

कुद्रेमुख



KUDREMUKH

KIOCL LIMITED

SERVICE RULES (VOLUME-I)

**COMPENDIUM
OF
SERVICE RULES
VOLUME-I**

**KIOCL LIMITED
II BLOCK, KORAMANGALA,
BANGALORE-560 034**

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For official use only

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PREFACE

A Compendium of following rules applicable to the employees, as approved by the Board of Directors/ Competent Authority and amended from time to time has been updated (upto 31.12.2011).

1. Terms and conditions of service
2. Leave Rules
3. Rules for Encashment of leave
4. Conduct Rules
5. Discipline and Appeal Rules

The printed booklet is for ready reference and official use only. In case of doubts/ disputes, the original text of the rules as approved/amended by the competent authority from time to time will only be the authorised version.

The scales of pay/grade in respect of Executives, Supervisory personnel and those employees governed by the Certified Standing Orders referred to in the foregoing rules are existing as on date and may change on revision of pay scales.

Bangalore
Dated 31.12.2011

(S Rajendra)
General Manager (Personnel)



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**TERMS AND CONDITIONS OF SERVICE****1. APPLICATION & SCOPE**

The company and its employees as defined under para 4.1 and 4.5 are subject to the following rules regulating the conditions of service which shall be deemed to come into force on 1st June 1976. To the extent any matter relating to the terms and conditions of service of any employee is not covered by these rules, the relevant provisions of the government of India's rules shall apply till such time as the company frames its rules regulating such matters. However, nothing in these rules shall apply to any Government Servant who may be on Foreign Service with the KIOCL LIMITED.

2. RULES & REGULATIONS

The company may formulate such rules and regulations, as it may from time to time consider necessary for the running of the establishment consistent with the provisions of these rules. These rules and regulations may apply to the whole, or to any section or sections of the establishment and every employee shall obey the rules and regulations applying to his section.

3. THE EMPLOYEES' RIGHTS

Nothing hereinbefore contained shall deprive the employees of their right to resort to legal proceedings under any existing law for the time being in force.

4. DEFINITIONS

In these rules, unless there is anything repugnant in the subject or context:



- 4.1 “Company” shall mean KIOCL LIMITED.
- 4.2 “Chairman-Cum-Managing Director” shall mean the Chairman-Cum-Managing Director of the company or any one duly authorised to act on his behalf or to whom any of his powers are delegated.
- 4.3 Masculine includes the feminine.
- 4.4 Singular shall imply the plural where relevant or vice versa.
- 4.5 “Employees” shall mean all persons employed by the company to work on a monthly rate of pay whose names are included in the company’s salary registers, but does not include those who are governed by the Certified Standing Orders of the company.
- 4.6 Classification of Employees:
All employees shall be classified as:
- 4.6.1 “Permanent employees” shall mean those who are appointed on superannuation basis and have been confirmed in writing.
- 4.6.2 “Temporary employees” shall mean those who have been appointed for a limited period for work of an essentially temporary nature or for work which terminates at the conclusion of specific contract or undertaking or those who are temporarily employed as additional employees in connection with a temporary increase in the work of a permanent nature.
- 4.6.3 “Probationers” shall mean those who are provisionally employed on trial and have not been confirmed in writing.



4.6.4 “Casual employee” which shall mean one whose work is casual nature.

5.1 APPOINTMENT

Recruitment to the service of the company shall be according to the Recruitment Rules separately prescribed. The company shall require an applicant to pass a medical examination by its Doctor before appointment. The Company shall conduct such verification regarding the antecedents of the applicant as it considers necessary or as may be prescribed by the Government of India from time to time.

Employee shall be given a letter of appointment, stating their salary in the prescribed form.

5.2 JOINING REPORT

Every employee shall give a joining report as in the prescribed form (See **Appendix-I**).

5.3 PROBATION

The period of probation on initial appointment in the Company shall be one year for all employees. During at or after the probationary period, the period of probation may be curtailed or extended by six months at the absolute discretion of the company. Satisfactory completion of prescribed period or the extended period of probation shall be communicated in writing (**Also see Appendix-II**).

**KUDREMUKH 5.4 INCREMENT**

Increment shall depend on efficiency and conduct and will be considered from the 1st March and the 1st September in each year. Employees joining the services of the company between 1st March and 31st August or whose increments fall within the period shall be eligible for next increment w.e.f. the 1st march of the succeeding year. Employees joining the service of the company between 1st September and the 28/29th February or whose increments fall within this period shall be eligible for the next increment w.e.f. the 1st of the following September. Increment admissible to an employee placed under probation shall be released on satisfactory completion of the prescribed period of probation and the extended period of probation if any, and the employee has been confirmed in writing.

6.1 EVENTUALITIES

Subject to the provisions of the law for time being in force, an employee's services may be terminated in any one of the following ways:

- (a) by death
- (b) by termination in terms of contract of service
- (c) by resignation
- (d) by retirement
- (e) by invalidation due to continued ill health/being found medically unfit
- (f) by discharge
- (g) by dismissal or removal as a result of disciplinary action
- (h) by voluntary retirement
- (i) by premature retirement.

6.2 Pay and allowances of an employee may be drawn in his favour for the day of his demise, the hour at which it took place having no effect on the entitlement.



6.3 The services of any employee may be terminated or he may be discharged by giving him such notice or notice pay as may be prescribed in the contract of service. In the absence of any such specific provisions in the contract of service, the services of an employee may be terminated in the following manner;

(a) A fresh recruit engaged on probation can be terminated without assigning any reason and without any notice.

(b) An employee confirmed in service can be terminated by giving him three months notice or payment of three months' pay in lieu thereof.

6.4 **RESIGNATION**

6.4.1 During the period of probation or during extended period, services may be terminated by either side without assigning any reason, by giving notice of one month or basic pay in lieu thereof. On successful completion of the period of probation and confirmation in writing, the services may be terminated by either side by giving three calendar months' notice in writing or by paying 3 months basic pay in lieu thereof. However, company will have the right to insist on the employee serving the company for the full notice period instead of accepting basic pay in lieu of notice period or part thereof. Resignation cannot be deemed to have been accepted by giving three months notice or basic pay in lieu thereof unless it is accepted and conveyed to the employee in writing by the company.

6.4.2 under no circumstances shall the resignation tendered by an employee whose conduct is under investigation, be accepted, without the sanction of the authority competent to dismiss him.


RETIREMENT

The normal age of retirement for employees of the company is 60 years. The retirement shall be given effect to as indicated below:

Date of Birth	Date of retirement on attaining the age of sixty)
1. 1 st of a month	Afternoon of the last day of the preceding month.
2. Any other date of the month	Afternoon of the last day of the month.

The age set forth in the application form during appointment (which shall be verified with the date as entered in the Birth Registration Certificate, Matriculation/ Higher Secondary School Leaving Certificate or a declaration of age for public purposes at the time of appointment) shall be evidence of the age of an employee in all questions which arise as to the right of the company to the continuance of the service. Under no circumstances, the Company shall grant extension of service beyond the age of superannuation i.e.60 years.

6.6 MEDICAL UNFITNESS

The company may at its absolute discretion, direct all or any of its employees to undergo medical examination before company's Medical Officer or any other authority. An employee found medically unfit at any time, to continue in the service of the company, is liable to be discharged from service.

6.7 Employees may be terminated, removed or dismissed from the services of the company as a result of disciplinary action.



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6.8 The company, at its discretion, may issue a service certificate at the time of termination of an employee's service as a result of resignation, discharge, dismissal etc(See **Appendix-III**).

6.9 Incase of closing down of a department or departments or termination of services as a result of strike, a general notice in writing on the company's notice board and/or in a local newspaper shall be deemed to be a sufficient notice to all concerned.

6.10 **EMPLOYMENT AFTER RETIREMENT**

No functional Director of the Company including the Chief Executive, who has retired /resigned from the services of the Company, after such retirement/resignation, shall accept any appointment or post, whether advisory or administrative, in any firm or Company, whether Indian or foreign, with which the Company has or had business relations, within one year from the date of his retirement, without prior approval of the Government. The term retirement includes resignation but not the cases of those whose term of appointment was not extended by Government for reasons other than proven misconduct. The term business relations includes official dealings as well.

Note: A bond as required by the Company has to be furnished on assuming the post at the Board level. Model bond format is as per **Appendix-IV**.

7. **DUTIES AND OBLIGATIONS**

7.1 Every employee must carry out the work for which he has been employed.



- 7.2 Employees are paid to do the work of the company and must not engage in any other work either for themselves or for any other person either during or outside working hours with or without remuneration except with the previous permission of the company. No private practice or part time engagement in any other occupation shall be allowed while in service of the Company, except with the previous permission of the company.
- 7.3 Each employee is responsible for and must take proper care of all Company's property specifically entrusted to him.
- 8.1 Attendance shall be marked daily, according to the methods prescribed by such categories of employees as may be prescribed.
- 8.2 Every employee shall be punctually present at work at the prescribed time and shall not, unless otherwise arranged, leave before the closing time.
- 8.3 The Company shall have the right to transfer any employee at any time from one job, section or department to another and also from the Company's one office to another which may be situated in any part of India. Such transfer shall not involve a decrease in rate of pay or in conditions of service.

9. **ABSENCE FROM DUTY AND OVERSTAYAL OF LEAVE**

- 9.1 Unauthorised absence from duty means remaining absent from duty without prior permission or sanction of leave. Such employees shall be liable for deduction of salary for unauthorised days of absence. Cases of unauthorised absence beyond eight days shall be dealt with in the manner as provided under Rule 9.3.



9.2 **OVERSTAYAL OF LEAVE** Overstayal of leave means remaining absent from duty without permission beyond the leave sanctioned. Overstayal of leave shall be dealt with in the same manner as absence from duty.

9.3 An employee who absents himself without permission for more than 8 calendar days, shall be deemed to have left the services of the company of his own accord w.e.f the date he was due to return to work and the employee concerned shall be intimated accordingly and his services shall automatically be terminated, provided, however, no explanation satisfactory to the Management is furnished immediately in reply to the Company's communication by the employee concerned.

10. **JOINING TIME**

In the exigencies of the work, the Company reserves the right to require an employee to join immediately without availing any joining time and in lieu thereof, the Company may, however, allow special leave within the period of twelve months from the date of his joining at the new place.

11. **JOINING TIME PAY**

During joining time, an employee shall draw the pay and allowance of the post from which he has been transferred.

12. **ALLOWANCES**

Dearness Allowance, House Rent Allowance, City Compensatory Allowance and any other allowance shall be paid at rates to be fixed by the Company.

**13. PROVIDENT FUND**

Matters relating to the provident fund of the employees shall be regulated by “KIOCL Limited Employees Provident Fund Rules”.

14. MEDICAL FACILITIES

Medical facilities shall be provided as contained in the Medical Treatment rules of KIOCL LIMITED.

15. HOUSE RENT

15.1 Where the Company provides accommodation for its employees below the scale of E1, recovery of rent shall be governed by the rules/guidelines issued by the company from time to time.

15.2 Employees in the scale of E1 and above, 10% of the pay or the standard rent of the house, whichever is lower. Pay for this purpose will mean basic pay, personal pay, special pay and non-practicing pay, if any.

16. COMPENSATORY HOLIDAYS

16.1 The Company reserves the right to require all or any of its employees to work after the normal working hours or on public holidays. Employees, who are specifically directed by the competent Authority to work on such holidays due to exigencies of work, shall be allowed equal number of compensatory holidays. Such compensatory holidays may be availed within 2 months and may be prefixed or suffixed with any regular leave.



17. **ADVANCES FOR THE PURCHASE OF MOTOR CAR/ SCOOTER/
CYCLE AND FESTIVALS ADVANCES.**

Advances for the purchase of motor car/scooter/cycle and for festivals shall be granted to employees under “The Rules for the Grant of Advances”.

18. **CONDUCT RULES**

All employees of the Company shall be governed by the ‘Conduct rules and Discipline and Appeal Rules’

19. **TRAVELLING ALLOWANCES**

Travelling Allowance of the employees of the Company shall be regulated by the “Travelling Allowance Rules”.

20. **STOPPAGE OF WORK**

20.1 The Company may at any time in the event of fire, natural catastrophies, stoppage of power supply, epidemic, civil commotion or any other cause beyond the control of Company, stop any section or sections, departments, either wholly or partially for any period or periods.

20.2 In the event of such stoppage under this order, during the working hours the employees affected shall be informed by notices, posted on the company’s notice board, as soon as practicable whether work will be resumed or whether they should leave the establishment.



- 20.3 Reasonable notice of the resumption of normal work shall be given to the employees at their last known address entered in the Company's record. All notices required to be given under the foregoing paragraphs relating to the stoppage of work shall be displayed on the company's Notice Boards also.
- 20.4 Notwithstanding the aforesaid provisions, the company reserves the right to discharge any employee at any time if it is satisfied that the period of stoppage is likely to be a lengthy one.

21. **MISCELLANEOUS PROVISIONS**

Meeting shall not be held or attended on the company's premises (within or outside the establishment) without the prior written sanction of the competent authority. Signs, bills or notices shall not be made or pasted on the establishment/premises and collection of the funds shall not be made without previous permission of the Company. Employees shall conduct themselves in an orderly manner, avoid all unseemly behavior, gambling in any form, the consumption of alcoholic liquor within the establishment or the taking of such liquor into the establishment or the committing of any nuisance.

22. **ADDRESS FOR COMMUNICATION**

Every employee shall furnish to the company, at the time of entering the service, his local as well as permanent address. Any change either in the local or permanent address shall immediately be notified by the employee to the Company. Non-delivery or mis-delivery of any letter or communication from the company to the employee at the address given by him earlier by reasons of his having changed his residence without duly communicating the same to the



company shall not be accepted as a ground for his non-compliance with the order or communication sent to him. Any letter or communication duly sent by registered post to the last know address of the employee, as given by him, shall be deemed to be duly served on him.

23. **INTERPRETATION**

The right to interpret these rules is reserved by the company.



KUDREMU KH

PERSONNEL DEPARTMENT

Staff No. _____

Joining Report

The Personnel Executive
KIOCL Limited
Bangalore / Mangalore / Kudremukh

Dear Sir,

With reference to your appointment offer No. _____
dated _____ I _____ am to
report for duty on this _____ day of _____ 20 (FN/AN) as
_____ on a basic pay of ₹ _____ in
the scale of ₹ _____.

Date _____

Yours faithfully

Copy to:

- 1.
- 2.
- 3.
4. Accounts Executive (Pay)
5. Personal file



Contd. From prepage

RECOMMENDATIONS*

The employee may be confirmed in the post : Yes/No

Probation may be extended by : 3/6 months

Services of the employee may be terminated : Yes/ No

Date:

Signature_____

Name_____

Designation_____

Orders of the Authority empowered to approve
Confirmation

Confirmation approved

Probation to be extended by 3/6 months

Service of the employee be terminated.

Date:

Signature_____

Name_____

Designation_____

*Strike out whichever is not applicable



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**Appendix-III
(Ref Rule 6.8)**

NO: PERS/01/
DATE:

SERVICE CERTIFICATE

Name

Staff No.

Designation

Department & Location

Date of joining KIOCL

Date of release

Reason for release

Pay & Scale of Pay at the time of
release

for KIOCL LIMITED



Appendix-IV (Ref. Rule 6.10)

MODEL BOND FORMAT TO BE EXECUTED AND DELIVERED BY DIRECTORS/ MANAGING DIRECTORS/ CHAIRMAN-CUM-MANAGING DIRECTORS BEFORE TAKING OVER THE CHARGE IN KIOCL LIMITED.

THIS BOND is executed and delivered by me at on..... following the Government of India appointing me Director/Managing Director/Chairman-cum-Managing Director of KIOCL LIMITED and in fulfillment of the condition regarding restriction on joining private commercial undertakings after my retirement.

WHEREAS

- a. Upon selection by the Public Enterprise Selection Board, the Government of India, Ministry of Steel, vide its letter No..... dated..... has conveyed the sanction of the President of India appointing me Director/Managing Director/Chairman-cum-Managing Director of KIOCL LIMITED (hereinafter referred to as the Company) with effect from..... on the terms and conditions set out therein.
- b. One of the conditions is that within one year from the date of my retirement from the service of the Company, I shall not accept, without the prior approval of the Government, any appointment or post, whether advisory or administrative, in any firm or company, whether Indian or foreign, with which the Company has or had business relations; and that in the case of my breaching this condition at any time during the said period of one year, I am liable to pay the Government of India/the Company a sum of ₹ 5,00,000/- (Rupees Five Lakhs only).
- c. In terms of the said appointment order, I am required to give this Bond while taking over the charge as Director/Managing Director/Chairman-cum-Managing Director of the Company.

NOW THIS BOND WITNESSETH as under:

1. That I hereby agree with the condition as set out in the said appointment order, inter-alia, that within one year from the date of my retirement from the service of the Company, I shall not accept, without the prior approval of the Government, any appointment or post, whether advisory or administrative, in any firm or company, whether Indian or foreign, with which the Company has or had business relations;



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2. That in the case of my breaching this condition at any time during the said period of one year, I bind myself to pay the Government of India/the Company a sum of ₹ 5,00,000/- (Rupees Five Lakhs only).
3. That the said sum becomes payable by me to the Government of India/the Company immediately upon the occurrence of the breach;
4. That the Government of India/the Company has all the right to proceed against me to recover the said sum in case of my failure to pay it up after its becoming due and that the Government of India/the Company may do so even beyond the said period of one year for any breach if committed by me during the bond period;
5. That it is on my own volition I have agreed to the above conditions and commitments;
6. That this Bond will become void and of no effect after the said period of one year.

IN WITNESS WHEREOF I, , have put my hand on the date aforementioned.

.....

(Signature)

Witness:

1.

2.



LEAVE RULES

1. **TITLE**

These rules may be called the KIOCL LIMITED Leave Rules.

2. **OBJECTIVE**

To regulate the grant of various kinds of leave to the employees of the company.

3. **SCOPE**

These rules shall apply to all executive employees including Graduate Engineer (Trainees)/ Management Trainees/Resident Medical Officers and non-unionised Supervisory staff.

These rules shall not apply to the following:

- a) Persons governed by the standing Orders and those who are governed by the same terms and conditions of service as applicable to persons governed by Standing Orders.
- b) Persons in part-time employment.
- c) Persons serving in Vacation Department.
- d) Persons on deputation to the company from Central or State Governments or Central Public Sector Undertakings.
- e) Persons employed on contract except when the contract provides otherwise.

**4. DEFINITIONS**

In these rules, unless the context otherwise requires:

- a) 'Authorised Medical Officer' means the Medical Officer recognised as such by the Company.
- b) 'Company' means KIOCL LIMITED and units and Offices under it.
- c) 'Employees' shall mean all persons employed by the Company to work on a monthly rate of pay whose names are included in the Company's salary registers, but does not include those who are governed by the Company's Standing Orders or those who are governed by the same Terms & Conditions of service as applicable to persons governed by the Standing Orders.
- d) "Chairman-Cum-Managing Director" means the Chairman-Cum-Managing Director of the company or any one duly authorised to act on his behalf.
- e) 'Regular leave' means Earned Leave, half-pay leave, commuted leave, extraordinary leave and leave not due.
- f) 'Sanctioning Authority' or 'Competent authority' means the authority to whom powers have been delegated.

4.1 Masculine includes the feminine.

4.2 Singular shall imply the plural where relevant or vice versa.

**5. RIGHT TO LEAVE**

- 5.1 Leave cannot be claimed as a matter of right.
- 5.2 When the exigencies of Company's service so require, leave of any kind may be refused or revoked by the authority competent to grant it.
- 5.3 An employee, who is under suspension, is not entitled to leave as specified in these rules.

6. COMBINATION AND COMMUTATION OF LEAVE

- 6.1 Any kind of leave under these rules except Casual Leave may be granted in combination with or in continuation of any other kind of leave.
- 6.2 Special Casual Leave may be combined with casual leave. Where regular leave has been granted in combination with special casual leave, casual leave shall not be granted in combination with both special casual leave and regular leave.
- 6.3 Holidays (including restricted holidays) occurring at either end of the period of leave may be prefixed or suffixed with the approval of the sanctioning authority.
- 6.4 Holidays occurring during following kinds of leave shall not be counted as leave: Earned Leave, Half Pay Leave, Commuted Leave, Extra-ordinary Leave, Leave not due, Casual Leave and Special Casual Leave.
- 6.5 Holidays occurring during Maternity Leave, Special Disability Leave and Quarantine Leave shall be counted as leave.



- 6.6 A Compensatory holiday granted in lieu of duty performed on a Sunday or a closed holiday for a full day shall be treated as a holiday for the above purpose.
- 6.7 Payment of salary for the holidays occurring during the period of leave shall be made on the same basis as admissible for the period and nature of leave. In other words, if during a spell of 30 days' EOL, there are five holidays, no salary will be admissible for these five days. However, the EOL taken will be reckoned only as 25 days. Similarly, if during a spell of 25 days half-pay leave, there are five holidays, salary for these five days will also be made as admissible for HPL. However, the period of HPL will be reckoned only as 20 days.
- 6.8 The Commutation of one kind of sanctioned leave into leave of a different kind cannot be claimed as a matter of right. The sanctioning authority may, at the request of the employees and subject to consequential adjustment of leave salary, if any, commute retrospectively the leave already granted into leave of a different kind which was due and admissible to him at the time the leave was sanctioned.

7. ACCEPTANCE OF EMPLOYMENT WHILE ON LEAVE

No employee shall take up any service or employment anywhere while he is on leave.



8. **EARNED LEAVE**

8.1 An employee shall be entitled to earned leave at the rate of 30 days for every completed calendar year of service or 2½ days for each calendar month of service.

NOTE:

- (1) For the purpose of this rule, 'service' means continuous service in the company including the period spent on any kind of leave except extra-ordinary leave and other kinds of leave without pay.
- (2) An employee who has been placed under suspension shall be entitled to earn earned leave in respect of the period of suspension if such period is treated as duty.

8.2 An employee shall cease to earn leave when the earned leave due amounts to 300 days.

8.3 Grant of maximum earned leave at a time will be limited to 120 days.

9. **HALF-PAY LEAVE**

An employee shall be entitled to half pay leave for 20 days for each completed Calendar year of service and proportionately in the first year of service and in the year of his superannuation from the services of the company.



Note:

- (1) 'Completed Calendar Year of Service' means continuous service in the company for one calendar year including the period spent on any kind of leave, other than extra-ordinary leave and other kinds of leave without pay.
- (2) 15 days and more may be treated as one month and a period of less than 15 days may be ignored for this purpose.

10. COMMUTED LEAVE

- 10.1 Commuted leave not exceeding half the amount of half pay leave due may be granted to an employee on medical grounds or for approved course of study certified by the Competent Authority, to be in company's interest.
- 10.2 When Commuted leave is granted, twice the amount of such leave shall be debited against the half-pay leave due.
- 10.3 Commuted leave may be granted at the request of the employee even when earned leave is due to him.
- 10.4 Where an employee who has been granted commuted leave is permitted to resign from service or to retire voluntarily without returning to duty, the commuted leave shall be treated as half-pay leave and the difference between the leave salary in respect of commuted leave and half-pay leave shall be recovered. Provided that no such recovery shall be made if the retirement is on grounds of ill-health incapacitating the employee for further service or in the event of his death.



11. EXTRA-ORDINARY LEAVE

- 11.1 Extra-ordinary leave may be granted to an employee when no other leave is admissible to him, or when other leave is admissible but the employee applies for grant of extra-ordinary leave.
- 11.2 No employee shall be granted extra-ordinary leave for more than 3 months on one occasion except as in 11.3.
- 11.3 Extra-ordinary leave for a period in excess of 3 months but not exceeding 36 months may be allowed on medical grounds for diseases which require prolonged treatment or for prosecuting higher studies or for specialized training under rule 16.

12. LEAVE NOT DUE

- 12.1 Leave not due may be granted to an employee at the discretion of the sanctioning authority as advance of half pay leave when there is no earned leave or half-pay leave at his credit.
- 12.2 Leave not due shall be granted only if the sanctioning authority is satisfied that there is reasonable prospect of the employee returning to duty on expiry of the leave.
- 12.3 Leave not due shall be limited, at any one time, to one-half of the amount of half pay leave the employee is likely to earn during the remaining period of his service or 30 days, whichever is less.



- 12.4 Leave not due shall be debited against the half pay leave the employee may earn subsequently.
- 12.5 Where an employee who has been granted leave not due is permitted to resign from service or to retire voluntarily without returning to duty, the leave not due shall be cancelled and he shall be required to refund the leave salary paid towards leave not due.
- 12.6 An employee who, having availed himself of leave not due, returns to duty but resigns or retires from service before he has earned such leave, he shall be liable to refund the leave salary to the extent the leave has not been earned.
- 12.7 Leave salary shall not be recovered if the retirement is by reason of ill-health incapacitating the employee for further service or in the event of his death.
- 12.8 Leave not due shall not be granted to newly - appointed employees who are on Probation/training.
- 12.9 Leave not due sanctioned as an advance of Half pay Leave cannot be availed as commuted leave even on medical grounds.

13. MATERNITY LEAVE

- 13.1 A female employee may be granted maternity leave for a period of 180 days from the date of its commencement.
- 13.2 Maternity leave may also be granted in case of miscarriage, including abortion, on medical certificate for a period not exceeding 6 weeks.



NOTE: Abortion covered under the Medical Termination of Pregnancy Act, 1971 may also be considered as a case of abortion for this purpose.

13.3 Maternity leave shall not be debited against the leave account.

13.4 Maternity leave may be combined with leave of any other kind.

14. **SPECIAL DISABILITY LEAVE**

14.1 Special disability leave may be granted to an employee who is temporarily disabled on account of personal injury caused by accident arising out of and in the course of his employment on medical certificate.

14.2 An employee shall not be eligible for special disability leave unless the disability manifests itself within 3 months of the occurrence to which it is attributed and the person disabled acted with due promptitude in bringing it to notice.

14.3 The period of leave granted shall be such as is certified to be essential by the authorised medical officer.

14.4 Special disability leave may be combined with leave of any other kind.

15. **QUARANTINE LEAVE**

15.1 Where, in consequence of the presence of an infectious disease in the family or house-hold of an employee at his place of duty, residence or sojourn, his attendance at the place of duty is considered hazardous to the health of other



employees, such employee may be granted quarantine leave for a period not exceeding 21 days (30 days in exceptional circumstances) on the certificate of the authorised medical officer or a Public Health Officer.

15.2 Cholera, small-pox, plague, diphtheria, typhus fever and cerebro-spinal meningitis will be considered as infectious diseases for the purpose of this rule. Any other diseases as might have been declared by the State Government concerned as infectious disease for the purpose of quarantine leave may also be taken into account for grant of quarantine leave under these rules. In the case of chicken-pox, quarantine leave should not be sanctioned unless the Authorised Medical Officer/Public Health Officer considers that because of doubts as to the true nature of the disease for example small pox, there is reason for the grant of such leave.

15.3 An employee shall not be eligible for quarantine leave if he himself is suffering from any infectious disease.

15.4 Quarantine Leave may also be granted, when necessary, in continuation of other leave.

16. LEAVE FOR PROSECUTING HIGHER STUDIES/ SPECIALISED TRAINING

16.1 An employee may be granted leave for prosecuting higher studies or for specialized training in India or aboard on the basis of scholarship or fellowship received by him or otherwise subject to the following conditions:

- a) The nature of studies or training is such that these will be of definite advantage to the company and these are at least of post-graduate level.



- b) The Management is in a position to spare the employee for the period of leave applied for.
- c) The employee has rendered not less than 3 years' continuous service in the company and shall not superannuate within a period of at least 5 years of the date on which he would resume duty on the expiry of leave.
- d) An employee who has acquired any qualification or has been trained aboard at the expense of the company shall be eligible for the leave only on completion of 5 years service after such acquisition or training.
- e) An employee who is on probation or who has been promoted to a higher grade on the condition of passing a departmental examination/test shall be granted the leave only on successful completion of his probationary period or on his passing the departmental examination/test, as the case may be.

NOTE: Employee who is under a bond to serve the Company for a stipulated period shall not be eligible for the leave during the currency of the bond.

- 16.2 Leave shall consist of earned leave, commuted leave, half-pay leave and extra-ordinary leave to the extent due and admissible subject to the condition that the total period of such leave shall be limited to 24 months.



16.3 An employee shall, before proceeding on leave, execute a bond (as specified) to serve the Company for not less than 3 years on return from leave, failing which he shall be liable to pay to the Company an amount calculated as under:

a) If he is in receipt of pay upto ₹ 31,740/- per month:

(i) ₹15000/- in case he fails to rejoin duty or, after rejoining, serves the Company for a period of less than 2 years; and

(ii) ₹10000/- in case, after rejoining, serves the Company for atleast 2 years but fails to serve for a minimum period of 3 years.

b) If he is in receipt of pay in excess of ₹ 31,740/- per month:

(i) ₹ 20000/- in case he fails to rejoin duty or, after rejoining, serves the company for a period of less than 2 years; and

(ii) ₹15000/- in case after rejoining, he serves the Company for atleast 2 years but fails to serve for a minimum period of 3 years.

16.4 An employee shall not accept any regular job during the period of this leave.

NOTE:

1) The Company shall not undertake any liability or responsibility on account of passage or any other arrangements in connection with higher studies or specialised training during the period of leave.

2) An employee returning from leave shall submit a report on the study/training bringing out the aspects considered useful from the point of view of the Company.

17. SPECIAL CASUAL LEAVE

17.1 Special Casual Leave may be granted to an employee at the discretion of the sanctioning authority to cover the period of absence during which he is unable



to attend duties in special circumstances which are not purely personal or domestic as herein specified.

- 17.2 Civil disturbance or curfew or bundh: Where the competent authority satisfied that the absence of the individual concerned was due to failure of transport facilities, special casual leave may be granted to the employees who had to come from a distance of more than three miles from their place of duty. If the absence was due to picketing or disturbances or curfew, then too special casual leave could be granted to regularise the absence without insisting on the condition that the distance between their place of duty and their residence should be more than three miles.
- 17.3 Participating in Sports/Games: Upto 30 days in a calendar year and upto 60 days in exceptional cases, at the discretion of the Sanctioning Authority.
- 17.4 Blood donation: One day for each occasion but not exceeding four days in a calendar year, on medical certificate.
- 17.5 Special Casual Leave may be allowed for family planning on production of medical certificate as provided below:
- a) For a period not exceeding six days in the case of the male employees who undergo vasectomy operation. If an employee undergoes the operation for the second time on account of the failure of the first operation, leave may be granted again for a period not exceeding six days.
 - b) For a period not exceeding 14 days in the case of female employees who undergo tubectomy operation – whether puerperal or non-puerperal – and who undergo salpingectomy operation after medical



termination of pregnancy (MTP). If an employee undergoes tubectomy operation for the second time on account of the failure of the first operation, leave may be granted again for a period not exceeding 14 days.

- c) A male employee may be allowed special casual leave upto 7 days if his wife has undergone tubectomy operation puerperal or non-puerperal – for the first or the second time or who has undergone salpingectomy operation after medical termination of pregnancy to look after wife during her convalescence:
- d) Female employees who have insertions of intrauterine contraceptive devices (IUCD) may be granted special casual leave on the day of insertion.
- e) Where an employee requires leave beyond the prescribed limits of special casual leave for undergoing sterilization operation owing to the development of post-operation complications, he may be allowed additional special casual leave to cover the period for which he/she is hospitalised on this account. The benefit of additional special casual leave may also be extended to the extent of 7 days in case of vasectomy operation and 14 days in the case of tubectomy operation where the employee, though not hospitalised, is not found fit to go to work.
- f) The following categories of employees who undergo operation for a recanalisation may be granted special casual leave for a period of 21 days or for the actual period of hospitalisation, whichever is less.



- i) Unmarried employees;
- ii) Employees having less than two children;
- iii) Employees desiring recanalisation for substantial reasons (e.g. a person who has lost all male children/ female children after sterilisation operation).

17.6 When an employee is called for training in the Territorial Army, the entire period of training including the period of transit to and fro may be treated as special casual leave.

17.7 Employees affected by floods or other natural calamities may be granted special casual leave for the period of absence subject to the following conditions:

- a) The area in which the employees are living has been declared as an affected area by the State Government.
- b) The period of special casual leave shall be limited to the period covered by the State Government Notification in this regard.

18. CASUAL LEAVE

18.1 An employee shall be entitled to 15 days Casual Leave in a calendar year.

18.2 Employees joining after the 1st day of January shall be entitled to proportionate number of days of Casual Leave for the remaining part of the calendar year. While calculating proportionate number of days of Casual Leave, the fractions (if any) will be rounded off to the nearest whole number.



18.3 Ordinarily not more than 10 days Casual Leave may be granted in one spell.

18.4 Casual Leave cannot be combined with any kind of leave except Special Casual Leave. Casual Leave cannot be combined with both Special Casual Leave and regular leave.

19. LEAVE SALARY

19.1 An employee who proceeds on earned leave is entitled to leave salary equal to the pay and allowances drawn immediately before proceeding on earned leave, except officiating allowance.

19.2 An employee on half-pay leave or leave not due is entitled to leave salary equal to half of the pay and allowances in full specified in Rule 19.1.

19.3 An employee on commuted leave, maternity leave and special disability leave is entitled to leave salary equal to the amount admissible under Rule 19.1

19.4 An employee on extra-ordinary leave is not entitled to any leave salary.

19.5 Any employee on quarantine leave and special casual leave is entitled to leave salary equal to the amount admissible under Rule 19.1

19.6 Payment of salary for the intervening holidays in a spell of leave shall be regulated in accordance with Rule 6.7.

Note: In pursuance of Office Order No.S/BC/8(7)/2011, dated 13.6.2011, those on long leave such as study leave, Extraordinary leave and Leave Without Pay on any ground are not eligible for perks and allowance.

20. ADVANCE OF LEAVE SALARY

20.1 An employee proceeding on leave for a period of a calendar month/30 days or more may be granted advance of the net leave salary due for the first month of the leave.



20.2 The advance should be adjusted in full in the leave salary bill in respect of the leave availed of. In case where the advance cannot be so adjusted in full, the balance will be recovered from the next payment of pay or/and leave salary.

20.3 The advances in respect of temporary employee/contract employees will be sanctioned subject to the furnishing by them of the Surety of a permanent employee/employee on contract till the age of superannuation.

20.4 Advances shall be sanctioned in whole rupees.

21 REGULATION OF CLAIM TO LEAVE

An employee's claim to leave shall be regulated by the rules in force at the time of leave is applied for and granted.

22 APPLICATION FOR LEAVE

22.1 All kinds of leave shall be applied for in the prescribed application form, sufficiently in advance(See **Appendix**).

22.2 An employee shall resume work on the expiry of the leave unless an extension has been sanctioned in writing by the Company prior to that date.

22.3 If an employee after proceeding on leave desires an extension thereof, he shall apply by letters or telegrams to the sanctioning authority



in sufficient time for a reply to reach him before the date on which he would have to start back to resume his duties

23 LEAVE ACCOUNT

A Leave account shall be maintained in the prescribed form for each employee by the Finance & Accounts Department.

24 GRANT OF LEAVE ON MEDICAL CERTIFICATE

24.1 An application for leave or extension of leave on medical grounds shall be supported by a medical certificate given by the authorised medical officer.

24.2 The medical certificate should clearly indicate the nature and probable duration of the illness and the period for which leave is required. The certificate issued by the authorised medical officer, should also contain the signature of the employee, which should be attested by the issuing officer.

24.3 An authority competent to grant leave may, in its discretion, waive the production of a medical certificate in case of an application for leave for a period not exceeding three days at a time.

24.4 The authority competent to grant leave may, at its discretion, secure a second medical opinion where it is not satisfied about the genuineness of a case or the kind or duration of leave recommended.



24.5 A medical certificate shall not by itself confer upon the employee any right to leave, the leave shall be admissible only at the discretion of the sanctioning authority.

25 RETURN FROM LEAVE

Leave on medical ground shall be granted on production of medical certificate from Company's doctor or, where Company's doctor is not available, by a registered medical practitioner. An employee returning from leave on medical ground shall furnish a certificate of fitness from the Company's doctor or, where Company's doctor is not available, from a registered medical practitioner.

26 RECALL TO DUTY BEFORE EXPIRY OF LEAVE

26.1 An employee may, in the exigencies of work, be recalled from leave. In case of such recall, the employee shall be entitled to :

- a) count the period from the date he starts from the station where he is on leave to the date of his resuming duty, but he shall draw only leave salary for the period.
- b) draw travelling allowance as on tour. If the employee had drawn LTC, only daily allowance shall be admissible.

27 LEAVE ON RETIREMENT OR FINAL CESSATION OF DUTIES

27.1 An employee, who retires from the service of the company on attaining the age of superannuation or at the end of the term of his employment, shall be entitled to encash earned leave at his credit as on the



date of retirement limited to a maximum of 240 days in terms of Leave Encashment Rules.

27.2 An employee who takes Voluntary retirement under the Voluntary Retirement Scheme shall be entitled to encash earned and Half-pay leave as provided in the Scheme.

28 CASH EQUIVALENT OF LEAVE SALARY IN CASE OF DEATH IN SERVICE

In case an employee dies while in service, cash equivalent of leave salary in respect of earned leave and Half-pay leave standing to his credit not exceeding 240 days shall be paid to his nominee, or in absence of nominee to his legal heirs.

29 HOLIDAYS

An employee shall be entitled to festival/national holidays in accordance with the list of such holidays declared by the Company at the beginning of each calendar year.

30 DISMISSAL, REMOVAL OR RESIGNATION

30.1 Any claim to leave to the credit of an employee, who is dismissed or removed from service or who resigns from service, ceases from the date of such dismissal/removal or release on resignation, as the case may be.



30.2 An employee who is dismissed or removed from service and is subsequently re-instated on appeal or revision shall be entitled to count for leave his service prior to dismissal or removal, as the case may be.

31 PERSONS RE-EMPLOYED AFTER RETIREMENT

In the case of a person re-employed after retirement, the provisions of these rules shall apply as if he has entered Company's service for the first time on the date of his re-employment.

32 TRANSFER FROM OR TO POSTS GOVERNED BY OTHER LEAVE RULES

32.1 An employee to whom these rules do not apply when appointed or promoted to a post to which these rules apply, shall become subject to these rules from the date of such appointment and the leave at his credit under the rules previously applicable to him shall be carried forward subject to the provisions of these rules.

32.2 If an employee governed by these rules is appointed to a post wherein his leave terms are governed by different rules, the balance of the leave at his credit on the date of such appointment shall be carried forward subject to the provisions of the rules applicable in the new appointment.

33 FOREIGN SERVICE/DEPUTATION

An employee on deputation in India shall continue to be governed by these rules. In the case of an employee who proceeds on Foreign Service outside India, these



rules shall apply to the extent provided in the terms and conditions of Foreign Service.

34. TENURE


These rules shall come into force with effect from 1st January 1983(01.1.1983) and shall supersede all rules, regulations, orders and instructions in force immediately before the commencement of these rules. Provided that anything done or any action taken or any leave earned by, or granted to, or accrued to the credit of an employee under the rules applicable to him prior to this date shall be deemed to have been done, taken, earned, granted or accrued under the corresponding provisions of these rules.

35. MISCELLANEOUS

- 35.1 Where any doubt arises as to the interpretation of these rules, the decision of the Company shall be final and binding.
- 35.2 The Company reserves to itself the right to modify, alter, amend or cancel any of these rules without notice.



**Appendix
(Ref.Rule 22.1)**

 KUDREMU KH			Application for Leave			Appln.No.	
Name		Staff No	Designation	Department			
Reasons for Leave:							
Availing LTC			Yes/No	Block Year:			
Type of Leave	From	To	No.of Days				
Prefixing:							
Suffixing:							
Leave Address:							
Date:			Applicant:				
Recommending Authority: Signature			Date:		Sanctioning Authority: Signature		
					Date:		
CL - Casual Leave EL - Earned Leave HPL - Half Pay Leave RH - Restricted Holiday CML - Commuted Leave LND - Leave Not Due			IOD - Injured on Duty ML - Maternity Leave SPL - Special Leave CO - Comp.Off LWP - Leave without Pay				
Recommended / Not Recommended for Sanctioning subject to Leave being due							
Date:			Rec./Sanc. Authority				



RULES FOR ENCASHMENT OF LEAVE

1. **OBJECTIVE**

To have codified rules for encashment of leave with a view to encourage employees to avail leave in a planned and systematic manner with necessary funds to meet their social obligations and other expenditure during leave period and also to reduce long absenteeism with consequent loan on the staff requirements.

2. **SCOPE**

The rules for encashment of leave shall cover all regular employees of the Company, excluding those on deputation from Government/other organizations and Company employees on deputation to others.

3. **POLICY**

Encashment of earned leave and Half-pay leave will enable employees to meet part of the expenses of travel and holiday out of their accumulated leave.

4. **SANCTIONING AUTHORITY**

The authorities who are competent to sanction leave shall be the sanctioning authority for approving encashment of earned leave under these rules.



5. ENCASHMENT BENEFITS

5.1 The encashment of earned leave shall be regulated on the basis of last pay drawn which includes basis, pay, dearness allowance, non-practicing allowance and personal pay, if any, but shall not include incentive bonus, acting officiating allowance and other allowance.

5.2 The encashment benefit shall not be reckoned as wage/salary while working out overtime, gratuity, provident fund, bonus under the Bonus Act, etc.,

6. ELIGIBILITY

6.1 EARNED LEAVE

While in service :

Earned leave standing to the credit of an employee may be encashed at his option only once in a calendar year provided that the quantum of leave to be encashed in each case is not more than 50% of the earned leave at credit subject to a minimum of ten days. Encashment of leave payable will be calculated on the basis of

Pay as per Clause 5.1
 ----- X No.days encashed
 30

6.2 On Voluntary termination of Contract of Service:

Employees shall be allowed to encash unavailed portion of earned leave



6.3 On dismissal or removal:

The encashment of leave will not be admissible on dismissal or removal from service of an employee. In case of termination simplicitor an employee will be eligible for encashment of earned leave as per rules above.

6.4 On retrenchment:

The employees shall be paid earned leave and half-pay leave salary in lieu of leave due to them

6.5 On retirement:

If any leave due to an employee is not utilised, he shall be allowed to encash the unavailed portion of the earned leave half-pay leave.

6.6 On death:

Leave salary in respect of earned leave and half-pay leave standing to his credit shall be paid to the legal heir(s) of the employee.

6.7 **ENCASHMENT OF HALF PAY LEAVE**

Employees of the Company will be entitled to encashment of Half pay leave due to them subject to a maximum of 240 days in the following circumstances:

- a) On superannuation;
- b) On voluntary retirement;
- c) Death while in service; and
- d) Permanent total disablement.



The calculation of cash equivalent in respect of half-pay leave at credit shall be made in the same manner as that of Earned leave but with a modification that half of basic pay shall be taken into account.

6.8 Employees of the Company are permitted to encash half pay leave while in service as under:

- a) Half-pay leave standing to the credit of an employee may be encashed at his option once in a calendar year;
- b) The quantum of leave that may be encashed shall not be more than 50% of the half-pay leave at credit subject to a minimum of 10 days and a maximum of 60 days; and
- c) The calculation of cash equivalent in respect of half-pay leave at credit shall be made in the same manner as that of Earned leave but with a modification that half of basic pay shall be taken into account.

7. **PROCEDURE**

For leave encashment under rule 6.1 & 6.8 while in service, an employee shall be required to apply in writing to the sanctioning authority. In all other cases it shall be settled by appropriate authority.

8. **TENURE**

These rules shall come into force with effect from February 15, 1978 and as amended from time to time.

**CONDUCT RULES****1. SHORT TITLE AND APPLICATION**

- 1.1 These rules may be called the Conduct Rules for the employees of KIOCL LIMITED.
- 1.2 They shall apply to all persons employed by KIOCL LIMITED provided that nothing in these rules shall apply to any Government servants who may be on Foreign Service with KIOCL LIMITED.

2. DEFINITIONS

- 2.1 “The Company” means the Board of Directors of KIOCL LIMITED, or any other authority to whom powers in this respect may be delegated by the Board of Directors under Rule 25 below.
- 2.2 “Employee” means any person employed by KIOCL LIMITED.
- 2.3 “Members of the Family” in relation to an employee, includes
- 2.3.1 the wife or husband as the case may be, of the employee, whether residing with the employee 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.
- 2.3.2 Son or daughter or step-son or step-daughter of the employee and wholly dependent on him/her, 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.

- 2.3.3 Any other person related, whether by blood or marriage, to the employee or to the employee's wife or husband as the case may be, and wholly dependent on the employee.

3. **GENERAL**

3.1 Every employee shall at all times maintain absolute integrity and devotion to duty and shall conduct himself at all times in a manner, which will enhance the reputation of the organisation.

3.2.1 Every employee holding a scale of E1 and above shall take all possible steps to ensure integrity and devotion to duty of all employees for the time being under his control and authority.

3.2.2 No employee shall in the performance of his official duties or in the exercise of power conferred on him act otherwise than in his best judgement except where he 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 thereafter as possible.

Explanation: Nothing in Rule 3.2.2 shall be construed as empowering an employee to evade his responsibilities by seeking instruction from, or approval of a superior officer or authority when such instructions are not necessary under the scheme of distribution of powers and responsibilities.



3.3 1) Prohibition of Sexual harassment of Women at work place:

- a) No employee shall indulge in any act of sexual harassment of any woman at her work place.
- b) Every employee who is incharge of a work place shall take appropriate steps to prevent sexual harassment to any woman at such work place.

Explanation:

For the purpose of this rule, 'sexual harassment' includes such unwelcome sexually determined 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.
- 2) Any misconduct of the above nature will be dealt with in accordance with the procedure laid down in the Service Rules of the Company.

4. **EMPLOYMENT OF NEAR RELATIVES OF EMPLOYEES IN PRIVATE FIRMS ENJOYING COMPANY'S PATRONAGE**

- 4.1 No employee shall use his position or influence directly or indirectly to secure employment for any member of his family in any private firm or undertaking.



- 4.2.1 No employee shall, except with the previous sanction of the Company, permit his son, daughter or dependant, to accept employment with any private firm with which he has dealings in connection with the business of the Company or with any other firm, having business dealings with the Company.

Provided that where the acceptance of the employment cannot await the 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 obtaining the permission of the Company.

- 4.2.2. An employee shall, as soon as he becomes aware of the acceptance, by a member of his family of an employment in any private undertaking, intimate such acceptance to the prescribed authority and shall also intimate whether he or she has or has had any official dealings with that undertaking.

- 4.3. No employee shall in the discharge of his official duties deal with any matter or award any contract relating to a firm or any other person if any member of his family is employed in that firm or under that person or if he or any member of his family is interested in any such matter in any other manner, the employee shall refer every such matter or contract to his official superior and the matter of contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

5. TAKING PART IN POLITICS AND ELECTIONS

Except in so far as may otherwise be specifically authorised by any law, no employee shall be a member or, or be otherwise associated with, any political party or any organisation which takes part in politics or assist any political



movement or activity, or stand for election without the permission of the Company, as a member of a local authority or a legislative body.

6. **DEMONSTRATIONS AND STRIKES**

No employee shall participate in any demonstration, or resort to any form of strike in connection with any matter pertaining to his conditions of service in contravention of the provisions of any law or rule for the time being in force.

7. **CONNECTION WITH PRESS OR MEDIA BROADCAST:**

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

7.2 No employee shall, except with the previous sanction of the Company, or any other authority empowered by it in his behalf or in bonafide discharge of his duties, participate in media broadcast or 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 on a subject which may have a bearing on the affairs of the Company.

Provided that no such sanction shall be required if such broadcast or such contribution is of a purely literary, artistic or scientific character.

8 No employee shall, in any media broadcast or in any document published under his name or in the name of any other person or in any communication to the press, or in any public utterances, make any statement.



(a) Which has the effect of adverse criticism of any policy or action of the Central or State Governments, or of the Company.

OR

(b) Which is capable of embarrassing the relations between the Company and the Public.

Provided that nothing in these rules shall apply to any statement made or views expressed by an employee, of purely factual nature which are considered to be of a confidential nature, in his official capacity or in due performance of the duties assigned to him.

Provided further that nothing contained in this Clause shall apply to bonafide expression of views by him as an Office Bearer of a recognised trade union for the purpose of safeguarding the conditions of service of such employees or for securing an improvement thereof.

9. **MAKING PUBLIC OR PUBLISHING DOCUMENTS ETC**

No employee while in service, or after his retirement, retrenchment, resignation or discharge, shall make public or publish any documents, papers or information which might have come into his possession in his official capacity, without the prior sanction of the Company.

10. **EVIDENCE BEFORE COMMITTEE OR ANY OTHER AUTHORITY**

10.1 Same as provided in rule 10.3, no employee shall except with the previous sanction of the Company, give evidence in connection with any enquiry conducted by any person, committee or authority



10.2 Where any sanction has been accorded under Rule 10.1 no employee giving such evidence shall criticize the policy or any action of the Company, the Central Government or a of a State Government.

10.3 Nothing in this rule shall apply to:

- a) evidence given at an inquiry before an authority appointed by the Company, Government, Parliament or by a State Legislature;
- b) evidence given in any judicial inquiry; or
- c) Evidence given at any departmental inquiry ordered by the Company or authorities sub-ordinate to the Company.

11. **UNAUTHORISED COMMUNICATION OF INFORMATION**

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

11.2 No employee shall divulge any of the trade secrets, specifications, patents, discoveries, inventions of the Company. Any discoveries/invention/patents done by any employee of the Company shall automatically be the property of the Company. These may be taken/used for other than Company's work with prior permission of the Company.

12. **SUBSCRIPTIONS**

No employee shall, except with the previous sanction of the Company, or of such authority as may be empowered by it in this behalf 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

13. **GIFTS**

13.1 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 personal friend having no official dealings with the employee.

NOTE:

- i) A casual meal, lift or other social hospitality shall not be deemed to be a gift.
- 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, organisations etc.,

13.2 On occasions such as wedding, anniversaries, funerals or religious functions when the making of a gift is in conformity with the prevailing religious or social practice, an employee may accept gifts from near relatives but he shall make a report to the Company if the value of the gift exceeds:

- i) ₹500/- in the case of an employee in the grade of E1 and above,
- ii) ₹ 100/- in the case of employee in the grade of pay of S1.



iii) ₹ 250/- in the case of employees in other grades of pay.

13.3 On such occasions as are specified in Rule 13.2, an employee may accept gift from his personal friend having no official dealing with him, but he shall make a report to the company, if the value of any such gift exceeds:

i) ₹ 200/- in case of employees specified in 13.2(i)

ii) ₹ 50/- in case of employees specified in 13.2(ii)

iii) ₹ 100/- in case of employees specified in 13.2(iii)

13.4 In all other cases, an employee shall not accept any gift without the sanction of the Company if the value thereof exceeds:

i) ₹ 75/- in the case of an employee specified in 13.2 (i)

ii) ₹ 25/- in the case of employees in other grades of pay.

14 **NO EMPLOYEE OF THE COMPANY SHALL**

(i) give or take or abet giving or taking of dowry; or

(ii) demand, directly or indirectly from the parents or guardian of bride or bridegroom, as the case may be, any dowry.

Explanation:

For the purposes of this rule “dowry” has the same meaning as in Dowry Prohibition Act, 1961 (28 of 1961)

**15 PUBLIC DEMONSTRATION IN HONOUR OF A COMPANY'S EMPLOYEE**

No employee shall, except with the previous sanction of the Company, receive any complimentary or valedictory address, or accept any testimonial, or attend any meetings or entertainment held in his honour, or in the honour of other employee.

Provided that nothing in this rule shall apply to:

i) a farewell entertainment of a substantially private and informal character held in honour of an employee or any other employee on the occasion of his retirement or transfer or any person who has recently quit 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 any employee to induce him to subscribe towards any farewell entertainment even if it is of substantially private or informal character and the collection of subscriptions from employees in a grade below S7, under the circumstances for the entertainment of any employee not belonging to that class are forbidden.

16 PRIVATE TRADE OR EMPLOYMENT

16.1 No employee shall, except with the previous sanction of the Company, engage directly or indirectly in any trade or business or undertake any employment;



Provided that an employee may, without such sanction, undertake honorary work of a social or charitable nature or occasional 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 Company.

Explanation: Canvassing by an employee in support of the business of insurance agency, commission agency etc. owned or managed by his wife or any other member of his family shall be deemed to be a breach of this rule.

- 16.2 No employee shall without the previous sanction of the Company except in the discharge of his official duties take part in the registration, promotion or management of any bank or other company registered under the Companies Act, 1956 (1 of 1956) or any other law for the time being in force or any co-operative society for commercial purposes.

Provided that an employee may take part in the registration, promotion or management of a Co-operative Society registered under the Co-operative Societies Act, 1912(II of 1912), 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(XXI of 1860), or any corresponding law in force.

- 16.3 Every employee shall report to the Company if any member of his family is engaged in a trade or business or owns or manages an insurance agency or commission agency.
- 16.4 No employee may, accept any fee or pecuniary advantage for any work done for any public body or for any private person without the sanction of the competent authority.
-

**17. INVESTMENTS, LENDING AND BORROWING**

17.1 No employee shall speculate in any stock, shares or other investments.

Explanation: Frequent purchase or sale or both of securities, shares or other investments shall be deemed to be speculation within the meaning of this sub-rule.

17.1.1 A full-time Director or any executive/employee involved in the decision making process of fixation of price of an IPO/FPO of shares of the Company shall not apply either himself/herself or through any member of his/her family or through any other person acting on his/her behalf for allotment of shares (which includes all types of equity related instruments) in an IPO/FPO of the Company, even out of the category of preferential quota reserved for employees/Directors of the Company.

17.1.2 All executives / employees including full time Directors of the Company who are in possession of unpublished price sensitive information would be prohibited from dealing/transacting either in their own name or through any member of their family in the shares of the Company.

17.1.3 Full-time Director or executives/employee or any member of his/her family or any person acting on his/her behalf shall not apply for shares out of any preferential quota reserved for employees/Directors of other companies.

17.1.4 All employees of the Company would be required to disclose to the Company all transactions of purchase/sale in shares worth ₹ 20,000/- or more in value or existing holding/interest in the shares worth ₹20,000/- or more in his/her own company either in his/her own name or in the name of any family member to report to the company indicating quantity, price, date of transaction and nature of interest within 4 working days.

Note: Intimation in the proforma A & B – initial disclosure is to be made in Proforma –A and subsequent acquisition beyond the prescribed limit to be furnished in Form –B.

(As per Office Order No.S/BC/17(2)/2009, dated 14.10.2009)

**18 INSOLVENCY AND HABITUAL INDEBTEDNESS**

An employee shall so manage his private affairs as to avoid habitual indebtedness or insolvency. An employee who becomes the subject of legal proceedings for recovery of any debt due from him for adjudging him as an insolvent shall forth with report the full facts of the legal proceedings to the Company.

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

19 MOVABLE, IMMOVABLE AND VALUABLE PROPERTY (See Appendix-II)

19.1 No employee shall, except with the previous knowledge of the prescribed authority, acquire or dispose of any immovable property by lease, mortgage, purchase, also, gift or otherwise, either in his own name or in the name of any member of his family;

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

- (a) with a person having official dealings with the Company's employee,
- or
- (b) otherwise than through a regular or reputed dealer.

Explanation:

The prescribed authority for the purpose of this sub-rule shall be:



- a) Govt. of India in the case of Chairman-cum-Managing Director.
- b) The Chairman-cum-Managing Director, in the case of executives in the grade of E5 & Above.
- c) Any other authority in the case of other employees, as the Chairman-cum-Managing Director, may, by general or special order, direct.

19.2 An employee who enters into any transaction concerning any movable property exceeding ₹ 20,000/- in value in the case of employees in the grade of SS and above and exceeding ₹ 15,000/- in the case of other employees whether by way of purchase, sale or otherwise, shall forthwith report such transaction to the prescribed authority referred to in sub-rule 19.1.

Explanation: For the purpose of this sub-rule. The “expression” movable property includes intera alia the following property, Viz.,

- (a) Jewellery, Insurance Policies, the annual premia of which exceeds ₹ 15,000/- or 1/6th of the total annual emoluments received from the Company, whichever is less, shares, securities and debentures.
- (b) Loans advanced by such employee, whether secured or not;
- (c) Motor cars, motor cycles or any other means of conveyance and
- (d) Electronic goods/Furnitures etc.

19.3 Every employee shall, on first appointment in the Company, and thereafter at such intervals as may be prescribed, submit a return of his assets and liabilities in such form as may be prescribed(See **Appendix-I**). The return shall contain full particulars regarding.



- (a) 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 or similarly owned, acquired or held by him.
- (c) Other movable property inherited, or similarly owned, acquired or held him.
- (d) Debts and other liabilities incurred by him directly or indirectly.

NOTE:

- i) Rule 19.3 shall not ordinarily apply to employees in the grade of S1 but the Company may direct that it may apply to any such Company employees.
- ii) In all returns, the value of items of movable property less than ₹ 15,000/- may be added and shown as a lump sum. The value of articles of daily use such as clothes, utensils, crockery, books etc., need not be included.
- iii) The total value of Jewellery may be shown as a lump sum.
- iv) Company employees who are in service on the date that this rule comes into force should submit a return under this sub-rule by a date to be prescribed immediately following the coming into force of this rule.

19.4 The Company or any authority empowered by it in this behalf 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 by any member of his family as may be specified in the order. Such statement shall, if so required by the Company or by the authority so empowered



include details of the means by which the source from which such property was acquired.

20 **VINDICATION OF ACTS AND CHARACTER OF EMPLOYEES**

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

Explanation: Nothing in this rule shall be deemed to prohibit an employee from vindicating his private character or any act done by him in his private capacity provided that he shall submit a report to the prescribed authority regarding such action.

21. **CANVASSING OF NON-OFFICIAL OR OTHER OUTSIDE INFLUENCE**

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

22. **BIGAMOUS MARRIAGES**

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



22.2 No female employee shall marry any person who has a wife living without first obtaining the permission of the Company.

23. **DRINKING**

An employee shall:

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

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 the members to invite non-members as guests, bars and restaurants) conveyance to which the public have or are permitted to have access, whether on payment or otherwise.

24. **INTERPRETATION**

The right to interpret these rules is reserved by the Company.

25. **DELEGATION OF POWERS**



The Company may by general or special order, direct that any power exercisable by it under these rules, except the powers under rule 19 and this rule, shall, subject to such conditions, if any, as may be specified in the orders, be exercisable also by such officer or authority as maybe specified in the order.

26. Violation of any of the above mentioned rules will render the employee liable for Disciplinary action.

FORM A

DETAILS OF SHARES HELD BY DIRECTOR OR OFFICER OF KIOCL- INITIAL DISCLOSURE UNDER CLAUSE 17.1.4 OF THE CONDUCT RULES

Name and address of Director/ Officer	Date of assuming Office of Director/ Officer	No. & % of shares /voting rights held at the time of becoming Director/ Officer	Date of intimation to Company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc)	Trading member through whom the trade was executed with SEBI Registration no. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value



FORM B

DETAILS OF ACQUISITION OF ₹ 20,000/- OR MORE VALUE OF KIOCL'S SHARES- DISCLOSURE UNDER CLAUSE 17.1.4 OF THE CONDUCT RULES

Name and address of employees with telephone number	Shareholding prior to acquisition	No. & % of shares/ voting rights acquired	Date of receipt of allotment/ advice, Date of acquisition (specify)	Date of intimation to Company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc)	Share-holding subsequent to acquisition	Trading member through whom the trade was executed with SEBI Registration no. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value



**Appendix-I
(Ref.Rule 19.3)**

Form - I

Return of Immovable / Movable Property & Liabilities Prescribed under Rule 19.3 of the Conduct Rules

Name of Officer (in full) : Staff No :
 Designation : Location :
 Basic Pay : Date of Joining :

STATEMENT OF IMMOVABLE PROPERTY FOR THE YEAR.....

Name of State, District Sub-Division, Taluk and Village in which property is situated (Postal Address)	Name & Details of Property		Present Market Values (as on 31st December)	Sate in whose name held and his/her relationship, Ownership details	How acquired? Whether by purchase, lease, mortgage, inheritance, gift or otherwise, with date of acquisition and name with details of persons from whom acquired, Source of income for acquiring the property.	Annual Income from the Property	Remarks
	Housing & other buildings (Total area)	Land (Type & Area)					
1	2	3	4	5	6	7	8

Date:

Signature



Form - I

Note: 1 If the property is not wholly owned the extent of share may also be indicated.

Note: 2 For the purpose of Col.4 the term 'lease' would mean a lease of immovable property from year to year or for any term exceeding one year of service yearly rent. When however, the lease of immovable property is obtained from a person having official dealings with the employee, such a lease should be shown in this column irrespective of the term of the lease (Whatever it is short term or long term), and the periodicity of the payment of rent.

Note: 3 In col.5 should be shown:

- (a) Where the property has been acquired by purchase, mortgage or lease, the price or premium paid for such acquisition.
- (b) Where it has been acquired by lease, the total annual rent thereof also and
- (c) Where the acquisition is by inheritance, gift or exchange, the approximate value of the property so acquired.

Note: 4 The annual return in respect of immovable property may also be submitted in this form as on 1st January.

Note: 5 Name of District, Division, Taluk & Village in which the property is situated and also its distinctive number etc. will be given in Col.2

Note: 6 Whether by purchase, mortgage, lease, inheritance, gift or other wise & name with details of person/persons from whom acquired. Address & connection, if any with the person/persons concerned are also to be given in column.



Form - 3
STATEMENT OF ASSETS & LIABILITIES

DETAILED STATEMENT IN RESPECT OF SHARES/DEBENTURES PURCHASED UNDER PROMOTERS/EMPLOYEES QUOTA AS ON 1ST JANUARY OF EACH CALENDAR YEAR IN OFFICERS OWN NAME AND ALSO THOSE HELD IN THE NAMES OF SPOUSE AND DEPENDENT CHILDREN

1) NAME : DESIGNATION :
 2) ORGANISATION/LOCATION : DATE OF JOINING :
 3) DEPARTMENT : P.F. INDEX NO :
 4) BASIC PAY : STAFF NO :

Sl.No	Name of the Company	No.of Shares	Face Value	Cost of acquisition	Whether Promoter's / Employees Quota	How acquired	Position held at the time of acquisition and if the company had any borrowing or other facilities at that time.
1	2	3	4	5	6	7	8

A Self
 B Spouse and Dependent Children
 (2) Any additions/deletions to this statement as on 1st January..... and the profit/loss incurred by me are given below.
 Place:
 Date : Signature



(To be submitted alongwith the Assets & Liabilities Statement as on 1st January of every year)

Form of giving information where total transactions in shares, securities, debentures and investment in mutual fund schemes etc, exceed ₹ 25,000/- during the calendar year on 1st January.....

- 1 Name and designation
- 2 i) Scale of pay and present pay
ii) P.F.Index No.
- 3 Details of each transaction made in shares, securities, debentures, mutual funds scheme etc during the calendar year
- 4 Particulars of the party / firms with whom transaction is made
 - (a) Is the party related to you ?
 - (b) Did you have dealings with the party in your official capacity at any time or is the applicant likely to have any dealings with you in the near future ?
- 5 Source (s) from which financed?
 - (a) Personal savings
 - (b) Other sources giving details.
- 6 Any other relevant fact which you may like to mention.

Declaration: I hereby declare that the particulars given above are true.

Place:

Signature



Appendix-II (Ref.Rule 19)

Form for giving intimation or seeking previous sanction under Rule 19 of the Conduct Rules of the Company for Transactions in respect of movable/ immovable properties (for instructions please see note below)

1. Name of the employee :
2. a) Designation :
b) Staff No. :
c) Department :
d) Place of posting. :
3. Scale of pay and present pay :
4. Purpose of application :
a) Whether for sanction for transaction? :
b) Or intimation of the transaction. :
5. Whether property is being acquired or disposed of :
6. a) Probable date of acquisition or disposal of property. :
b) If the property is already acquired/disposed of – actual date of transaction. :
7. a) Description of the property :
(E.g. land/house/plot/car/scooter/motor cycle/refrigerator/radio/radiogram/ jewellery/loans/insurance policies etc.) :
b) Make, model (and also registration No. in case of vehicles), where necessary. :
8. Mode of acquisition/disposal (Purchase / sale, gift, mortgage, lease or otherwise). :
9. Sale/purchase price of the property (Market value in the case of gifts) :
10. Personal savings. :
Other sources giving details :
11. In the case of disposal of property, was requisition/sanction/intimation obtained/given for its acquisition (A copy of the sanction/acknowledgement should be attached). :
12. a) Name and address of the party with whom transaction is proposed to be made/has been made. :
b) Is the party related to the applicant? If so, state that relationship. :
c) Did the applicant have any dealings with the party in his official capacity at any time, or is the applicant likely to have any dealings :



- with him in the near future?
 d) Nature of official dealings with the party.
 e) Is the party a regular or reputed dealer?
 f) How was the transaction arranged? (Whether through any statutory body or a private agency through advertisements or through friends and relatives. Full particulars to be given).
13. In the case of acquisition by gifts,
 Whether sanction is also required under
 Conduct rules.
14. Any other relevant fact which the applicant may like to mention.

DECLARATION

I _____ hereby declare that the particulars given above are true. I request that I may be given permission to acquire/dispose of property as described above from/to the party whose name is mentioned in item 12 above.

OR

I _____ hereby intimate the acquisition/disposal of property by me as detailed above. I declare that the particulars given above are true

Place :
 Date :

Signature:
 Staff No.
 Designation:
 Department:

NOTE:

1. In the above form different portions may be used according to requirement.
2. The application should be submitted at least 20 days before the proposed date of the transaction in respect of immovable property
3. As per the Conduct Rules of the Company.
 - i) No employee shall acquire or dispose of any immovable property by lease mortgage, purchase, also, gift or otherwise, either in his own name or in the name of any member of his family except with the previous knowledge of the prescribed authority. However, the previous sanction of the prescribed authority shall be obtained if any above mentioned transactions are with a person having official dealings and/or otherwise than through a regular or reputed dealer.
 - (ii) An employee who enters into any transaction concerning any movable property exceeding ₹ 20,000/- in value in the case of employees in the grade of SS and above and exceeding ₹ 15,000/- in the case of other employees whether by way of purchase, sale or otherwise, shall forthwith report such transaction to the prescribed authority.
 - (iii) The prescribed authority mentioned above shall be:
 - a) Government of India in the case of Chairman-cum-Managing Director.
 - b) Chairman-cum-Managing Director in the case of executives in the grade of E5 and above; and
 - c) In the case of other employees, concerned officers directly reporting to CMD.

**DISCIPLINE AND APPEAL RULES****PART I- GENERAL****1. TITLE**

These rules shall be called the Discipline & Appeal Rules

2. DEFINITIONS

- (a) 'Appointing Authority' in relation to an employee means the authority empowered to make appointments to the class or grade in which the employee is for the time being included, or the post which the employee for the time being holds.
- (b) 'Board' means the Board of Directors of KIOCL LIMITED.
- (c) 'Chairman-cum-Managing Director' means the Chairman-cum-Managing Director of the Company.
- (d) 'Company' means KIOCL LIMITED
- (e) 'Disciplinary Authority' means the Authority competent to impose any penalty under these rules as specified in the schedule
- (f) 'Employees' shall mean all persons employed by the Company to work on a monthly rate of pay whose names are included in the Company's salary registers, but does not include those who are governed by the Standing Orders under the Industrial Employment (Standing Orders) Act 1946 or those who are governed by the same terms and conditions of service as applicable to persons governed by the Standing Orders.
- (g) 'Schedule' means the schedule appended to these rules.



- (h) 'Public servant' shall mean and include a person defined as such in Section 21 of the Indian Penal Code, as amended from time to time.

3. APPLICATION

These rules apply to all employees except

- (i) Those in casual employment or paid from contingencies;
- (ii) Those, in respect of whom the Board may have issued or may issue, separate rules regarding discipline and appeal.

PART II – DISCIPLINE

4. NATURE OF PENALTIES

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

I. MINOR PENALTIES

- (i) Censure
- (ii) Withholding of increments of pay with or without cumulative effect.
- (iii) Withholding of promotion
- (iv) Recovery from pay of the whole or part of pecuniary loss, caused to the Company by negligence or breach of orders.



- (v) Reduction to a lower stage in the time scale of pay for a period not exceeding three years without cumulative effect and not adversely affecting his terminal benefits.

II. MAJOR PENALTIES

- (i) Same as provided in Clause I (v) above, 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.
- ii) Reduction to a lower time scale of pay, grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to that grade or post.
- iii) Removal: 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.
- iv) Dismissal: Dismissal from service which shall ordinarily be a disqualification for future employment under the Government or the Corporation/ Company owned or controlled by the Government.

Provided that, in every case in which the charge of possession of assets disproportionate to known sources of income of 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 (iii) or (iv) shall be imposed.

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

v) **COMPULSORY RETIREMENT.**

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

- (i) Stoppage of increment of employee for failure to pass a prescribed test or examination.
- (ii) Non-promotion whether in an officiating capacity or otherwise, of an employee, to a higher post for which he may be eligible, but for which he is found unsuitable:
- (iii) 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.
- (iv) 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 or probation.
- (v) Termination of service:



- a) of an employee appointed on probation, during or at the end of the period of the probation, in accordance with the terms of his appointment.
- b) Of an employee appointed in a temporary capacity on the expiration of the period for which he was appointed or earlier in accordance with the terms of appointment.
- c) of an employee in accordance with terms of his appointment; and
- d) of an employee on reduction of establishment.

5. ACTS OF MISCONDUCT

Without prejudice to the general meaning of the term 'misconduct' it shall be deemed to include the following:

- (i) Habitual late attendance, wilful or habitual absence from duty without leave or without sufficient cause.
- (ii) Negligence or neglect of duty, malingering, loitering, idling, wasting time during working hours and wilfully slowing down the performance of work or inciting others to do so.
- (iii) Leaving station without permission.
- (iv) Gambling, drunkenness, intoxication, or riotous or disorderly or indecent behaviour, threatening, intimidating, coercing other employees or interference with the work of other employees.
- (v) Collection of or canvassing for, moneys without the prior written permission of the competent authority.



- (vi) Acceptance of gift from, and lending or borrowing money to or from subordinate employees.
- (vii) Deliberately spreading false information or rumors with a view to bringing about disruption of the Company's normal work.
- (viii) Unauthorised use or occupation or refusal to vacate Company's quarters, land or other property.
- (ix) Habitual indiscipline or wilful insubordination or disobedience of any lawful or reasonable order of higher authority and also neglecting the order to work over time in accordance with the Company's regulation or any other law that may be in force from time to time.
- (x) Theft of Company's property and fraud or dishonesty connection with the Company's business or property either within or outside the Company's premises or its precincts or theft of another employee's property within the Company's premises or its precincts.
- (xi) Giving false information regarding one's particulars for purpose of employment or concealing any facts about any previous employment, age and other particulars in this respect or giving false evidence at the time of any departmental enquiry.
- (xii) Taking or giving, offering or asking for, bribes or any illegal gratification whatsoever or indulging in corrupt practices.
- (xiii) Assaulting or intimidating any employee of the Company.
- (xiv) Sabotage or wilful damage to or loss of Company's goods or property.
- (xv) Unauthorised communication of official documents or information relating to Company's business or disclosure of trade secrets and taking photographs and /or use of document, machinery etc. without permission.
- (xvi) Striking work or inciting others to strike work in contravention of the provisions of any law or rule having the force of law.



- (xvii) Conviction by a court of law for any criminal offence involving moral turpitude.
- (xviii) Breach of any law applicable to the work or of the Conduct Rules and any other rules or orders issued by the Board from time to time.
- (xix) Contracting another marriage while wife is still alive or marrying a person whom has a wife living, without first obtaining the permission of the Company.
- (xx) Adjudged insolvency not warranting continuance of the Company's trust and confidence which the duties of the employee call for.
- (xxi) Writing of anonymous letters etc. addressing appeals or representations to an authority other than the appellate or the appropriate authority and forwarding advance copies of appeals or representations to any authority.
- (xxii) Abetment of or attempt an act of misconduct.
- (xxiii) Engaging in Private trade or other employment whilst still in the service of the Company without prior permission of the authority.
- (xxiv) Commissions of any act subversive of good behaviour or of the discipline of the Company.
- (xxv) Canvassing for union or party membership or the collection of union or party dues, funds or contribution etc. on the Company's premises or its precincts.
- (xxvi) Distributing or exhibiting in the Company's premises or precincts handbills, pamphlets, posters or causing to be displayed by means of signs or writing or other visible representations, any matters without previous sanction of the authority.
- (xxvii) Organising, holding, attending or taking part in any meeting within the Company's premises or its precincts without prior sanction of the authority.
- (xxviii) Conduct within the Company's premises or its precincts, which is likely to endanger the life or safety of any person.



- (xxix) Refusal to accept charge sheet, orders or other communications served either in accordance with these rules or in the interest of discipline.
- (xxx) Wilful falsification, defacement or destruction of personal records or any records of the Company.
- (xxxii) Refusal to work on holidays or on Sundays when notified to do so in the exigencies of the Company's work.
- (xxxiii) Allowing an unauthorised person to operate Company's vehicle.
- (xxxiv) Surrounding or forcibly detaining management or any of the Company's officers.
- (xxxv) Possession of any lethal weapon on the Company's premises or within its precincts without the prior permission of authority.
- (xxxvi) Engaging in activities prejudicial to the interest of the security of the State.
- (xxxvii) Possession of pecuniary resources or property disproportionate to the known source of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for.
- (xxxviii) Acting in a manner prejudicial to the interests of the Company.
- (xxxix) Failure to observe safety rules/use of safety devices or interference or tampering with any safety devices installed or about the premises of the Company.
- (xl) Smoking within the premises of the establishment where it is prohibited.
- (xli) Sleeping while on duty.
- (xlii) Purchasing properties, machinery etc. from or selling properties, machinery, stores, etc. to the Company without express permission in writing from the competent authority.



- (xxxxii) Employee involved in the decision making process of fixation of price of an IPO/FPO of shares of the Company, applying either himself/ herself or through any member of his /her family or through any other person acting on his / her behalf for allotment of shares (this includes all type of equity related instruments), in an IPO / FPO of the Company even out of the category of preferential quota reserved for employees/ Directors of the Company.
- (xxxxiii) Dealing / Transacting in the shares of the Company while possessing unpublished price sensitive information of Company shares either in their own name or through any member of their family.
- (xxxxiv) Applying for shares by employee or any member of his/her family or any person acting on his/her behalf out of any preferential quota reserved for employees/Directors of other companies.
- (xxxxv) Not disclosing to the Company all transactions of purchase/sale in shares worth ` 20,000/- or more in value or existing holding/interest in the shares worth ` 20,000/- or more in his/her own company either in his/her own name or in the name of any family member and not reporting to the company indicating quantity, price, date of transaction and nature of interest within 4 working days

NOTE: This list is only illustrative and not exhaustive and any obvious improper conduct on the part of an employee will be treated as misconduct.

6. DISCIPLINARY AUTHORITIES

- 6.1 The authorities empowered to initiate disciplinary action (i.e. procedural powers) will be determined by CMD from time to time. The disciplinary authorities empowered to impose various penalties will be as listed in the schedule hereto.
- 6.2 Disciplinary Authority will be determined with reference to the post actually held by an employee at the time of imposing penalty on him, or if he is under suspension, the post held by him at the time of suspension.

**7. PROCEDURE FOR IMPOSING MINOR PENALTIES**

- 7.1 When it is proposed to impose any of the minor penalties on an employee he shall be informed in writing of the allegations or charges on account of which it is proposed to impose the penalty on him and asked 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.
- 7.2 The record of proceeding in such cases shall include:
- a) a copy of the statement of allegations 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.

Explanation:

- 1) The imposition of penalty of 'fine' shall be subject to the provisions of the Payment of Wages Act, 1936.
- 2) Where the penalty of withholding of increment or promotion or reduction to a lower grade or post etc. is imposed on an employee, the Disciplinary Authority shall state the period for which it will be effective, and where increment is withheld, it will be granted on the expiry of the period without affecting the normal date of increment in future, unless the order indicates that the stoppage of increment will have cumulative effect.

**8. 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 charges, together with a statement of the allegations on which they are based, 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), a written statement of his defence.
- (ii) On receipt of written statement of the employee, or if no such statement is received within the time specified on the expiry of such period, whenever the Disciplinary Authority is of the opinion that there are grounds for enquiry into the truth of any imputation of misconduct or misbehavior against an employee, an enquiry may be held by the disciplinary authority himself or by an officer/public servant or a retired Government Servant/ Retired Public Sector Officer or a committee appointed for the purpose (hereinafter called the inquiry authority) by the disciplinary authority. Where the disciplinary authority himself enquires or appoints an inquiry authority for holding the enquiry, it may, by an order, appoint a public servant /a retired Government Servant/ Retied Public Sector Officer to be known as the “Presenting Officer” to present on his behalf the case in support of the charge(s) levelled against the employee. A panel of such names shall be drawn up and refreshed every year.
- (iii) At the enquiry, a reasonable opportunity shall be afforded to the employee for explaining his case, but he will not be allowed to engage a legal practitioner for this purpose.



NOTE: The Inquiry Authority shall be the sole judge to decide what is reasonable opportunity.

- (iv) At the conclusion of enquiry, the Inquiry Authority shall prepare a report of the enquiry recording its findings on each of the charges together with the reasons therefor.
- (v) Where there is a complaint of sexual harassment within the meaning of Rule 3.3 of Conduct Rules of the Company, the Complaints Committee constituted for enquiring into such complaints shall be deemed to be the enquiring authority appointed by the disciplinary authority for the purpose of these rules.

The Complaints Committee shall hold enquiry into the complaints of sexual harassment, as far as practicable, in accordance with the procedure laid down in the Discipline and Appeal Rules of the Company and the Report of the Complaints Committee shall be deemed to be an Enquiry Report under these Rules.

9. **THE RECORD OF THE ENQUIRY IN SUCH CASES SHALL INCLUDE**

- i) The charges framed against the employee and the statement of allegations furnished to him under Rule 8(i).
 - ii) his written statement of defence, if any,
 - iii) the oral and/or documentary evidence, if any, considered in the course of the enquiry and,
 - iv) the findings of each charge and the reasons therefor.
-



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

11. The pay and allowance of an employee who is dismissed from service shall cease from the date of his dismissal from service.

12. **JOINT ENQUIRY**

Where two or more employees 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 proceeding and specifying the authority which may function as the Disciplinary Authority for the purpose of such common proceeding.

13. **SPECIAL PROCEDURE IN CERTAIN CASES**

In cases where:

- (i) an employee is convicted on a criminal charge, or on the strength of facts of conclusions arrived at by a judicial trial or
- (ii) the employee is absconding or
- (iii) where the reasons of security so warrant, the Disciplinary Authority may dismiss an employee from service without following the procedure laid down in Rules (8) and (9) .

**13.1 PROCEDURE IN RESPECT OF RETIRING EMPLOYEES.**

- i) Whenever an enquiry/investigation is pending at the time of retirement of an employee who may or may not be under suspension, the proceedings shall be continued and concluded by the authority by whom the proceedings were commenced in the same manner as if the employee had continued in the service. The enquiry shall however be completed within one year from the date of retirement of the employee.
- ii) If an employee, against whom the enquiry/investigation is pending and who is under suspension, attains the age of superannuation before the conclusion of the proceedings, he shall cease to draw subsistence allowance and shall be released from the services of the Company with effect from the date of his retirement and only 50% of the gratuity amount to which he is entitled shall be paid to him until the conclusion of the proceedings and the issue of final orders thereon. The balance amount of gratuity shall be released on conclusion of the proceedings in all respects.

PART III – SUSPENSION**14. SUSPENSION**

- 14.1 Where disciplinary proceeding under Rule 8 is contemplated or is taken, against employee or where a case against him in respect of any criminal offence is under investigation or trial or where he has engaged himself in activities prejudicial to the interest of security of the State he may be placed under suspension by the Disciplinary Authority subject to a report being made simultaneously to the Appointing Authority where the Disciplinary Authority is lower than the Appointing Authority.



NOTE:

- (i) Leave cannot be granted to an employee while under suspension.
- (ii) An order of suspension made under this rule may at any time be revoked by the authority which made the order or by any higher authority.
- (iii) An order of suspension shall be followed by a charge sheet within seven days, except where a case for a criminal offence against the employee is under investigation or trial.

15. SUBSISTENCE ALLOWANCE

An Employee under suspension shall be entitled to subsistence allowance equal to half of the total of his basic pay and dearness allowance, if any, provided that he declares to the satisfaction of the Disciplinary Authority that he is not engaged in any other employment, business, profession or vacation. If the period of suspension exceeds 5 months, for reasons (to be recorded in writing) for which the employee is not responsible, the subsistence allowance will be $\frac{3}{4}$ th of his basic wage plus dearness allowance, if any. If however, the period of suspension is to be extended beyond 3 months, for reasons (to be recorded in writing) for which the employee is responsible, the subsistence allowance will be reduced to $\frac{1}{4}$ th of his basic wage plus dearness allowance, if any. A report shall be made to the Chairman-cum Managing Director in either case explaining the reasons for the delay in the disposal of the case.

Note: In pursuance of Office Order No.S/BC/8(7)/2011, dated 13.6.2011, in case of suspension only Subsistence Allowance as applicable on the basic pay is payable. A suspended Executive / non-unionised Supervisor is not eligible for perks and allowance during the period of suspension.

16. PAYMENT OF PAY AND ALLOWANCES ON REINSTATEMENT

When an employee who has been dismissed, removed or suspended is reinstated, the authority competent to order the reinstatement should consider and make a specific order.

- a) regarding the pay and allowances to be paid to the employee for the period of his absence from duty; and



b) Whether or not the said period shall be treated as a period spent on duty.

Where the competent authority is of the opinion that the employee has been exonerated or in the case of suspension where it was wholly unjustified, the employee shall be given the full pay and allowances which he would have been entitled had he not been dismissed, removed or suspended as the case may be.

In other cases, the employee should be given such proportion of pay and allowances as the competent authority may prescribe provided that the payment of allowances shall be subject to the conditions under which the allowances are otherwise admissible and that such proportion shall not be less than the subsistence and other allowances.

Where the employee has been fully exonerated or where the suspension is wholly unjustified, the period of absence from duty shall be treated as a period spent on duty for all purposes. In other cases the period should not be treated as a period spent on duty unless the competent authority specifically directs that it should be treated as duty for any specified purpose. If the employee so desires then the period of absence from duty may be converted into leave of any kind due and admissible to the employee.

When on conversion of the period of suspension into leave, it is found that a part of the period is to be treated as extraordinary leave for which no leave salary is admissible, the recovery of the subsistence allowance already paid for the corresponding period would be in order.



PART-IV
EMPLOYEES ON DEPUTATION FROM
THE CENTRAL GOVERNMENT OR THE STATE GOVERNMENT ETC .

- 17.1 Where an order of suspension is made, or disciplinary proceedings are 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 proceeding, as the case may be.
- 17.2 In the light of the findings in the disciplinary proceedings taken against the employees:
- 17.2.1 If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him it may pass such orders in 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 Authority and the Lending Authority the services of the employee shall be placed at the disposal of the Lending Authority.
- 17.2.2 If the Disciplinary 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 enquiry for such action as it deems necessary.
- 17.3 If the employee submits an appeal against an order imposing a minor penalty on him under Rule 17.1, 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.

PART V – APPEALS

18.1 APPEALS AGAINST ORDERS IMPOSING PENALTIES

An employee may appeal against an order withholding promotion or imposing a major penalty upon him. The appeal shall lie to the authority specified in Columns 6 & 7 of the schedule.

18.2 APPEALS AGAINST OTHER ORDERS

An employee may appeal against an order which:

- a) denies or varies to his to his disadvantage his pay, allowances, provident fund or other conditions of service as regulated by the rules or by agreement or
- b) Interprets to his disadvantage the provisions of any such rules of agreement, to the authority as per columns 6 & 7 of the schedule.

18.3 In all other matters an employee may send a representation or a petition in the manner prescribed in Rule 21.

19. PROCEDURE FOR SUBMISSION OF APPEALS

19.1 An appeal shall be preferred to Appellate Authority within one month of the date of the order appealed against.



- 19.2 Submission of an appeal to an authority other than the Appellate 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 appellate authority explaining the circumstances necessitating his so doing, and sending a copy thereof to the authority to whom his appeal was originally submitted.
- 19.3 No appeal or representation in respect of matters other than those specified in Rule 18 shall be entertained.

20. TRANSMISSION OF APPEALS

- 20.1 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.
- 20.2 Where an appeal is withheld, the appellant shall be informed of the fact and the reasons therefor, within fifteen days of the receipt of the appeal.
- 20.3 A register of appeals withheld, giving the substance of the appeals and the reason for their being withheld shall be maintained by each authority competent to pass orders on such matters and, once in a quarter, their register shall be put up to the appellate authority for review.

**21. PROCEDURE FOR THE SUBMISSION OF CONSIDERATION OF REPRESENTATIONS SPECIFIED IN RULE 18.3**

Representation may be made to the Chairman-cum-Managing Director if the orders to be passed are within his competence, and in other cases to the Board.

22. 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 decision already taken.

23. REVIEW

Notwithstanding anything contained in these rules, the Board may call for the record of any case involving a major penalty within six months of the date of the final order and, after reviewing the case, pass such orders thereon as it may deem fit.

PART VI – MISCELLANEOUS**INTERPRETATION**

The Board of Directors reserves the right to interpret the provisions of these Rules.



24. **AMENDMENTS**

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



Appendix
(Ref.Rule 2(g), 6.1, 6.2 & 18.1)

DISCIPLINE & APPEAL RULES SCHEDULE

SL. NO.	DESCRIPTION OF POSTS	APPOINTING AUTHORITY	DISCIPLINARY AUTHORITY		APPELLATE AUTHORITY	
			MINOR	MAJOR	MINOR	MAJOR
1	2	3	4	5	6	7
1	Posts to which appointments are made by the President	President	President	President	President	President
2	Posts in the grade of Executive Director (E9)	CMD	Board	Board	Board	Board
3	Posts in the grade of AGM(E7) & GM(E8)	CMD	Functional Directors	CMD	CMD	Board
4	a) Posts in the grade of Manager to DGM	CMD	<u>Empowered Authority</u> Functional Directors/ DRO's not below the rank of Executive Director	<u>Empowered Authority</u> CMD in respect of removal or dismissal and Functional Directors in respect of other penalties.	CMD	Board in respect of removal and dismissal and CMD in respect of other penalties.
	b) Posts in the grade of JM to DM		<u>Empowered Authority</u> Functional Directors/ DRO's not below the rank of General Manager	<u>Empowered Authority</u> CMD in respect of removal or dismissal and Functional Directors in respect of other penalties.	CMD	Board in respect of removal and dismissal and CMD in respect of other penalties.
5	Posts in the scale of pay of Supervisors and Graduate Engineers in SS & E0 scales	Authority empowered to make appointments	<u>Empowered Authority</u> General Managers/ Addl.General Managers. If there is no GM/AGM, then, GM(Pers)	Appointing Authority	Appointing Authority	CMD or any other authority to whom powers may be delegated

