

FCI ARAVALI GYPSUM & MINERALS INDIA LIMITED
EMPLOYEE' (CONDUCT, DISCIPLINE AND APPEAL)
RULES, 2005

In exercise of powers conferred on the Board of Directors under Article 99(15) of the Articles of Association of the FCI Aravali Gypsum and Minerals India Limited., the Board of Directors hereby make the following rules namely:-

“ The FCI Aravali Gypsum and Minerals India Ltd. Employees' (Conduct, Discipline and Appeal) Rules, 2005”

PART I : GENERAL

1. Short Title and Commencement

- (i) These rules may be called the FCI Aravali Gypsum & Minerals India Ltd. Employees' (Conduct, Discipline and Appeal) Rules, 2005.
- (ii) The rules shall replace the existing rules adopted from the Fertilizer Corporation of India and Come into force from the date of incorporation of the Company.

2. Definitions

In these rules, unless the context otherwise requires-

- (a) 'Appointing Authority' in relation to an employee means authority empowered to make appointment to the grade in which the employee is for time being included, or the post which the employee for the time being holds.
- (b) 'Board' means Board of Directors of the FCI Aravali Gypsum and Minerals India Ltd. and in relation to any powers exercised by it. This also includes any committee of the Board / Management or any officer of the company to whom the Board delegates any of its powers.
- (c) Company's means the FCI Aravali Gypsum & Minerals India Limited.
- (d) 'competent Authority' means the authority empowered by the Board by any general or special rule or order to discharge the functions or use the powers specified in that rule or order.
- (e) 'Disciplinary Authority' in relation to the imposition of a penalty specified in Rule 20 on an employee means the authority competent under these rules to impose on him that penalty.
- (f) 'Employees' means all persons in the whole time employment of the company other than those, who are casual, work-charged and contingent staff and includes those whose services are temporarily placed at the disposal of the Central or a State

Government or a local authority and those who are on temporary deputation to the company.

- (g) 'Government' means the Central Government.
- (h) 'Management' means Chairman & Managing Director or any other person delegated with the powers to act on his behalf and /or to whom any of his powers are delegated.
- (i) 'Members of the family' in relation to an employee include:-
 - (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) Sons or daughters or step-sons or step-daughters 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 by or under any law.
 - (iii) any other person related, whether by blood or marriage to the employee or to such employee's wife or husband and wholly dependent on such employee.
- (j) 'Public Servant' shall mean and include a person as mentioned in section 21 of the Indian Penal Code as amended from time to time.

3. Application

These rules shall apply to all employees except:

- (i) Those in casual employment or paid form contingencies
- (ii) Those governed by the Standing Orders.
- (iii) Those in respect of whom the Board may have issued or may issue separate orders/ rules regarding conduct, discipline and appeal.
- (iv) Those in respect of whom the Board has by general or special order directed that these rules shall not apply.

PART II-CONDUCT

4. Scope of an Employee's Service

Unless in any case it be otherwise distinctly provided the whole time of an employee shall be at the disposal of the Company in its business in such capacity and at such places as he may from time to time, be directed.

5. Liability to abide by the Rules

Every employee of the Company shall at all times, maintain absolute integrity and devotion to duty, shall conform to and abide to and abide by these and other Rules of the Company and shall observe, comply with and obey all lawful orders and directions which may, from time to time, be given to him in the course of his official duties by any person or persons under whose jurisdiction, superintendence or control he may, for the time being, be placed.

5A. Misconduct

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

- (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 sources of income by the employee cannot satisfactorily account for.
- (4) Furnishing false information regarding name, age, father's name, qualifications, caste, ability or previous service or any other matter germane to the employment.
- (5) Acting in a manner prejudicial to the interest of the Company.
- (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 showing down of work.
- (10) Damage to any property of the Company.
- (11) Interference or tampering with any safety devices installed in or about the premises of the Company.
- (12) Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Company or outside such premises where such behaviour is related to or connected with the employment .
- (13) Gambling with the premises of the establishment.
- (14) Smoking within the premises of the establishment, wherever it is prohibited.
- (15) Collection without the permission of the competent authority of any money within the premises of the Company 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 behaviour .
- (21) Abetment of or attempt at abetment of any act, which amounts to misconduct.
- (22) Sexual harassment including unwelcome sexually determined behaviour (whether directly or by implication) as'

- (a) Physical contact and advances.
- (b) Demand or request for sexual favour.
- (c) Sexually coloured remarks.
- (d) Showing pornography.
- (e) Any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

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

5(B) Restriction regarding marriages.

- (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 management 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 Management of FCI Aravali Gypsum & Minerals India Ltd.

6. Obligation to maintain secrecy:

No employee shall, except in accordance with any general or special order of the competent authority or the Company or in the performance in good faith, of the duties assigned to him, communicate directly or indirectly any official document or any part thereof or information to any employee or any other person to whom he is not authorized to communicate such documents or information.

7. Evidence before Committee or any other Authority:

- (1) Save as provided in sub-rule (3) below, no employee 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 criticise the policy or any action of the Company.
- (3) Nothing in this rule shall apply to-

(a) evidence given at an inquiry before an authority appointed by the Government, by Parliament or by a State Legislature or Corporation; or

(b) evidence given in any judicial inquiry; or

(c) evidence given at any departmental inquiry ordered by the Company or by any authority subordinate to it or by the Government.

8. Participation in Politics and Elections.

Except in so far as may be authorized by any law, no employee shall-

- i) be an office bearer of a political party or an organization which takes part in politics;
- ii) take part in or assist in any manner in any movement / agitation or demonstration of a political nature;
- iii) take part in an election to any legislature or local authority'
- iv) Canvass in any election to any legislature or local authority.

9. Participation in Demonstration

No employee of the company shall engage himself or participate in any demonstration, which involves incitement to an offence.

10. Connection with Press of Radio or Television

1 No employee shall, except with the previous sanction of the Management, own wholly or part, or conduct or participate in the editing or Management of any newspaper or other periodical publication.

2 No employee shall, except with the previous sanction of the Management or in the bonafide discharge of his duties, participate in a radio broad-cast of television of contribute any article or write any letter either anonymously or in his own name or in the name of any other person to any newspaper or periodical:

Provided that no such sanction shall be inquired if such broadcast of such contribution is of purely literary, artistic or scientific nature

Provided further that this rule will not apply to any statements to the press made by office-bearers of registered Trade Union of the employee in any matter, which is of the nature of a Trade Union dispute and does not contravene the provisions of Rule 6

11. Private Trading or Employment

(1) No employee shall, expect with the pervious sanction of the Management, engage directly or indirectly in any trade or business or undertake any other employment.

(2) No employee shall, except with the previous sanction of the Management, take part in the registration, promotion or management of any bank or other Company registered under the Indian Companies Act or any other law for the time being in force.

Provided that an employee may, take part in the registration, promotion or management of Cooperative societies under Cooperative Societies Act or any other law for the time being in force or of a literary, scientific or charitable society registered under the Societies Registration Act, 1860 or any other corresponding law in force

(4) No employee shall, except with the previous approval of the Management, accept any fee for any work done by him for any public body or any private business or any private person.

12. Absence from duty without permission, absence from station or late attendance.

(1) An employee shall not absent himself from his duties without having obtained the permission of the competent authority.

(2) No employee shall leave the station, where he is posted, without obtaining previous permission of the competent authority unless otherwise so authorized by such authority

(3) An employee who is habitually late in attendance shall in addition to such other penalty as the competent authority may deem fit to impose, have one day's of casual leave forfeited for every three leave due to him, the period of leave to be so forfeited may be treated as privilege or extraordinary leave as the competent authority may determine.

12A. An employee of the Company shall

- (a) Strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he happens to be for the time being;
- (b) Not be under the influence of any intoxicating drink or 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,
- (e) Not use any intoxicating drink or drug to excess.

Explanation-For the purpose of this rule 'public place' means any place or premises (including clubs, even exclusively meant for members where it is permissible for members to invite non-members as guests, bars & restaurants, conveyance) to which the public have or are permitted to have access, whether on payment or otherwise.

13. Canvassing of non-official or other influence.

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

14. Gifts

(1.) Save as otherwise provided in these rules, no employee 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 when provided by any person other than a near relative or a personal friend having no official dealings with the employee.

Note:-An employee shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with him.

(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 may accept gifts from his near relatives but he shall make a report to the competent authority if the value of the gift exceeds Rs.500/-.

(3) On such occasions as are specified in sub-rule (2), an employee may accept gifts from his personal friends having no official dealings with him, but he shall make a report to the competent authority if the value of any such gift exceeds Rs. 250/-.

(4) In any other case an employee of the Company shall not accept or permit any member of his family or any other person acting on his behalf to accept any gift without the sanction of the competent authority if the value thereof exceeds Rs.285/-.

Provided that when more than one gift has been received from the same person / firm within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of the gift exceeds Rs.250/-.

14A. Dowry

- (i) No employee of the Company shall give or take or abet the giving or taking dowry; or
- (ii) Demand, directly or indirectly, from the parents 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).

15.Movable, immovable and valuable property

- (i) No employee shall, except with the previous knowledge of the Management, acquire or dispose of any immovable property by lease, mortgage, purchases, sales, gift or otherwise, either in his own name or in the name of any member of his family.
- (ii) No employee shall, except with the previous sanction of the Management, enter into any transaction concerning any immovable or movable property with a person or a firm having official dealings with the employee or any subordinate employee.
- (iii) Every employee of the Company shall report to the Management every transaction concerning movable property, either in his own name or in the name of his family within one month from the date of transaction if the value of such property exceeds Rs.20,000/- in the case of a regular employee holding the post in the scale of 12600-32500/- and above . Every employee of the Company shall also report to the Management the investments in shares, securities, debentures etc., if the value of such transactions exceeds during the calendar year Rs.50,000/- in the case of an employee holding the post in the scale of Rs.24900-50500 and above, Rs.25,000/- in the case of an employee holding the post below the scale of Rs. 24900-50500/-

Since the shares, securities, debentures etc. are treated as movable property for the purpose of Rule 15(iii), if an individual transaction exceeds the amount of Rs.20,000/-, the intimation to the prescribed authority would still be necessary.

The intimation regarding value of movable property exceeding Rs. 20,000/- and will be in addition to the intimation where cumulative transaction(s), i.e., sale, purchase or both in shares, securities, debentures or mutual funds etc. in a year exceed the limit of Rs.50,000/- and Rs.25,000/- in the respective cases

Explanation No.1

For purposes of this sub-rule, the definition of movable property would include:

- (a) Jewellery, insurance policies the annual premia of which exceeds Rs.20,000/- in the case of a regular employee holding the post in the scale of Rs.12600-32500/- and above or one-sixth of the total annual emoluments received from the Company, whichever is less and shares, securities, debentures, bonds etc.
- (b) all loans advanced or taken by employee whether secured or not;
- (c) motor cars, motor-cycles, horses or any other means of conveyance; and
- (d) refrigerators, electrical items, electronic items, furniture television sets etc.,

Explanation No.II.

Transaction entered into by the spouse any other member of the family of an employee of the Company out of his or her own funds (include stridhan, gift, inheritance etc.) as distinct from the funds of the employee of the Company himself in his or her own name and in his or her own right, would not attract the provisions of the above sub rules.

- (iv) Every employee shall, on first appointment in the Company, submit a return of assets and liabilities in such a form as the Company may prescribe in this behalf, giving the particulars regarding:-
 - (a) the immovable property inherited by him or owned or 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;
 - (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 if the value of such property exceeds Rs. 20,000/- in the case of regular employee holding the post in the scale of Rs.12600-32500/- and above.
 - (d) Debts and other liabilities incurred by him directly or indirectly.
- (v) Every Officer (Rs. 12600-32500 and above) shall , submit a return of movable and immovable property owned/inherited/acquired annually.
- (vi) No employee shall , except with the previous sanction of Management , lend or borrow money or otherwise place himself under any pecuniary obligation to a person or a firm with whom he or his subordinate employee is having or likely to have official dealing.
- (vii) The Management may, at any time, by general or special order require an employee to submit, 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 any member of his family as may be specified in the order. Such statement shall, if so required by the Management or by the authority so empowered, include details of the means by which, or the source form which such property was acquired. Failure to comply with the above requirements of the rules would amount to misconduct rendering the employee concerned to disciplinary action.

16. All appointments to any grade or post in the Company shall be made by the Board:

Provide that the Board may by general or special rules or orders and subject to such conditions as may be specified in such rules or orders delegate to any other authority the powers to make such appointments.

PART IV – SUSPENSION

17. Suspension

- (1) The appointing authority or any authority to which it is subordinate or the disciplinary authority or any other authority empowered in that behalf by the Management by general or special order may place an employee under suspension.
 - (a) Where disciplinary proceedings against him is contemplate or is pending; or
 - (b) Where a case against him in respect of any criminal offence is under investigation or trial.
- (2) An employee who is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours shall deemed to have been suspended with effect from the date of detention by an order of the appointing authority, and shall remain under suspension until further orders.
- (3) Where a penalty of dismissal or removal from service imposed upon an employee under suspension is set aside on appeal or on review under these rules and the case is remitted for further inquiry or action or with any other directions, the order of his suspension shall be deemed to have continued in force on and from the on and from the date of the original order of dismissal or removal and shall remain in force until further orders.
- (4) Where a penalty of dismissal or removal 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 or removal 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 or removal and shall continue to remain under suspension until further orders.
- (5) An order of suspension made or deemed to have been made under this regulation may at any time be revoked by the authority, which made or is deemed to have made the order or by any authority to which that authority is subordinate.

18. Subsistence Allowance

- (1) An employee under suspension shall be entitled to draw subsistence allowance equal to 50 percent of his basic pay provided the disciplinary authority is satisfied that the employee is not engaged in any other employment or business or profession or vocation. In addition, he shall be entitled to Dearness Allowance as admissible on the basis of leave salary as would be admissible to him, if he were on leave on half average pay or on half pay and any other compensatory allowance of which he was in receipt on the date of suspension provided the suspending authority is satisfied that the employee continues to meet the expenditure for which the allowance was granted.

(2) Where the period of suspension exceeds six months, the authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first six months as follows:-

i) The amount of subsistence allowance may be increased to 75% of basic pay if, in the opinion of the said authority, the period of suspension has been prolonged for reasons to be recorded in writing not directly attributable to the employee under suspension.

ii) The amount of subsistence allowance may be reduced to 25% of basic pay if, in the opinion of the said authority, the period of suspension has been prolonged due to reasons to be recorded in writing, directly attributable to the employee under suspension.

Note: In both (i) and (ii) above the employee under suspension shall be entitled to (a) dearness allowance as admissible on such increased or reduced subsistence allowance, as the case may be; and (b) any other compensatory allowance of which he was in receipt on the date of suspension subject to the condition provided under sub-rule (1) above.

(3) If an employee is arrested by the police on a criminal charge and bail is not granted, no subsistence allowance is payable. On grant of bail, if the competent authority decides to continue the suspension, the employee shall be entitled to subsistence allowance as provided in sub-rules (1) and (2) above, from the date he is granted bail.

19. Treatment of the period of suspension

When the suspension of an employee is held to be unjustified or not wholly justified; or when an employee who has been dismissed, removed or suspended is reinstated, the Management may grant to him for the period of his absence from duty.

- (a) If he is honorably acquitted, the full pay and allowances which he would have been entitled to if he had not been dismissed, removed or suspended, less the subsistence grant;
- (b) If otherwise, such proportion of pay and allowances as the Management may prescribe.

In a case falling under clause (a) the period of absence from duty will be treated as a period spent on duty. In case falling under clause (b) it will not be treated as a period spent on duty unless the Management so direct.

PART V-DISCIPLINE

20. Penalties

The following penalties may be imposed, on an employee, as hereinafter provided, for misconduct committed by him or for any other good and significant reasons.

Minor Penalties:

- a) Censure;

- b) With-holding of increments of pay with or without cumulative effect;
- c) Withholding of promotion;
- d) recovery form pay of the whole or part of any pecuniary loss caused to the Corporation/ Company by negligence or breach of order;
- e) reduction to a lower stage in the time scale of pay 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 increment of 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 or service from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to that grade or post;
- h) compulsory retirement;
- i) removal from service which shall not be a disqualification for future; employment under the; Government or the Corporation/ Company owned or controlled by the Government,
- j) dismissal from service which shall ordinarily be a disqualification for future employment under Government or the Corporation /Company owned 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.

Explanation- The following shall not amount to a penalty within the meaning of the rules:

- (i) withholding of increment of an employee on account of his work being found unsatisfactory or not being of the required standard, or for failure to pass a prescribed test or examination;
- (ii) Stoppage of an employee at the efficiency bar in a time scale , on the ground of his unfitness to cross the bar;
- (iii) Non-promotion, whether in an officiating capacity or otherwise, of an employee, to a higher post for which he is found unsuitable after consideration of his case;
- (iv) Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered, after trial, to be unsuitable for such higher grade or post, or on administrative grounds unconnected with his conduct;
- (v) Reversion to his previous grade or post, of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment of probation;
- (vi) Termination of service-

- (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;
- (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;
- (c) of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
- (d) of any employee on reduction of establishment.
- (e) The officer against whom disciplinary proceedings have been initiated will cease to be in service on the date of superannuation but the disciplinary proceedings will continue as if he was in service until the passed in respect thereof. The concerned officer will not receive any pay and/ or allowance after the date of superannuation. He will also not be entitled for the payment of retirement benefits till the proceedings are completed and final order is passed thereon except his own contribution to CPF.

Note:- For the purpose of this rule, the Disciplinary Authority will be determined with reference to the post actually held by an employee at the time of imposing the penalty on him or if he is under suspension, the post held at the time of suspension.

21. Disciplinary Authority

- 1 The appointing authority or any authority higher than it may impose any of the penalties specified in Rule 20 on an employee in respect of whom it is the appointing authority or an authority higher than such appointing authority.
- 2 Without prejudice to the provisions of sub-rule (1) , any of the minor penalties specified in items (a) to (e) of Rule 20 may be imposed
 1. by the Managing Director on any employee who holds a post in the Corporation in any pay scale the maximum of which does not exceed Rs.62000/- Per month.
 2. by a General Manager on any employee who holds a post under the administrative control of such General Manager, in any pay scale the maximum of which does not exceed Rs.62000/- Per month.

Note:- For the purpose of this rule, the Disciplinary Authority will be determined with reference to the post actually held by an employee at the time of imposing the penalty on him or if he is under suspension,' the post held at the time of suspension.

22. Procedure for imposing minor penalties.

- (i) When it is proposed to impose any of the minor penalties on an employee, he shall be informed in writing of the proposal to take action against him by a Memorandum accompanied by a statement of alleged misconduct or misbehavior for which action is proposed to be taken and asking him to submit his explanation within a specified period not exceeding 7 days. The

explanation and evidence, if any, furnished by the employee shall be taken into consideration by the Disciplinary Authority before passing orders.

- (ii) The record of proceedings in such cases shall include-
 - (a) A copy of the statement of alleged misconduct or misbehavior and/ or charges communicated to the employee;
 - (b) The explanation and evidence, if any, furnished by the employee: and
 - (c) The findings of and the order passed by, the Disciplinary Authority.

23. Procedure for imposing major penalties.

(i) When an employee is charged with misconduct, which may lead to the imposition of a major penalty, the Disciplinary Authority shall frame definite charges on the basis of the allegations against him. The Articles of charges, together with a statement of imputation of alleged misconduct of misbehavior shall be communicated in writing to the employee, who shall be required to submit within such time as may be specified by the Disciplinary Authority (not exceeding 15 days), written statement of his defense.

(ii) On receipt of the written statement of the employee or if no such statement is received within the time specified, an enquiry may be held by the Disciplinary Authority itself, or by an Officer or Committee appointed for the purpose (hereinafter called the Inquiring Authority) by Disciplinary Authority.

(iii) Where the Disciplinary Authority itself inquires into any articles of charges or appoints an Inquiring Authority for holding an inquiry into such charges, it may by an order appoint a public servant 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

(iv) The employee may take the assistance of any other public servant 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.

Note:- An employee shall not take the assistance of any other public servant who has two pending disciplinary cases on hand in which he has to function as Defense Assistant.

(v) At the conclusion of the enquiry, the Inquiring Authority shall prepare a report of the enquiry recording its findings on each of the charges, together with the reasons therefor.

24. The record of the enquiry in such cases shall include

- (i) Articles of charges
- (ii) Statement of imputation of misconduct or misbehavior furnished to him under sub-rules(i) of Rule 23.
- (iii) His written statement of defense, if any.

(iv) The oral and/or documentary evidence, if any, considered in the course of the enquiry, and

(v) The finding on each charges and the reasons therefore

25. The Disciplinary Authority shall consider the record of the enquiry, record its conclusions on each charge and pass appropriate orders.

26. The pay and allowances of an employee who is dismissed or removed from service shall cease from the date of his dismissal or removal from service.

27. Joint Enquiry

Where two or more employee are concerned in any case, the authority competent to impose a major penalty on all such employees may make an order directing that disciplinary action against all of them may be taken in a common proceedings and specifying the authority which may function as the Disciplinary Authority for the purpose of such common proceeding.

28. Special procedure in certain cases

Notwithstanding anything contained in Rules 22 to 27, the disciplinary authority may impose any of the penalties specified in Rule 20 on an employee in any of the following circumstances:-

- (i) The employee has been convicted on a criminal charge or on the strength of facts or conclusions arrived at by a judicial trial; 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 enquiry in the manner provided in these Rules; or
- (iii) Where the Board is satisfied that in the interest of the security of the Company it is not expedient to hold any enquiry in the manner provided in these Rules.

28.A (i) Disciplinary proceedings , if instituted while the employee was in service whether before his retirement or during his re-employment shall, after the final retirement of the employee, be deemed to be proceeding and shall be continued and concluded by the authority which it was commenced in the same manner as if the employee had continued in service.

(ii) During the pendency of the disciplinary proceeding , the disciplinary authority may withhold payment of gratuity, for ordering the recovery from gratuity, for ordering the recovery from gratuity of the whole or part of any pecuniary loss caused to the Company if the employee is found in a disciplinary proceeding or judicial proceeding to have been guilty of offences/misconduct as mentioned in sub-section (6) of Section 4 of the Payment of Gratuity Act, 1972 or to have caused pecuniary loss to the Company by misconduct or negligence, during his service including service rendered in deputation or on re-employment after retirement. However, the provisions of Section 7(3) and 7(3A) of the Payment of Gratuity Act,1972 should be kept in view in the event of delayed payment, in case the employee is fully exonerated.

PART-VI

29. Employees on deputation from the Central Government or the State Government etc.

- (i) Where an order of suspension is made or disciplinary proceedings is taken against an employee, who is on deputation to the Company from the Central or a State Government, or another Public undertaking or a local authority, the authority lending his services (hereinafter 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 proceedings, as the case may be.
- (ii) In the light of the findings in the disciplinary proceeding taken against the employee-
 - (a) If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him, it may pass such orders on the case as it deems necessary after consultation with the Lending Authority: Provided that in the event of a difference of opinion between the Disciplinary and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.
 - (b) If the Disciplinary Authority is of the opinion that any of the major penalties should be imposed on him, it should replace his services at the disposal of the Lending Authority and transmit to it the proceedings of the enquiry for such action as it deems necessary.
- (iv) If the employee submits an appeal against an order imposing a minor penalty on him under sub-rule (ii) (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 proceeding of the case shall be transmitted to that authority for such action as it deems necessary.

PART VII- APPEALS

30. Appeals

- (i) An employee may appeal against an order imposing upon him any of the penalties specified in Rule 20. The appeal shall lie to the authority to which the authority imposing the penalties is immediately subordinate.
- (ii) In all other matters, an employee may send a representation or a petition in the manner prescribed in Rule 33.

31. Procedure for submission on Appeals

(i) An appeal shall be preferred within one month of the date of the order appealed against.

(ii) Submission of an appeal to an authority other than the authority to which the appeal lies, or forwarding of advance copies to any authority, shall be deemed to be misconduct. Provided that where an appellant does not get any reply within 15 days of the submission of the appeal, he may send a copy of the appeal direct to the next higher authority explaining the circumstances necessitating his so doing and sending a copy thereof to the authority to which his appeal was originally submitted.

(iii) No appeal or representation in respect of matters other than those specified in Rule 30 shall be entertained.

32. Transmission of Appeals

(i) The authority which passed the order appealed against, shall within 15 days of the submission of the appeal, transmit it to the appellate authority informing the appellant that his appeal has been forwarded; except where he decides to withhold the appeal.

(ii) Where an appeal is withheld, the appellant shall be informed of the fact and the reasons therefore, within fifteen days of the receipt of the appeal.

(iii) A register of appeals withheld, giving the substance of the appeals and the reasons for their being withheld, shall be maintained by each authority competent to pass order on such matters, and once in quarter this register shall be put up to the appellate authority for review.

33. Procedure for the submission and consideration of representations specified in Rule 30

(ii)

Representation may be made to the General Manager if the order to be passed are within his competence and in other cases to the Managing Director.

34. Consideration of Appeals

The Appellate Authority shall consider whether the findings are justified and whether the penalty imposed is excessive, adequate or inadequate, and pass orders within two months of the date of appeal. Representations and petitions will also be similarly reviewed as to the fairness of the decision already taken.

35. Review

Notwithstanding anything contained in these rules, the Reviewing Authority not below the rank of Chairman & Managing Director may, either on his own motion or otherwise, call for the record of the case within six months of the date of the final order made by

Disciplinary Authority or Appellate Authority as the case may be, and after reviewing the case may:-

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

Provided that – if the enhanced penalty which the Reviewing Authority proposes to impose is a major penalty specified in clause (f), (g), (h), (i) & (j) of Rule 20 and an inquiry as provided under Rule 23 has not already been held in the case, the reviewing authority shall direct that such an inquiry be held in accordance with the provisions of Rule 23 and thereafter consider the record of the inquiry and pass such orders as it may deem proper. If the Reviewing Authority decides to enhance the punishment but an inquiry has already been held in accordance with the provisions of Rule 23, the reviewing authority shall give show cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The reviewing authority shall pass final order after taking into account the representation, if any, submitted by the employee.

PART VIII – MISCELLANEOUS

36. 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 Board, whose decision shall be final.

37. 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.