

IFCI INFRASTRUCTURE DEVELOPMENT LTD (IIDL)
STAFF REGULATION (Conduct, Discipline & Appeal)

Staff Regulation (Conduct, Discipline and Appeals), IFCI Infrastructure Development Ltd, approved by Board of Directors of IIDL by circulation vide Memorandum No. 444/2015-16 dated 20.07.2015.

Conduct, Discipline and Appeal		
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IIDL STAFF REGULATIONS 2015
CONDUCT, DISCIPLINE AND APPEALS (IIDL)

1. Scope of Employee's service

1) Unless in any case it be otherwise distinctly provided, the whole time of an employee shall be at the disposal of the Company and he/she shall serve the Company in its business in such capacity, at such time and at such place and in respect of such duties as he may from time to time be directed.

2) Without prejudice to sub-regulation (1), the Company may -

a) fix hours of work for its employees generally or differently for different employees or for different offices, units or departments;

b) require employees to be on active duty in shifts.

3) It shall be open to the Company, subject to such terms and conditions as it may determine, to post members of its staff, officers and others, to its parent company, subsidiary company, associate concerns, project units, project companies, , other institution etc., anywhere in India, where exigencies of work call for such posting for such period as may be decided by the Company.

2. Duty to abide by Regulations, orders and Instructions

1) Every employee of the Company shall conform to and abide by these Regulations and shall observe and obey all orders, directions or instructions given to him by the Company or by any person or persons under whose jurisdiction, superintendence or control he may for the time being be placed. He shall maintain at all times absolute integrity and devotion to duty and do nothing un-becoming of an employee of the Company.

2) Every employee shall take all possible steps to ensure the integrity and devotion to duty of all employees of the Company for the time being under his control and authority.

3) No employee shall, in the performance of his official duties or in the exercise of powers conferred on him, act otherwise than in his best judgement except when he is acting under the direction of his official superior and shall, where he is acting under such direction obtain the direction in writing, wherever practicable, and where it is not practicable to obtain the direction in writing, he shall obtain written confirmation of the direction as soon as thereafter as possible.

Provided that nothing contained in sub-regulation (3) shall be construed as empowering an employee to evade his responsibilities by seeking instructions from,



approval of, a superior official or authority when such instructions are not necessary under the scheme of distribution of powers and responsibilities.

3. Prohibition of sexual harassment of working women:

- (1) No employee shall indulge in any act of sexual harassment of any women at her workplace.
- (2) Every employee 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 Regulation "Sexual harassment includes such unwelcome sexually determined behaviour, whether directly or otherwise, as

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

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

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

4. Obligation to maintain secrecy

Every employee shall maintain the strictest secrecy regarding the Company affairs and affairs of its constituents and shall not divulge, directly or indirectly, any information of a confidential nature either to a member of the public or of the Company staff, unless compelled to do so by judicial or other authority in pursuance of any law for the time being in force or unless instructed to do so by a superior official in the discharge of his duties.

5. Employees to promote Company's Interest

Every employee shall serve the Company honestly and faithfully and shall use his utmost endeavours to promote the interests of the Company and shall show courtesy and the attention in all transactions and intercourse with the officers or representatives of



IFCI and any Government and Company's constituents or any other person who has dealings with the Company, as also any officers or employees of the Company.

6. Prohibition against participation in Politics and Elections

1) No employee shall be a member of, or, be otherwise, associated with, any political party or any organisation 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 endeavour 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 Company or of 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 Company.

3) If any question arises, whether a party is a political party or whether any organisation takes part in politics or whether any movement or activity falls within the scope of this regulation, the decision of the Managing Director thereon shall be final.

4) No employee shall canvass or 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 Regulation 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 - The display by an employee on his person, vehicle or residence of any electoral symbol shall amount to using his influence in connection with an election within the meaning of this sub-regulation.

7. Joining of Associations by employees

No employee shall join, or continue to be a member of, an association, the objects or activities of which are prejudicial to the interests of the sovereignty and integrity of India or public order or morality.



8. Demonstration and Strikes

(i) No employee shall 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, the interests of the Company, friendly relations with foreign States, public order, decency or morality or which involves contempt of court, defamation or incitement to an office, and

(ii) No employee who is not a 'workman' within the meaning of the Industrial Disputes Act, 1947, shall resort to or in any way abet any form of strike in connection with any matter pertaining to his service or the service of any other employee or employees of the Company.

Explanation-I - In the above Regulation, the term 'demonstration' includes wearing of badges with inscriptions expressing protest or resentment, organising processions with slogans, convening meetings open to public, displaying objectionable posters, issuing bulletins addressed to general public and deputation of large number of staff shouting slogans.

Explanation-II - In the above Regulation, the terms '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 Company's interest;
- iii) resort to practices or conduct which is likely to result in, or results in the cessation of substantial retardation of work in the office, such practices would include what are called 'go-slow', 'work to rule', 'sit down', 'pen-down', 'stay-in', 'token', 'sympathetic' or any other similar strike; absence from work for participation in a 'Bandh' or any similar movements.

9. Connection with Press and Radio

(1) No employee 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 make public or publish any document, paper, or information which may come into his possession in his official capacity.

(2) No employee shall except with the previous sanction of the competent authority or except in bonafide discharge of his duties -



(a) Publish a book himself or through a publisher, or contribute an article to a book or a compilation of articles, or

(b) Participate in a radio broadcast or contribute an article or write a letter to a newspaper or periodical, either in his own name or anonymously or pseudonymously or in the name of any other person :

Provided that no such sanction shall be required -

(i) if such publication is through a publisher and is of a purely literary, artistic or scientific character; or

(ii) if such contribution broadcast or writing is occasional and of a purely literary, artistic or scientific character.

(3) For obtaining permission under clause (2) above, the employee is required to submit to the Competent Authority the full text of the talk -

(i) on a subject directly or indirectly connected with his official work;

(ii) of a purely literary, artistic or scientific character if any of the statements made therein is liable to be mis-interpreted.

Note: For the purpose of the above, the Competent Authority shall mean the Managing Director for all employees.

(4) The employee himself is responsible for ensuring that the broadcast or contribution made by him is covered under the proviso to Clause (2) above.

10. Criticism of the Company, its unit(s) or subsidiary, IFCI and the Government

(1) Save as provided for in sub-regulation (2) below, no employee shall in any radio broadcast 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 -

(i) Which has the effect of an adverse criticism of any current or recent policy or action of the Company or the Central Government or any State Government; or

(ii) Which has the effect of disparaging the Company or its management or bringing the same into disrepute;

(iii) which is capable of embarrassing the relations between the Company and the Central Government, or any State Government, or the Central Government and the Government of any State or between the Corporation and any other financial institution or



institutions whether in India or outside or between the Company and any of its assisted concern;

(iv) which is capable of embarrassing the relations between the Central Government and the Government of any foreign State.

Provided that nothing in Clause (1) 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.

(2) Nothing contained in sub-regulation (1)(i) above shall apply to 'bonafide' expression of views by an employee for the purpose of safeguarding the conditions of service of such employee or for securing an improvement thereof.

(3) Employees of the Company visiting foreign countries should refrain from giving expression to views on Indian or foreign affairs, and in particular, from making any written or oral statements, without specific prior approval of the head of the India Mission in the country visited.

11. Evidence before Committee or other Authority

(1) Save as provided in sub-regulation (3), no employee shall, except with the previous sanction of the Competent Authority give evidence in connection with any inquiry conducted by any person, committee or authority.

(2) Where any sanction has been accorded under sub-regulation (1), no employee giving such evidence shall criticise the policy or any action of the Company, its units/subsidiary, parent company IFCI or of the Central Government or of a State Government or any other institution.

(3) Nothing in this Regulation shall apply to -

(a) Evidence given at any inquiry before an authority appointed by the Government, Parliament or a State legislature, or the Company;

(b) Evidence given in any judicial inquiry; or

(c) Evidence given at any departmental inquiry ordered by authorities subordinate to Government or the Company.

12. Canvassing of non-official or other Influence

No employee shall bring or attempt to bring any political or other outside influence including Association/unions with whom company has no relations to bear upon any authority of the Company to further his interests in respect of matters pertaining to his service in the Company.

13. Employment of near relatives in firms having dealings with Company



(1) No employee shall use his position or influence directly or indirectly to secure employment for any member of his family in any company or firm, having dealings with the Company.

(2) No employee shall, except with the previous sanction of the competent authority, permit his son, daughter or other dependent to accept employment in any company or firm having official dealings with the Company.

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

(3) An employee shall, as soon as he becomes aware of the acceptance by a member of his family of an employment in any company or firm, intimate such acceptance to the competent authority and shall also intimate whether he has or has had any official dealings with the company or firm.

(4) No employee shall in the discharge of his official duties deal with any matter or give or sanction any contract to any company or firm or any other person if any member of his family is employed in that company 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 the employees shall refer every such matter or contract to his superior authority and the matter or contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

Explanation: In this Regulation, the expression 'member of the family' in relation to the employee shall 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 employees by a decree or order of a competent court;

(ii) Son or daughter or step-son or step-daughter of the employee 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 of 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 his/her wife or husband, and wholly dependent on him.

14. Acceptance of Gifts



(1) Save as otherwise provided for in these Regulations, no employee shall, except with the previous sanction of the competent authority solicit or accept or permit any member of his family or any other person acting on his behalf to solicit or accept any gift of more than trifling value from any other person, having official dealings with the Company or from any subordinate staff.

(2) If the question arises whether any gift is of trifling value or not or where an employee is in doubt whether the gift offered to him is of a trifling value or not, a reference shall be made to the competent authority, whose decision thereon shall be final.

Explanation: The expression 'gift' shall include free transport, boarding, lodging or other services or any other pecuniary advantage when provided by any person other than a near relative or personal friend having no official dealings with the Company of the employee.

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

Note-II. An employee shall avoid accepting lavish hospitality or frequent hospitality from any individual having official dealings with him or from industrial or commercial firms, or organisations etc.

(3) On occasions such as weddings, anniversaries, funerals or religious functions, an employee shall not accept any gift from persons with whom he has official dealings.

15. Giving or Taking of Dowry

No employee shall -

(i) give or take or abet giving or taking of 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).

16. Subscription

No employee shall, except with the previous sanction of the Company, 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.



17. Investments, Lending and Borrowings

(1) No employee shall speculate in any stock, share or other investment or other commodities of any description :

Provided that nothing in this sub-regulation shall be deemed to prohibit an employee from making a bonafide investment of his own savings in such a manner as he may wish.

Explanation - The habitual purchase or sale or both of stocks, shares, securities or other investments shall be deemed to be speculation within the meaning of this sub-regulation.

(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.

Explanation - For the purpose of this sub-regulation, the expression 'members of family' shall have the same meaning as given in Explanation to Regulation 13.

(3) If any question arises whether any transaction is of the nature referred to in sub-regulation (1) or sub-regulation (2), the decision of the Managing Director thereon shall be final.

(4) No employee, shall, either himself or through any member of his family or any other person acting on his behalf, except with the previous sanction of the competent authority, lend money as principal or agent to any person within the local limits of the station in which the employee is for time being on duty, at interest or in a manner whereby return in money or in kind is charged or paid:

Provided that an employee may, without such sanction make an advance or pay or lend small amounts to a private servant or give a purely temporary loan of small amount free of interest to a personal friend or relative.

Explanation - For the purpose of this sub-regulation, lending will not include the deposit of money with the Post Office and commercial and co-operative banks.

(5) No employee shall, save in the ordinary course of business with a bank or a firm of standing duly authorized to conduct banking business, either himself or through any member of his family or any other person acting on his behalf, borrow money from or otherwise place himself under pecuniary obligation to any person within the local limits of the station in which the employee is for the time being on duty or with whom he is likely to have



official dealings nor shall he permit any member of his family, except with the previous sanction of the Competent Authority, to enter into any such transaction.

Provided that an employee may accept a purely temporary loan of small amount free of interest, from a personal friend or relative or operate a credit account with a bonafide tradesman.

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

(6) Where an employee is appointed or transferred to a post of such a nature or at such a station as would involve him in the breach of the provisions of sub-regulation (2) or sub-regulation (4) or sub-regulation (5), he shall forthwith report the circumstances, to the Competent Authority and shall thereafter act in accordance with such direction or instructions as may be given by that authority.

18. Private Trade and Employment

(1) No employee shall, except with the previous sanction of the competent authority, engage directly or indirectly in any trade or business or undertake any other employment;

Provided that an employee may, without sanction, undertake honorary work of religious, social or charitable nature or undertake occasionally work of a literary, artistic or scientific character, subject to the condition that his official duties do not thereby suffer, but he shall not undertake or shall discontinue such work if so directed by the competent authority.

Explanation - canvassing by an employee in support of the business of insurance agency, commission agency etc., undertaken, owned or managed by his wife or any other member of his family shall be deemed to be a breach of this sub-regulation.

(2) Every employee shall report to the competent authority if any member of his family is engaged in any trade or business or owns or manages an insurance agency or commission agency.

(3) No employee shall except with the previous sanction of the competent authority and except in the discharge of his official duties take part in the registration, promotion or management of any bank or a company which is required to be registered under any law for the time being in force or a co-operative society for commercial purposes:

Provided that nothing in this sub-regulation shall apply to any employee in relation to a company, co-operative society or a State Financial Corporation or any other concern on whose



Board or other body entrusted with the management thereof, he is nominated by the Company as its nominee.

Provided further that nothing in this sub-regulation shall preclude an employee from taking part in the registration, promotion or management of a co-operative society formed by and substantially for the benefit of the employees of the Company and registered under any law relating to co-operative societies for the time being in force or of a society or company for promoting art, science, religion or charity and registered under any law for the time being in force.

(4) No employee may accept any fee for any work done by him for any private or public body or any private person without the sanction of the competent authority.

19. Insolvency and Habitual Indebtedness

(i) An employee shall so manage his private 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 for adjudging him as an insolvent shall forthwith report the full facts of the legal proceeding to the competent authority.

Note - The burden of proving that the insolvency or indebtedness was the result of circumstances which, with the exercise of ordinary diligence, the employee could not have foreseen, or over which he had no control and had not proceeded from extravagant or dissipated habits shall be upon the employee.

20. Acquisition and disposal of movable and immovable property

(1) No employee shall, except with the previous knowledge of the Competent Authority acquire or dispose of any immoveable 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 previous sanction of the prescribed authority shall be obtained by the employee, if any such transaction is –

- (i) With a person having official dealings with the employee, or
- (ii) Otherwise than through a regular or reputed dealer.

(2) Every employee shall report to the prescribed authority every transaction entered into by him/her either in his/her own name or in the name of his/her family, in respect of moveable property if the value of such property exceeds Rs.5,000/- (Rupees fifty thousand only).

Provided that the previous sanction of the prescribed authority shall be obtained if any such transaction is –

- (i) With a person having official dealings with the employees or



(ii) Otherwise than through a regular or reputed dealer.

Explanation – For the purpose of this sub-regulation the expression "moveable property", includes, 'inter-alia', the following property namely –

- (a) Jewellery, insurance policies the annual premia of which exceeds Rs.2,000/- or one sixth of the total annual emoluments of the employee which every is less, shares, securities and debentures.
- (b) Loans advanced by such an employee whether secured or not;
- (c) Motor cars, motor cycles, horses or any other means of conveyance; and
- (d) Refrigerators, radios and radiograms.

(3) Every employee shall on the joining of his first appointment in the service of the company and thereafter within the first week of April in each year submit a return of his assets and liabilities for the preceding financial year (April-March), in such form as the Managing Director may prescribe in this behalf giving the full particulars regarding -

(a) all immovable property owned, acquired or inherited 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 similarly owned, acquired or held by him;

(c) other movable property inherited by him or similarly owned, acquired or held by him; and

(d) debts and other liabilities incurred by him directly or indirectly.

Note - In all returns, the values of items of movable property worth less than Rs.2,000 may be added and shown as a lumpsum. The values of articles of daily use such as clothes, utensils, crockery, books, etc. Need not be included in such return.

(4) The provisions of sub-regulations (1) and (3) of this Regulation shall apply ordinarily to all employees serving whether in a temporary, probationary, officiating, or substantive capacity or deputed, or placed on foreign service but at the discretion of the Managing Director, may be applied by a general or special order in this behalf to employees in other classes also.

(5) The Managing Director may, at any time by general or special order, require any 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 of 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.

21. Employees of the Company to be deemed for certain purposes as Public Servants

The employees of the Company shall be deemed 'public servants' under clause 12 of Section 21 of the Indian Penal Code as provided by the Criminal Law Amendment Act, 1958 and the provisions of the said Penal Code and the Prevention of Corruption Act, 1947 in relation to public servants shall be applicable to them.

22. Vindication of acts and character of employees

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.

Explanation - Nothing in this Regulation 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.

23. Bigamous Marriages

(1) No employee who has a wife living shall contract another marriage without first obtaining the permission of the competent authority, notwithstanding that such subsequent marriage is permissible under the personal law for the time being applicable to him.

(2) No female employee shall marry any person who has a wife living without first obtaining the permission of the competent authority.

24. 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 drinks or drugs during the course of his duty and shall also take due care that the performance of his duties at any time is not effected 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.

Explanation - For the purpose of this Regulation, public place means 'any place or premises (including clubs, even exclusively meant for members where it is permissible for the members to invite no members as guests, bars and restaurants, conveyance) to which the public have or are permitted to have access, whether on payment or otherwise.

25. Public Demonstration in Honour of an employee

No employee shall, except with the general or special 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 Regulation 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 - Exercise of pressure or influence of any sort on an employee to induce him to subscribe towards any farewell entertainment even it is substantially private or informal character, and the collection of subscription from employees under any circumstances for the entertainment of any employee of the Company is forbidden.

26. Absence from Duty

(1) An employee shall not absent himself from his duties without having first obtained the permission of the competent authority, nor shall he absent himself in case of sickness or accident without submitting a sufficient medical certificate:

Provided that in the case of temporary indisposition the production of a medical certificate may at the absolute discretion of the competent authority, be dispensed with.



(2) An employee who absents himself from duty without leave or overstays his leave, except under circumstances beyond his control for which he must tender a satisfactory explanation shall not be entitled to draw any pay and allowances during such absence or overstayal, and shall further be liable to such disciplinary measures as the competent authority may impose. The period of such absence or overstayal may, if not followed by termination of services or dismissal under Regulation 31, be treated as period spent on ordinary, sick, special or extraordinary leave as the competent authority may determine.

27. Absence from Station

An employee, must not absent himself from his station overnight without obtaining the previous sanction of the Competent Authority.

Provided that the competent authority, as aforesaid, may dispense with the above requirement where it so deems fit or where it is satisfied that having regard to the nature of the circumstances in each case, it was not possible for the employee to obtain the previous sanction before leaving the station overnight.

28. Employees to conform to hours of work and not to be late in attendance.

(1) Unless otherwise required or permitted, every employee shall conform to the hours of work fixed for him and shall not be late in attendance.

(2) 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 of casual leave forfeited for every three days he is late in a month where such an employee has no casual leave due to him the period of leave to be so forfeited may be treated as ordinary or extra-ordinary leave as the competent authority may determine.

29. Employees detained or arrested for debt or on criminal charge

(1) An employee who is arrested for debt or on a criminal charge or is detained in pursuance of any process of law, shall forthwith report or cause to be reported to the competent authority the fact of such arrest or detention together with such facts and information leading to the arrest or detention as the case may be, as are within his knowledge.

(2) An employee shall be liable to dismissal or to any of the other penalties referred to in Regulation 31 if he is committed to prison for debt or is convicted of an offence which in the opinion of the competent authority, either involves gross moral turpitude or has a bearing on any of the affairs of the Company or on the discharge by the employee of his



duties in the Company the opinion in this respect of the competent authority shall be exclusive and binding on the employee. Such dismissal or other penalty may be imposed as from the date of his committal to prison or conviction and nothing in Regulation-31 shall apply to such imposition.

(3) Where an employee has been dismissed in pursuance of sub-regulation (2) and the relative committal or conviction is set aside by a higher court and further in the case of a conviction, the employee is acquitted of all blame, he will be reinstated in service.

(4) Where an employee is reinstated in service under sub-regulation (3), the period for which he was absent from duty by reason of dismissal under sub-regulation (2), shall be treated as a period spent on duty and the employee shall be entitled to pay and allowances to which he would have been entitled if he had not been so dismissed:

Provided that such pay and allowances shall be payable subject to adjustment of any subsistence allowance or, other amount paid to him by the Company in respect of the period concerned.

Explanation- In this Regulation, committal or conviction shall mean committal or conviction by the lowest court or any appellate court.

30. Misconduct:

Without prejudice to the generality of the term 'misconduct', the following acts of omission and commission, in addition to those mentioned under Regulation 1 to 30 of these Regulations, would 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 sources 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 to the interest of the Company.

(6) Wilful 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 4 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 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 within the premises of the establishment.

(14) Smoking within the premises of the establishment where 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.

NOTE: The above instance of 'misconduct' are illustrative in nature, and not exhaustive.

31. Penalties

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

Minor Penalties

(a) Censure;

(b) withholding of increments of pay with or without cumulative effect;

(c) Withholding of promotion;

(d) Recovery, from pay or such other amount as may be due to him, of the whole or part of any pecuniary loss caused to the Company by negligence or breach of order.



Major Penalties

- (e) Reduction to a lower grade or post;
 - (f) Reduction to a lower stage in time scale;
 - (g) Removal from service which shall not be a disqualification of future employment;
- and
- (h) Dismissal.

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

(i) Withholding of increment of an employee on account of his working 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 grounds 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 may be eligible for consideration but 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 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.

(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;

(d) of an employee on reduction of establishment;

(e) Calling for the explanation of an employee or requiring to show improvement in his work; and

(f) termination of service or retirement.



- (vii) Suspension under Regulation 34.
- (viii) Retirement of an employee by the Company.

32. Procedure for Imposing Penalties

(A) Major Penalties

(1) No order imposing any of the major penalties specified in clauses (e), (f), (g) and (h) of Regulation 31 shall be made except after an enquiry is held in accordance with this Regulation.

(2) Whenever the competent authority is of the opinion that there are grounds for enquiring into the truth of any imputation of misconduct or misbehaviour against an employee, it may itself enquire into, or appoint any officer of the Company or any public servant (hereinafter called the enquiring authority) to enquire into the truth thereof.

(3) Where it is proposed to hold an enquiry, the competent authority shall frame definite charges on the basis of the allegations against the employee. The charges, together with a statement of the allegations on which they are based, a list of documents by which and a list of witnesses by whom the articles of charges are proposed to be sustained, shall be communicated in writing to the employee, who shall be required to submit, within such time as may be specified by the competent authority (not exceeding 15 days), a written statement whether he admits or denies any of or all the articles of charge.

Explanation: It will not be necessary to show the documents listed with the charge sheet or any other document to the employee at this stage.

(4) 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 competent authority itself, or by the officer appointed as enquiring authority under sub clause (2) above:

Provided that it may not be necessary to hold an enquiry in respect of the charges admitted by the employee in his written statement. The competent authority shall, however, record its findings on each such charge.

(5) Where the competent authority itself enquires or appoints an enquiring authority to hold an enquiry it may, by an order, appoint any officer of the Company or any public servant to be known as the presenting officer, to present on its behalf the case in support of the articles of charge.

(6) The employee may take the assistance of any other employee of the Company, but may not engage a legal practitioner for the purpose. Provided that an employee



shall not take the assistance of any other employee who has too pending disciplinary cases on hand in which he is acting as Defence Assistant.

(7) On the date fixed by the enquiring authority, the employee shall appear before the Enquiring Authority at the time, place and date specified in the notice. The enquiring authority shall ask the employee whether he pleads guilty or has any defence to make and if he pleads guilty to any of the charges, the Enquiring Authority shall record the plea, sign the record and obtain the signature of the employee concerned thereon. The Enquiring Authority shall return a finding of guilt in respect of those articles of charges to which the employee concerned pleads guilty.

(8) If the employee concerned does not plead guilty, the enquiring authority shall adjourn the case to a later date, not exceeding 30(thirty) days, after recording an order that the employee concerned may, for the purpose of preparing his defence:

- (i) inspect the documents listed with the charge sheets
- (ii) submit a list of additional documents and witnesses that he wants to examine; and
- (iii) be supplied with the copies of the statements of witnesses, if any, listed in the charge-sheet.

NOTE: Relevance of the additional documents and the witnesses referred to in sub-clause 8(ii) above will have to be given by the employee concerned and the documents and the witnesses shall be summoned if the enquiring authority is satisfied about their relevance to the charges under enquiry.

(9) The enquiring authority shall ask the authority, in whose custody or possession the documents are kept, for the production of the documents on such date as may be specified.

(10) The authority in whose custody or possession the requisitioned documents are, shall arrange to produce the same before the enquiring authority on the date, place and time specified in the requisition notice. PROVIDED that the authority having the custody or possession of the requisitioned documents may claim privilege if the production of such documents will be against the public interest or the interest of the Company. In that event, it shall inform the enquiring authority accordingly.

(11) On the date fixed for the enquiry, 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 competent 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 a new matter, without the leave of the enquiring authority. The Enquiring authority may also put such questions to the witnesses as it thinks fit.



(12) Before the close of the presentation case, the enquiring authority may, in its discretion, allow the presenting officer to produce evidence not included in the charge-sheet or may itself call for new evidence or recall or re-examine any witness. In such case, the employee shall be given opportunity to inspect the documentary evidence before it is taken on record; or to cross-examine a witness who has been so summoned.

(13) When the case for the competent authority is closed, the employee may 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 other cases, a copy of the statement of defence shall be given to the presenting officer, if any, appointed.

(14) 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 enquiring authority, according to the provision applicable to the witnesses for the competent authority.

(15) The enquiring 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.

(16) After the completion of the production of evidence, the employee and the presenting officer may file written briefs of their respective cases within 15 days of the date of completion of the production of evidence.

(17) If the employee does not submit the written statement of defence referred to in Clause (3) on or before the date specified for the purpose or does not appear in person, or refuses to comply with any of the provisions of these regulations, the enquiring authority may hold the enquiry ex-parte.

(18) Whenever any enquiring authority, after having heard and recorded the whole or any part of the evidence in an enquiry ceases to exercise jurisdiction therein, and is succeeded by another enquiring authority which has, and which exercises, such jurisdiction, the enquiring 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 enquiring authority is of the opinion that further examination of any of the witness whose evidence has already been recorded is necessary in the interest of justice, it may recall, examine, cross-examine and re-examine any such witnesses as hereinbefore provided.

(19) (i) After conclusion of the enquiry, report shall be prepared and it shall contain:



(a) a gist of the articles of charge and the statement of imputations of misconduct or misbehaviour;

(b) a gist of 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 of each article of charge and the reasons therefore.

Explanation:- If in the opinion of the enquiring authority, the proceedings of the enquiry establish any article of charge different from the original articles of 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 enquiring authority, where it is not itself the competent authority, shall forward to the competent authority the records of enquiry which shall include -

(a) the report of the enquiry prepared by it under sub-clause (i) above;

(b) the written statement of defence, if any, submitted by the employee referred to in Clause (13);

(c) the oral and documentary evidence produced in the course of the enquiry;

(d) written briefs referred to in clause (16), if any; and

(e) the orders, if any, made by the competent authority and the enquiring authority in regard to the enquiry.

(B) Action on the Enquiry Report

(1) The Competent Authority, if it is not itself the inquiring authority may, for reasons to be recorded in writings, remit the case to the inquiring authority for fresh or further inquiry and report and the inquiring authority shall thereupon proceed to hold the further inquiry according to the provisions of sub-regulation (A) as far as may be.

(2) The competent authority shall, if it disagrees with the findings of the enquiring authority or any article of charge, record its reasons for such disagreement and record its own findings on such charge, if the evidence on record is sufficient for the purpose.

(3) If the competent authority having regard to the findings on all or any of the articles of charge is of the opinion that any of the penalties specified in Regulation 31 should be imposed on the employee it shall, notwithstanding anything contained in sub-regulation (C) make an order imposing such penalty.



(4) If the competent authority having regard to the findings on all or any of the articles of charge, is of the opinion that no penalty is called for, it may pass an order exonerating the employee concerned.

(C) Minor Penalties:

(1) Where it is proposed to impose any of the minor penalties specified in clause (a) to (d) of Regulation 31, the employee concerned shall be informed in writing of the imputations of misconduct or misbehaviour against him and given an opportunity to submit his written statement of defence within a specified period not exceeding 15 days. The defence statement, if any, submitted by the employee shall be taken into consideration by the competent authority before passing the order.

(2) The record of the proceedings shall include -

(i) a copy of the statement of imputations of misconduct or misbehaviour delivered to the employee;

(ii) his defence statement, if any; and

(iii) the orders of the competent authority together with the reasons therefor.

(D) Communication of Orders:

Order made by the competent authority under sub regulation (A) and (C) shall be communicated to the employee concerned who shall also be supplied with a copy of the report of inquiry, if any.

(E) Special Procedure in certain cases:

Notwithstanding anything contained in sub-regulations (A), (B) or (C), the competent authority may impose any of the penalties specified in Regulation 31 to any of the circumstances given below:

(i) When 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 competent 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 this Regulation; or

(iii) Where the MD is satisfied that in the interest of the security of the Company, it is not expedient to hold any enquiry in the manner prescribed in this Regulation.

(F) Employees on deputation from the other organizations etc.



(1) Where an order of suspension is made or disciplinary proceeding is taken against an employee, who is on deputation to the Company from IFCI, other organizations, Central or State Governments 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 that 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 taken against the employee

(a) If the Competent 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 Competent Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.

(b) If the Competent Authority is of the opinion that any of the major penalties should be imposed on him, it should place his services at the disposal of the Lending Authority and transmit to it the proceedings of the inquiry for such action as it deems necessary.

(3) If the employee submits an appeal against an order imposing a minor penalty on him under clauses 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 deems necessary.

33. Common Proceedings

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

NOTE: If the authorities competent to impose a major penalty on such employees are different, an order for taking disciplinary action in common proceedings may be made by the highest of such authorities.



34. Suspension and Remuneration during Suspension

(A) Suspension

(1) The competent authority or any other authority empowered in that behalf by the Board by general or special order may place an employee under suspension-

- (a) Where a disciplinary proceeding against him is contemplated 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 be deemed to have been suspended with effect from the date of detention, by an order of the competent authority, and shall remain under suspension until further orders.

(3) Where a penalty of dismissal or removal from services imposed upon a employee under suspension is set aside on appeal or on review under these Regulations 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 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 a employee is set aside or declared or rendered void in consequence of or by a decision of a court of law and the competent authority, on consideration of the circumstances of the case, decides to hold a further enquiry, 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 competent 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.

(B) Remuneration during Suspension

(1) An employee under suspension shall be entitled to draw subsistence allowance equal to 50 percent of his basic pay provided the competent authority is satisfied that the employee is not engaged in any other employment or business or profession or vocation. In addition, he shall also be entitled to draw Dearness Allowance admissible on such subsistence allowance and any other compensatory allowance of which he was in receipt on the date of suspension provided the competent authority is satisfied that the employee continue to meet the expenditure for which the allowance was granted.



Provided, however, that the total of subsistence and other allowances so calculated shall not be less than his substantive pay, provided that in the case of all the employee, the subsistence allowances shall be equal to substantive pay plus 25% thereof for the first six months and substantive pay plus 50% thereof for next 6 months. If the enquiry proceedings are not completed within one year from the date of employee is placed under suspension for the period beyond one year, the rate of subsistence allowance will be substantive pay plus 75% thereof.

(2) Where the period of suspension exceeds six months, in case of all employees, the Competent Authority may vary the subsistence allowance for any period subsequent to period of first six months as follows:-

(i) The amount of subsistence allowance may be increased to 75% of basic pay and allowances thereon 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 under suspension.

(ii) The amount of subsistence allowance may be reduced to 25% of basic pay and allowances thereon, 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 under suspension.

(3) If an employee is arrested by the police on a criminal charge & bail is not granted, no subsistence allowance is payable. On grant of bail, if Competent Authority decides to continue the suspension, the employee shall be entitled to subsistence allowance from the date he is granted bail.

(C) Treatment of the period of suspension

(1) When the employee under suspension is reinstated, the competent authority may grant to him the following pay and allowances for the period of suspension:-

(i) If the employee is exonerated and not awarded any of the penalties mentioned in Regulation 31, the full pay and allowances which he would have been entitled to if he had not been suspended, less the subsistence allowances paid to him.

(ii) If otherwise, such proportion of pay and allowances as the competent authority may prescribe.

(2) In a case falling under sub-Clauses (i) period of absence from duty will be treated as a period spent on duty. In a case falling under sub-Clause (ii), it will not be treated as a period spent on duty unless the competent authority so directs.



SECTION-II
APPEALS

35. Right to appeal

An employee shall be entitled to appeal to the appellate authority in the manner hereinafter provided against an order imposing on him any of the penalties specified in Regulation 31.

36¹ Appellate Authority

An appeal shall lie to the Chairman of the Board of Directors of the company for employees other than Key Managerial Personnels (KMPs). Provided that in such cases, no appeal shall be addressed to the Directors of the Board of the Company personally and any such action shall be deemed to be a breach of discipline.

For KMPs, the Board of Directors of the company shall be the Appellate Authority. In such cases, the right to Appeal shall be limited to review of decision of the Disciplinary Authority.

37. Period of Limitation

For Appeals:

No appeal shall be entertained unless it is preferred within a period of six months from the date of the order appealed against.

Provided that the appellate authority may entertain the appeal after the expiry of the said period, if it is satisfied that the concerned employee had reasonable or sufficient cause for not submitting the appeal within such period.

