, the Appellate Authority shall consider whether in the light of the provisions of Rule 30 and having regard to the circumstances of the case, the order of suspension is justified or not and confirm or revoke the order accordingly.
- (2) In the case of an appeal against an order imposing any of the penalties specified in Rule 33 or enhancing any penalty imposed under the said rule, the Appellate Authority shall consider :-
 - (i) Whether the procedure laid down in these rules has been complied with, and if not, whether such non-compliance has resulted in the violation of any provisions of the Constitution of India or in the failure of justice;
 - (ii) Whether the findings of the Disciplinary Authority are warranted by the evidence on the record; and
 - (iii) Whether the penalty or the enhanced penalty imposed is adequate, inadequate or severe; and pass orders ---
 - (a) Confirming, enhancing, reducing or setting aside the penalty; or
 - (b) Remitting the case to the authority which imposed or enhanced the penalty or to any other authority with such directions as it may deem fit in the circumstances of the case:

Provided that –

 - (i) If the enhanced penalty which the Appellate Authority proposes to impose is one of the penalties specified in clauses (f) to (j) of Rule 33 and an inquiry under Rule 35 has not already been held in the case, the Appellate Authority shall subject to the provisions of Rule 40, itself hold such inquiry or direct that such inquiry be held in accordance with the provisions of Rule 35 and thereafter, on a consideration of the proceedings of such inquiry, make such orders as it may deem fit;
 - (ii) If the enhanced penalty which the Appellate Authority proposes to impose, is one of the penalties specified in clauses (f) to (j) of Rule 33 and an inquiry under Rule 35 has already been held in the case, the Appellate Authority shall, make such orders as it may deem after the appellant has been given a reasonable opportunity of making a representation against the proposed penalty; and
 - (iii) No order imposing an enhanced penalty shall be made in any other case unless the appellant has been given a reasonable opportunity, as far as may be, in accordance with the provisions of Rule 37, of making a representation against such enhanced penalty.
- (3) In an appeal against any other order specified in Rule 44, the Appellate Authority shall consider all the circumstances of the case and make such orders as it may deem just and equitable.

- (4) Where the appeal is against the order of disciplinary authority imposing a major penalty and the appellant makes a specific request for a personal hearing, the appellate authority may after considering all relevant circumstances of the case allow the appellant, at its discretion, the personal hearing. In all those cases where a personal hearing is allowed by the appellate authority the employees of the Company may be allowed to take the assistance of a defence assistant also, if a request is made to that effect.

49. Implementation of orders in appeal

The authority, which made the order appealed against, shall give effect to the orders passed by the Appellate Authority.

50. Review

- (1) Notwithstanding anything contained in these rules --

- (i) The Board; or
- (ii) The Managing Director; or
- (iii) Any other authority not below the rank of General Manager in the case of employee serving under his control;

may at any time, either on his or its own motion or otherwise, call for the records of any inquiry and review any order made under these rules, and may –

- (a) Confirm, modify or set aside the order; or
- (b) Confirm reduce, enhance or set aside the penalty imposed by the order, or impose any penalty where no penalty has been imposed; or
- (c) Remit the case to the authority which made the order or to any other authority directing such authority to make such further enquiry as it may consider proper in the circumstances of the case; or,
- (d) Pass such orders as it may deem fit:

Provided that –

- (i) No order imposing or enhancing any penalty shall be made by any reviewing authority unless the employee concerned has been given a reasonable opportunity of making a representation against the penalty proposed;

(ii) Subject to the provisions of Rule 41, where it is proposed to impose any of the penalties specified in clauses (f) to (j) of Rule 33 or the penalty specified in clause (e) of Rule 33 which falls within the scope of the provisions contained in sub-rule (2) of Rule 37 or to enhance the penalty imposed by the order under review to any of the penalties specified in this sub-clause, no such penalty shall be imposed except after following the procedure for inquiry in the manner laid down in Rule 33, unless such inquiry has already been held.

(2) No proceeding for review shall be commenced until after –

- (i) The expiry of the period of limitation for appeal; or
- (ii) The disposal of the appeal where any such appeal has been preferred.

(3) An application for review shall be dealt with in the same manner as if it were an appeal under these rules.

(4) No power of review shall be exercised under this rule –

- (i) By the appellate or reviewing authority where it has already considered the appeal or the case and passed orders thereon; and
- (ii) By a reviewing authority unless it is higher than the appellate authority where an appeal has been preferred or where no appeal has been preferred and the time limit laid down for review by the appellate authority, has expired;

Provided that nothing contained in clauses (i) and (ii) above, shall apply to review by the Board as it can review any order made under these rules. .

(5) No action under this rule shall be initiated by –

- (i) An appellate authority other than the Board ; or
- (ii) The reviewing authorities mentioned in item (ii) to (iii) of sub-rule (1)

After more than six months from the date of the order to be reviewed in cases where it is proposed to impose or enhance a penalty or modify the order to the detriment of the employee or more than one year after the date of the order to be reviewed in cases where it is proposed to reduce or cancel the penalty imposed or modify the order in favour of the employee.

Provided that when review is undertaken by the Board, restriction of any time limit will not apply.

- Explanation
- (1) Board of Directors can review its own orders including an order passed under Rule 50.
 - (2) For the purposes of this Rule the time limits for review of cases shall be reckoned from the date of issue of the orders proposed to be reviewed. In cases where original order has been upheld by the Appellate Authority, the time limit shall be reckoned from the date of issue of the appellate orders.

51. Service of orders, notices, etc.

Every order, notice and other process made or issued under these rules shall be served in person on the employee concerned or communicated to him by registered post at his last known address.

52. Power to relax time-limit and to condone delay

Save as otherwise expressly provided in these rules, the authority competent under these rules to make any order may, for good and sufficient reasons or if sufficient cause is shown, extend the time specified in these rules for anything required to be done under these-rules or condone any delay.

53. Premature retirement of employees

- (1) Management has the absolute right to retire any employee in public interest before his normal date of retirement after he has attained the age of 50 years or on completing 30 years of qualifying service.
- (2) In order to ensure that the powers vested in the appropriate authority are exercised fairly and impartially, a review committee of 3 officers shall be constituted to which all such cases shall be referred for recommendations as to whether the employee should be retired from service in the public interest or whether he should be retained in service.
- (3) The following criteria shall be considered for this purpose :
 - (i) An employee whose integrity is doubtful will be retired.
 - (ii) An employee who is found to be ineffective will be retired. The basic consideration in identifying such an employee shall be the fitness / competence of the employee to continue in the post which he is holding.
 - (iii) Entire service record of the employee including Confidential Reports, personal file and other record relating to the employee shall be taken into account at the time of review in an objective manner.
 - (iv) No employee shall ordinarily be retired on grounds of ineffectiveness if his service during the preceding 5 years or where he has been

promoted to a higher post during that 5 years' period, his service in the highest post has been found satisfactory.

- (v) An employee shall not ordinarily be retired on ground of ineffectiveness if, in any event, he would be retiring on superannuation within a period of one year from the date of consideration of his case, on compassionate grounds. But, in a case, where there is a sudden and steep fall in the competence, efficiency or effectiveness of an employee, it would be open to review his case for premature retirement under these rules.

Note -- The instructions in clause (iv) and (v) above are relevant when an employee is proposed to be retired on the ground of ineffectiveness, but not on the ground of doubtful integrity.

- (4) Time-schedule for Review : Cases of employees shall be reviewed half-yearly, i.e., six months before they attain the age of 50 years or on completing 30 years qualifying service, whichever event occurs earlier. The review may be undertaken according to the following schedule :

	Half-year in which review is to be made	Cases of employees who will be attaining the age of 50 years or will be completing 30 years of qualifying service, as the case may be, in the half-year to be reviewed.
(a)	January to June	July to December of the same year.
(b)	July to December	January to June of the next year.

- (5) Constitution of the Review Committee : The review committee may consist of two officers of appropriate level keeping in view of the level of employee whose case is to be reviewed, but not below the level of Senior Manager, One of them shall be the Head of Department concerned. The nomination of the members of the committee shall be made by the Managing Director.
- (6) (i) The rules relating to premature retirement shall not be used –
- (a) To retire an employee on grounds of specific act of misconduct, as a short-cut to initiating formal disciplinary proceedings ; or
- (b) For reduction of surplus staff or as a measure of effecting general economy without following the rules and instructions relating to retrenchment.

- (ii) When an employee has reached an stage in service where review under these rules can be initiated, and a disciplinary inquiry has been conducted and the stage has also been reached as to the decision by the competent authority of the punishment to be imposed, it would not be appropriate to issue, instead, an order of premature retirement under these rules. But, where no disciplinary inquiry has been initiated and the specific allegation of misconduct involving lack of integrity is only one facet on the service record of the employee, which has to be considered in *toto*, an order of premature retirement under these rules can quite appropriately be passed , if the same is otherwise justified. Each case has to be considered on its own merits.
- (7) The appropriate authority taking a decision on the recommendations of the Review Committee in respect of **Executives (Manager and above / Non-executives (Deputy Manager and below)** except General Manager shall be Managing Director. For General Manager, Board of Directors.
- (8) The appropriate authority shall consider the recommendations of the Committee and take a decision recording that after considering all aspects of the case, it has come to the conclusion that it is in the public interest to retire the employee. Such a decision should be bona fide and in the public interest based upon the relevant grounds and should not be influenced by extraneous considerations, arbitrariness or actuated by mala fides.
- (9) When the competent authority has come to the conclusion that an employee may be prematurely retired, he shall be given a notice of not less than 3 months(excluding the date of serving the notice) or three months pay and allowances in lieu of notice.

Note – (i) 3 months notice referred to in the above para may be given before the employee attains the age when he has to retire, but retirement should take place after he has attained the age of 50 years or has completed 30 years of qualifying service, as the case may be.

(ii) When payment of 3 months pay and allowances is made in lieu of notice, it shall be made simultaneously with the order of retirement.

(iii) Allowances shall include dearness allowance, house rent allowance and city compensatory allowance at the rates at which the employee was getting immediately before the retirement.

- (iv) The three months' pay and allowances given in lieu of notice are salary and, therefore, income tax is required to be deducted at source.
- (10) (i) In case the appropriate authority after the relevant review, comes to the conclusion that the employee is not fit for being retained in the present post, but could be retained in the next lower post from which he was promoted, a notice in the prescribed form shall be served on the employee retiring him from service. Simultaneously, it may be explained to him in a covering letter that his continuance in service beyond the age of 50 years or after the completion of 30 years qualifying service, as the case may be, could be considered, if he is willing to revert to the lower post held by him previously. In case he indicates his willingness for working in the lower post and gives his written request being reverted and to work in the lower post, the notice may be withdrawn and he may be reverted and continued in the lower post.
- (ii) The employees who seek reversion to the lower post in lieu of premature retirement, shall be eligible for consideration for promotion after they had put in a period of two years in the lower post. The promotion will not be automatic but such employees shall be considered for promotion along with others in accordance with the normal rules on the basis of subsequent records in the lower post.
- (11) Once a decision has been taken by the appropriate authority to retain an employee beyond the age of 50 years or beyond the completion of 30 years of qualifying service, he will ordinarily continue in service till he attains the age of retirement. If, however, the appropriate authority considers at any time thereafter, that the retention of that employee will not be in the public interest, that authority may take necessary action to retire him by following the prescribed procedure.
- (12) An employee who has been served with the notice / order of premature retirement, may submit a representation within three weeks from the date of service of such notice / order.
- (13) Management will examine the representation to see whether any new facts/ aspect have been brought out and then place it before the Representation Committee. The Representation Committee may consist of two officers of the appropriate level (i.e., higher than the level of members of the Review Committee). None of them should be connected with the original decision to retire the employee prematurely. The nomination of the officers on the Committee shall be made by the Managing Director.

The Representation Committee will consider the representation and give its recommendations for a decision by the Board of Directors.

- (14) If, in any case, it is decided to reinstate a prematurely retired employee in service after considering his representation in accordance with these instructions, the period intervening between the date of his premature retirement and the date of reinstatement may be regulated by the authority ordering reinstatement as duty or as leave or dies non, as the case may be, taking into account the merits of each case.
- (15) Representations from the employees who have been served with a notice/order of premature retirement, but have obtained stay order(s) from a court against the aforesaid orders, need not be considered by the management, nor sent up to the Representation Committee until disposal of the court case.

Thereafter the cases may be examined as outlined above.

- (16) An employee, who is prematurely retired under this rule will be entitled to the following benefits :
 - (a) Three month's notice or 3 month's pay in lieu of thereof.
 - (b) Encashment of un-availed earned leave as provided under the Leave Rules.
 - (c) Full provident fund contribution of the employer with accretions thereto into the account of the employee subject to the provisions of the Provident Fund Rules applicable to him.
 - (d) Gratuity as admissible under the rules applicable to him.
 - (e) Transfer benefits for self and family for proceeding to home town, or where he intends to settle in India as admissible to an employee on his retirement under the "CRWC Traveling Allowance Rules".

54. Restrictions on top level executives of Company joining private commercial undertakings after retirement

No functional Director of the Company including the Chief Executive, who has retired / resigned from the service of the Company, after such retirement / resignation, shall accept any appointment or post, whether advisory or administrative, in any firm or Company, whether Indian or foreign, with which the Company has or had business relations, within one year from the date of his retirement without prior approval of the Government.

The request for permission to take post-retirement employment under this rule shall be made on the prescribed form and shall be addressed to the appropriate authority in the Ministry of Food, Consumer Affairs & Public Distribution.

Explanation -- (1) The term “retirement” includes resignation; but not cases of those whose term of appointment was not extended by Government for reasons other than proven misconduct.

(2) The term “ business relations” includes ‘official dealings’ as well.

55. Savings

(1) Nothing in these rules shall be construed as depriving any person to whom these rules apply, of any right of appeal which had accrued to him under the rules, which have been superseded by these rules.

(2) An appeal pending at the commencement of these rules against an order made before the commencement of these rules shall be considered and orders thereon shall be made, in accordance with these rules.

(3) The proceedings pending at the commencement of the rules shall be continued and disposed off as far as may be, in accordance with the provisions of these rules, as if such proceedings were proceedings under these rules.

(4) Any misconduct, etc. committed prior to the issue of these rules which was a misconduct under the superseded rules, shall be deemed to be a misconduct under these rules.

56. The instructions already available in the form of Government decision, explanation, or clarification under the corresponding / relevant rules framed by the Government of India for the government servants, may be considered as guiding principle for deciding an individual case on any such point, which is not covered by these rules, arising in the Company.

57. Removal of doubts

Where a doubt arises as to the interpretation of any of the provisions of these rules, the matter shall be referred to the Managing Director for final decision.

58. Amendments

The Board may amend, modify or add to these rules, from time to time, and all such amendments, modifications or additions shall take effect from the date stated therein.

**SCHEDULE SPECIFYING DISCIPLINARY, APPELLATE AND REVIEWING AUTHORITIES UNDER
THE CRWC (CONDUCT, DISCIPLINE AND APPEAL) RULES, 2012.**

Sl. No.	Category of Employees	Disciplinary Authority for minor penalties specified in Clauses (a), (b), (d) & (e) of Rule 33	Disciplinary Authority for major penalties specified in Clauses (f) and (g) of Rule 33	Disciplinary Authority for minor/ major penalties specified in Clauses (c) & (h) to (j) of Rule 33	Appellate Authority	Reviewing Authority
1.	Executives Deputy Manager-E-2 Grade & below	Deputy General Manager or next higher authorities	Deputy General Manager or next higher authority	General Manager or next higher authority	Managing Director	Board of Directors
2.	Executives Manager-E-3 Grade and above	Managing Director	Managing Director	Board of Directors	Board of Directors	Board of Directors
3.	Board level appointees, i.e., Managing Director	All authorities will be as prescribed by Government of India, as they are appointed by Government of India.				