

HR MANUAL

2nd Edition 2017

A Reference Guide for Employees

Updated upto 30.06.2020



**INDIAN
RAILWAY
FINANCE
CORPORATION**
(A Government of India Enterprise)

Indian Railway Finance Corporation Ltd.

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Chapter 1: IRFC – AN OVERVIEW

1.1 AN ORGANISATIONAL OVERVIEW

According to the Memorandum of Association of IRFC, the business of the Corporation is to be managed by its Board of Directors, with the power being vested in the President of India to determine the number of Directors from time to time. Appointment of the Directors is also done by the President of India.

The Corporation has a Chairman & Managing Director, who is entrusted with the responsibility of carrying out day to day operations of the Corporation. Besides, there is a functional Director Finance to assist the Chairman & Managing Director.

In addition, the Corporation has two official and two non-official part-time Directors who are members of the Board of Directors.

The Corporation's day to day operational activities are handled under the direction of the Chairman & Managing Director by a group of executives and staff. For achieving its objectives, the corporation has created three verticals; (i) Term Loans (ii) External Commercial Borrowing and (iii) Bonds.

The executives in charge of their respective verticals are assisted by a set of industrious and dedicated support staff, and are guided by the Chairman & Managing Director and Director Finance. The Corporation has evolved an efficient practice of outsourcing some of the activities to outside professional agencies, with these functions being carried out by such agencies under overall guidance and responsibility of IRFC personnel. Functions discharged by Retainer of Accounts and Internal Auditor illustrate the outsourcing of certain key activities by the Corporation. The Company proposes to augment its regular staff in a suitable manner as and when required.

IRFC is presently housed in its own office building at Upper Ground Floor, East Tower, NBCC Place, Bhisham Pithamah Marg, Pragati Vihar, Lodhi Road, New Delhi 110003. The Corporation has no branches.

1.2 MANUAL FOR HUMAN RESOURCE MANAGEMENT

Indian Railways Finance Corporation Ltd was incorporated on 12th December 1986 as a wholly Government-owned Company under the administrative control of the Ministry of Railways. The Corporation is a public financial institution engaged in supporting creation of infrastructure in railway sector in India. Its main business activity has been leasing of Rolling Stock (Locomotives, Passenger Coaches, and Freight Wagons) to the Indian Railways. The Company raises financial resources from diverse financial markets using a variety of instruments to fund acquisition of these assets.

Right through its existence since 1986, the Company has successfully met the funding needs of the Ministry of Railways, while maintaining a consistent

profitability record. The Company has been paying dividend to MOR since 1990-91, and has paid Rs. 3394.8millions for the financial year ending 2015-16 out of the profit of Rs 8487 million on an equity base of Rs. 115253 millions. The Corporation's performance has been rated "Excellent" continuously since the year 1997-98 by the Department of Public Enterprises, measured against the targets of performance set out in the MOU with the Ministry of Railways from year to year.

The Company, for all its impressive performance over a period of almost 22 years, has conducted its business for most part of the time with very limited staff strength of 18 regular employees including its Chairman & Managing Director and Director Finance. Even after some augmentation in 2017, the present strength of the Company stands at only 25.

Based on a decision taken by its Board of Directors in their First Meeting held on 18 December 1986, the Corporation has been following personnel related Rules of its sister organisation viz IRCON International, with suitable adaptations wherever necessary, and consistent with the overall policy guidelines of the Department of Public Enterprises, the Ministry of Finance and the Ministry of Railways.

This Manual for Human Resource Management is a result of an effort of the Corporation to frame a set of rules and guidelines of its own to meet the just aspirations of its employees. The initial structure of the manual was got prepared by engaging the services of RITES, another sister organisation which is in the business of offering a variety of consultancy services both in India and abroad. The draft presented by RITES was suitably and extensively worked upon to make it more responsive to the actual needs of the Corporation.

The Rules contained in this Manual are designed to regulate the conditions of service of the Human Resource of IRFC from recruitment through retirement. The provisions contained in the Manual are broadly modelled on regulations on analogous subjects pertaining to both in the Central Government and other Public Sector Undertakings under the Central Government. By virtue of IRFC being a PSU under the administrative control of the Ministry of Railways, Rules in force in sister PSUs under the Ministry have been extensively referred to. Considering the fact that IRFC is also a Public Financial Institution in an infrastructure area, the Manual also draws suitably from corresponding rules and provisions being followed by PSUs operating in similar fields - Power Finance Corporation and Rural Electrification Corporation.

Some of the provisions contained in the manual are "semi-statutory" in character in regard to their enforceability in the courts of law, e.g. Conduct Rules, Disciplinary and Appeals Rules. Other chapters dealing with areas such as welfare measures for the employees are not strictly statutory, but are generally included in the Human Resource Manual in order to present a comprehensive compilation of the policies of the organisation with reference to its employees.

Some of the post-retirement benefits available to a PSU employee are governed by legislations of Parliament. Of these, the Provident Fund and Deposit-linked Insurance etc. are provided for in the Employees Provident Funds and

Miscellaneous Provisions Act 1952, which is a comprehensive legislation administered by the Central Government through a Board of Trustees and the Organisation of the Central Provident Fund Commissioner. IRFC is implementing the schemes under this Act for its employees through this set-up and no need has been felt to formulate separate Rules for this purpose at this stage.

Similarly, issues related to Gratuity are governed by the Payment of Gratuity Act 1972. However, the Department of Public Enterprises circulated for adoption by PSUs a Model Gratuity Scheme, which was updated in 1988. The provisions related to payment of Gratuity have been framed based on this Model Scheme. However, if any conflict or question of interpretation of the Rules arises in the case of employees falling within the provisions of the Payment of Gratuity Act, the statutory provisions in the Act will prevail.

The Management of IRFC trusts that this Manual will facilitate the employees of IRFC in evaluating and appreciating the compensation and benefits provided to them by the Corporation and also in identifying their role and responsibilities vis-à-vis the organisation which they have the privilege to serve. In turn, the Manual will also facilitate flow and regulation of various benefits in a smooth, unhindered and timely fashion to the employees of the Corporation, contributing in no mean measure to bolstering of their morale.

An organization is constantly evolving. This manual strives to capture the position in regard to key issues related to Human Resource Management in IRFC as it exists at present. With time, rules and guidelines are bound to undergo changes. Pay scales available to employees in central PSUs would undergo changes from time to time as a result of recommendations of Wage Revision Committees or otherwise. Benefits and compensation to the employees will also undergo suitable evolution to keep pace with the changes in other PSUs, Government and other corporate entities. New schemes might get introduced in the Corporation over time to meet the growing aspirations of its constituents consistent with the performance of the Corporation. The amendments, addenda, corrigenda etc. to the provisions of this Manual necessitated in the above context would be examined by the Management and given effect under approval of the Chairman & Managing Director (CMD) from time to time. In the unlikely event of such changes being at variance with the orders of the Government or any other Rules, the Chairman & Managing Director will also seek approval of the Board of Directors.

The Management of IRFC would welcome suggestions to improve the contents of this Manual, and would take appropriate action to carry out amendments etc. as and when called for.

Chapter 2: GENERAL CONDITIONS OF EMPLOYMENT

2.0 SHORT TITLE AND COMMENCEMENT

2.0.1 These Rules may be called the IRFC Service Rules governing the General terms and conditions of employment.

2.0.2 These rules shall come into force with effect from the date of notification (i.e. October 2008).

2.1 DEFINITIONS

In these Rules, unless there is anything repugnant to the subject or context hereof:

2.1.1 “Appointing Authority” in relation to an employee means the authority empowered by the Board of Directors to make appointment to the category or grade of post in which the employee for the time being is included or to the post which the employee for the time being holds.

2.1.2 “Board” means the Board of Directors of the Corporation.

2.1.3 “Casual Employee” means an employee whose employment is of occasional or casual nature.

2.1.4 “Competent Authority” with reference to the exercise of any powers under these Rules means the Chairman & Managing Director of the Corporation or any other executive or authority of the Corporation to whom such powers are delegated by the Management either in general or in particular.

2.1.5 “Corporation” or “Company” means the Indian Railway Finance Corporation Limited

2.1.6 “Daily Rated Employee” means a casual employee appointed on daily wage rates.

2.1.7 “Employee” means a person appointed to a post in the Corporation to do any work

2.1.8 “Employee on Deputation / Foreign Service” means an employee of some other organization who is deputed for service in the Corporation at its request or vice versa.

2.1.9 “Executive” means an employee holding a post in the executive category of the Corporation

2.1.10 “Management” means the Board of Directors or if authorized by the Board, the Chairman & Managing Director or any other executive of the Corporation, so authorized.

2.1.11 “Notice” means any communication in writing given or affixed on the notice board.

2.1.12 “Notice Board” means the Notice Board specially maintained in a conspicuous place at or near the main entrance or entrances of the establishment for the purpose of displaying notices

2.1.13 “Part-time Employee” means an employee who is not appointed to work on full time basis

2.1.14 “Probationer” means an employee who is provisionally employed with a view to being considered for appointment on the regular establishment of the Corporation.

2.1.15 “Regular Employee” means an employee who has been engaged in a vacancy on the regular establishment of the Corporation and except in the cases of those who are exempted from probation as laid down hereunder, has been declared in writing to have satisfactorily completed his probation period in one or the other post.

2.1.16 “Supervisor” means an employee who is holding a post in the Supervisory Category in the Corporation.

2.1.17 “Temporary Employee” means an employee who has been engaged on a temporary basis or against a temporary post for a specified period or for work which is of an essentially temporary nature, likely to be completed within a specific period.

2.1.18 “Workman” means an employee who is holding a post in workman category of the Corporation.

2.2 SCOPE AND APPLICATION

2.2.1 The IRFC Service Rules, governing the General terms and conditions of employment, shall apply to all regular employees of IRFC and employees engaged on casual/temporary basis.

2.2.2 Other rules and regulations, besides the service rules, that may be framed and notified by the IRFC from time to time on various matters would also apply to all the regular employees of IRFC and employees engaged on casual/temporary basis.

2.2.3 Some of these rules and conditions as may be deemed relevant and expressly stated, would also apply to those appointed on contractual terms for specific tasks¹ or to personnel deployed in IRFC’s office by agencies to whom specific activities have been outsourced.

2.2.4 Employees on deputation to IRFC or Foreign Service from Government or Semi Govt. Organizations, Public Sector Undertakings, nationalized banks and their subsidiaries would be free from service rules unless the terms of deputation / foreign service otherwise stipulate.

2.2.5 The service rules and general condition of employment may not be applicable to employees who may be excluded by the Management at its discretion, from operation of any or all these Rules wholly or partially.

¹ The service rules are taken from original IRFC HR Manual

2.3 HOURS OF WORK

2.3.1 Every employee shall comply with such instructions as are issued from time to time relating to attendance, arrival and departure, the period and hours of work. Every employee shall be at work at the time fixed and notified by the competent authority from time to time.

2.3.2 Presently, employees of IRFC would work for eight hours every day from Monday to Friday during 9.30 hours to 18.00 hours with a break of half an hour lunch from 13.30 to 14.00 hours. Saturday and Sunday will be observed as weekly holidays.

2.3.3 The Corporation will announce every year the list of holidays, either full holidays or restricted holidays to be observed by its office, which will generally be the same as the holidays declared by the Central Government for its offices in the Union Territory of Delhi. Restricted holidays are to be availed of by individual employees subject to a maximum of two every year.

2.3.4 The Corporation will also observe the holidays that may be notified by the Central Government for its offices in Delhi on account of the death of dignitaries or on other special occasions.

2.3.5 Every employee of the Corporation is expected to maintain strict punctuality of attendance and apply himself devoutly to the assigned tasks².

2.3.6 IRFC has introduced Biometric Attendance System for monitoring and record of attendance which will provide inputs like presence in office, leave, unauthorised absence etc, for the purpose of regulating payment of salary etc. to them and other matters in accordance with provisions of this Manual. All employees (below Board level) are required to register the Attendance on the electronic device and are also expected to maintain utmost punctuality. The orders issued under Biometric Attendance System from time to time are to be followed³.

2.3.7 Exigencies of the Corporation's business may require any individual employee or a group of employees to work on holidays or outside the prescribed hours of employment, as indicated above. Compensation for working on holidays or outside the normal working hours will be regulated as per the instruction issued by the Management from time to time.

Note: Provisions related to Hours of Work will also apply to those engaged on casual/temporary basis and those appointed on contractual terms for specific tasks.

2.4 OVERTIME

The Management reserves the right to requisition the services of any employee to work overtime including work on weekly holidays and other holidays notified by the Corporation based on exigencies of service, in accordance with the instructions of the Management issued from time to time. The employee is also liable to be called for duty at any time, based on the exigencies of services. For such overtime work done, compensatory off or overtime allowance payment as admissible under the rules / law will be allowed to such categories of employees and at such rates as may be specified by the Management from time to time.

2.5RECORD OF HEALTH, AGE, DATE OF BIRTH AND ADDRESS

2.5.1 Every employee (other than employees on deputation) on his/her appointed to a post in the Corporation shall be required to undergo medical examination by the Corporation's Authorized Medical Attendant or a Medical Board as may be constituted by the Corporation. All appointments will be subject to the candidate being found medically fit as per the prescribed standards for the post. The opinion of the Authorized Medical Attendant / Medical Board in this regard shall be final. This shall, however, not apply to an internal candidate of the Corporation who has already been medically examined and declared fit at the time of his initial appointment. However, an employee shall be liable to be medically examined any time during the period of his employment with the Corporation, if so desired by the Management. The Form for Medical Declaration and Medical Examination is placed at Annexure I and II to this chapter.

2.5.2 Every employee shall furnish his date of birth, according to the Christian/Saka era, residential address either on his first appointment in the Corporation whether by direct recruitment, deputation or otherwise, or on being required by the Management to do so at any other time during his employment and produce confirmatory documentary evidence in support thereof, e.g. Matriculation or School leaving certificate or Birth Certificate from the concerned local authority.

2.5.3 Every employee shall inform IRFC on his first appointment about his local and permanent residential address and keep IRFC posted of any change in the address that may take place from time to time during his employment with the Corporation⁴.

The attestation form for declaration of personal information is enclosed in Annexure III.

2.5.4 In the case of employees who have worked in a Government Department or Public Sector Undertaking or other autonomous body before joining the Corporation, the date of birth as recorded in the records of such previous employer will be taken as the date of birth².

2.5.5 Once recorded in the Corporation's records after being declared and obtained in this manner, the Date of Birth will not be altered except to rectify clerical errors, if any or except when substantial evidence is produced showing any other date of birth and the Chairman & Managing Director is satisfied that there is overwhelming justification to show that the date of birth as originally recorded was patently wrong and needs to be altered in the interest of justice to the employee concerned and that the employee has himself not unduly delayed his request for change of the recorded Date of Birth.

2.5.6 Requests for change in date of birth shall not be admitted in case the employee would have been rendered ineligible (as underage) for initial appointment in reference to the new date claimed by the employee to be the correct date of birth⁶.

² As per existing HR Manual

2.6 TRANSFER³

2.6.1 Employees of IRFC are liable to be shifted from one section to another and assigned altered or additional responsibilities as deemed fit by the Chairman & Managing Director or any officer nominated for this purpose. Since IRFC does not have any office other than the Corporate Office, incidence of transfer does not exist in the present context.

2.6.2 Should the evolving business of the Company result in opening of branches at other locations / cities, employees of IRFC shall be liable to be transferred from one such unit to another including at another station and non-compliance of such transfer orders shall be deemed an act of misconduct under Conduct Rules on the part of employee. Such transfers shall be affected by the Chairman & Managing Director, whose decision shall be final.

2.6.3 Such transfers will not affect adversely the pay scale and seniority of the employee.

2.7 RESIGNATION⁴

2.7.1 An employee may resign from his employment in IRFC by giving notice to the Corporation as is prescribed in his service contract or by giving 3 (three) months notice in absence any contract. The period of notice would be limited to one month in case of a temporary employee or an employee on probation and awaiting confirmation indicating his intention to resign.

2.7.2 Resignation of an Employee, whose conduct is under investigation, will not be accepted without the approval of the Authority competent to dismiss him in terms of the IRFC (Conduct Discipline and Appeal) Rules.

2.7.3 An employee, who has submitted resignation from his / her appointment in the Corporation shall not be relieved of his duties until and unless his resignation is accepted and the same is communicated to all concerned.

2.7.4 Withdrawal of resignation may be allowed at the discretion of management under the following circumstances:

If the employee approaches for withdrawal before acceptance of resignation

If the employee approaches for withdrawal after acceptance of resignation but before he gets relieved

In case the resignation was tendered by the employee for some compelling reasons which did not involve any reflection on his integrity, efficiency or conduct.

2.7.5 However, while allowing for withdrawal of resignation the management has to ensure that in no circumstances the period of absence from duty between relieving on resignation and resumption of duty should exceed 90 (Ninty) days.

³ As per existing HR Manual

⁴ As per existing HR Manual

2.8 SUPERANNUATION⁵

2.8.1 Every Employee of IRFC shall retire from Employment in the Corporation on attaining the age of 60 (Sixty) years or any other age prescribed by GOI. Retirement will take place on the last day of the month, in which his date of birth occurs.

2.8.2 However, the employee whose date of birth is the first of a month shall retire from employment on the afternoon of the last day of the preceding month⁵.

2.8.3 An employee who has completed 15 (Fifteen) years of continuous service or completed 40 (Forty) years of age may take voluntary retirement at the discretion of the management.

2.8.4 In case of such voluntary retirement the emolument and benefits will be extended to the employee as per the guidelines of Government of India (GOI).

2.9 PERIODICAL REVIEW FOR ENSURING PROBITY AND EFFICACY⁶

2.9.1 As required by Department of Public Enterprises for ensuring probity and efficacy, IRFC would review the cases of its employees every quarter on attaining the age of 50 (Fifty).

2.9.2 The review would be made in the lines of the provision laid down under FR 56 (j)

2.9.3 Accordingly, one Review Committee consisting of CMD and DF and another Review Committee consisting of DF and GGM/GM (looking after Admn) would be constituted for reviewing cases of 'Executives excluding Board level officers' and 'Non-executives' respectively.

2.9.4 In addition, Chief Vigilance Officer in the case of Executives or his Representative in the case of Non-Executives will be associated with these quarterly reviews, in case of record reflecting adversely on the integrity of any employee.

2.9.5 IRFC would send the review reports half yearly to the Administrative Ministry in the prescribed format. The reports are to be submitted in the following manner:

Quarter in which review is to be made	Cases of employees attaining the age of 50/55 years in the quarter	Date by which reports are to be sent to Ministry
January -March	July to September of the same year	15th July of the same year.
April - June	October to December of the same year	
July - September	January to March of the next year	15th January of the next year.
October -December	April to June of the next year	

⁵Service Matters-16. DPE/Guidelines/II(c)/16Age of retirement of below board level employees of Central PSEs— raising from 58 to 60 years.

⁶DPE OM No. DPE-GM-01/0001/2015-GM-FTS-4857 dated 14-12-2015,17-12-2015and 22-12-2015 read with DOPT OM No. 25013/01/2013-Estt-A-IVdated 11-09-2015 and orders of MD dated 17-02-2016

2.10 SENIORITY⁷

Seniority of the Employees of IRFC will be regulated according to the following principles:

2.10.1 Seniority of those directly recruited to IRFC will be counted from the date of their initial regular appointment, subject to their inter se position in the approved panel for recruitment being maintained, and subject to the further condition that those recruited in earlier selections for recruitment will rank senior to those appointed through later selections.

2.10.2 The deputationists to the Corporation, drawn from different cadres / services / sources, will reckon their seniority in the relevant grades with effect from the date of appointment on deputation. However, their position will be maintained only pro forma in the seniority list with effect from the date of their initial deputation and their inclusion in the seniority list on a regular basis will take place after they are permanently absorbed in the Corporation. In the case of deputationists drawn from the same cadre / service / source, the principle laid down above shall be followed except that their inter se seniority in the parent cadre / service shall be maintained.

2.10.3 Separate Seniority Lists of temporary employees may be maintained for the purpose of regulating their regular appointment in the Corporation or grant of other benefits that may become available to them.

2.10.4 Seniority in the higher grades, i.e., the grades to which the employees are promoted will similarly be reckoned from the dates of promotion, subject to the inter se position of the employees in the promotion panels being maintained.

2.10.5 In case two employees are offered the appointment letter for the same post and joins on the same date, their seniority shall be considered from inter se position in the approved panel for recruitment as discussed in para 2.10.1 above.

2.11 SERVICE CERTIFICATE⁸

On the occasion of their leaving IRFC either on superannuation, resignation or cession of their services, otherwise than as a result of punishment under the IRFC (Conduct Discipline and Appeal) Rules, employees of the Corporation will be issued a Certificate of Service in the Form placed in the Annexure IV.

2.12 FORWARDING OF APPLICATIONS FOR JOBS OUTSIDE IRFC⁹

2.12.1 Applications for jobs outside IRFC will not be generally forwarded until an employee completes at least one year of regular service in the Corporation.

2.12.2 The authority to accord approval for forwarding of applications of employees of IRFC for jobs outside shall vest in the Chairman & Managing Director in case of executives and with Director concerned in case of non-executives. The Executive, under whom the employee works will need to recommend the application and

⁷ As per existing HR Manual

⁸ As per Existing HR Manual

⁹ As per Existing HR Manual

record that the on-going work being performed by the employee, will not be adversely affected during interim period till alternative arrangements are made, in the event of the employee deciding to resign from service on getting selected as a result of his application.

2.12.3 Applications for deputations to other Public Sector Undertakings will be forwarded only if there is a specific requisition or open advertisement from those organisations.

2.12.4 If, an employee's application for employment in Public Sector undertakings or Government Departments is forwarded, his lien will be maintained in IRFC in accordance with the policy of the Central Government in respect of its own employees. At present such lien is retained up to 5(five) years only.

2.12.5 No application shall be forwarded if the employee is under suspension or a charge-sheet has been issued /filed in the court or sanction for his prosecution has been accorded.

2.12.6 An application of an employee whose conduct is under investigation may be forwarded with brief comments on the nature of allegations and with a note that he would not be released if the employee is placed under suspension or charge-sheet is issued /filed in the court or sanction for his prosecution is accorded before his selection.

2.12.7 Applications from persons who have executed service bond with the Corporation will not be forwarded during the period they are covered by the service bond.

2.12.8 More than three applications per year from employees, who remain in the same scale of pay for a period of five years or more, may be forwarded at the discretion of the Management.

2.12.9 There would not be any restriction on the number of applications to be forwarded in case of employees belonging to Scheduled Caste / Scheduled Tribe communities, and such cases will be regulated by the orders issued by Government from time to time.

2.13 CONVICTION BY COURT¹⁰

The fact about any criminal proceedings pending in any court of law, conviction by a court of a law or any other fact which could debar a person from entering into the service of the Government / Public Sector Undertaking or existence of any subsisting contract of service with any other employer, must be clearly conveyed at the time of making application or subsequently, if such a thing has happened after submission of the application, or at the time of joining the service of the Corporation, whichever is the earliest.

¹⁰ Based on the best practices from other CPSEs

2.14 TRAINING¹¹

Employees are liable to undergo such training / induction / refresher course (s) for such period as may be prescribed by the Management from time to time. Refusal to undergo such training / course etc. shall be deemed as dereliction of duties and misconduct.

2.15 IDENTITY CARD¹²

Every employee of the Corporation would be provided with an Identity Card by the Management. This Identity Card shall be shown by the employees if required to do so by the representative(s) of the Corporation authorized to check the Identity Card and regulate entry of persons to the premises of the Corporation.

The first issue of the Identity Card will be free of charge. Loss of Identity card shall immediately be reported by the employee to the Management. A new card shall be issued on payment of Rs.100/- (Rs. Hundred only) or such other amount as may be fixed by the Management from time to time.

Every employee of the Corporation leaving the service of the corporation shall surrender his Identity Card to IRFC.

2.16 REMOVAL OF BOOKS, PAPERS ETC. OUTSIDE CORPORATION'S PREMISES¹³

No employee shall carry with him / her outside the office premises any papers, books, documents, instruments or any other property of the Corporation except with the permission of the Competent Authority.

Any document or information received or obtained by any employee, during the course of official duties, from outside sources shall be the property of the Corporation.

2.17 SAFETY¹⁴

Employees shall be bound to observe safety rules including fire precaution and prevention measures as notified from time to time by the Management. Breach of safety regulations shall be deemed as misconduct and the employee shall be liable for such administrative action as may be decided by the Competent Authority.

2.18 CHANGE OF SURNAME OF FEMALE EMPLOYEES AFTER MARRIAGE¹⁵

A female employee shall be allowed to change her name after marriage on the basis of a written request to that effect, giving particulars of her marriage and proof of marriage. The format for such a change of name is provided in the Annexure V to

¹¹ Based on the best practices from other CPSEs

¹² Based on the best practices from other CPSEs

¹³ Based on the best practices from other CPSEs

¹⁴ Based on the best practices from other CPSEs

¹⁵ O.M. No. 190016/187-Estt. dated 12th March, 1987 from Department of Personnel and Training. The Ministry of Home Affairs O.M.No.67/274/48/Estts. dated 3rd November, 1948 as amended vide O.M. No. 87/52 Estt. dated 24th March, 1952 lays down the procedure for change of name by Government employees.

this chapter. Such change shall be allowed with the approval of Competent Authority.

2.19 MARRIAGE DECLARATION

Every employee on fresh appointment will be required to furnish a marriage declaration to the effect that in the event of the appointee having more than one spouse living, the appointment will be subject to the appointee being formally exempted from the enforcement of the requirement in this behalf for good and sufficient reasons.

2.20 VERIFICATION OF CHARACTER AND ANTECEDENTS

Confirmation on the initial appointment in the Corporation shall be subject to satisfactory verification of character and antecedents in the prescribed form by the prescribed authorities in accordance with the directives issued by the Govt. from time to time, except in the case of employees who are selected from Govt. / Semi-Govt. / CPSEs, provided that in such cases copies of the verification reports or a certificate to that effect is obtained from the previous employer before the employee is confirmed in the service of the Corporation. Such verification, if considered necessary may be obtained subsequently at any time during the course of employment. The format for such verification of character is provided in the Annexure VI to this chapter.

2.21 PROBATION & CONFIRMATION

2.21.1 Unless otherwise provided in the terms of appointment or any other agreement or award, the following rules shall govern the probation and confirmation of an employee:

2.21.2 An employee on first appointment in the service of the Corporation shall be placed on probation for a period of one year during which period his performance will be watched with a view to determine his suitability for confirmation against the regular post. The period of probation may be extended at the discretion of the competent authority, but will not be extended by more than one year except for exceptional reasons to be recorded in writing.

2.21.3 The following categories of employees shall be exempted from the requirement of probation:

2.21.3.1 Permanent employees of the Govt. / Semi-Govt. organization and regular employees of public sector undertakings, nationalized banks and their subsidiaries who join initially on deputation / foreign service for a period prior to their permanent absorption in the service of the Corporation.

2.21.3.2 Permanent employees of the Govt. and Semi-Govt. organizations and regular employees of public sector undertakings, nationalized banks and their subsidiaries who are entitled to retain lien in the previous posts as per rules of the said organizations, provided they surrender their lien on the service of the previous employer.

Provided that where an employee chooses to retain lien on the service of the previous organization he may do so subject to the condition that the Corporation shall bear no liability whatsoever on that account.

Note:- An employee joining from Govt. / PSU / nationalized bank etc. and retaining lien shall not be entitled to CPF, Leave and Gratuity benefits under the Corporation rules for the period of service during which he retains lien in the previous employment irrespective of the fact that leave salary and pension contribution are paid by the employee himself.

2.21.3.3 Permanent employees from Govt. and Semi-Govt. Departments / Organizations, Public Sector Undertakings, nationalized banks and their subsidiaries who join the Corporation on absorption basis.

2.21.3.4 An employee who is on deputation / Foreign Service or an employee who retains lien on the service of the previous employer shall be deemed to be confirmed as a regular employee with effect from the date he surrenders his lien on the service of the previous employer. In respect of other employees who are exempted from probation under these rules, they shall be deemed to be confirmed as regular employees with effect from the date of joining the service of the Corporation.

2.21.4 Unless exempted under these Rules, every employee appointed in the Corporation's service will be issued a formal order of confirmation on satisfactory completion of probationary period or the extended period of probation, as may be applicable. The employee will be deemed to be on probation until so confirmed in writing.

2.21.5 An order relating to confirmation or extension of probation will normally be communicated within one month from the date of completion of the probationary period or extended period of probation. Non-compliance of this stipulation will not, however, result in automatic confirmation of the employee.

2.21.6 If during the probationary period or extended period of probation, the performance, progress and general conduct of the employee are not found satisfactory or up to the standard required for the post, his service is liable to be terminated at any time by giving such notice / or payment of salary in lieu thereof as prescribed without assigning any reason. Similarly those employees who are promoted from one category to another shall be liable to be reverted to the category and post from which promoted.

2.22 CESSATION OF SERVICE

2.22.1 Eventualities:

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

Cessation in terms of service contract;

- Resignation;
- Retrenchment;
- Retirement;

- Medical unfitness;
- Death; or
- Dismissal or removal from service as a result of disciplinary action.

2.22.2 In terms of service contract:

The services of an employee may be ceased by giving such notice or pay in lieu thereof as may be prescribed in the contract of his service. In the absence of any such specific provision in the Contract of Service, the service of the employee may be terminated in the following manner:

2.22.2.1 Services of a temporary employee shall stand automatically terminated at the end of the period as specified in the order of appointment or on completion of work for which he was engaged, whichever is earlier. The services of such an employee may be terminated even before expiry of the specified period or before completion of the said work by one month's notice on either side or payment of salary in lieu thereof. If the unexpired period out of the specified period is less than one month, the notice period or pay in lieu thereof will be correspondingly reduced.

2.22.2.2 The service of a casual employee can be ceased without assigning any reason or giving any notice.

2.22.2.3 The service of a fresh recruit on probation can be ceased without assigning any reason by giving one month's notice on either side or payment of salary consisting of pay and dearness allowance in lieu thereof.

2.22.2.4 The services of a regular employee unless otherwise provided in the service contract can be ceased by either side by giving 3 months notice.

2.22.3 Resignation

As per rules defined in 2.7

2.22.4 Retirement

As per rules defined in 2.8

2.22.5 Medical Unfitness

An employee is liable to be discharged at any time from service on being found medically unfit to continue in the service of the Corporation.

2.22.6 As a result of disciplinary action

Employees may be removed or dismissed from the service of the Corporation as a result of disciplinary action in accordance with the IRFC conduct. Discipline & Appeal Rules.

2.22.7 Death

2.22.7.1 Pay and allowances of an employee may be drawn in his name upto the date of his demise, the hour at which it took place having no effect on the claim of his outstanding dues.

2.22.7.2 The services of any employee may also be terminated by the Corporation on the following grounds, among others:-

Insolvency

Conviction by a court of law for criminal offense amounting to moral turpitude.

Employee engaging himself in other employment without the written permission of the Management or if he is found to have been working elsewhere during the period of leave or off duty.

2.23 PURSUING HIGHER STUDIES

Any employee who wishes to acquire higher / additional qualifications by pursuing any course of education / training in any institution by attending such course(s) personally or through postal coaching may do so only after obtaining specific permission of the management. Such permission will not be accorded in case it is considered that the same will interfere with the proper performance of the duties by the employees.

On employment with the Corporation, every employee shall inform the Management details of any courses, if any, undergoing and seek permission to continue the same if so required.

2.24 'NO DUES' CERTIFICATE

An employee leaving the services of the Corporation on account of superannuation, resignation, retirement or due to any other reason, shall submit a "No Due Certificate" to the Personnel Division, without which his / her final dues shall not be drawn or disbursed.

2.25 LIEN FACILITIES

2.25.1 Regular employees of IRFC who are selected for appointment in other Govt. / Public Sector organizations against applications duly forwarded by the Corporation (or 'No objection certificate' granted in lieu thereof) may on specific request be permitted, at the discretion of the Management, to retain lien in IRFC for a period of 1 year which may for special reasons at the discretion of the Management be extended up to 2 years.

2.25.2 Retention of lien shall also be allowed in respect of employees holding posts below the Board Level when they are appointed to full-time Director's position at the Board Level within IRFC or in any other Central Public Sector Undertakings/Central/State Electricity Regulatory Commission/State Power Utilities for a period not exceeding 5 years.

2.25.3 The lien may be granted subject to the conditions that leave salary / PF contribution/Pension contribution / Gratuity contribution (both the employee's and employer's shares) are paid to IRFC either by the employee himself or by the new employer organization. Similarly, when an employee joins IRFC from other CPSEs/SPUs and retain his/her lien in that organisation, IRFC will transfer the leave salary / PF contribution/ Pension contribution/ Gratuity contribution (both the employee's and employer's shares) posted to that organisation.

2.26 OTHER DECLARATIONS

Every new entrant shall be required to submit before appointment the following documents in the Forms as may be prescribed by the Corporation from time to time.

Attestation Form duly completed along with three copies of passport size photograph

Declaration of movable & immovable assets (as prescribed under the CDA rules).

Declaration of Citizenship

Character certificate

Self attested copies of Degree / Diploma certificates of Educational Qualifications.

Relieving orders from previous organization, if any.

Salary certificate of last pay drawn. If employed in Govt. / PSU / Semi-Govt. Organization.

Certificate in the prescribed form on Reservation for SC / ST / OBC in support of claim for belonging to SC /ST / OBC issued by Govt. of India.

2.27 RELAXATION¹⁶

The Chairman & Managing Director will have the powers to relax any of these rules based on the merits of any individual case, subject to anything to the contrary specifically mentioned in rule above.

¹⁶ Based on the best practices from other CPSEs

Annexure I
INDIAN RAILWAYS FINANCE CORPORATION
FORM FOR MEDICAL EXAMINATION

Statement and Declaration to be given by the candidate on appointment

1. Name (in BLOCK LETTERS)
2. Age and Place of Birth
3. (a) Have you ever had small pox, intermittent or any other fever, enlargement or suppression of glands, spitting of blood, Asthma, Heart Disease, lung Disease, fainting attacks, rheumatism, appendicitis?
(b) Have you suffered from any other disease or accident requiring confinement to bed and medical or surgical treatment?
(c) Are you suffering from Diabetes Mellitus? (enclose Laboratory Report)
4. When were you last vaccinated ?
5. Have you suffered from any form of nervousness due to overwork or any other cause?
6. Furnish the following particulars concerning your family
 - Father's age(if living) and State of health
 - Father's age (if dead) at death and cause of death
 - Mother's age (if living) and State of health
 - Mother's age (if dead) at death and cause of death
 - No. of brothers living, their ages and state of health
 - No. of brothers dead, their age at death and cause of death
 - No. of sisters living, their ages and state of health
 - No. of sisters dead, their ages at death and causes of death
7. Have you ever been medically examined. If yes, what was the result of medical examination?

I declare that all the above information is correct to the best of my knowledge and belief.

Place:
Date:

Signature of Candidate

Annexure II

INDIAN RAILWAYS FINANCE CORPORATION LTD REPORT OF THE MEDICAL EXAMINATION OF Shri.....

1. Physical Examination:
 - General Development Good Fair Poor
 - Nutrition Thin Average Obese
 - Height (without shoes)
 - Weight
 - Best weight When Any recent change
 - Temperature
2. Girth of Chest
 - Before full expiration
 - After full expiration
3. Skin: Any obvious disease
4. Eyes
 - Any disease
 - Night blindness
 - Defect in colour vision
 - Field of vision
 - Visual acuity

Acuity of vision	Naked eye	With glasses	Strength of glass (sph)	Strength of glass(Cyl)	Strength of glass(Axis)
Distant Vision					
R E					
L E					

5. Ears Inspection
 - Hearing Right ear
 - Hearing Left ear
6. Glands Thyroid
7. Condition of teeth
8. Respiration System: Does physical examination reveal anything abnormal in the respiratory organs? If so the details
9. Circulatory system
 - Heart: Any organic lesions
 - Rate: Standing
 - After hopping 25 times
 - 2 minutes after hopping
 - Blood Pressure: Systolic Diastolic
10. Abdomen: Girth Tenderness Hernia
Palpable: Liver Spleen Kidneys Tumors
11. Nervous System: Indications of nervous or mental disabilities

12. Loco Motor System: any abnormality

13. Genito Urinary System:

- Any evidence of Hydrocele, varicocele etc
- Urine analysis:
- Physical appearance
- Sp Gr
- Albumin
- Sugar
- Cysts
- Cells

14. Report of X ray examination of chest

15. Is there anything in the health of the candidate likely to render him unfit for efficient discharge of his duties in the post for which he is a candidate?

16. Is the candidate fit for field service?

17. Result of Medical examination

- FIT
- UNFIT on grounds of
- Temporarily UNFIT on account of

Place :

Date : Signature of Examining AMP

(With Stamp)

Annexure III

INDIAN RAILWAYS FINANCE CORPORATION LTD ATTESTATION FORM

(To be referred to District Magistrate/Commissioner of Police)

Candidate to affix passport size recent photograph-----

WARNING:

1. Furnishing of false information or suppression of any factual information in this Attestation Form would be a disqualification and is likely to render the candidate unfit for employment in Government/PSU
2. If detained, convicted, debarred etc., subsequent to the completion and submission of this form, the details should be communicated immediately to the Indian Railways Finance Corporation Ltd or the authority to whom the attestation form has been sent earlier, as the case may be, failing which it will be deemed to be suppression of factual information.
3. If the fact that false information has been furnished or that there has been suppression of factual information in the attestation form comes to notice at any time during the service of a person, his/her service would be liable to be terminated.
 - (i) Name in Full(in Block Capitals with SURNAMENAME aliases, if any)Please indicate if you have added or dropped at any stage any part of your name or surname
 - (ii) Present Address in full(i.e., Village Thana and District or House No, Lane Street, road and Town)
 - (iii) (a) Home address in full (i.e., village Thana, District or House No, Lane Street, Town and name of District Headquarters)
 - (b) If originally a resident of Pakistan the address in that country and the date of migration to Indian Union
- (4)(a) Particulars of places (with periods of residences) where you have resided for more than one year at a time during the preceding five years. In case of stay abroad (including Pakistan) particulars of all places where you have resided for more than one year after attaining the age of 21 years should be given.

From To Residential address in full (i.e., Name of District Village, Thana, district or House Head quarters of the place No, Lane, street, Road, Town & Statementioned in the Preceding Column

Name in full with aliases, if any	Nationality(by birth & by domicile)	Place of birth	Occupation, if employed, give designation and official address	Present Postal address(if dead give last address)	Permanent Home address
1 Father					
2 Mother					
3Wife/Husband					
4Brothers					
5Sisters					

5(a) Information to be furnished with regard to son(s) and/or daughter(s) in case they are studying/living in a foreign country.

Name	Nationality(by Birth and/or by Domicile)	Place of Birth	Country in which studying/living with full address	Date from which studying/living in the country mentioned in prev.col.

6.Nationality

7. (a) Date of birth

(b) Present age

(c) Age at Matriculation

8. (a) Place of birth, District and

State in which situated

(b)District &State to which you belong

(c) District & State to which your father belonged

9. Your Religion

(a) Are you a member of Scheduled caste or Scheduled Tribe or OBC

(b) Answer 'yes' or 'No', state the name thereof

10. Educational Qualifications showing the places of education with years in Schools and Colleges since the 15th year of age

Name of School/College with full address	Date of entering	Date of leaving	Examination passed

11.(a) Are you holding or have at any time held any appointment under the Central or a State Government or Semi-Government or Quasi-Government body or any autonomous body or a public Sector Undertaking or a private firm or institution. If so, give full particulars with dates of employment up- to-date.

Period From to	Designation, emoluments, and nature of employment	Full name and address of Employer	Reasons for leaving previous service

(b) If the previous employment was under the Government of India/or State Government/an Undertaking owned or controlled by the Government of India or a State Government, an autonomous body/university/local body and if you had left service on giving a month's notice under Rule 5 of the Central Civil service (Temporary Service) Rules 1965 or any similar corresponding Rules, were any Disciplinary Proceedings framed against you, or had you been called to explain your conduct in any matter at the time you gave notice of termination of service or at a subsequent date before your services were actually terminated ?

12. (a) have you ever been arrested ?

Yes/no

(b) Have you ever been prosecuted?

Yes/no

(c) Have you ever been kept under detention?

Yes/no

(d) Have you ever been found drunk?

Yes/no

(e) Have you ever been fined by a Court of Law?

Yes/no

(f) Have you ever been convicted by a Court of Law for any offence?

Yes/no

(g) Have you ever been debarred from any examination or rusticated by any University or any other educational Authority/Institution?

Yes/no

(h) Have you ever been debarred/disqualified by any Public Service Commission from appearing at its examination/

Selection?

Yes/no

- (i) Is any case pending against you in any Court of Law at the time of filling up this attestation form?

Yes/no

If the answer to any of the above mentioned questions is 'yes', give full particulars of the case/arrest/detention/fine/conviction/punishment etc and/or the nature of the case pending in the court/university/educational authority etc at the time of filling up this Form.

Note:

1. Please see the WARNING at the top of this Form
2. Specific answers to each of the questions should be given by striking out 'yes' or 'no' as the case may be.

13. Name of two responsible persons of your locality or two references to whom you are known

(1) (2)

I certify that the foregoing information is correct and complete to the best of my knowledge and belief and I am not aware of any circumstances which might impair my fitness for employment under Government? PSU

Date
Place

Signature of Candidate

Annexure IV
INDIAN RAILWAYS FINANCE CORPORATION LTD
SERVICE CERTIFICATE

Date

This certificate is presented to

.....

For the experience he/she has gained in our organization. As the head of HR department in IRFC, I hereby testify that this employee has rendered his/her valuable services in this corporation from..... to..... and has enriched him/her self with experience in.....

It was a great pleasure working with Shri/Shmt./Kumari..... for his employment duration and he/she has proved him/herself as the one of the valuable assets of the organization.

We wish him a good life and better opportunities for employment.

Name of the Signatory (HR Head):

Signature

Date

Annexure V

INDIAN RAILWAYS FINANCE CORPORATION LTD

DEED FOR CENTRAL GOVT. EMPLOYEE FOR CHANGE OF NAME/SURNAME

BY THIS DEED I the undersigned.....lately called
.....employed as (Former name)
..... (Designation of the post held at the
time) at..... (Place where employed in IRFC) do hereby:-

1. Wholly renounce, relinquish and abandon on the use of my former name of..... and in place thereof do assume from the date there of the name ofand so that I may hereafter be called, known and distinguished not by my former name of but by my assumed name of.....

2. For the purpose of evidencing such my determination, declare that I shall at all times hereafter in all records, deeds and writings and in all proceedings, dealings and transactions private as well as public and upon all occasions whatsoever use and sign the name of.....as my name in place of and in substitution for my former name of.....

3. Expressly authorities and request all persons at all times hereafter to designate and address me by such assumed name of

4. In witness whereof I have here unto subscribed my former and adopted name of and.....affixed my seal
this.....day of Old Signature..... New
Signature..... Signed and delivered by the above
named..... formerly.....

in the presence of :-

Witness No. - 1 Signature..... Name.....
Designation..... Official Address..... (With Rubber
stamp)

Witness No. - 2 Signature..... Name.....
Designation..... Official Address..... (With Rubber
stamp)

Annexure VI
INDIAN RAILWAYS FINANCE CORPORATION LTD
CHARACTER CERTIFICATE
(Certificate to be signed by any of the following)

1. Gazetted Officer of Central or State Government
2. Members of Parliament or State Legislatures belonging to the Constituency where the candidate or his parents/guardian is ordinarily resident.
3. Sub Divisional Magistrates/Officers
4. Tehsildar or Naib/Deputy Tehsildars authorised to exercise magisterial powers
5. Principal/Head master of recognised School/College/Institution where the candidate studied last
6. Block Development Officer
7. Post Master
8. Panchayat Inspectors

Certified that I have known Sri/Smt/Kumari.....son/daughter of Shri..... for the last..... years..... months.
Shri/Smt./Ku. _____ bears good moral character and to the best of my knowledge is not involved in any criminal activity and no personal legal case is pending against him/her.

Place :

Date :

Signature
Designation/Status & address
(with official seal)

(To be filled in by office in IRFC)
(1) Name designation and Full
Address of Appointing Authority
(2) Post for which the candidate
is being considered

Chapter3: RECRUITMENT AND SELECTION RULES

3.1 OBJECTIVES

These Rules are designed¹

- 3.1.1 To enable IRFC to plan its manpower requirements to meet the organisational objectives and needs.
- 3.1.2 To attract and retain the right human resource with appropriate skills, knowledge, aptitude and merit in furtherance of the Corporation's overall objectives related to its successful, effectual and profitable operations as also its growth and development into a premier public sector financial institution.
- 3.1.3 To adapt to and fulfill the socio-economic commitments of the Govt. to the unfortunate / minority sections of the society as part of the company's social objectives.

3.2 DEFINITIONS

'Corporation' means Indian Railway Finance Corporation Limited.

'Chairman & Managing Director' means Chairman & Managing Director of Indian Railway Finance Corporation

'Board' means Board of Director of Indian Railway Finance Corporation Limited

'Appointing Authority' means the authority empowered to make appointment to the posts under the Corporation under these rules.

3.3 CLASSIFICATION OF EMPLOYEES²

3.3.1 The Employees of the Corporation shall be generally classified as under:

- a) Regular
- b) Probationer
- c) Casual
- d) Contractual

3.3.2 "Regular" employee is one who is appointed to a post/vacancy on the regular establishment of the Corporation and who has satisfactorily completed his probationary period of service. The term also includes those who are taken on deputation from a Government Department or any other Public Sector Undertaking (PSU) or Organization, whether permanently absorbed or not.

¹ As per existing HR Manual

² As per existing HR Manual

- 3.3.3 “Casual” employee is one who has been engaged for work of an essentially casual or adhoc or temporary nature likely to be completed within a stipulated period of not more than three months.
- 3.3.4 “Contractual” employee is one appointed on the basis of a contract of appointment for a specified period and /or assignment or Project.
- 3.3.5 “Probationer” is an employee who is recruited with a view to being considered for appointment on the regular establishment of the Corporation on completion of prescribed training or service.

Note: The Corporation has a system of outsourcing some of its activities. The professional agencies to which such outsourcing is done generally position some of their resource persons in the office of the Corporation to carry out the job (or part thereof) assigned to them. Such personnel are NOT EMPLOYEES of the Corporation and the respective agency employing them shall be their employers for all purposes.

3.3.6 Classification of Posts for Recruitment

For the purposes of recruitments the posts under the Corporation are classified in the following groups:

a) ***Executives***

In the scales of E0 to E9

b) ***Non-Executives***

- i. Supervisory and equivalent categories in the scale of NE7 and above.
- ii. Skilled Group: Secretarial & clerical staff in the scales of NE4 to NE6.
- iii. Unskilled groups: In the scales of NE1 to NE3.

3.4 MANPOWER PLANNING AND BUDGETING

- i) In all Divisions of the Corporation before the end of October every year, each department will review the adequacy or otherwise of the available manpower with reference to tasks and targets and determine the additional requirements of manpower in qualitative and quantitative terms for the immediately following financial year.
- ii) Based on the requirements of additional manpower of the individual departments, the detailed manpower plan for the financial year will be prepared jointly by the Director Finance and the General Manager for the concerned Division as a whole giving specific details of each new post other than casual posts and justification therefore and this manpower plan containing details of expenditure involved will form a part of the overall Manpower Budget of the Division.
- iii) The requirements of casual and other contingent staff will not form a part of Manpower Budget.
- iv) Annual manpower plans including the additional manpower requirements along with all relevant details and estimated cost involved for all the

Divisions will be consolidated into an integrated corporate Manpower Plan which will form a part of the annual budget to be submitted for approval of the Board of Directors.

- v) On approval by the Board, these manpower plans will constitute sanction for creation of post including posts of trainees if any and form the general basis of recruitment during the financial year.
- vi) However creation of posts will be limited to overall manpower of the Company approved by Government.

3.5 CREATION OF POSTS

- i) Notwithstanding the Board's overall sanction for the creation of posts as above, specific sanction from the competent authority for each new post will be necessary before initiation of action for filling the posts. The competent authority will issue the necessary sanction depending on the requirements from time to time during the year within the approved budget sanction and manpower plans subject, however, to policies and directives that may be issued by the Board of Directors and / or the Chairman & Managing Director as the case may be.
- ii) For the purpose of according sanctions to the creation of regular, trainee and temporary posts in different categories within the approved manpower budget provisions and approving appointments to such posts, the MD or any other officer(s) to whom such powers are specifically delegated will be the competent authorities.
- iii) While the authority competent to sanction creation of posts will have the flexibility to re-appropriate posts as between various functions under his control subject to overall provisions in the budget, no non-executive post shall be created unless such post is included in the approved budget and Manpower plans except with the prior approval of the Chairman & Managing Director who may accord the necessary approval only in exceptional cases. Proposals for creation of such posts not covered by the annual manpower plan will be accompanied by full justifications and explanations or reasons and circumstances due to which the necessary provision could not be made at the time of formulating the annual manpower plan.

3.6 GENERAL RECRUITMENT RULES³

Subject to the Indian Railway Finance Corporation Recruitment Rules, the following conditions shall apply to all appointments in the Corporation

3.6.1 Nationality

A candidate for appointment to the service of the Company must be:

- (a) A citizen of India; or
- (b) A subject of Nepal; or

³ As per existing HR Manual

- (c) A subject of Bhutan; or
- (d) A Tibetan refugee who came over to India before 1st January, 1962 with the intention of permanently settling in India; or
- (e) A person of Indian origin who has migrated from Pakistan, Burma, East Pakistan (now Bangladesh), Sri Lanka and East African countries of Kenya, Uganda and the United Republic of Tanzania (formerly Tanganyika and Zanzibar) with the intention of permanently settling in India.

Provided that a candidate belonging to categories (b), (c), (d) and (e) shall be a person in whose favour a certificate of eligibility has been issued by the Government of India.

3.6.2 Entry at Induction Level

- i) At the appropriate stage of the growth of the organization, recruitment will be generally restricted to the induction levels, so as to ensure that prospects of career growth of existing employees are not impaired. The Corporation strives to provide maximum opportunity for its employees to grow within the Organisation, by acquiring necessary qualifications, skills, knowledge and training.
- ii) Campus interview and recruitment to the posts in E-2 / E3 grade and Executive Trainees from management institutions of national repute, that would include Indian Institutes of Management (IIMs) and any other institute, accredited at national level which will be decided by the CMD from time to time

3.6.3 Entry other than Induction Level

However, keeping in view the need for induction of experienced personnel, lateral recruitment may be considered at all levels of the organizational hierarchy. It should, however, be endeavoured to ensure that the induction in higher grade within a cadre is kept to bare minimum, to protect promotional opportunity available to serving personnel with the consent of BOD.

3.6.4 Methods of Recruitment:

In view of the lines above, recruitment of executive and non-executive personnel may be made at any level from one or more of the following sources:

- a) *Direct recruitment* from outside candidates who meet the prescribed specifications subject to instructions issued by the Central Govt. from time to time. It includes campus recruitments as well.
- b) *Promotion of existing employees* from the lower scales who meet the prescribed standard.
- c) *Deputation* from Central / State Governments / Public Sector Organizations and Financial Institutions.
- d) *Permanent absorption* of deputationist from Central / State Govt. / Public Sector Enterprises and Financial Institutions

- e) *Through Employment Exchanges* as per provisions of Employment Exchange Act 1959.
- f) Candidates located *through duly constituted search committee* and talent surveys in respect of posts requiring specialist knowledge and expertise and / or exceptional qualification and merit subject to approval by the Chairman & Managing Director

3.6.5 Special Reservation of Vacancies

In accordance with the policy of the Government for the upliftment of the socially and economically disadvantaged groups of the society and the orders issued in this regard from time, vacancies will be reserved for being filled exclusively from amongst candidates belonging to Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC), ex Servicemen, **persons with disability** categories and **Economically Weaker Section (EWS)** to the extent provided for in the relevant orders.

(Refer Department of Personnel, & Training Order No. 36039/1/2019-Estt (Res) dated 31st January, 2019) and Ministry of Railways (Rail Board) Order No. 2019-E(SCT)1/25/1 dated 07.02.2019)

3.6.6 Age for recruitment and Relaxation

Age of person at the time of appointment to the service of Corporation shall not be less than 18 years and more than 60 years. In addition to reservation of vacancies, the notified groups (Scheduled Castes, Scheduled Tribes, Other Backward Classes, ex Servicemen and physically handicapped) may also be given relaxation of upper age limits for recruitment to the extent applicable to them.

The upper age limit will also be not applicable in case of departmental candidates, other than deputationists, for selection to a post in open competition with external candidates

3.6.7 Relaxation of other qualification and specification of a Job

No appointment shall be made to any post in the Corporation unless the person fulfills the minimum eligibility requirements and conforms to the specifications prescribed for the post except where general relaxation are made in the case of reserved vacancies for candidates belonging to Scheduled Castes and Scheduled Tribes, Ex-Servicemen and other special categories provided, however, that in special and exceptional cases appointments may be made subject to the approval of the Chairman & Managing Director in relaxation of the prescribed specifications where the Appointing Authority is satisfied that such relaxation is essential in the interest of the company.

3.7 DIRECT RECRUITMENT PROCEDURE

3.7.1 Direct Recruitment from Open Market

- i) Recruitment of employees on casual/temporary basis for short periods of not more than three months may be made with the approval of the Chairman & Managing Director, in order to handle specific tasks which the regular

employees will not be able to perform. Such recruitment will generally be confined to the lower most grades in the Corporation and incidence thereof shall be kept at the minimal level.

- ii) Normally, for recruitment of regular employees from the open market to positions carrying pay scales the maximum of which does not exceed Rs.12,100 (NE-1), applications shall also be invited through the Employment Exchange in terms of the Employment Exchanges (Compulsory Notification of Vacancies) Act 1958. While considering candidates recommended by the Employment Exchange, personnel engaged on casual basis in identical jobs in the Corporation will also be considered. In addition, the Corporation reserves the right to call for applications through advertisements placed in Employment News and other newspapers etc., also following the conditions in (iii) to (iv) below.
- iii) Generally, recruitment of employees in pay scale the maximum of which is more than Rs.12,100 (NE-1) will be made after inviting applications from candidates meeting the job specifications through an advertisement inserted in selected Newspapers having good circulation in various regions of the country. The Government's Guidelines issued by the Department of Public Enterprises (DPE) in regard to publication of such advertisements in the Employment News (Rozgaar Samachar) will also be followed.
- iv) The advertisement should indicate
 - a. The Job Title, the Scale of Pay, allowances and other benefits offered by the Corporation and a general outline of the role and responsibilities of each job
 - b. Job specifications indicating the eligibility requirements in terms of minimum educational and / or professional qualifications, length, nature and quality of experience, upper age limit etc.,
 - c. Special reservation of vacancies provided for Scheduled castes, Scheduled Tribes, Other Backward classes, Ex-Servicemen, Physically Handicapped persons etc, for whom the orders of the Government for reservation of posts are applicable, will also be indicated.
 - d. The broad scheme of recruitment (whether on the basis of written examination, interview or both etc.) shall also be indicated.
 - e. The format for submission of the application or the availability of the Application form with the Corporation for the intending candidates to obtain the same.
 - f. Last date of submission of application form

3.7.2 Direct Recruitment from within the Corporation

The directly recruited regular employees including deputationist in IRFC will be considered eligible for selection to a post in open competition with external candidates in case they fulfill the minimum eligibility requirements and other

prescribed criteria as per the advertisement. However, in regard to Departmental candidates (i.e. other than deputationists), the upper age limit will not apply.

The list of positions for which direct recruitment would be made is provided in *Annexure I*.

3.7.3 Application Formalities

- i) All appointments, other than appointments on deputation, will be made in the corporation on the basis of an application giving details and particulars as may be prescribed in the advertisement.
- ii) While as a rule all recruitment applications should be in the prescribed format applications on plain paper may also be resorted to wherever necessary keeping in view the urgency for manning the post and the lead time involved.
- iii) Unless specifically exempted by the appointing authority, all applications for job positions in the Company will be accompanied by a postal order / NEFT / RTGS of the value of Rs.500/- for executive posts and Rs.300/- for the posts of executive trainees and non-executive posts other than those covered by the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.

However, candidates belonging to Scheduled Castes and Scheduled Tribes and Ex-servicemen and physically handicapped candidates will be exempted from the payment of application fees.

- iv) Applications of all internal candidates will be forwarded to the Personnel Department by the Head of the Department who should give in his forwarding statement:
 - a) Comments on the suitability of the candidates for the post applied for;
 - b) Assessment of the performance of the candidate;
 - c) Remarks whether or not candidate can be released in case he is selected without detriment to the job currently being handled by him.
- v) Deputationists can also apply for higher post provided their applications have been forwarded through their parent department.
- vi) After the last date mentioned in advertisement for the receipt of applications, no application will be entertained by the corporation. However, keeping in mind that IRFC is an intellectual based organization, the Chairman & Managing Director may permit to entertain the applications of bright intellectuals even after the expiry of the last date.

3.7.4 Evaluation and Selection Process⁴

- i) All applications received in response to recruitment advertisement will be scrutinised for the purpose of screening and short listing the candidates who should be called for selection.
- ii) Various selection methods like trade test, written tests, group discussions, computer based test etc., may be employed depending on the requirements of the jobs for which selection is being made and for this purpose.
- iii) The broad scheme of Tests/interviews will be decided by the Personnel Department with the approval of CMD, depending upon the requirements of the job for which recruitment is being made. The Personnel Department may also take help of outside agency wherever necessary.
- iv) All direct appointments to every post in the Corporation, whether regular, temporary or trainee except appointments on deputation from Govt. organizations and public sector undertakings will be made only on recommendation of a duly constituted Selection Board / Committee.
- v) All appointments to the executive and managerial cadres of the company including executive trainees will be made on the recommendations of the IRFC Central Selection Board
- vi) All appointments to posts in various executive categories will be made on the recommendations of Selection Committees constituted for the purpose which must include representatives from the following sources and the appropriate Executive level depending on the posts:
 - a) Chairman & Managing Director or any of his nominee from among senior executives or Director concerned
 - b) Executive Director or GGM of IRFC
 - c) Representative of Personnel Department
 - d) An outside Member with specialization in the field from another PSU / Govt. Department but not below the rank of Deputy General Manager.
 - e) A women representative within the organization at the appropriate level.
 - f) An officer belonging to SC / ST / Minority should be associated with the Selection Board if the selection inter alia is for recruiting candidates belonging SC / ST / Minority also.
- vii) The head of personnel department, in consultation with the Chairman & Managing Director, would decide the members as constituents of selection committee.
- viii) Honorarium and reimbursement of boarding and lodging expenses may be made to Members of Selection Committees from outside the organization as per rates and rules in this regard laid down by the Corporation.

⁴PERSONNEL POLICIES;(c) Service Matters;1. DPE/Guidelines/II(c)/1;Powers for appointments of posts in Public Enterprises

- ix) In cases where the Selection Committee is charged with the responsibility of holding the written examination also, it shall decide the methodology for setting the question paper(s), and evaluating them, distributing the work amongst various members.
- x) Regardless of whether the written examination is conducted by an outside agency or by the Selection Committee, the minimum qualifying marks for being called for interview shall be decided with the approval of Chairman & Managing Director well in advance and in any event before the written examination is actually held.
- xi) The Company shall also decide with the approval of Chairman & Managing Director before the written examination is held the broad parameters for the allotting weightage to various factors such as Qualifications, Experience, Performance in Written Examination and Interview. An overall minimum qualifying level, based on performance in the written examination and interview, shall also be prescribed in advance. Lower minimum qualifying levels could be prescribed for candidates belonging to the reserved categories.
- xii) Further, in line with the direction of Department of Public Enterprises (DPE), in order to bring conformity in formulation of proper recruitment and management policies of DPE with latest policies / decisions taken by the Government, IRFC will adopt revised mechanism of recruitment for non-executive level posts by dispensing with the practice of interview for such posts. Further, in case for any particular post, interview is considered essential, clearance of administrative Ministry / Department would need to be obtained by IRFC or the corporation may adopt alternate modalities to assess the required skills for recruitment to such posts in consultation with Administrative Ministry / Department⁵.
- xiii) The selection committee will prepare a panel of successful candidates in order of the total marks awarded and submit the same to the appointing authority (Chairman & Managing Director or other Executive authorised to approve appointment, as the case may be) for approval.

3.7.5 Offer of Appointment

- i) After the competent Authority has approved the panel, appointments will be made from amongst the selected candidates in the order in which their names appear in the panel, and in accordance with the Roster to be maintained according to Government Orders for the purpose of reserving vacancies for SC/ST etc.
- ii) In case, two candidates have same marks in the written test/ skill test, person having more experience shall be considered for appointment. In case, the no. of years of experience is also the same then the date of birth shall be considered and the older candidate shall be considered for appointment.

⁵DPE letter No. DPE-GM-01/0001/2015-GM-FTS-4857 dated 14-12-2015 and MD/IRFC order dated 21-01-2016

- iii) Personnel Department will issue offers of appointment in the prescribed form in duplicate and the contract of appointment will be complete on receipt of the letter of acceptance along with the copy of the offer duly signed by the candidate.
- iv) All appointments will, however, be subject to the following further conditions:
 - a) The successful candidate shall be found medically fit for appointment in the Corporation against all posts by a Registered Medical Practitioner approved for conducting such medical examination by the Corporation.
 - b) Confirmation on initial appointment in the Corporation shall be subject to satisfactory verification of character and antecedents by the prescribed authorities in accordance with the directives issued by the Government from time to time, except in the case of employees who are selected from Govt. / Semi-Govt. / Public Sector Undertakings, nationalized banks and their subsidiaries provided however, that in such cases copies of the verification reports or a certificate to that effect is obtained from his/her previous employer before the employee is confirmed in the service of the corporation. Such verification, if considered necessary, may be obtained by the Corporation subsequently at any time during the course of employment. The Form for verification of Character and antecedents is at *Annexure VI* of Chapter 2. In case of adverse report, the candidate, if appointed provisionally pending such verification, will be discharged from employment forthwith.⁶
 - c) As per the extent GOI's instructions, Scheduled Casts / Scheduled Tribe Certificates should be properly checked and if any discrepancy is noticed therein, it should be immediately brought to the notice of the concerned authorities and appropriate steps for grievances / verification of such certificates taken before appointment. Further, where a candidate belonging to a Scheduled Caste, Scheduled Tribe and Other Backward Classes is unable to produce a certificate from any of the prescribed authorities, appointment may be made provisionally on the basis of whatever prime-facie proof is produced in support of claim subject to furnishing the prescribed certificate within a reasonable time. In case of genuine difficulty in obtaining a certificate by the candidate, appointing authority should itself verify the claim through the District Magistrate concerned.⁷
- v) The Panels framed for recruitment will normally remain valid for one year from the date of approval, but their life may be extended by a further period not exceeding one year with the approval of the Authority which approved the panel in the first instance.

⁶ Partially modified to the existing Para in HR Manual

⁷ As per best practices of other CPSEs

3.8 DEPUTATION/PERMANENT ABSORPTION

- i) For positions which need the skills and experience available amongst employees of the Government or other PSUs, the Corporation may appoint persons either on deputation or on the basis of permanent absorption in accordance with the orders of the Government in force from time to time.⁸
- ii) The terms and conditions of deputation of such employees will be decided in consultation with the parent Department of the Government or the PSU concerned. Permanent absorption of such employees will be on the terms and conditions of employees on deputation including their absorption in this Organization shall be conforming to the standard terms and conditions prescribed by the DPE/Govt. of India from time to time.⁹

3.9 RE-ENGAGEMENT/REEMPLOYMENT POLICY

In respect of specified jobs or tasks requiring the services of retired employees of Government or PSUs or the Corporation itself or any other persons possessing special qualifications and skills, the Corporation may engage suitable persons belonging to these categories on contractual basis either as consultants or otherwise in accordance with the terms and conditions laid down under guidelines of the Board of Directors of the Corporation/and or the Government. The Corporation shall from time to time circulate a broad guideline to this effect as per Railway Board guideline circulated vide circular dated 9th June 2004 and 11.2.2014 on the subject of Re-employment and Re-engagement. The Company guideline has been formed as at *Annexure II* to this chapter while referring to the Railway Board guidelines as mentioned above.

3.10 JOINING TIME

- i) Joining time for new recruits, irrespective of distance involved for journey, shall be admissible as under¹⁰:

For journey by Air	:	3 days
For journey by Rail/Road	:	8 days
For journey partly by Rail/Road/Air	:	8 days
- ii) The joining time would be determined by the *Actual Mode of Journey* undertaken and not by his entitled mode of journey.
- iii) In calculating joining time, the day on which an employee is relieved from the old post, except when he is relieved in the forenoon, and the intervening Sundays shall be excluded. However, the intervening festival holidays shall be included in joining time. The joining time shall be calculated from old headquarters in all cases.

⁸ As per existing HR Manual

⁹ Amended as per circular No 6/8/2009-Estt (Pay II) of DoPT dated 17th June 2010

¹⁰ As followed by IOCL

- iv) Employees have the option to avail part or full admissible Joining time. The facility of availing joining time in two spells is admissible to an employee within a period of 6 (Six) months. Under no circumstances, any exception will be made. In availing the SECOND SPELL of joining time, the entitlement shall be limited to full joining time minus the joining time already availed in the first spell.

3.11 INTERPRETATION

The Chairman & Managing Director of the Corporation has full authority to interpret these Rules and his decisions shall be final in this regard. However, he may if he considers it necessary, seek a decision of the Board of Directors in any specific matter. Chairman & Managing Director shall also have the authority to relax any of the provisions of these Rules in respect of a category or categories of persons for reasons to be recorded in writing.

Annexure I
GRADES AND CATEGORIES OF POSITIONS FOR DIRECT RECRUITMENT

S No	Designation/ Position	Scale of Pay (Rs)	Qualifications	Minimum Experience	Upper age limit
1	NE 1 (Messenger/ Khalasi)	13100- 44700	Pass in10th Standard	Nil	General -30 SC/ST - 35
2	NE 2(Driver)	13600- 49000	Pass in10th Standard with a valid current Driving license	2 years	General -30 SC/ST - 35
3	NE 2 (Typist/Caretaker)	13600- 49000	Intermediate (+2) with Computer Skills	2 years	General -30 SC/ST - 35
4	NE 4 (Junior Assistant)	15600- 56000	Graduate with Computer Skills DCA	5 years	General -30 SC/ST - 35
5	NE 5 (Personal Assistant / Sr. PA / SG Driver)	21000- 74000	Graduate with Computer Skills PGDCA with 80 w.p.m.in shorthand and 40 w.p.m.in typing speed. For Finance cadre he/she must be Inter CA/CS/CMA Graduate with Computer Skills PGDCA with 80 w.p.m.in shorthand and	6 years	General -35 SC/ST - 40
6	E0 (Junior Manager)	30000- 120000	MBA from Tier II/Tier I B- School/MFC	0 Years	General -28 SC/ST - 33
7	E 2 (Deputy Manager)	50000- 160000	MBA from Tier I B- School/ CA/CMA/CS/CFA	4 Years	General -30 SC/ST - 35
8	E 4 (DGM)	70000- 200000	MCA/ICS/MBA/M FC/MFS	9 Years	General-35 SC/ST - 40

Note: The qualification (Academic/Professional) should be from a recognized institute/university.

Annexure II

SUBJECT: Policy Guidelines for re-employment / re-engagement of Retired Personnel from Govt. / CPSEs / Banks / Financial Institution

1.0 OBJECTIVE:

- 1.1 To award service / job contract for execution of various assignments in IRFC on its existing / future business activities or any other assignments decided by the management of IRFC.
- 1.2 To take specific consultancy services for which expertise is not available in the Corporation.

2.0 COVERAGE:

- 2.1 Retired employees of Govt. / CPSEs / Financial Institutions/Banks or the Corporation itself etc. possessing specialized qualification and experience for the specific job or task, who have attained the age of superannuation. The appointment of retired employees from Corporation itself would be termed as re-employment while the appointment of retired employees from other organizations would be termed as re-engagement.
- 2.2 Persons clear from vigilance angle in their parent organization shall only be re-engaged / re-employed.

3.0 PURPOSE AND PERIOD OF SERVICE / JOB CONTRACT:

- 3.1 In order to meet the specific job requirement of limited duration which cannot be handled by the Corporation's regular staff, for want of expertise or shortage of manpower, retired officials from Govt./CPSEs/Banks/Financial Institutes and Corporation itself etc can be appointed as Expert / Advisor/ Consultant on contract basis for providing the services specially in the area of finance expertise, project appraisal, human resource management and other specialized areas. Non technical/non professional employees are not to be re-employed/re-engaged. The appointment of retired employees is for specific task/assignment which is of a temporary(non-official) nature. Hence, these appointments shall not be considered against regular vacancies, if any.
- 3.2 Re-engagement of officials on service / job contract basis should be need based and only for specific assignment and for specific duration
- 3.3 Experts / Advisors and Consultants shall be engaged on lump sum fee called "remuneration" determined on the basis of their last pay drawn / grade.
- 3.4 Officials re-employed / re-engaged on service / job contract basis will be initially re-engaged for a period of six months and their service / job contract may then be extended (6 months at a stretch) based on the requirement.
- 3.5 The appointment of Expert/Advisor/Consultant would be a full time basis and they would not be permitted to take up any other assignment during the period of engagement with IRFC Ltd.

4.0 RE-EMPLOYMENT / RE-ENGAGEMENT AS EXPERT / ADVISOR / CONSULTANT:

Employees retiring from the Corporation and having expertise in the Financial / Technical and other profession can be considered for re-employment in the Corporation if it is felt necessary to avail their services in future in the interest of the Corporation. Similarly employees retiring from other CPSEs / FIs / Govt. / Banks etc. can be considered for re-engagement by Corporation.

4.1 Remuneration

Employees re-employed / re-engaged shall be paid a fix lumpsum amount. For re-employment of retired officials emoluments payable may be such that the total emoluments drawn together with the pension should not exceed the last pay drawn (Basic + DA).

The remuneration shall be decided separately from time to time by the Competent Authority subject to above ceiling.

Other Benefits:

- 1 **Transport:** 10% of proposed emoluments.
- 2 **Leave:** One day for each completed month.
- 3 **TA / DA for official travel:** TA / DA will be paid at par entitlement of an employee of equivalent scale in IRFC.
- 4 **Telephone:** Upto Rs. 2000 /- per month.
- 5 The Corporation shall not have any financial liability in case of his/her death/incapacitation etc. during the period of his/ her re-employment/ re-engagement.

5.0 DELEGATION:

- 5.1 **For Re-employment / Re-engagement:** The delegation of powers to award service / job contracts to retired employees designated as experts /advisors / consultant shall be as under:-

Appointment / Age Limit :	Authority to Appoint:
For employees retired from Govt. / CPSEs / Financial Institution and Corporation itself at the level of Executive Director (E9) and below level or equivalent post	Chairman & Managing Director
Up to the age of 65 years	
Beyond 65 years up to 70 years	Board of Directors

6.0 PROCEDURE FOR SELECTION:

- 6.1 There shall be separate registration for experts / advisors and consultants from the retired personnel. The concerned department(s) would determine the need to appoint an expert / advisor / consultant based upon the requirement of special skills / expert knowledge required in specific areas or due to shortage of manpower in their department. The department shall forward its requirement to HR unit.
- 6.2 In case of re-engagement of employees retires from organizations other than IRFC, the requirement of expert / advisor / consultant shall be filled up by the HR unit from open market through advertisement in Newspaper and IRFC portal for empanelment of employees suitable for the job. The concerned department shall also be responsible for defining qualification and experience of the required personnel
- 6.3 HR unit shall be responsible for short listing and recommending names for engagement of consultant for approval by the Competent Authority as envisaged under delegation of power as mentioned at Para 5.0.

7.0 DURATION OF JOB CONTRACT:

- 7.1 The contract shall stand terminated automatically at the end of the term specified in the contract unless otherwise extended.
- 7.2 Further the contract may also be terminated, without assigning any reason, at any point during the term by giving one months notice from either side.

8.0 INTERPRETATION:

- 8.1 The powers with regard to interpretation of any provision of these rules shall vest with Appointing Authority whose decision shall be final.

9.0 COMPETENT AUTHORITY:

- 9.1 Appointing shall have the power to relax any of the provision of these rules in case of exigencies.

Chapter 4: SALARY STRUCTURE AND ADMINISTRATION

4.1 SCALE OF PAY

The employees of IRFC are governed by the Scales of Pay on the Industrial Dearness Allowance (IDA) pattern applicable to the Public Sector Employees under the Central Government. These Scales of Pay which were revised as per Department of Public Enterprises (DPE) guidelines and are effective from 1-1-2017 are given below, for the typical designations that are currently operated or which may be operated in the Corporation in the future both at Executive and Non executive levels:

Pay Scale of IRFC Executives:-

Grade	Pay (in Rupees)	Designation
E0	30000-120000	Junior Manager
E1	40000-140000	Assistant Manager
E2	50000-160000	Deputy Manager
E3	60000-180000	Manager
E4	70000-200000	Deputy General Manager
E5	80000-220000	Joint General Manager
E6	90000-240000	Additional General Manager
E7	100000-260000	General Manager
E8	120000-280000	Group General Manager
E9	150000-300000	Executive Director
Board Level	180000-340000	Director
Board Level	200000-370000	CMD/MD

In case of non-unionized supervisory staff the revision of scale of pay may be decided by respective Board of Director of the CPSE. Accordingly the following pay scale has been decided by the Board of Directors of IRFC for the Non Executive:

Structure of Non Executives pay For IRFC

Grade	Pay (in Rupees)	Designation
NE1	13100-44700	Messenger/Khalasi
NE2	13600-49000	Senior Messenger/ Records Sorter Grade II
NE3	14500-52000	Records Sorter Cum Messenger Grade 1
NE4	15600-56000	Junior Assistant/ Typist/Driver
NE5	21000-74000	Assistant/Assistant PA/ Driver etc
NE6	24000-85000	Senior Assistant/PA/ Driver etc
NE7	28000-98000	Section Officer/Sr. PA/ SG Driver
NE8	29500-115000	Assistant Accounts Officer / Assistant Administrative Officer

(Approved by BOD in 236th meeting held on 20.10.2017 and MoR on 24.11.2017 creation of New Grade (NE-8)-approved by BOD in 244th meeting held on 10.09.2018)

4.2 ANNUAL INCREMENT

- (i) The Annual Increment will be at the rate of 3% of the revised basic pay and will be rounded off to the next multiple of Rs.10/-.¹
- (ii) The rate of stagnation increment will be 3% of the revised basic pay and executives will be allowed maximum three stagnant increments, one after every two years, upon reaching the maximum of the revised pay scale provided the executive gets a performance rating of "Good" or above.²
- (iii) The following time periods will be taken into account for considering increments:
 - a. Service rendered in a post equivalent or higher grade provided it is duly supported by appropriate certificates
 - b. EOL on account of illness duly supported by a medical certificate from an authorized medical officer
 - c. Joining time in continuation of duty;
 - d. Joining time in continuation of leave if the last day of the leave immediately before the commencement of joining time counts for increment in the post; and

¹ DPE Guidelines No. 2 (70)/08-DPE(WC) dated 26.11.2008, Point 5

² DPE Guidelines No. 2 (70)/08-DPE(WC) dated 26.11.2008, Annex II (A) (i)

- e. Foreign service
 - f. Period of suspension only if ordered by the disciplinary/ appellate/reviewing authority
 - g. Period of overstay beyond sanctioned leave or beyond joining time if regularized by competent authority
- (iv) Where the Extra Ordinary Leave Without Pay (EOLWP) or unauthorized absence individually or cumulatively exceeds 90 days in a calendar year (on other than medical grounds), the annual increment may be postponed by one year. This would apply equally in case of study leave without pay.
 - (v) There will be no effect on annual increment if the probation period is extended upto 180 days. However, in case of extension of probation period beyond 180 days, the annual increment would be shifted
 - (vi) The officer shall not draw annual increment falling within the period of suspension. However, withholding / postponement of increment in a case shall depend upon the extent and nature of punishment awarded after enquiry proceedings.

4.3 PAY FIXATION

- 4.3.1 ***Fixation at the time of Recruitment³*** - The initial pay of an employee newly appointed to a post in the Corporation will be fixed at the minimum of the Scale of Pay of the post to which he is appointed. The Appointing Authority may, however, permit the pay of an individual new recruit to be fixed at a higher stage in the Scale of Pay, taking into account the special circumstances of the case such as higher qualifications, greater experience and other factors that merit such a higher initial fixation of pay.
- 4.3.2 ***Fixation of Salary of Employees joining from organizations with IDA pattern*** - The employees who carry an IDA pattern of salary at the time of joining IRFC, would be entitled to pay protection with one increment on the previous pay as joining benefit. In case the employee has been recommended additional increments by the selection committee, the same shall prevail over and above the joining benefit.
- 4.3.3 ***Fixation of Salary of Employees joining from organizations with CDA pattern-*** The fixation of salary of employees, who carry a CDA pattern of salary at the time of joining IRFC, would be as per the pay scale of the corporation so as to allow pay protection. Additional one increment would be granted as joining benefit to such employees. In case the employee has been recommended additional increments by the selection committee, the same shall prevail over and above the joining benefit.
- 4.3.4 ***Fixation of Pay of Internal Candidates appointed against open advertisement-*** The fixation in such cases would be exactly in the lines mentioned in 4.3.2.

³ As per the existing Manual

- 4.3.5 **Fixation at the time of promotion** - One notional increment equal to the increment being drawn by the employee in the pay scale, before such promotion would be granted and pay fixed in the promoted pay scale and rounded off to next multiple of Rs 10.⁴

NB- Personal pay shall not be taken into account under any circumstances for pay fixation.

4.4 DEARNESS ALLOWANCE

In addition to pay in the relevant Scale of Pay applicable to them, the employees of IRFC are also entitled to Dearness Allowance on the IDA pattern, as admissible relevant to the pay drawn from time to time at the rates notified periodically (quarterly) by the Government.⁵

4.5 HOUSE RENT ALLOWANCE

4.5.1 Eligibility for HRA:⁶

- (i) House Rent Allowance is paid to the employees, who are not allotted or provided with houses / flats or other residential accommodation owned or leased by Corporation. For Companies located in Delhi area, House Rent Allowance is payable as per DPE's extant guidelines.

As per the existing guidelines, the House Rent Allowance will be at the following rates w.e.f. the date of issue of presidential directives i.e. 24.11.2017 in case of IRFC till further order:

X class city (population of 50 Lac and above)	24% of basic pay
Y Class city (population of 5 lakh to 50 Lac)	16% of basic pay
Z class city (population of below 5 Lac)	8% of basic pay

The rates of HRA will be revised to 27% 18% & 9% for X, Y and Z class cities respectively when IDA crosses 25% and further revised to 30% 20% and 10% when IDA crosses 50%.

(Approved by BOD in 236th meeting held on 20.10.2017 and MoR on 24.11.2017)

- (ii) An employee staying in house owned by self, spouse, children or parents, a Hindu undivided family of which he is a co-partner and paying or contributing towards house tax/maintenance of the house shall also be eligible for HRA.
- (iii) An employee staying in rented accommodation, paying or contributing towards the rent of the house, is also eligible for HRA.
- (iv) If an employee in receipt of House Rent Allowance dies, the allowance may be paid up to a period of four months from the date of his death to the family who were residing with the employee on the same conditions as applicable

⁴ DPE Guidelines No. 2 (70)/08-DPE(WC) dated 26.11.2008, Annex II (A) (ii)

⁵ DPE Guidelines No. 2 (70)/08-DPE(WC) dated 26.11.2008, Point 6

⁶ As per Existing HR Manual

to the employee before his death with the approval of the Chairman & Managing Director.

4.5.2 Conditions for Drawing of HRA⁷

- (i) A certificate to the effect that the employee incurs some expenditure on rent or contributes to rent or pays/contributes towards house/property tax/maintenance of the house must be submitted.
- (ii) Regulation of HRA under special circumstances such as leave on medical grounds, leave preparatory to retirement or any other kind of leave and during training shall be regulated under extant orders of the Government of India.
- (iii) During Suspension- HRA shall be drawn at the rate at which it was drawn before suspension.
- (iv) On sharing accommodation-
 - a) HRA is allowed, if an employee shares private accommodation with spouse (both husband and wife are allowed HRA separately) or the Government accommodation allotted to another employee (other than spouse, parents or children).
 - b) HRA is not allowed if an employee shares accommodation allotted rent free to another employee or accommodation allotted to parent/child by the Central/State Government, Autonomous body, Public Undertaking, Municipality, Port Trust.
- (v) On allotment of Govt. accommodation to the spouse at the same station, no HRA will be allowed regardless of whether or not the employee lives with spouse or not, except in cases where the two are living separately in pursuance of a court order of judicial separation.

⁷ As per existing HR Manual

4.6 ALLOWANCES UNDER CAFETERIA APPROACH⁸

Sl No	Allowance	Percentage	
		Board Level	Below Board Level
1	Children Education Allowance (2 Children)	10	10
2	Professional Updating	20	10
3	Attire Allowance	10	5
4	House Upkeep	10	5
5	Special Allowance	10	10
6	Hostel Subsidy (2 kids)	10	10
7	LTC	10	5
8	Electricity Reimbursement	7	7
9	Literature		5
10	Entertainment Allowance		5
11	Canteen/M meal/ Food Coupon	5	5
12	Washing Allowance		4

- (i) The allowances are to be approved by BOD following DPE guidelines
- (ii) An employee can chose perks / allowance from the above basket of allowances or may opt for a lump sum payment of **34.9%** of their basic pay.

(Approved by BOD in 236th meeting held on 20.10.2017 and MoR on 24.11.2017)

- (iii) On every 1st April, employees will have the option to change their choice. Hence a fresh option, if any, has to be submitted in the preceding month of March. In the format prescribed in *Annexure I* to this Chapter.

4.7 OTHER FACILITIES FOR BOARD LEVEL EXECUTIVES

Leased/ Self Leased Accommodation	70% of the highest end of the pay scale both in cases of leased/ self leased accommodation.
Reimbursement of Entertainment Expenses	The Functional Directors would be reimbursed the entertainment expenses on actual basis
Furnishing of Residence and Annual Maintenance	The Functional Directors for furnishing of residences are proposed to be allowed reimbursement up to Rs. 5.00 Lac during each of the tenure as Chairman &

⁸ IRFC O.O No 7 of 2013 dated 13.06.2013 and O.O No 1 of 2014 dated 09.04.2014

	<p>Managing Director and Rs 4.5 lakhs during each of the tenure as Director.⁹ In case they present an option to retain the items issued for personal use at their residences at the time of their retirement, resignation or repatriation, then a residual value would be recovered from them at the rates approved by BOD.¹⁰</p> <p>The functional directors would also be reimbursed annual repair and maintenance expenses for these furnishing items @ 10% of the value.¹¹</p>
Laptop	<p>Maximum Cost of the Laptop would be Rs. 2,50,000/- (BOD meeting 256th dated 11.11.2019)</p> <p>The above entitlement will be overall ceiling of expenditure to be incurred for procurement of laptop, including software, accessories, maintenance charges etc. During life of Laptop, the battery may be replaced on one occasion, however, within the overall limits as specified above.</p> <p>Replacement can be done after 3 (three) years of purchase.</p> <p>The Official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of equipment may buyback the Laptop as per at the rates approved by BOD.¹²</p>
Tablet	<p>Maximum cost of the Tablet would be Rs 2,00,000/- (BOD meeting 256th dated 11.11.2019)</p> <p>The above entitlement will be overall ceiling of expenditure to be incurred for procurement of Tablet, including software, accessories, maintenance charges etc. During life of Tablet, the battery may be replaced on one occasion, however, within the overall limits as specified above.</p> <p>Replacement can be done after 3 (three) years of purchase.</p> <p>The Official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of equipment may buyback the Tablet as per at the rates approved by BOD.¹³</p>
Mobile handset	<p>Maximum cost of the Mobile Handset would be Rs 1,25,000/-</p>

⁹ Benchmarked with CPSEs under MoRs

¹⁰ IRFC O.O No 8 of 2011 dated 23.08.2011

¹¹ Benchmarked with schedule A CPSEs (IOCL)

¹² IRFC O.O No 8 of 2011 dated 23.08.2011

¹³ IRFC O.O No 8 of 2011 dated 23.08.2011

	<p>(BOD meeting 256th dated 11.11.2019)</p> <p>The above entitlement will be overall ceiling of expenditure to be incurred for procurement of Mobile Handset, including software, accessories, maintenance charges etc.</p> <p><i>The maximum ceiling would be revised by CMD/MD, IRFC from time to time.</i></p> <p>Replacement can be done after 2 (two) years of purchase. At the time of replacement of equipment, the employee has to buyback the Mobile Handset at a written down value of 10% as per personnel circular no 01/2016 dated 18-11-2016.</p> <p>In case any official repatriates/retires or leaves service of IRFC before completion of two years life span of instrument, the official has to compulsorily buyback the instrument on WDV as per at the rates approved by BOD.¹⁴</p>
Printer	<p>Maximum cost of the Printer including repair would be Rs 1,00,000/-</p> <p>(BOD meeting 256th dated 11.11.2019)</p> <p>Replacement can be done after 3 (three) year of purchase. The Official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of equipment may buyback the Printer as per at the rates approved by BOD.¹⁵</p>
Brief Case	<p>Maximum cost of Brief Case would be Rs 25,000/-</p> <p>(BOD meeting 256th dated 11.11.2019)</p> <p>Replacement can be done after 3 (three) years of purchase. The Official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of brief case is allowed to keep it for personal use.</p>
Telephone and Internet at residence	Reimbursement of Actual expenses

4.8 OTHER FACILITIES FOR BELOW BOARD LEVEL EXECUTIVES

The following special facilities, over and above the allowances discussed in previous pages and facilities being received presently, would be allowed to below board level executives of IRFC.

¹⁴ IRFC O.O No 8 of 2011 dated 23.08.2011

¹⁵ IRFC O.O No 8 of 2011 dated 23.08.2011

Furnishing of Residence	<p>E9 –E8 Rs 3,00,000 E7-E6 Rs 2,50,000 E5 Rs 2,00,000 E4 Rs 1,50,000 E3-1 Rs 1,00,000 E0 Rs 50,000</p> <p>The residual value recovery would be at the rates approved by BOD for senior level executives.¹⁶ While deputationist can avail furnishing allowance once in their tenure, regular employees are entitled up to three times during their entire service in IRFC with a minimum gap of five years between two purchases.</p>
Hindi Allowance	To be continued as is enduring at IRFC as per the circular of Railway Board
Brief Case ¹⁷	<p>E9 –E8 Rs 8,000 E7-E6 Rs 6,500 E5 Rs 5,000 E4-E3 Rs 4,000 E0-2 Rs 3,000</p> <p>Replacement to be made at every three years The Official at the time of repatriation/retirement or leaving service of IRFC may keep the brief case for their personal use.¹⁸.</p>
Laptop	<p>E8 to E9Rs90,000.00 E6 to E7Rs75,000.00 E4 to E5Rs65,000.00 E0 to E3Rs55,000.00 NE6 to NE7 Rs45,000.00</p> <p>The above entitlement will be overall ceiling of expenditure to be incurred for procurement of laptop, including software, accessories, maintenance charges etc. During life of Laptop, the battery may be replaced on one occasion, however, within the overall limits as specified above. Replacement can be done after 3 (three) years of purchase.</p>

¹⁶ IRFC O.O No 8 of 2011 dated 23.08.2011

¹⁷ Based on the practice of IRCTC

¹⁸ IRFC O.O No 8 of 2011 dated 23.08.2011

	The official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of equipment must buyback the Laptop as per at the rates approved by BOD. ¹⁹
Tablet	<p>E8-E9Rs80,000.00 E6-E7Rs70,000.00 E4-E5Rs60,000.00 E0-E3Rs40,000.00</p> <p>The above entitlement will be overall ceiling of expenditure to be incurred for procurement of Tablet, including software, accessories, maintenance charges etc. During life of Tablet, the battery may be replaced on one occasion, however, within the overall limits as specified above.</p> <p>Replacement can be done after 3 years of purchase.</p> <p>The Official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of equipment must buyback the Tablet as per at the rates approved by BOD.²⁰</p>
Mobile handset	<p><i>The maximum ceiling would be revised by MD, IRFC from time to time</i></p> <p>For Executives: E8-E9I-6s+ and equivalent (Not exceeding Rs 60,000) E5-E7Rs28,000.00 E2-E4Rs23,000.00 E0-E1Rs18,000.00</p> <p>For Non Executives: NE6-NE7Rs16,000.00 NE4-NE5Rs12,750.00 NE1-NE3Rs8250.00</p> <p>The above entitlement will be overall ceiling of expenditure to be incurred for procurement of Mobile Handset, including software, accessories and maintenance etc.</p> <p>Replacement can be done after 2 (two) years of purchase. At the time of replacement of equipment, the employee has to buyback the Mobile Handset at a written down value of 10% (refer personnel circular no 01/2016 dated 18-11-2016).</p> <p>In case any official repatriates/retires or leaves service of IRFC before completion of two years life span of</p>

¹⁹ IRFC O.O No 8 of 2011 dated 23.08.2011

²⁰ IRFC O.O No 8 of 2011 dated 23.08.2011

	instrument, the official has to compulsorily buyback the instrument on WDV as per at the rates approved by BOD. ²¹
Printer with added facilities	E8-E9Rs20,000.00 E6-E7Rs15,000.00 E4-E5Rs10,000.00 E0-E3Rs7,500.00 NE6-NE7 Rs7,000.00 Cost of repair to be done by the employee. Replacement can be done after 3 (three) years of purchase. The Official at the time of repatriation/retirement or leaving service of IRFC or at the time of replacement of equipment must buyback the Printer as per at the rates approved by BOD. ²²
Reimbursement of Telephone and Internet Expenses at Residence	E8-E9 up to Rs5,000.00 per month. E6-E7 up to Rs4,000.00 per month. E3-E5 up to Rs3,000.00 per month. E0-E2 up to Rs2,000.00 per month. All Non Executive= Rs 500 per month

Notes:

1. All items for furnishing and gadgets shall be procured in the name of IRFC
2. In case the items purchased by employee exceeds the prescribed monetary ceiling, the concerned employee shall bear the additional amount
3. The employee shall submit the bills to administration department for reimbursement and record.
4. All items should be purchased from an authorized dealer of branded company except for the furniture.
5. On elevation to a higher scale, items which were not issued/reimbursed in the previous position. However, up-gradation of items previously issued assets would be possible only after expiry of their life.

²¹ IRFC O.O No 8 of 2011 dated 23.08.2011

²² IRFC O.O No 8 of 2011 dated 23.08.2011

4.9 REIMBURSEMENT FOR ENTERTAINING OFFICIAL GUESTS

Officers would be reimbursed the expenditure incurred for entertaining official guests for business development at the following rates:-

Grade	Amount (Rs)
E8 – E9	10000 per occasion subject to maximum of 1,20,000 pa
E7	8000 per occasion subject to maximum of 96,000 pa
E6	6000 per occasion subject to maximum of 72,000 pa
E4-E5	4000 per occasion subject to maximum of 42,000 pa
E2-E3	3000 per occasion subject to maximum of 36,000 pa
E0-E1	2000 per occasion subject to maximum of 24,000 pa

4.10 UNIFORMS:

All employees at IRFC are also eligible for uniforms both for Summer & Winter seasons. The regular employees and reengaged employees would be issued 3 (three) sets of Summer Uniforms every year and 2 (two) sets of winter uniforms in the first year and one set of winter uniform thereafter every year.

4.11 OFFICIAL VEHICLES

Provision of Official Vehicles would be in terms of OM No. 2(23)/11-DPE (WC)-GL-V/13 dated 21-01-2013 and OM No. 2(23)/11-DPE(WC)-GL-XXVI/13 dated 04-11-2013 any further notification issued by Government from time to time.

4.12 REIMBURSEMENT OF VEHICLE RUNNING & MAINTENANCE EXPENSES

The scheme of reimbursement of vehicle running and maintenance expenditure is introduced with a view to encouraging the employees to own and maintain conveyance and to use such on journey undertaken for official purpose for effective discharge of official duties and thereby reducing demand for use of corporation vehicle.

Officers owning four wheelers or two wheelers will be reimbursed running and maintenance expenses incurred in connection with official duties *on monthly basis* along with salary as given below²³:

Grade	Annual Mileage (kms)	Annual Monetary Ceiling (in Rs)	Monthly Reimbursement (in Rs)
Four-wheeler:			
NE1-NE3	4500	36000	3000
NE4-NE5	7000	48000	4000
NE6-NE7	7100	60000	5000
E0-E1	8600	60000	5000

²³ Based on best practices of other CPSEs (IOCL and PFC)

E2-E4	8800	84000	7000
E5-E7	10500	96000	8000
E8-E9	11000	108000	9000
<i>For two-wheelers the monthly reimbursement should not exceed Rs2400</i>			

Note:

Grant of monthly reimbursement of conveyance expenditure for official purposes will be governed by the following terms and conditions:-

1. An employee who is entitled to reimbursement of conveyance expenditure shall use his own conveyance for official journeys within the municipal limits or the headquarters or within a radius of 30 kms from the headquarters where he is posted, whichever is more, for which he will not be entitled to claim any local travelling expenditure.
2. The concerned employee has to submit a declaration that he owns a vehicle for his conveyance. The declaration along with evidence is to be submitted to HR/administration department at the beginning of every year.
3. The employee who is no longer in possession of the vehicle through loss, thefts etc., will immediately report the matter to the HR department with a copy to Finance department. The personal department will notify the cancellation of earlier orders for payment of conveyance charges under these rules.
4. An employee who claims reimbursement under these rules will **not** be entitled to avail of Corporation's staff car facilities and in case where such facilities are given, such use will be charged at the private hire rates as fixed by the Corporation from time to time.
5. Senior Executives in the rank of GM (E7) & above using personal car on reimbursement basis under would be extended the facility of private use of the car limited to the admissible mileage after superannuation up to 3 months. The charges payable for private use of such conveyance facility will be the same as was applicable to the executive as on the date of superannuation
6. In case the concerned Executive is reengaged and takes up full time assignment post superannuation, the above facility for three months will not be extended.
7. The expenditure to be reimbursed at different rates for various levels would be decided by MD from time to time.

4.13 ALLOWANCES FOR NEW ENTRANTS²⁴

I. Joining Allowance:

One month's Basic Pay + D. A

II. Transit Allowance:

- (a) For the duration of journeys by rail for joining, DA at applicable rates for self and adult family members. For children below 12 (twelve) years, only 50% of applicable DA would be provided.
- (b) If travel is undertaken by road for joining, one day DA at applicable rate shall be admissible for every 300 KM of rail distance between the

²⁴ Based on best practices of other CPSEs (IOCL)

existing and transferred station covered by road travel. For a fraction of 300 KMS, half day's DA will be admissible as Transit Allowance.

III. Displacement Allowance

- (a) 30 (thirty) days Daily Allowance as applicable in case the employee joins alone.
- (b) In case the employee moves with Family to join IRFC, the Displacement allowance would be enhanced to 60(sixty days).

IV. Reimbursement of Re-registration Cost of Vehicle

Expenditure incurred by a new appointee on Re-registration of his/her Car/Scooter/Motor-Cycle at the new place of posting will be reimbursable subject to production of receipts. The facility will be admissible only for one vehicle.

Note: *Other benefits for new entrants are provided in chapter 6 clause 6.9*

4.14 ADMISSIBILITY OF PAY, ALLOWANCES AND BENEFITS WHILE ON DEPUTATION TO IRFC

As per the circular No 6/8/2009-Estt (Pay II) of DoPT dated 17th June 2010 in case of Government employees on deputation/foreign service to CPSEs, their pay will be governed in terms of the orders issued by Department of Public Enterprises vide OM dated 26.11.2008 and clarifications issued thereafter. The DPE OM dated 26.11.2008 allows the officers to draw a salary as per their entitlement in the parent department.

4.14.1 Regulation of Allowances for employees on deputation:

1. Allowances including Dearness Allowance, House Rent Allowance, Deputation allowance, Newspaper Allowance, Leave Encashment facility and Children Education Allowance etc. shall be admissible as per Govt. of India orders.
2. *Conveyance/Transport Allowance* - The employee shall be entitled to transport allowance/facility prevailing in the parent organization or the transport facility in the borrowing Organization whichever is opted by the deputationist.
3. *Professional updating Allowance*²⁵- The employee shall be entitled to professional updating allowance at the rates 15% of basic pay and grade pay, if any, per month
4. *Medical Allowances/Facility* - The Officer may either retain the medical facilities of the Parent Organization or opt for the medical facilities/rules of the Borrowing Organization. In later case, the officer would be entitled to one month basic pay per year (8.33% of Basic Pay every month) for OPD treatment and actual reimbursement of expenses on Indoor treatment as per IRFC Rules.
5. *TADK Allowances*²⁶ - An amount as given below would be provided to the executives at the level of E-6 and above in lieu of Telephone Attendant and Dak Khalasis (TADK) available in the parent organization. However the said allowance

²⁵ Benchmarked with RVNL

²⁶ Benchmarked with DFCCIL and RVNL

would not be extended to the executives in case the facility of TADK is extended by IRFC at its cost.

Grade	Amount per month in Rs.
E8 – E9	10000
E7	9000
E6	8000

6. Reimbursement of expenses on Electricity Charge at Residence.

Grade	
E8 – E9	600 units
E7	500 units
E6	400 units

4.14.2 Other Facilities for Deputationists

Hindi Allowance	To be continued as is enduring at IRFC as per the circular of Railway Board
Telephone and Internet at Residence	Reimbursement of maximum Rs 2500 per month for DGM and above Reimbursement of maximum Rs 2000 per month for executives below the rank of DGM
News Paper	Reimbursement of maximum Rs 2000 per month for DGM and above Reimbursement of maximum Rs 1000 per month for executives below the rank of DGM

4.14.3 Leave salary/Superannuation Benefit /NPS Contribution

In case of deputation of Central Government employees on foreign service terms to IRFC, leave salary contribution (except for the period of leave availed of on foreign service) and pension contribution/CPF (Employer's share) contribution would to be paid by IRFC to the Central Government.

In case of employees covered under New Pension Scheme (NPS), IRFC shall make matching contribution to the NPS account of the employee in addition to leave salary contribution.

4.15 OVERTIME ALLOWANCE

Overtime allowance is payable to employees in non executive category to compensate for the work performed by them beyond normal working hours.

Overtime Allowance would be paid for work done in excess of the prescribed hours of work on any working day and includes work done on any Sunday/off or any other Holiday (Holiday includes Saturday).

Emoluments would include Basic pay, Personal pay, if any, and dearness allowance for the purpose of overtime allowance.

The ordinary rate of salary per hour would be calculated in the following manner:

Rate = (Emoluments)/ Monthly Hours

Monthly hours would mean number of days in a month excluding Sundays @ 8 hours per day.

This is subject to a minimum of Rs.20/- per hour.

When an employee is recalled from his residence to perform overtime work, overtime allowance may be paid for the entire period of overtime work (actual hours worked). Any fraction of hours worked if exceeds 10 minutes will be considered as half an hour and if it exceeds 30 minutes will be considered as a full hour.

In case of working for the full prescribed hours of work on a holiday (including Sunday/off day), an employee may avail of one day compensatory off in lieu of the monetary compensation, at his option.

The compensatory off should normally be availed of within one month of its becoming due. This time limit may, however, be relaxed at the discretion of the concerned Head of Unit. Although there will be no limit for accumulation but not more than two compensatory off may be granted at a time.

The total overtime allowance payable to an employee shall not exceed 1/3rd of his "Monthly Emoluments" payable during the month. This shall be uniformly applicable to all categories. However, in special cases, "Personal Staff" attached to the officers of the level of DGM and above, may be allowed overtime allowance in excess of the ceiling not exceed 50% of the "Monthly Emoluments."

Notwithstanding the above, in case of staff car driver, the ceiling in respect of overtime allowance payable shall be 100 hours in a month. For working out of the ceiling, the overtime performed on all days, including Sundays/off days/ holidays in a month vis-à-vis, compensatory off granted in lieu of overtime allowance will be taken into account.

A register of overtime work shall be maintained in the prescribed form.

In order to ensure that the overtime working and payment thereof is kept within reasonable limits, Heads of Units/ Controlling Officers may organize the work in their units/ groups in such a way as to complete it during the normal working hours, so that as far as possible no employee is detained on overtime work.

Note: In case of any doubt in regard to interpretation of the above provision and also in respect to cases not covered herein, the matter should be referred to Administration for clarifications.

4.16 PERFORMANCE RELATED PAY

Department of Public Enterprises (DPE) has introduced the concept of Performance Related Pay (PRP) for Central Public Sector Enterprises (CPSE) for the employees following IDA pattern of pay scales. The PRP has been directly linked to the profits of the CPSEs/ Units and performance of the executives.

The PRP Model will be applicable only to those CPSEs which signs the MOU and have Remuneration Committee (headed by Independent Director).

(I) Allocable profits:

The overall profits for distribution of PRP shall be limited to 5% of the year's profit accruing only from core business activities (without consideration of interest on idle cash/bank balances), which will be exclusively for executives and for non-unionized supervisors of the CPSE. The ratio of break-up of profit accruing from core business activities for payment of PRP between relevant year's profit to Incremental profit shall be 65:35 to arrive at the Allocable profits and the Kitty factor.

PRP differentiator components:

PRP to compute for Board Level and Below Board Level Executives and for Non-Unionized Supervisors shall have following three components/parts. The table given below indicates the weight age to be assigned for these three components/parts and percentage eligibilities based on performance of these three components/parts.

1. Part I – CPSE Performance Component

A. Weightage: 50% of PRP payout

B. CPSE's MoU rating

MoU rating	% eligibility of PRP
Excellent	100%
Very Good	75%
Good	50%
Fair	25%
Poor	Nil

2. Part II – Teams Performance Component

A. Weightage: 30% of PRP payout

B. Based on Team rating

Team rating	% eligibility of PRP
Excellent	100%
Very Good	80%
Good	60%
Fair	40%
Poor	Nil

DPE has clarified that in case CPSE is not having Plants/Units and there is no team performance area / rating then the PRP for such CPSE will be determined based specifically on MOU rating after merging the weight age of team performance component to the company's performance component.

3. Part III - Individual Performance Component

A. Weightage: 20% of PRP payout

B. Based on Individual Performance payout:

Individual Performance rating	% eligibility of PRP
Excellent	100%
Very Good	80%
Good	60%
Fair	40%
Poor	Nil

Capping of Excellent Rating for PRP to total Executives (Below Board Level)

As per DPE guidelines dated 03-08-2017 on pay revision w.e.f. 01-01-2017, The CPSEs are empowered to decide on the rating to be given to their employees; however, capping of giving excellent rating to not more than 15% of the total executives in the grade (at below Board Level) should be adhered to

Kitty factor: After considering the relevant year's profit, incremental profit and the full PRP payout requirement (computed for all executives based on Grade-wise ceilings, CPSE's MOU rating, Team rating & Individual performance rating), there will be two cut-off factors worked out based on the PRP distribution of 65:35. The first cut-off shall be in respect of PRP amount required out of incremental profit, which shall be computable based on the break-up of allocable profit (i.e. year's 5% of profit bifurcated into the ratio of 65:35 towards year's profit and incremental profit).

The sum of first cut-off factor applied on 65% of Grade PRP ceiling and the second cut-off factor applied on 35% of Grade PRP ceiling will result in Kitty factor. The Kitty factor shall not exceed 100%.

Ceiling of PRP

The percentage ceiling of PRP progressively increasing from Junior Level to Senior Level Executives, expressed as percentage of pay are indicated below:

Grade	Ceiling (% of BP)
E-0 to E-3	40%
E-4 to E-5	50%
E6	60%
E7	70%
E8	80%
E9	90%
Director (Schedule A & B CPSE)	125%
CMD / MD (Schedule A & B CPSE)	150%

For Non Unionized Supervisors, PRP as percentage of Basic Pay has been decided 30% of Pay as PRP for employees in Grade NE- 1 to NE 2 and 35% of Pay as PRP for employees in NE 3 to NE 8.

- (i) The above model of calculation and payment of PRP notified by DPE shall be effective from financial year 2017-18.
- (ii) PRP in IRFC from 2017-18 shall have only two component namely (i) CPSE's performance component and (ii) individual's performance component. The same shall be calculated as under:

Part – I of PRP (CPSE's Performance Component) will be computed as under:-

Part – I of PRP = Annual Basic Pay of the executive for the relevant year x grade percentage ceiling x Kitty factor x (0.8 x CPSE MOU Rating Factor)
(CPSE MOU rating factor is (a) 100% of Excellent rating (b) 75% for Very Good rating (c) 50% of Good rating (d) 25% of fair rating (e) 0% for poor rating.

Part – II of PRP (Individual Performance Component) will be computed as under:-

Part – II of PRP = Annual Basic Pay of the executive for the relevant year x grade percentage ceiling x Kitty factor x (0.2 x Individuals Performance Rating Factor)
(Individuals rating factor is (a) 100% of Excellent rating (b) 80% for Very Good rating (c) 60% of Good rating (d) 40% of fair rating (e) 0% for poor rating.

Total PRP Payable to the employees = Part I of PRP + Part – II of PRP

(Approved by BOD in 236th meeting held on 20.10.2017 and MoR on 24.11.2017)

- 4.16.1 Memorandum of Understanding (MoU): IRFC would be required to sign the MoU with Ministry of Railways. The MoU rating will form the basis of PRP with all the key result Areas identified in the MoU. No PRP will be eligible without any MoU.
- 4.16.2 Performance Management System: As per DPE Guidelines, each CPSE would develop a robust and transparent performance Management System. However the extant DPE guidelines on this score need to be invariably followed while determining the performance related pay.
- 4.16.3 Remuneration Committee: IRFC to constitute a Remuneration Committee headed by an Independent Director. IRFC employees will not be eligible for PRP unless there are independent directors in IRFC's Board. Remuneration Committee will decide the annual bonus/variable pay pool and policy for its distribution across the executives and Non Unionized Supervisors, within the prescribed limits.

ANNEXURE I

Declaration of Employee For Allowances Under Cafeteria Approach

Sl No	Allowance	Percentage	
		Board Level	Below Board Level
1	Children Education Allowance (2 Children)		
2	Professional Updating		
3	Attire Allowance		
4	House Upkeep		
5	Special Allowance		
6	Hostel Subsidy (2 kids)		
7	LTC		
8	Electricity Reimbursement		
9	Literature		
10	Entertainment Allowance		
11	Canteen/M meal/ Food Coupon		
12	Washing Allowance		

Name :

Signature :

Date :

Chapter 5: PROMOTION SYSTEM FOR IRFC EMPLOYEES

1. PHILOSOPHY

The Company subscribes to the Philosophy of acquiring, nurturing and retaining expertise and talent within the organisation and in pursuance thereof, endeavours to achieve synchronisation of the organisational goals with the growth and development aspirations of the individual employees.

It shall be the endeavour of the management to first look within the organisation for suitable persons with the requisite skill, appropriate expertise, merit and suitability for filling up senior executive positions.

However, notwithstanding anything stated above, the management may take resources to lateral entry at various levels from outside to the extent considered necessary to ensure infusion of new blood and fresh outlook brought in by the specialist or expert personnel from other sources within India and abroad with a view to sustaining and reinforcing the vigour, vitality and vibrancy of the Company as a progressive development financial institution.

IRFC as an organization will strive to evolve and sustain an environment with conditions conducive to quality, efficient and effective functioning of the executive with respect to their role responsibilities and provide the necessary avenues for development of their functional and administrative competence through training, rotational assignments, Job enlargement, job enrichment and opportunities to serve in diverse fields.

2. OBJECTIVES

The Objectives of the Promotion System for employees of IRFC, as outlined in this chapter are:

- I. To provide for merit-based opportunities for the employees to achieve their career aspirations,
- II. To enable the Organization attract, retain and develop competent human resource,
- III. To ensure optimum and efficient Organizational performance through positioning of appropriate personnel for each job,
- IV. To maintain the optimum level of morale in the Organization.

3. GROUPING AND EXPERIENCE FOR THE PURPOSE OF PROMOTION:

Taking into account the structure of the present cadre of IRFC, employees will be considered for promotion within the two broad groups of Executive and Non Executive categories. Promotions within each of the two Groups will be need based, and will be permitted only after completion of the minimum residency period as required, and will be further subject to passing the requisite tests, as may be prescribed by the Corporation from time to time.

The eligibility requirements in terms of the minimum number of years of service to be put in the different grades for the purpose of promotion to the next higher Grade will be as under:

Designations	Grouping	Residency Period
<i>Executives</i>		
E-9	Level III	-
E-8 to E-9		3 Yrs
E-7to E-8	Level II	4 Yrs (For Change of Level)
E-6 to E-7		3 Yrs
E-5 to E-6		3 Yrs
E-4 to E-5		3 Yrs
E -3to E-4	Level I	4 Yrs (For Change of Level)
E-2 to E-3		3 Yrs
E1 to E-2		3 Yrs
E-0 to E-1,		4 Yrs
<i>Non-Executives</i>		
NE-7 to NE-8		5 Yrs
NE-6 to NE-7		5 Yrs
NE-5 to NE-6		5 Yrs
NE-4 to NE-5		5 Yrs
NE-3 to NE-4		8 Yrs
NE-2 to NE-3		8 Yrs
NE-1 to NE-2		8 Yrs

Note: (i) For those executives having professional qualifications (CA/ICWA/ CS/ MBA/MFC/MFS/ LLM) the residency period shall be one year's service for promotion from E0 to E1.

(ii) To encourage existing non-executives to take up courses as part of their self development, as also to provide for additional channels of promotion to those employees, who have qualified professional courses in their discipline during the course of their service in the corporation from recognized university/institute through part time/regular course and are working in

IRFC for minimum period of 4 (four) years in NE-5 and above would be considered for promotion to executive category subject to availability of vacancy.

(iii) Promotion from Non Executive Grade (NE7/NE8) to Executive Grade (E0) who have not acquired requisite qualification but have qualified the Departmental Test:

Depending upon the availability of vacancies at Executive level and the need to operate the same, a test for judging the suitability of candidates will be held as per the following procedure for those who have not acquired requisite qualification but are otherwise capable.

The Employee concerned should have completed 5 years of service in NE7 grade or are working in NE8 grade to render him eligible for appearing for the Departmental Test. These tests shall be held for considering employees who are eligible for promotion to Executive category. They shall be promoted to the next grade i.e. E0 (Junior Manager) on their successful clearance of Departmental Test as also their being found fit by a selection committee which shall be constituted for this purpose. The procedural aspect for Departmental Test shall be as under:

Qualifying Marks

- (i) The eligible candidate is required to pass departmental test in the relevant area. The total marks shall be 150 marks. The distribution of marks for written test, appraisal reports (Qualifying period five years in case of non-executives) and interview shall be as follows which also indicates the minimum cut of points to be secured by an employee for being considered promotable:

Description	Maximum marks		Cut off marks	
			General/OBC	SC/ST
1. Written test	60	90	30	24
2. APAR point	50		54	45
3. Interview points	40			

The merit list shall be drawn on the basis of total marks obtained by the candidate. Where two or three candidates secure the same marks, their position in the merit list shall be determined with reference to inter-se seniority of the post held by them.

- (iv) The Executive who have promoted through a process of the Departmental Test and are in the grade E3 (Manager) and not having any of the professional qualification and have completed a minimum 3 years of service in the Manager grade on the cut of date of promotion shall be considered for promotion to the next grade upon acquiring the professional qualification in the relevant area.

(Clause 3 (iii) & (iv) approved by BOD in 244th meeting held on 10.09.2018)

4. STANDARD DATE OF PROMOTION:

Promotion will be effective from standard date i.e. 1st July of each calendar year and will uniformly apply to all the grades. For this purpose eligibility will be considered as on 30th June of relevant year. There will be grace period of one month. In other words employees who do not complete the prescribed eligibility period / qualifying period as on 30th June, but complete the same on or before 31st July of the same year will also be considered.

5. GENERAL RULES FOR PROMOTION

1. Promotion shall mean movement of an employee from a post in a lower grade to a post in the next higher grade along the promotion channel.
2. In all promotions the orders of the Government on safeguarding interests and ensuring representation of SC/ST/OBC categories of employees will be observed.
3. Promotions of empanelled candidates will be subject to their being clear from the vigilance angle, and the guidelines of the Department of Public Enterprises in regard to the promotion of employees whose conduct is under investigation and who are involved in Disciplinary proceedings etc will be followed.
4. If an executive refuses to accept the promotion made to him, for any reason whatsoever, he will be debarred from promotion for two years from the date of such promotion.
5. If the performance of an employee during the period of probation on promotion, including the extended period of probation, is not found satisfactory, he shall be reverted to the pre-promoted post and would not be considered for promotion for one year from the date of his reversion.
6. Extraordinary leave for a period in excess of 90 (ninty) days in 3 (three) consecutive years will not count for eligibility towards promotion unless such leave is on medical grounds approved by the competent authority or for academic pursuits like prosecution of higher studies, as approved by the competent authority.
7. Promotions will take effect from the date of assumption of charge of the promoted post in all cases.
8. The following factors to be taken into account for promotion:
 - a) The level of entry of an employee into the Organization,
 - b) The Skills, aptitude, academic and other professional qualifications and attainments of the employee,

- c) The training and developmental inputs received by the employee during his career and impact thereof,
 - d) Actual working experience of the employee, both inside and outside the Corporation,
 - e) Quality of actual performance on the job.
 - f) Cut off points for merit assessment
9. Promotion from a lower grade to next higher grade within the same group/cadre will be considered on completion of the number of years of service prescribed in the lower grade (to be referred hereinafter as ' the qualifying period') and attainment of satisfactory standards in conduct and performance. The 'qualifying period' for promotion with in a group/cadre will be notified by the Management from time to time keeping in view the requirements of the organization.
 10. Promotions from one group/cadre to the next higher group/cadre will be against sanctioned vacancies only. Employees are eligible for consideration for promotion to the higher group/cadre on completion of specified number of years of service (to be referred hereinafter as the 'eligibility period') in the lower group/cadre, subject to organizational needs and possessing the qualification as prescribed for induction to higher cadre. The eligibility period will be notified by the Management from time to time keeping in view the requirements of the organization.
 11. It may not be possible to ensure advancement / career prospects beyond a certain point for employees who either do not possess the requisite qualifications / skill needed for the higher post or are held up for want of requirement in the higher group / cadre. Such cases may be reviewed by the Management to explore the possibility of their consideration for the higher grade on completion of 10 (ten) years good and effective service provided their conduct and performance are otherwise satisfactory.
 12. Chairman & Managing Director will have the power to modify, amend or cancel any part of these Rules, to be reported to the Board in the next meeting immediately subsequent to such modification, amendment or cancellation of such rules, with reasons thereof.

6. APPRAISAL OF PERFORMANCE FOR ASSESSMENT OF MERIT:

- a. Since one of the important factors to be reckoned for the purpose of promotion of employees in the IRFC is the Appraisal of past performance of the employees in the Organization, the Performance Appraisal System in the Corporation has been designed to objectively evaluate the effectiveness on the job and the contribution of the employees to the goals of the Organization.

- b. The performance appraisal system in force from time to time will provide the basis for determination of merit, efficiency, potential and suitability of Executives for positions of higher responsibilities in the appropriate higher grade.
- c. The performance appraisal reports for any period of service less than six months in an appraisal year will not be taken into account for the purpose of promotion. However where two or more reports are written in any appraisal year for reason of any executive being put under different reporting / reviewing Officers, a single rating for the year will be determined by the Promotion Committee.
- d. Performance Appraisal of employees of IRFC is done annually after the 31st of March, the appraisal period being April to March.
- e. In case an officer is considered for promotion during the course of the year as per para (c) above and a period of six months or more has elapsed during the current appraisal year i.e. from 1st April onward, a special appraisal report will be raised.
- f. The appraisal report will be on a 10-points, rating scale ranging from 1 - 10, where 1 would correspond to 'least desirable' while 10 represents 'most desirable'
- g. The distribution of points for Appraisal Reports and the points at the disposal of the Promotion Committee would be as follows which also indicates the minimum cut-off points to be secured by an executive for being considered promotable:

Grade		Maximum Points			Cut Off point	
From	To	APR	Interview Points	Total	General/OBC	SC/ST
E-3	E-4	30	20	50	35	30
E -4	E-5					
E-5	E-6					
E-6	E-7					
E - 7	E - 8	30	30	60	45	39
E - 8	E - 9	30	30	60	48	42

- h. Any adverse record rewarded by the Appraiser or the Reviewing authority in the Performance Appraisal Report will be communicated promptly to the employee whose representation, if revised within 15 (fifteen) days of the receipt of the such adverse records will be considered by the Appraiser/ Reviewing authority and a final decision taken on the same and recorded in the Report. Chairman & Managing Director shall have the final authority in such cases.

7. PUBLICATION OF SENIORITY LIST AND OBJECTIONS, IF ANY

The seniority list in respect of each grade as on 1st April will be notified by the Corporation every year during April-May. However, employees concerned will be allowed to represent indicating the reasons about assigning of their seniority position within a period of 2(two) months after the seniority list has been published. No cases for revision of seniority shall ordinarily be entertained be and this period.

8. PROCEDURE OF SELECTIONS:

All promotions involving placement in a higher scale of pay will be effected after a duly constituted promotion committee has assessed the merit and suitability of the candidate(s) from amongst a list of eligible employees after following the procedure laid down for the purpose.

a. Composition of Promotion committee:

Promotion Committees will be constituted with the approval of the CMD.

I. Non Executive Group:

Group General Manager / General Manager- Chairman

Departmental Head – Member

Representative of SC / ST /OBC / Minority – Member

A Women Representative of Appropriate Level – Member

II.Executive Group:

A. For promotion from E0 to E7 Grade:-

Functional Director - Chairman

ED / Group General Manager – Member

Head of Concerned Department – Member

External Expert – Member

Representative of SC / ST /OBC / Minority – Member

One Women Representative of Appropriate Level – Member

B.For promotion from E7 to E8 &E8 to E9 Grade:-

CMD /MD – Chairman

Concerned Director – Member

External Expert – Member

Representative of SC / ST /OBC / Minority – Member

A Women Representative of Appropriate Level – Member

b. Detailed of procedure to be followed for selection will be firmed up by the Promotion Committee of the appropriate level which will decide the modalities for selection, keeping in view, *inter alia*, the factors to be taken into account for promotion

- c. The role of promotion committee will be similar to selection committee in case of direct recruitment. The promotion committee shall interview the eligible executive in the zone of consideration for promotion to E-4 grade and above to ascertain their suitability for positions requiring a higher degree of initiative and decision making ability.
- d. The promotion committee for assessing the executive's personal qualities discovering the shared values and life goals could also administer personality, aptitude or proficiency tests for finding out the areas of strengths and the areas that need strengthening
- e. The Promotion Committee will after deliberations draw up the merit list based on the aggregate marks secured for appraisal reports and additional aspects mentioned above. Executives who obtain less than the prescribed cut-off scores will not qualify for promotion.
- f. The Promotion Committee will be guided by the decision of the CMD on the grade-wise promotion rates (percentage) to be adopted from time to time for avoiding bloated and flabby senior management levels, as reflected in the Manpower Budget sanctions.
- g. The panels of employees selected for promotion will be submitted to the Chairman & Managing Director who will be the final authority in case of difference of opinion in Promotion Committee or on its recommendations.

9. DEPARTMENTAL PROMOTION COMMITTEE

- a. At the time of consideration of the case of executives for promotion, details of executives in the consideration zone for promotion falling under the following categories should be specifically brought to the notice of the Departmental Promotion Committee:-
 - (i) Executives under suspension;
 - (ii) Executives against whom decision has been taken to issue a charge-sheet.
 - (iii) Executives in respect of whom a charge sheet has been issued and the disciplinary proceedings are pending; and
 - (iv) Executives in respect of whom prosecution for a criminal charge is pending.
- b. The Departmental Promotion Committee shall assess the suitability of executives coming within the purview of the circumstances mentioned in para9(a) along with other eligible candidates without taking into consideration the disciplinary case/ criminal prosecution pending.
- c. The assessment of the DPC, including "Unfit for Promotion" and the grading awarded by it will be kept in a sealed cover. The cover will be superscripted 'findings regarding suitability for promotion to the grade/post of ____ in case of

Shri ____ (name of executive). Not to be opened till the termination of the disciplinary case/ criminal prosecution against Shri ____.' The proceedings of the DPC need only contain the note, "The findings are contained in the attached sealed cover". The same procedure will be followed by the subsequent DPCs convened till the disciplinary case/ criminal prosecution pending against the employee concerned is finally concluded.

10. APPLICABILITY OF 'SEALED COVER' PROCEDURE:

An Executive who is recommended for promotion by the Departmental Promotion Committee but in whose case any of the circumstances mentioned in clause 11 arise after the recommendations of the DPC are received but before he is actually promoted, will be considered as if his case had been placed in a sealed cover by the DPC. He/ she shall not be promoted until he/ she is completely exonerated of the charges against him and the provisions stated above will be applicable in his case also.

11. ACTIONS AFTER COMPLETION OF DISCIPLINARY CASES/ CRIMINAL PROSECUTION:

- a. On the conclusion of the disciplinary case/ criminal prosecution, which results in dropping of allegation against the executive, the sealed cover or covers shall be opened.
- b. In case the executive is completely exonerated, the due date of his/ her promotion will be determined with reference to the position assigned to him in the findings kept in the sealed cover/covers and with reference to the date of promotion of his next junior on the basis of such position. He/She may be promoted notionally with reference to the date of promotion of his junior.
- c. However, whether the executive concerned will be entitled to any arrears of pay for the period of notional promotion preceding the date of actual promotion and if so to what extent, will be decided by the appointing authority by taking into consideration all the facts and circumstances of the disciplinary proceedings/criminal prosecution. Where the authority denies arrears of salary or part of it, it will record its reasons for doing so.
- d. If any penalty is imposed as a result of the disciplinary proceedings or if he is found guilty in the criminal prosecution against him, the findings of the sealed cover/covers shall not be acted upon. His case for promotion may be considered by the next DPC in the normal course and having regard to the penalty imposed on him.

12. DPC PROCEEDINGS DURING THE CURRENCY OF THE PENALTY

- a. DPC proceedings will take place in the normal course for an executive undergoing penalty. However, since executive is undergoing penalty, he will not be promoted during the currency of the penalty, even if found fit by DPC.
- b. In other words if eligible and found fit for promotion his/ her case shall be considered for promotion from the original panel itself having regard to operation and currency of penalty imposed without waiting for the next DPC. The eligibility service in the promotional grade for further promotion shall commence only from the date of actual promotion and in no case, it may be related, even notionally, to the date of promotion of the junior in the panel.

13. PROCEDURE FOR ADHOC PROMOTION:

- a. It is necessary to ensure that the disciplinary case/ criminal prosecution instituted against charged executive is not unduly prolonged and all efforts to finalise expeditiously the proceedings should be taken so that the need for keeping the case of charged executive in a sealed cover is limited to the barest minimum. The appointing authorities concerned, therefore, should review comprehensively the cases of executives, whose suitability for promotion to a higher grade has been kept in a sealed cover on the expiry of six months from the date of convening the first Departmental Promotion Committee, which had adjudged his suitability and kept its findings in a sealed cover. Such a review should be done subsequently also every six months. The review should, inter-alia, cover the progress made in a disciplinary proceedings/ criminal prosecution and further measures to be taken to expedite their completion.
- b. In spite of the six monthly review referred to in para 15.3.1 above, there may be some cases, where the disciplinary case/criminal prosecution against the executive is not concluded ever after the expiry of two years from the date of the meeting of the first DPC, which kept its findings in respect of the executive in a sealed cover. In such a situation, the appointing authority may review the case of the executive, provided he/she is not under suspension, to consider the desirability of giving him/her ad-hoc promotion keeping in view the following aspects:-

- a) Whether the promotion of the officer will be against public interest;
- b) Whether the charges are grave enough to warrant continued denial of promotion;
- c) Whether there is no likelihood of the case coming to a conclusion in the near future;
- d) Whether the delay in the finalisation of proceeding, departmental or in a court of law, is not directly or indirectly attributable to the executive concerned; and
- e) Whether there is any likelihood of misuse of official position which the executive may occupy after ad-hoc promotion, which may adversely affect the conduct of the departmental case/criminal prosecution.

The appointing authority should also consult the Central Bureau of Investigation and take their views into account where the departmental proceedings or criminal prosecution arose out of investigations conducted by the Bureau.

- c. In case the appointing authority comes to a conclusion that it would not be against the public interest to allow ad-hoc promotion to the executive, his/her case should be placed before the next DPC held in the normal course after the expiry of the two years period to decide whether the officer is suitable for promotion on ad-hoc basis. Where the executive is considered for ad-hoc promotion, the Departmental Promotion Committee should make its assessment on the basis of the totality of the individual's record of service without taking into account the pending disciplinary case/criminal prosecution against him.
- d. After a decision is taken to promote an executive on an ad-hoc basis, an order of promotion may be issued making it clear in the order itself that:
 - (i) the promotion is being made on purely ad-hoc basis and the ad-hoc promotion will not confer any right for regular promotion; and
 - (ii) the promotion shall be 'until further orders'. It should also be indicated in the order that the Corporation reserve the right to cancel the ad-hoc promotion and revert at any time the executive to the post from which he/she was promoted.

- e. If an executive concerned is acquitted in the criminal prosecution on the merits of the case or is fully exonerated in the departmental proceedings, the ad-hoc promotion already made may be confirmed and the promotion treated as a regular one from the date of the ad-hoc promotion with all attendant benefits. In case, the executive could have normally got his regular promotion from a date prior to the date of his ad-hoc promotion with reference to his placement in the DPC proceeding kept in the sealed cover(s) and the actual date of promotion of the person ranked immediately junior to him by the same DPC, he/she would also be allowed his due seniority and benefit of notional promotion as envisaged above.
- f. If the executive is not acquitted on merits in the criminal prosecution but purely on technical grounds and the corporation either proposes to take up the matter to a higher court or to proceed against him/her departmentally or if the executive is not exonerated in the departmental proceedings, the ad-hoc promotion granted to him should be brought to an end.
- g. Once an ad-hoc promotion is given under these provisions, subsequent promotions on ad-hoc basis shall not be considered.

Chapter 6: IRFC TRAVELLING & DAILY ALLOWANCE RULES

6.1. OBJECTIVE

These Rules are designed to govern monetary compensation to the employees of IRFC, for meeting the expenses of travel, stay, food etc when they are required to go out of the Headquarters on Tours on Duty on Corporation's official business or work. These Rules are also intended to provide compensation for meeting expenses on relocation of the employee and his family in the event of shifting to a new place of residence upon joining afresh/retirement/resignation etc.

6.2. SCOPE AND APPLICABILITY

These Rules apply to all regular employees of the Corporation and to those on probation, lien, re-employment for a specific job, and also to those on deputation from a Government Department and other Public Sector Undertakings. These Rules are not applicable to casual and daily-rated employees and those engaged on contractual basis unless all or any of these provisions are specifically made applicable to them through an express order.

6.3. DEFINITIONS

- i. "Controlling Officer" means the CMD, Director Finance or other any Executive of the Corporation empowered to authorize a tour of an employee of the Corporation on duty.
- ii. "Family" means the employee's spouse, legitimate children, step children and legally adopted children who are wholly dependant on the employee, and parents including step mother, unmarried sisters and minor brothers below 21 years of age who are residing with and wholly dependant on the employee.
- iii. "Pay" means the Basic Pay, Pay in the running pay band, Grade Pay, Deputation Allowance, Special Pay, Personal Pay, and Dearness Pay, if any.
- iv. "Tour on Duty" means the visit of the employee from the Headquarters office to another place on the Corporation's official business or work.
- v. Principal cities means metropolitan cities and other cities categorized as 'A' and 'B-1' as per Govt. of India's notification from time to time.

Note: Journeys for the purpose of appearing in official enquiries, selection or interviews conducted by the Corporation will be treated as tour on duty.

6.4 CONTROLLING OFFICER

For the purpose of journeys on tour, the Controlling Officers for the employees with different designations will be as indicated below:

S. No	Designation	For Journeys in India	For Journeys abroad
1	Chairman & Managing Director	The officer concerned himself	Ministry of Railways
2	Director Finance	Chairman & Managing Director	Ministry of Railways
3	Executives E5 to E9	Chairman & Managing Director / Director Finance	Chairman & Managing Director
4	Executive up to E4	An Executive of the rank of General Manager and above in respective department	Chairman & Managing Director
5	Non Executives	Head of Department	Chairman & Managing Director

6.5. MODES OF TRAVEL FOR JOURNEYS ON TOURS OF DUTY

The Modes of Travel for journeys on tour for different Grades of employees are indicated below. The employees may claim reimbursement of expenses incurred by them on this account, in the event of their not being provided the tickets for the journeys by the Corporation.

(I) Entitlement for journeys on Tour

The following will be the classes of entitlement for Travel within the country for the different Grades of employees for journeys on Tour.

S. No.	Pay Scale	Travel Entitlement
1.	Executives in E9 (IDA grade Rs. 1,50,000-3,00,000) and above or CDA equivalent	Business /Club class by air /AC First class by train
2.	Executives in E4 (IDA scale Rs. 70,000-2,00,000) through E8 (IDA Scale Rs. 1,20,000-2,80,000)	Economy class by air/AC First class by train
3.	E3 (IDA Pay Scale Rs 60000-180000) E2 (IDA Pay Scale Rs 50000-160000) E1 (IDA Pay Scale Rs 40000-140000) E0 (IDA Pay Scale Rs 30000-120000)	AC II tier class by train
4	Non-Executives	First Class/AC III Tier/AC Chair Car

Note: The Travel entitlements are subject to following:-

- (i) Employees may be permitted to travel by higher class than their entitlement with the approval of MD in exigency of service.
- (ii) In case of places not connected by rail, travel by AC bus is admissible..
- (iii) In case of road travel between places connected by rail, travel by any means of public transport is admissible provided the total fare does not exceed the train fare by the entitled class.

(II) Mileage Allowance for local journeys by Road in Delhi.

- (a) The Entitlements for travel by Bus, full taxi, Auto Rickshaw, Own car, for journeys on tour will be as follows
- (b) Mileage Allowance for road journeys shall be regulated at the following rates, in places where no specific rates are prescribed by the Transport Authorities of the concerned State / municipality:
 - i. For Journeys performed in Own Car/Taxi Rs.16 Per Km
 - ii. For Journeys performed by Auto Rickshaw/ Rs.8 Per Km
Own Bike etc.

(III) Mileage Allowance for non-local journeys on tour by Road

S. No.	Pay Scale	Travel Entitlement
1.	Executives in E-9 (IDA grade Rs.1,50,000-3,00,000) and above or CDA equivalent	Actual Fare by high end AC cars
2.	Executives in E4 (IDA scale Rs.70000-200000) through E-8 (IDA Scale 1,20,000-2,80,000)	Actual Fare by AC sedan cars
3.	E-0 (IDA Pay Scale Rs 30000-120000) to E-3 (IDA Pay Scale Rs 60000-180000)	Actual fare by any type of public bus including air-conditioned bus. Or At prescribed rates of Medium cars when the journey is actually performed by AC Taxi.
4.	Non-Executives	Actual fare by any type of air-conditioned public bus. Or At prescribed rates for auto-rickshaw for journeys by auto-rickshaw/own scooter/motorcycle etc.

- Note:-**
- (i) Higher end AC cars include Mercedes, Camery, Sonata, BMW or Equivalent model.
 - (ii) Medium cars include Indigo, D'Zire, Etios etc. or Equivalent model.
 - (iii) Spacious car include Scorpio, Innova, SUV, Honda City/Accord, or Equivalent model.

6.6 ENTITLEMENT OF ACCOMMODATION AND DAILY (CASH) ALLOWANCE¹.

A. The entitlement of accommodation at the place of Tour and the Daily (Cash) allowance for meeting expenses of food etc will be regulated in accordance with the following table:

Designation / Pay range	Cash allowance(CA) for A class cities (2)	Hotel Charges (HC) for A class cities (3)	Cash Allowance (CA) for other cities (4)	Hotel Charges (HC) for other cities (5)
MD/Director	2000	AC room in any hotel on actuals	80% of Col 2	80% of Col 3
E8-E9	1400	Limited to single Room rent in Hotel Ashoka	80% of Col 2	80% of Col 3
E7-E5	1200	Limited to 80% of Single room rent in Hotel Ashoka	80% of Col 2	80% of Col 3
E3 - E4	1000	60% of Single room rent in Hotel Ashoka	80% of Col 2	80% of Col 3
E1 and E2	800	50% of Single room rent in Hotel Ashoka	80% of Col 2	80% of Col 3
E0	600	40% of Single room rent in Hotel Ashoka	80% of Col 2	80% of Col 3
Non Executives	500	20% of Single room rent in Hotel Ashoka	80% of Col 2	80% of Col 3

Note: If an Executive is required to travel as a member of a team and is required to stay in the same Hotel as the Leader or other senior Members he may be permitted by a special order to stay in the same hotel in a room with rent nearest to his own entitlement, subject to a maximum of room rent paid by other entitled team members. Classification of cities will be based on the government of India orders as notified from time to time.

¹ As existing at RITES

B. The payment of daily allowance will be governed by the following conditions.

- i. The period of absence for the purpose of these Rules will be counted from the time the employees leaves the Headquarters and till the time he returns to that place.
- ii. Payment of Daily Allowance will be regulated according to the absence from Headquarters from Midnight to Midnight as under:

For absence of less than 6 hrs	NIL
For absence of 6 hrs to 12 Hrs	70%
For absence over 12 Hrs	100%

- iii. The above rates shall apply for period of absence from headquarter on duty up to 30 days. Beyond 30 days of absence from headquarter on duty, entitlement will be governed by extant orders of Government of India.²
- iv. Daily Allowance will be payable for holidays falling during the tour but not for the days availed of as leave by the employee.

6.7. Allowances for Travel Abroad on official tours/training

- (i) When an employee is required to undertake journeys to and stay in a foreign country on the business of the Corporation, he is provided with Air Ticket for travel to and from that country by the Corporation. In addition he is paid a consolidated allowance including components of daily allowance, lodging allowance and other incidental expenses in line with the following and at rates indicated below:
 - i. Lodging Allowance is paid for meeting the expenditure on room rent including service charges and taxes.
 - ii. Employee will be required to produce vouchers / bills from the hotel in token of the actual expenditure incurred.
 - iii. The consolidated allowance includes a component of daily allowance i.e. DA which will be paid at the rates fixed by Ministry of External Affairs from time to time.
 - iv. The rates of Consolidated Allowance (for countries other than Nepal and Bhutan) are indicated below:

Designation/Category	(US \$)
MD/Director	500
ED/GGM/GM	350
Other Executives	300

² Reference SR 71, GIO (1)

Note: If an Executive is required to go abroad as a member of a team and is required to stay in the same Hotel as the Leader or other senior Members he may be permitted by a special order to stay in the same hotel in a room with rent nearest to his own entitlement, subject to a maximum of room rent paid by other entitled team members.

- (ii) During overseas journey on official visit or study tour, MD and Functional Directors would be entitled to draw entertainment allowance as per the rates given below:

MD (When leading delegation team) - \$5000

MD (Without a delegation team) - \$2000

Director (When leading delegation team) - \$3000

Director (Without a delegation team) - \$1000

- (iii) Entitlement for Travel on Tours Abroad:

Designation	Class of Travel
Chairman	First Class
Managing Director/Director/ Executive Director(E-9)	Business Class / Club Class
All others	Economy Class

- (iv) For the purpose of computing per diem allowance, period in days from the scheduled time of departure till scheduled time of arrival of flight in India shall be taken into account (12 hours and above taken as full day, less than 12 hours but more than 6 hours as half day and six hours and less shall be ignored). The total period reckoned while calculating per diem allowance shall not include more than two days for journey period.
- (v) Entitlement of foreign exchange towards per diem allowance for training/study tour will be limited to 25% of the daily allowance in case the boarding and lodging is included in the cost of training, and to 50% if only one of the two facilities is included in the cost of training.
- (vi) An account of the actual utilization of the Allowances other than Daily Allowance with supporting vouchers will be submitted by the Officers on return from the tour abroad.

6.8.TRAVEL ENTITLEMENT FOR FRESH APPOINTMENT:

I. Travel Expenses for Joining

An employee newly joining the corporation would be entitled to one ticket each for self and dependent family members including dependent parents staying with the officer. The travel entitlement of the fresh appointees would be at par entitlement of an employee of equivalent scale in IRFC.

An employee who is not entitled to travel by Air, but performs journey by Air between two stations connected by Rajdhani Express while on transfer, his TA shall be restricted to Rajdhani fare by the entitled class of travel.

II. Transportation of personal effects

Expenses incurred by the Employee on the transportation of his and his family's personal effects at the time of retirement will be reimbursed up to the limits given below:

Grade	Personal effects Weight limit permitted	Rate per km for transport by road (Rs per km.)	
		X and Y cities	Z Class Cities
E6 and above	Full 4 Wheeler wagon or 6000 Kgs by Goods Train Or one Double Container	Rs 30.00	Rs18.00
E0 and above but less than E6	Full 4 wheeler wagon or 6000 Kg by Goods train or One single container	Rs30.00	Rs18.00
NE4 and above	3000Kgs by Goods Train	Rs15.00	Rs9.00
NE1 to NE3	1500 Kgs by Good Train	Rs7.50	Rs4.60

III. Packing and Loading/Unloading Charges:

"Packing and Loading / Unloading charges" would be admissible as under

Grade	Packing and Loading/ Unloading charges (in Rs)
NE1 – NE3	15000
NE4 –NE7	20000
E0– E5	25000
E6& Above	30000

IV. Transportation of Car:

Payment will be made against railway receipt/cash receipt subject to actual cost of transportation.

V. Road Tax and Octroi charges actually paid for personal effects and one vehicle are reimbursable.

Note: Other benefits for new entrants are provided in chapter 4 clause 4.13

6.9.General

Travel and Daily allowances as admissible under these Rules are not to be treated as a source of profit or additional income as they are in the nature of compensation for expenses incurred on a reasonable basis for the purpose of essential travels undertaken by the employee. Every employee shall use the same discretion and judgment in incurring these expenses economically as he would exercise when he undertakes travel on his own account.

The benefit should be availed by the employee during leave preparatory to retirement or within one year of the date of retirement³.

6.10 Compensation on Retirement

I. Composite Transfer Grant:

When an employee retires or resigns after completing a minimum period of 10 (ten) years of employment in IRFC including service in the Railway/Central Government Department/PSU before joining IRFC or his employment ceases on account of his death or medical incapacitation, he or his family will be entitled to claim reimbursement of expenses incurred by him or his family on travel of himself and/or his family and on transportation of personal effects and vehicle from the Headquarters to the place of settlement in India. Employees entitled to travel by air on tour may travel by air along with entitled family members on retirement. The lump sum Composite Transfer Grant would be admissible in such cases equal to one month's pay.⁴ Composite transfer grant is admissible only if there is a change of residence and the distance between two stations exceeds 20 kilometers.

Note: The reimbursement under this Rule shall normally be claimed within 6 (six) months of retirement/termination of employment, unless the period is extended by Chairman & Managing Director / Director Finance on an application being made.

II. Travel Expenses on Retirement

The expenses incurred by the Employee on travel for himself and the members of his family will be reimbursed for the same modes and class of travel as admissible when the employee proceeds on tour journeys. Reimbursable will also include the expenses payable by the permissible mode for travel from residence to airport, Railway Station or Bus Stand at the old Headquarters and for a corresponding travel at the place of settlement.

³ Reference SR 147, GIO (1), 2 (iii)

⁴ As per SR 116, GIO (4)

III. Transportation of Personal effects

Expenses incurred by the Employee on the transportation of his and his family's personal effects at the time of retirement will be reimbursed up to the limits given below:

Grade	Personal effects Weight limit permitted	Rate per km for transport by road (Rs per km.)	
		X and Y cities	Z Class Cities
E6 and above	Full 4 Wheeler wagon or 6000 Kgs by Goods Train Or one Double Container	Rs 30.00	Rs18.00
E0 and above but less than E6	Full 4 wheeler wagon or 6000 Kg by Goods train or One single container	Rs30.00	Rs18.00
NE4 and above	3000Kgs by Goods Train	Rs15.00	Rs9.00
NE1 to NE3	1500 Kgs by Good Train	Rs7.50	Rs4.60

Note:

(i) Service tax and education cess included in the transportation bill are reimbursable up to the admissible limit of the claim.⁵

(iii) Insurance Charges

An Employee is entitled to the reimbursement of Insurance Charges paid for protection against breakages in transit subject to a ceiling of Rs.5000 in the case of Executives and Rs.3000 in the case of other category of employees.

(iv) Transportation of personal Vehicle on Retirement

Grade	Conveyance permitted
E0 and above	Transportation of One Motor Car
NE1 to NE7	Transportation of One Motor Cycle/Scooter/Cycle

When an employee needs to transport his own personal vehicle i.e. a car, motor cycle, scooter or bicycle, the expenses incurred by him on such transportation will be reimbursed as under:

⁵ OM dated 14.02.2006, SR 116, GIO (10)

Mode of Transportation	Expenses Reimbursable
If transported by Goods Train	Actual cost of packing and Freight between the two stations
If transported by Passenger Train	Actual freight charged by the Railway
If transported by Road between places connected by rail	Actual cost or freight admissible had the vehicle been transported by passenger train whichever is lower
If transported by Road between places not connected by rail	Actual Expenses by road limited to Rs 7 per kilometer ⁶

IV. If the employee settles down at the last station of posting (including area falling within the urban agglomeration):

The employee will be entitled for-

- i. Actual cost of conveyance not exceeding the road mileage allowance admissible on tour for self and family.
- ii. Actual cost of transportation of personal effects not exceeding the amount prescribed above for road transport

6.11. Travel for Medical Examination & Treatment

If the Medical Practitioner treating the Employee or any member of his family eligible for the benefit under the IRFC's Medical Benefits Rules recommends a journey to be undertaken by the person under treatment to another place for the purpose of specialized treatment at a hospital or clinic, then the expenses incurred on the journey to and from that place for the patient and an attendant, if need be, will be reimbursed subject to the travel being by the mode and class (not higher than AC-2 Tier class by train in any case) admissible for journeys on tour by the employee.

Note: Family means employee's husband/wife (more than one wife and also judicially separated wife), children, minor brothers, unmarried/widowed/divorced sister, parents and stepmother.

In case of adoption, only adoptive not real parents. If adoptive father has more than one wife, then the first wife would be considered.

Children includes handicapped son (without age limit), unmarried son (till he starts earning or 25 years whichever is less), unmarried daughter (till she starts earning or 25 years whichever is less), and widowed/divorced dependent daughter.

⁶ As per RITES

Female employee has a choice to include either her parents or parents- in-law. Option exercised can be changed only once during service.

6.12. Shifting Residence within Headquarters⁷

An employee of IRFC who shifts his residence within the Headquarters either from Government/Railway accommodation to IRFC leased Accommodation or from one leased accommodation to another, including self leased accommodation or due to any other reason will be reimbursed actual expenses incurred thereon subject to a maximum of - ONE-THIRD of one month basic pay per occasion of such shifting.

6.13. Advance

- (i) An employee proceeding on tour under these Rules may be granted advance to meet the cost of travel and other reimbursable expenses. A Bill for the adjustment of the actual expenses against the advance shall be submitted within one month of completion of the journey. Failure to submit the Bill within a month will entail recovery of the advance from the salary of the employee.
- (ii) Similar advances may be granted in the case of settlement after retirement/termination of employment.
- (iii) In the case of settlement after quitting of service, the advance will be based on the expenditure likely to be incurred by the employee based on his entitlement and the Bill for adjustment of the advance shall be submitted within 15 days of settlement at his place of residence after quitting service. The delay in submission, if any, may be condoned with MD's approval.

6.14. Clarification

In case of any doubt in regard to interpretation of any of the above provisions and also cases not covered herein, the matter should be referred to Administrative Department for clarification.

⁷ GOI notifications SR 116, GIO (20)

Chapter 7: IRFC LEAVE RULES

7.1. OBJECTIVE

The Policy of the Corporation, as incorporated in the provisions of the Rules in this Chapter for the grant of different kinds of leave to its employees, is designed to:

- i) Afford physical and mental rest and relaxation to the employees periodically through break from the routine of attending to responsibilities in the office.
- ii) Grant time-off from official duties during periods of sickness, maternity etc.
- iii) Provide vacation for attending to essential personal tasks and responsibilities.

7.2. APPLICABILITY & COVERAGE

These rules shall apply to:

- i) All regular employees of the Corporation
- ii) Probationers
- iii) Temporary employees/Re-employed/Re-engaged Employees

These Rules are not applicable to

- i) Those on casual employment
- ii) Those engaged on contract on foreign service contracts and
- iii) Those who are on Deputation from Indian Railways or other central Govt. Departments

These rules are not applicable to

- (i) Daily-rated employees and those engaged on contractual basis unless all or any of these provisions are specifically made applicable to them through an express order.
- (ii) Human resources deployed in IRFC by agencies to whom certain activities are outsourced as such recruits are not employees of IRFC.

(Leave application format at *Annexure I* of this chapter).

7.3. DEFINITIONS:

In these rules unless there is any repugnant in this subject or context, the words used shall be defined as under:-

- i. "The Corporation" means Indian Railway Finance Corporation Limited.
- ii. "Management" means the Board of Directors of the Corporation, the MD or any other officers of the Corporation to act on their behalf.

- iii. "Sanctioning Authority" with reference to the exercise of any powers under these rules means the officer or the Authority to whom such powers are delegated in accordance with the schedule of delegation of powers and / or any other order issued in general or in particular.
- iv. "Employee" means a person appointed to any position in the Corporation and will include a person on probation, a deputationist permanently absorbed in the Corporation, but shall not include apprentices.
- v. "Authorized Medical Attendant" means a registered medical practitioner or a medical attendant as defined in the Corporation's Medical Attendance Rules.
- vi. "Govt. Recognized Hospitals" means any hospital established by any authority under the control of Central or State Govt., Municipal Authority, Autonomous Bodies, Public Sector Undertakings or an hospital recognized by the Corporation as such.
- vii. "Months" means the calendar months.
- viii. "Pay" for the purpose of these rules will be the amount drawn monthly by an employee as pay which has been sanctioned for the post held by him / her. It will also include special pay, personal pay or such other emoluments as may be specifically classified as pay by the Corporation.
- ix. "Leave Salary" will be regulated as under:-
 - a) An employee on Earned Leave or commuted leave will be entitled to leave salary equal to pay drawn by him immediately before proceeding on leave.
 - b) An employee on 'Half Pay Leave' and on 'Leave not due' will be entitled to leave salary equal to half the pay drawn by him immediately before proceeding on leave.

7.4. CASUAL LEAVE (CL)

Casual Leave is granted to an employee at the rate of 12 days in a calendar year. It will be granted in units of one or half of a day as required by the employee. The CL not availed of in a year lapses at the end of the calendar year and cannot be carried over to subsequent year.

Note: Saturday, Sunday and Holidays falling within the spell of CL will not be debited to CL account.

An employee who joins service on any day in a calendar year up to 30th June is entitled to full quantum of CL for full year. Those joining after 30th June will be entitled only six days.

The maximum CL that can be taken by the employee at one point of time should not exceed 3 days. However this can be relaxed by MD.

7.5. SPECIAL CASUAL LEAVE (SCL)

(1) Special Casual Leave over and above the entitlement of 12 days of casual leave may be granted with the approval of the head of the Administration under intimation to DF / MD in special circumstances as indicated below for a total of not more than 30 days in a calendar year in all:

- (a) For participation in training camps or rallies of Scouts and Guides.
- (b) Participation in Republic Day Parades/Other recognized Celebrations as a member of
 - (i) St Johns Ambulance Brigade
 - (ii) In the events under the orders of Government
- (c) Participation in Sports contests and tournaments
- (d) Attendance at courts as Jurors and Assessors
- (e) Attendance at meetings of professional institutions in areas relevant to functioning of the Corporation.
- (f) For undergoing sterilization operation under small family norms to the extent of
 - 6 days for male employees
 - 14 days for female employees
 - 7 days for male employee when wife undergoes sterilization operation
- (g) On declaration of 'Bandh' or imposition of 'Curfew' disrupting the transport system etc
- (h) One day for donation of blood to a recognised Blood Bank

Note:

- (i) In the case of (a) to (f) and (h) above, SCL shall be admissible provided activities listed are undertaken with the prior intimation to and approval of the Corporation.
- (ii) SCL may be combined with any other kind of leave. Sundays and other Holidays intervening during a spell of Special Casual Leave will be counted as SCL for the purpose of the overall limit of such leave that can be sanctioned in a calendar year.

7.6. EARNED LEAVE (EL)

- i. Earned Leave is leave granted on full pay and allowances. It is credited to the account of all eligible employees at the rate of 30 days in a calendar year. This will be done in advance, 15 days of earned leave being credited on 1st January and 15 days on 1st July every year (i.e. 30 days will be for each completed year of service).

ii. The EL account of employees presently being maintained in two parts i.e. Encashable and Non-Encashable leave account would be merged and brought under the heading Earned Leave (EL).

a) In respect of employees joining the Corporation in between the uniform dates the EL will be credited proportionately at the rate of 2.5 days per month and for this purpose half a month or more will be reckoned as a complete month.

b) Intervening holidays, Saturdays and Sundays would count towards leave period. However, if these are prefixed or suffixed to the leave period, they will not be debited to EL account.

c) EL cannot be combined with CL or Special Casual Leave (SCL) but may be combined with any other kind of leave.

d) **Procedure in respect of employees retiring from service or on resignation or proceeds on leave preparatory to retirement or is removed or dismissed from service or dies:**

The credit for half year in which an employee is due to retire will be afforded at the rate of 2 and half days for EL and 1.5 / 8 days for half pay leave per every completed calendar month upto the month preceding the month of retirement, the number of days being rounded off to the next higher figure. The same calculation will hold good for persons leaving service on resignation etc. But since the leave account in such cases would already have been credited for the whole of the half year, appropriate calculations should be made for the period upto the month preceding the month of resignation etc. and if the employee had availed of more leave than what he was due, deductions of the over paid leave salary should be made from the settlement bill.

iii. If an employee has availed of EOL or some period of absence has been treated as *dies non (no work no pay)* in a half year, the full credit afforded at the beginning of the half year (but not due because of EOL/*dies non*) will be adjusted at the beginning of the next half year. This will be done by reducing the fresh credit by 1/10th of the period of Extraordinary Leave availed of during the previous half year subject to a maximum of 15 days. For this purpose a fraction below half will be ignored and that of half or more will be reckoned as one day.

iv. The Maximum accumulation of total EL in an employee's account, together with fresh credit at the beginning of a half year, will be 315 days, of which the number beyond 300 shall be kept separately and set off against the leave availed during that half year. In case any portion of this separately credited

leave is not availed of within the half year, the same shall be merged with the balance in EL subject to the total not exceeding 300 days. The maximum EL that can be granted at a time will be 150 days.

- v. Encashment of earned leave will be allowed to the employees retiring on superannuation, or eligible family members in case of death while in service, subject to an overall ceiling of 300 days.
- vi. In case of deputationist from Govt. Departments who are permanently absorbed in the Corporation, EL at their credit on the date of absorption rounded off to the nearest number will be transferred to EL account. Likewise in case of persons whose EL is transferred to the Corporation same shall be credited to his account subject to the discharge of the liability thereof by that organization.

This will be in addition to the leave accrued in the Corporation after absorption for which separate account will be maintained.

- vii. In case an employee quits service at IRFC other than in superannuation like in case of voluntary retirement, premature retirement, retirement in medical grounds the employee would be entitled to encashment of earned leave to his credit subject to the leave at credit not exceeding 300 days in addition to the number of days for which the encashment was availed.
- viii. In case an employee quits service at IRFC other than in superannuation for permanent absorption in another PSU/Semi-Govt./Govt./autonomous bodies, the EL available in his account along with leave salary would be transferred at the discretion of IRFC if acceptable to the new employer.

Note-I: An employee, who is dismissed, removed from service or compulsorily retired, on disciplinary grounds, will not be eligible for encashment of leave.

Note-II: No deductions other than Income-tax will be made from the amount payable to a serving employee if the encashment is for a period of less than 30 days. In cases of retirement/resignation/retrenchment or death, Company's dues shall be recoverable from the amount of encashment.

7.7. ENCASHMENT OF EARNED LEAVE¹

- (a) Encashment of EL will be allowed to regular employees, temporary employees appointed on regular pay scale and trainees. Employees under suspension will not be eligible for encashment of EL. EL as due on 30th June or the 31st December of the preceding half year, or balance leave after adjusting

¹ DPE Guidelines Source: http://dpe.nic.in/sites/upload_files/dpe/files/11_December_20080001.pdf

leave taken during the year up to date of Encashment whichever is less can be encashed.

(b) Encashment will be allowed **once in a financial year**

(c) Total EL available in employees credit in excess of 30 days shall be treated as en-cashable.

Encashment will be subject to the following conditions:

- a) Cash equivalent to be paid for the en-cashed leave would be restricted the amount drawn monthly by an employee as pay which has been sanctioned for the post held by him / her. It will include Basic Pay, Dearness Allowances, special pay, personal pay.
- b) The payment made towards encashment would not be reckoned for any other purpose like gratuity, provident fund, bonus etc.

Application for encashment of leave will be made in forms prescribed in Annexure of the chapter.

7.8. LEAVE ON HALF PAY (LHP)

- i. LHP is credited to all eligible employees at the rate of 20 days per year. In the first instance, LHP for 20 days will be credited at the end of one year after initial appointment in the Corporation and then for the subsequent period upto the end of the calendar year, LHP will be credited, at the rate of 20/365 for each day, a fraction of half a day or more being rounded off to the next higher number and less than half a day being ignored. Thereafter 20 days will be credited for each calendar year at the beginning of each year.
- ii. During the calendar year, in which the employee is due to retire, or resigns from service or is dismissed or removed from service, or dies, proportionate number of days of LHP calculated at the rate of 20/365 of the days of service during the year will be credited to the employee's LHP Account.
- iii. There is no limit to the accumulation of LHP but the maximum LHP that can be availed of at a time is 24 months.
- iv. An employee on LHP will be entitled to Leave Salary equal to half of the Pay, Grade pay, Special Pay, Deputation Pay (allowance), Personal Pay etc if any drawn by him, immediately before proceeding on leave and admissible dearness allowance on the payments mentioned above.
- v. An employee who joins the Corporation on permanent absorption from another Public Sector Undertaking will be permitted to get the LHP (or sick leave, if applicable in that Undertaking) in his account in that organization transferred to his LHP account in the Corporation subject to the discharge of liability therefore by that organization.

vi. Encashment of Leave on Half Pay (LHP), subject to a maximum of 300 days of EL and HPL put together, standing at the credit of an employee shall also be allowed in the following events:

- a) Separation from Corporation on attaining the age of superannuation, or
- b) Death while in service, or
- c) On completion of the tenure in respect of Board level appointees.

Note: For the purpose of computing encashment of LHP, only half basic pay shall be taken into account.

vii. In case an employee quits service at IRFC other than in superannuation for permanent absorption in another PSU/Semi-Govt./Govt./autonomous bodies, the LHP available in his account along with leave salary would be transferred at the discretion of IRFC if acceptable to the new employer.

Other conditions governing encashment of LHP on above shall be the same as available for encashment of Earned Leave under IRFC rules.

Note-I: An employee, who is dismissed, removed from service or compulsorily retired, on disciplinary grounds, will not be eligible for encashment of leave.

Note-II: No deductions other than Income-tax will be made from the amount payable to a serving employee if the encashment is for a period of less than 30 days. If the encashment is for 30 days or more, monthly installments of repayment of advances and other dues shall be recovered at the rate of one installment for each period of 30 days. In cases of retirement/resignation/retranchment or death, Company's dues shall be recoverable from the amount of encashment.

7.9. LEAVE NOT DUE (LND)

- (i) "Leave Not Due" may be granted to any regular employee of the Corporation, who has completed one year of employment with the Corporation, when no other leave (except casual Leave) is due to him.
- (ii) The maximum limit of LND that can be granted to an employee is 360 days during the entire period of his employment with the Corporation, out of which not more than 90 days at a time and 180 days in all may be granted other than on medical grounds.
- (iii) LND is charged against the LHP that the employee may earn subsequently and he will draw leave salary during such leave on the same basis as in the case of LHP.
- (iv) LND will be sanctioned only when the Sanctioning Authority is satisfied that there is a reasonable prospect of the employee returning to duty on the expiry of the leave and earning the amount of LHP subsequently.

7.10. COMMUTED LEAVE (COM. L)

- (i) Commuted Leave is the Leave granted to eligible employees on medical grounds or to enable them to pursue an approved course of study, i.e., a study accepted by the Sanctioning Authority to be in the Corporation's interest.
- (ii) COM.L is granted by charging on the LHP account of the employee to the extent of double the amount of the leave. The employee on COM.L will thus draw leave salary to the same extent as in the case of Earned Leave, during Commuted Leave.
- (iii) COM.L may be granted even when the employee has credit of Earned Leave in his Account.
- (iv) COM.L will not be granted unless the Sanctioning Authority has reasons to believe that the employee will return to duty on its expiry. If the employee intends to retire after the expiry of the leave, the Commuted Leave will be treated as LHP and the excess amount drawn on Leave salary will be recovered. But if his retirement becomes necessitated on account of health incapacitating him from further service or in the event of his death, such a recovery will not be made.
- (v) The Maximum number of days of COM.L that will be sanctioned for pursuing an approved course of study is 90 days (180 days of LHP to be commuted) during the entire period of employment.

7.11. EXTRAORDINARY LEAVE (EOL)

- i) EOL is the Leave granted to an employee without any leave salary, when no other leave is due to him or when he applies for it specifically.
- ii) EOL may be granted to all employees covered by these Rules except those on probation or those on re-employment/re-engagement with the Corporation.
- iii) The Maximum amount of EOL (in addition to other leave) that can be granted at a time is 5 years.
- iv) When an employee fails to resume duty on the expiry of the EOL actually sanctioned to him or on the expiry of the maximum period of EOL as admissible to him, he shall be deemed to have resigned from service in the Corporation, unless the Chairman & Managing Director determines otherwise in view of the exceptional circumstances of the case.
- v) For Temporary Employees²
EOL will be admissible as under:
 - (a) 3 months - General limit for all employees, whether with or without medical certificate.

² Original IRFC manual

- (b) 6 months- For employees with minimum one year continuous service, against medical certificate for common ailments.
 - (c) 18 months- For employees with minimum one year continuous service undergoing treatment for pulmonary tuberculosis (TB) or pleurisy, TB of any other part of the body, leprosy, cancer or mental illness.
 - (d) 24 months - For the purpose of pursuing studies, and to an employee with minimum three years continuous service. This period can be further extended if the employee furnishes an undertaking to the corporation that he shall return to duty after leave and work for a further minimum period of 3 years.
- vi) The period spent on EOL will not count for purposes of earning EL. It will, however, be reckoned as service for calculating the entitlement of half pay leave where admissible.
 - vii) During EOL, an employee will be entitled to the following emoluments:-
 - a) Pay:- No leave salary (pay will be admissible)
 - b) DA:- No DA / Adhoc relief will be admissible.
 - c) HRA:- House Rent Allowances will be admissible as the rates at which they were admissible before proceeding on leave for a total period of leave limited to 120 days. For this purpose, the 'total period of leave' includes, all kinds of leave under the leave Rules of the Corporation including EOL preparatory to retirement or terminal leave, whether running concurrently with the notice period or not.

7.12.SPECIAL DISABILITY LEAVE (SDL)

Special disability leave is admissible to an employee (permanent or temporary) who are disabled by any injury or illness incurred in the performance of his duties.

- (i) Special Disability Leave may be granted to an employee to the maximum extent of 24 months, when he is disabled by injury accidentally inflicted or caused by or in consequence of the performance of his official duties for the Corporation or in consequence of his official position in the Corporation.
- (ii) The recommendation for the grant of and the period of the SDL shall be certified by an Authorised Medical Practitioner of the Corporation approved for treating the employee under the Corporation's Medical Benefits Rules.
- (iii) SDL is not debited to any leave account and it can be combined with any other Leave

Conditions:

(a) In the case of the disability due to injury:

- i. The disability should have manifested within 3 (three) months of the occurrence to which it is attributed.

This requirement can be relaxed by the leave sanctioning authority, if it is satisfied about the cause of disability by reference to an appropriate medical expert.

- ii. The employee should have acted with due promptness to obtain relief from the disability, and to report the same to the Corporation.

(b) In the case of disability due to illness:

- i. Authorised Medical Attendant (AMA) should certify that the disability is directly due to performance of a particular duty.
- ii. If it has been contracted during service (other than with a military force) the leave sanctioning authority should be satisfied that the disability is exceptional in character.

(c) Period of leave:

- i. The leave will be allowed to the extent certified by AMA subject to a maximum of 24 months.
- ii. For the same disability, leave can be granted more than once, but for a single disability total leave should not exceed 24 months.

(d) Disability leave can be combined with any other kind of leave.

(e) Leave Salary

- i. For the first 120 days-Equal to leave salary on EL (i.e. pay last drawn).
- ii. For the period after 120 days-Equal to leave salary on LHP. The employee has option to avail earned leave salary for another 120 days, if he avails both disability leave, and half-pay leave concurrently.
- iii. If the employee is entitled to any compensation under the Workmen's Compensation Act or the Employees State Insurance Act the amount of leave salary will be reduced by the amount of such benefits.

7.13.MATERNITY LEAVE (ML)

- (i) A female employee (including a probationer) with less than two surviving children may be granted maternity leave by an authority competent to grant leave for a period of (180 days) from the first day of the leave.

- (ii) During such period, she shall be paid leave salary equal to the pay drawn immediately before proceeding on leave.
- (iii) Maternity leave not exceeding 45 days may also be granted to a female employee (irrespective of the number of surviving children) during the entire service of that female employee in case of miscarriage including abortion on production of medical certificate.
- (iv) Maternity leave may be combined with leave of any other kind.
- (v) Leave of the kind due and admissible (including commuted leave for a period not exceeding 60 days and leave not due) that can be granted in continuation with Maternity Leave, shall be 2 years.
- (vi) During ML the employee will draw full leave salary as in the case of EL.
- (vii) The leave period will be counted for increment.

Note:

Abortion induced under the medical termination of Pregnancy Act 1971 should also be considered as a case of abortion for the purpose of grant of maternity leave.

7.14. CHILD CARE LEAVE

To facilitate women employees to take care of the needs of their minor children during their examination, sickness, etc.

1. Coverage:

- a) All regular women employees of the Corporation, excluding trainees/deputationists/contract employees who are having upto two surviving children below 18 years of age.
- b) Child Care Leave may be availed by women employees upto the age of 22 years of the child in case of disability in a child (with minimum disability of 40% as per GOI norms) as indicated below:
 - i. Visual impairment
 - ii. Locomotors/orthopedic disability
 - iii. Speech & Hearing disability
 - iv. Mental retardation
 - v. Multiple disabilities

Women employee has to provide a medical certificate from a Government/Empanelled hospital stating the disability of the child with percentage of disability.

2. Quantum of Leave

Women employees shall be granted CCL without pay in continuation of maternity leave or otherwise for a maximum period of 2 years (730 days) during their entire service in the Corporation in spells of 15 days or more.

3. Entitlement /Non entitlement during Leave

3.1 The women employees would be entitled to the following during the period of CCL:-

- a) Drawl of medical benefits in respect of her dependents and herself.
- b) Permission to draw lease/HRA during the period of leave.
- c) Continuity of service for Gratuity.

She will contribute her monthly contribution to IRFC pension trust based on her last pay drawn before proceeding on leave.

- d) She will not be eligible for PRP for the period of CCL.
- e) She will not be eligible for reimbursements linked to functional needs namely telephone reimbursement, official hospitality, conveyance reimbursement, etc during the period of CCL availed.
- f) If the CCL period availed is more than 6 months continuously, then such women employee shall have an option for re-schedulement of repayment of installment for loans and advances if any availed by her from IRFC. However no new advance shall be sanctioned during CCL.

3.2 During the period of CCL, the employee will not be allowed to take up any remunerative/honorary service elsewhere.

3.3 The employee shall not be considered for promotion in case CCL has been availed aggregating more than six month during the eligibility period. In such cases, the eligibility period will be increased to the extent of Child Care Leave availed and the case will be considered in the next DPC.

4. Other terms and conditions:

4.1 CCL cannot be demanded as a matter of right. Under no circumstances can any employee proceed on CCL without prior proper approval by the leave sanctioning authority.

4.2 Consequently, Saturdays, Sundays, Gazetted holidays etc. falling during the period of leave would also count for CCL, as in the case of Earned Leave.

4.3 Child Care Leave shall not be granted in more than 3 spells in a calendar year with each spell of child care leave being not less than 15 days.

4.4 CCL may be combined with leave of any kind due and is admissible, including Maternity Leave, except Casual Leave.

5. General Conditions:

The sanctioning authority for this leave shall be the same as that for sanctioning Earned Leave under IRFC Leave Rule.

MD-IRFC is the competent Authority to approve any clarification/interpretation, if required, without any substantial changes in the Scheme.

7.15. PATERNITY LEAVE (PL)

- (i) A male employee with less than two surviving children living may be granted Paternity Leave for a period of 15 (fifteen) days. The leave may be availed during the confinement of his wife for child birth, Alternatively the leave may be availed at any time within a period of 6 (six) months from the date of delivery of the child.
- (ii) During the period of PL, the employee will be paid leave salary at the rate at which he drew salary immediately before proceeding on leave.
- (iii) PL will not be debited to any other leave accounts of the employee. It may be combined with any other leave due to the employee. It may not normally be refused if admissible under this Rule.

7.16. CHILD ADOPTION LEAVE

- i. A female employee of IRFC, with less than two surviving children, on valid adoption of a child below the age of one year may be granted child adoption leave, by an authority competent to grant leave, for a period of 180 days immediately after the date of valid adoption.
- ii. A male employee with less than two surviving children living may be granted Paternity Leave for a period of 15 days. The leave may be availed at any time within a period of 6 months from the date of adoption of the child.
- iii. During the period of child adoption leave, she shall be paid leave salary equal to the pay drawn immediately before proceeding on leave.
- iv. (a) Child adoption leave may be combined with leave of any other kind.
(b) In continuation of the child adoption leave granted under sub-rule (i), a female Government servant on valid adoption of a child may also be granted, if applied for, leave of the kind due and admissible (including leave not due and commuted leave not exceeding 60 days without production of medical certificate) for a period up to one year reduced by the age of the adopted child on the date of valid adoption, without taking into account child adoption leave.

Provided that this facility shall not be admissible in case she is already having two surviving children at the time of adoption.

- v. Child adoption leave shall not be debited against the leave account.

7.17. GENERAL CONDITIONS FOR GRANT OF LEAVE AND ITS ENCASHMENT

- (i) Applications for Leave and its Encashment will be made in the Forms prescribed in *Annexure II* to this Chapter.
- (ii) Leave (or Encashment of Leave) shall not be claimed as a matter of right. Sanction for it will be accorded by the head of Administration function.
- (iii) Unauthorized absence from duty will render the absentee employee liable to disciplinary action. The authority competent to sanction him leave may, however, regularize his absence as leave with or without pay, if he is satisfied that the absence was due to reasons beyond the employee's control.
- (iv) Leave on Medical Grounds wherever admissible will be granted only on the recommendation and certificate obtained from a Registered Medical Practitioner authorized to treat an employee of the Corporation under the Medical Benefits Rules, which is acceptable to the authority competent to sanction the leave. However, the Leave sanctioning Authority may sanction leave on medical grounds for upto a maximum of 3 days without the production of a medical certificate, if he is satisfied about the genuineness of the request for leave.
- (v) Except in an emergency, applications for leave shall be submitted sufficiently in advance, (normally 15 days) of the date from which it is required to enable arrangements to be made for handling the job of the applicant during the period of his leave.
- (vi) Applications for extension of leave, if required due to unavoidable circumstances, shall similarly be made well in advance of the expiry of the leave already granted.
- (vii) An employee, who is granted leave on medical grounds, will be permitted to return to his duties only if he produces a certificate of fitness to resume his duties by the Medical Practitioner, who recommended his leave in the first place or any other Registered Medical Practitioner, whose certificate is acceptable to the Leave sanctioning Authority.
- (viii) An employee on leave shall not take up any service or any other employment without the approval of the Authority who sanctioned his/her leave.
- (ix) Holidays including Restricted Holidays may be permitted to be prefixed and/ or suffixed to the Leave.

- (x) An employee on resuming duty after the expiry of the sanctioned leave shall advise the date of resumption of duties to the Administration Section maintaining the leave account.

7.18. RECALL FROM LEAVE

In case the Corporation or the Executive sanctioning the leave finds it necessary to recall the employee to duty, before the expiry of the sanctioned leave, the employee shall return from leave to duty. If he is availing of the leave outside the Headquarters, he shall be eligible to be paid the traveling and daily allowance as for tours on duty from the time of commencement of the journey till his return to the Headquarters. The period of leave not availed of shall be restored to his leave account.

7.19. STUDY LEAVE RULES

(i) Objective

These Rules are intended to grant leave in special circumstances to the employees of the Corporation to enable them to undertake Professional, Technical or Management Studies or to undergo special courses of instructions.

(ii) Applicability and Coverage

These Rules shall apply to all regular employees of the Corporation, who have rendered not less than 3 years of service and such of the deputationists from Government Departments and Public Sector Undertakings as have been permanently absorbed in the Corporation.

(iii) Conditions for Grant of Study Leave

- (A) Subject to the conditions specified in these Rules, Study Leave may be granted considering the exigencies of the business of the Corporation, to enable an employee to undergo in India or abroad, a special course of study or specialized training in Managerial, Professional or a Technical subject relating to the area of his work.
- (B) Study Leave may also be granted:
 - (i) For a training course or study tour in which the employee may not attend a regular academic or semi-academic course, provided such training course or study tour will enhance his capability and is related to the sphere of his duties.
 - (ii) For studies connected with Financial Management, Accounting, Company Law or any other area accepted as useful from the Corporation's business standpoint,
 - (iii) For studies which may not be closely or directly related to the work of the employee but which would, in the opinion of the Corporation, widen his mind in a manner likely to improve his abilities as an employee and to equip him better to collaborate with those in related services.

- (C) Study Leave in the aforesaid cases is to be granted subject to the conditions that
 - (i) The particular study or study tour should be approved by the Authority competent to sanction study leave, and
 - (ii) The employee should submit on his return a full report on the work done by him while on study leave.
- (D) Study Leave shall not be granted unless
 - (i) The authority competent to sanction leave certifies that the proposed training course or study shall serve the interests of the Corporation's business,
 - (ii) It is for pursuing of studies in subjects other than academic or literary provided that an employee associated with specialized or technical work may be granted Study leave for pursuing a post- graduate course of study directly related to his work, and
 - (iii) Release of Foreign Exchange involved in the grant of study leave is within the purview of the Government regulations and is authorized by the competent authority, if such leave is to be availed of outside India.
- (E) Study Leave outside India shall not be granted for pursuing of studies in subjects for which adequate facilities exist in India or can be availed of under any of the schemes administered by the concerned Ministries of the Government of India.
- (F) Study Leave will not be granted to an employee who is due to retire from the Corporation's services within five years of the date on which he is expected to return to duty after the expiry of the leave.
- (G) Study Leave shall not be granted to any employee with such frequency as to remove him from contact with his regular official work or to cause administrative difficulties arising out of his absence on leave.

(iv) Sanctioning Authority

The Authority to sanction Study Leave to an employee of the corporation will be the Chairman & Managing Director in the case of executives working in scales of pay E0 and above, and Director Finance in the case of all other employees.

(v) Maximum period of Study Leave

The maximum period of Study Leave which may be granted shall be:

- (a) Ordinarily 12 (twelve) months at any one time, this shall not be exceeded except under special circumstances.
- (b) 24 months in all during the entire service of an employee.
- (c) Combination with Other leave

Study leave can be combined with other kinds of leave, provided the total leave (except extraordinary leave) shall not exceed 28 months for general and 36 months for PhD courses.

(d) Extension beyond course of study

In case the course of study is completed before the expiry of the sanctioned Study Leave, the employee shall resume his duty on completion of the course of study unless the approval of the authority which sanctioned the leave is obtained to treat the remaining period as leave of any other kind.

(e) Cost of the study

An employee granted study leave shall ordinarily be required to meet from his own resources the costs of fees etc for the study, but in exceptional circumstances, and subject to extant guidelines of the Government for Government servants, and for reasons to be recorded in writing, the Chairman & Managing Director may authorize reimbursement to the employee of the cost of study (fee), in full or in part.

Provided that in no case the cost of studies be paid to an employee who is in receipt of a scholarship or stipend from any other source or who is permitted to retain, in addition to his Leave Salary any remuneration in respect of part time employment undertaken during the study leave.

(f) Bond

An Employee of the Corporation who is granted Study leave or extension under these Rules shall execute a Bond undertaking to serve the company for at least 3 years after return from study leave. The undertaking will be given in the Form given in *Annexure III* of these Rules, before the sanction/commencement of the Study leave.

(g) Resignation/Retirement

If after availing study leave, an employee fails to complete the course of the study or does not return to duty, or resigns or quits service within 3 years after returning to duty he shall refund to the Corporation amounts received by him towards the leave salary, study allowance, fees, TA, cost incurred by other agencies, if applicable (Foreign Governments, Trusts, Foundations etc.) with interest at prescribed rates. The recovery may ordinarily not be waived.

Provided, that the Chairman & Managing Director may relax this provision where the employee after return to duty from study leave is forced to retire from service on medical grounds.

(h) Leave Salary during Study Leave

- (i) An employee on Study Leave will be entitled to draw salary equal to the pay plus Dearness Allowance drawn while on duty immediately before proceeding on leave.
- (ii) Any stipend, scholarship or remuneration in respect of any part time employment shall be adjusted against the leave salary subject to the condition that leave salary shall not be less than that admissible on half Pay Leave.
- (iii) The employee will also be entitled to draw HRA for the first 180 days of study leave at the rates admissible from time to time, at the station from where he proceeded on study leave. Payment of HRA for the period beyond 180 days will be subject to certification that the employee continued to maintain establishment at the place of posting from where he proceeded on leave, and actually paid rent for it and did not sublet the whole of it, for the period for which HRA is claimed.

(i) Counting of Study Leave for other purposes

- (a) Study Leave shall count as service for promotion and seniority. It shall also count as service for increments, and Gratuity and PF, provided the employee makes the requisite contribution to PF.
- (b) The period spent on Study Leave shall not count for earning leave other than LHP.

Annexure I
INDIAN RAILWAYS FINANCE CORPORATION LTD
APPLICATION FOR LEAVE

NAME:_____ EMPLOYEE NO:- _____

DESIGNATION:_____ DEPARTMENT:_____

KIND OF LEAVE APPLIED FOR:_____

NO OF DAYS:_____ FROM: _____ TO: _____

REASONS FOR LEAVE:_____

LEAVE ADDRESS:_____

DATE

SIGNATURE OF EMPLOYEE

ORDER OF SANCTIONING AUTHORITY:_____

SIGNATURE:_____

DESIGNATION:_____

Note: To be sent to the office maintaining the leave account

Annexure II
INDIAN RAILWAYS FINANCE CORPORATION LTD
APPLICATION FOR ENCASHMENT OF LEAVE
(To be submitted in duplicate)

NAME _____ EMPLOYEE NO _____

DESIGNATION _____ DEPARTMENT _____

RATE OF PAY AND DA

Please sanction me encashment of leave for ____ days from my encashable leave account. I have not availed of encashment facility during this year.

Date _____ SIGNATURE OF EMPLOYEE _____

Orders of sanctioning Authority

Sanctioned subject to eligibility

The employee has been sanctioned _____ days of EL for the period from _____
to _____ OR

The employee cannot be sanctioned EL from _____ to _____ applied
for by him (vide his application enclosed) because _____

Date _____ SIGNATURE OF SANCTIONING AUTHORITY _____

Forwarded to Office maintaining Leave Account and the Accounts Department for
verification and payment of encashment, if due

Endorsement and remarks regarding admissibility by Office maintaining Leave
Account

SIGNATURE

REMARKS OF ACCOUNTS DEPARTMENT

1. Payment made
2. Rate of Pay, DA etc due
3. No of days for which paid
4. Total amount paid

SIGNATURE

Annexure III
BOND FOR STUDY LEAVE

This Agreement made this day of two thousand
between S/O , Resident of
 at present employed as in the Indian Railways Finance
Corporation Ltd, New Delhi (Hereinafter called the "employee", which expression
unless excluded by or repugnant to the subject or context, include his/her heirs,
administrators and assigns) of the FIRST PART and Chairman & Managing Director,
Indian Railways Finance Corporation Ltd, New Delhi (hereinafter called the
"Corporation", which expression shall, unless excluded by or repugnant to the
subject or context, include his successors in office and assigns) of the SECOND PART,
and Shri
S/O of Resident of
(herein after called the "Surety", which expression shall, unless excluded by or
repugnant to the subject or context, include his/her heirs, administrators and
assigns) of the THIRD PART

WITNESSETH

WHEREAS the employee has been serving the Corporation since and has
requested for grant of Study Leave for a period of months for pursuing higher
studies in

During this period he/she will be paid Rs per month as emoluments including
Pay and other allowances due to him /her as an employee of the Corporation.

AND WHEREAS after the expiry of the period of months study leave, the
employee has undertaken to serve the Corporation for a period of 3 years
commencing from the date of rejoining his/her duty immediately after his/her
return from the leave under reference.

AND WHEREAS the Surety has expressed his/her willingness to assure the due
performance of his agreement by the employee.

NOW, therefore, it is hereby agreed, covenanted, recorded and declared by and
among the parties as below:

1. That the employee joined the Corporation as w.e.f., and will
proceed on Study leave on to
2. That the employee will complete his/her higher studies in during a
total period of months

3. If, during the period of his/her studies, the performance of the employee is not found adequate, the Corporation may, at any time terminate the Study leave without any Notice.
4. That the employee shall return to his/her post in the Corporation immediately after completion of the studies.
5. That on completion of the period of study, the employee shall be bound to serve the Corporation for a minimum period of 3 years.
6. That the Surety herein has assured the Corporation that the employee shall duly and diligently complete his/her studies as aforesaid and thereafter shall serve the Corporation for the aforesaid stipulated period of 3 years after completion of his/her studies.
7. That in case the employee refuses or fails to serve the Corporation for a period of 3 years after he/she has completed the studies, he/she and the surety will be jointly and severally liable to pay on demand to the Corporation as liquidated damages a sum of Rs
8. That the employee shall also be liable to pay as liquidated damages, in addition to the above the amount which he/she receives from the Corporation during the above said period of study towards his/her salary/leave salary and other perquisites, if any
9. That, in case the employee brings about a termination of his/her study by not conforming to the order given to him/her or otherwise brings about termination of his/her study then the employee shall pay the sum laid down under clause 7 above as liquidated damages.
10. That in case the employee defaults in carrying out the terms of this contract or otherwise commits a default of the terms of this agreement in any manner whatsoever, then all amounts payable by the employee to the Corporation as liquidated damages as aforesaid shall be paid by the employee on demand.
11. That the Corporation shall also be entitled at its option to file a suit for injunction restraining the employee from serving anywhere in India for similar work during the period fixed in this agreement and the employee shall have no objection to issue of such injunction.
12. The Corporation may however remove or dismiss the employee for misconduct as may be defined in the Rules in force from time to time in which case the employee or the surety will still be liable to pay the damages to the Corporation a sum of Rs

13. That the employee shall not divulge or communicate to any person or persons, natural or jurist, during the period of study, under this agreement or afterwards any information about the affairs of the Corporation. The employee expressly undertakes not to engage in any business, occupation, trade or services of any nature whatsoever during the period stipulated in this agreement.
14. That the employee shall be subject to the Rules and Regulations issued by the Corporation from to time during the period of this agreement.
15. That in case of any dispute touching meaning or effect of any rights or liabilities arising out of this deed or any dispute whatsoever in connection with or under this deed, the decision of the Chairman & Managing Director shall be final and binding.

WITNESSES

1
2

SIGNATURE WITH DESIGNATION

OF THE EMPLOYEE

WITNESSES

1
2

SIGNATURE WITH DESIGNATION

OF SURETY

SIGNATURE FOR AND ON BEHALF
OF THE CORPORATION

WITNESSES

1
2

Chapter 8: IRFC MEDICAL BENEFITS RULES

8.1. OBJECTIVE

These Rules are designed to provide a certain measure of social security and insurance to the employees and their family members against various types of illnesses which might befall them during their employment in the Corporation.

8.2. SCOPE AND APPLICABILITY

8.2.1 These Rules would be applicable to:

- i. All regular (permanent and temporary) employees of the Corporation and their family members whether located at the place of duty or elsewhere. Regular employees would include those on probation.
- ii. Contract employees and trainees (including their families), if the terms of their respective appointment so provide.
- iii. Deputationists and lien-holders (including their families) unless the deputation terms provide otherwise
- iv. Reemployed or reengaged employees who are not covered under post retirement medical scheme of any Public sector undertaking

8.2.2 These Rules shall also be applicable to employees who are on leave of any kind or under suspension and to their families whether located at the place of duty or elsewhere, subject to other provisions of these rules.

8.2.3 These Rules will not be applicable to:

- i. Employees who have retired on attaining the age of superannuation or otherwise cease to be in the services of the Corporation as they would be covered under Post Retirement Medical Scheme (PRMS).
- ii. Casual and daily rated employees and those engaged on contract basis unless specifically provided in their terms of appointment
- iii. Personnel deployed by agencies to whom certain activities are outsourced are not eligible for medical benefits since they are not employees of the Corporation.

Medical treatment for employees in A class cities – The rules applicable to Delhi will also apply to employees or their family while in other A class cities, on tour / leave. (classification notified by GOI from time to time)

8.3. DEFINITIONS

(i) “Authorized Medical Practitioner” (AMP) or Authorized Medical Attendant (AMA) means any qualified medical practitioner, whether engaged on full-time/part-time basis by the Corporation or practicing medicine elsewhere and acceptable to the Corporation, for the purpose of treating its employees and their families for their medical ailments.

(ii) “Qualified Medical Practitioner” (QMP) means one qualified in the Allopathic, Ayurvedic and Homeopathic systems of medicines and registered in the appropriate schedule of the State Government and the term does not include “Unani system of medicines” as amended from time to time.

(iii) “Family” means the employee’s spouse, two surviving children including step children and legally adopted children till attaining 25 years of age and parents subject to member being wholly dependent upon the employee. The restriction of 25 years of age for dependent children will not be applicable for physically handicapped or mentally retarded children dependent on the employee (40% permanent disability).

The criteria for judging the dependency or otherwise of dependent children and parents of an employee will be the monthly income of the concerned family member. Dependent children and parents will be deemed to be dependent upon the employee if his/her income from all sources is not more than **Rs.84,000/-p.a.** In case of parents, the income of both father and mother jointly will be taken into account for this purpose.

The restriction of two surviving children shall not apply in respect of:-

- a. Children born before 15.01.1999
- b. Multiple births in case of employee who have not child / one child thereby increasing the number of surviving children to more than two after 15.01.1999.

Note:

- i) However, for the purpose of determining dependency criterion under Medical Attendance Rules amount of pension drawn by the parents shall be ignored while computing the above limits of **RS.7000/-** per month.
- ii) If both husband and wife are employees of the Corporation, only one of them may avail of the benefits under these Rules for the family, according to their option except that parents of both will be included independently for the purpose of these benefits, subject to the other conditions for their inclusion being satisfied.
- iii) All Employees are required to give a declaration in the Form given in *Annexure I* to this chapter in order to claim Medical Benefits reimbursement.

8.4. MEDICAL BENEFITS

The Employees of the Corporation, to whom these Rules apply, will be eligible to receive payment towards expenses incurred by them from time to time on the medical treatment of themselves and their family during the course of their

employment subject to the stipulations and monetary limits prescribed in these Rules.

8.5. MEDICAL TREATMENT COVERED BY THESE RULES

Medical treatment for the purpose of these Rules will include treatment including consultation

- at the consulting room of an AMP
- at the residence of the family
- at the outpatient department of any hospital
- as indoor patient of any hospital or nursing home
- Executive/Comprehensive Check-up undertaken by Employees and their spouses who are of the age of 40 years and above.

It will also include all necessary specialized attention like pathological, radiological and other methods of diagnosis, dental and ophthalmological services, maternity, surgery, Family Planning Operation etc.

8.6. MEDICAL TREATMENT

Medical Treatment includes

- Indoor treatment and diagnostic tests
- Outdoor Medical Treatment (OPD)
- Pathological tests as suggested by registered physician
- hearing aids, artificial limbs and implants
- Cosmetic treatment in the case of burns disfiguring

8.7. HOSPITALISATION EXPENSES (INDOOR TREATMENT)

- i) Reimbursement of expenditure incurred by an employee for himself and/or for his eligible family members on treatment availed of as an indoor patient either at any of the reputed Hospitals or at the Hospitals nominated by the Corporation will be made provided that in the event of charges demanded by the hospital in any case are considered unreasonably high, management reserves the right to refer the matter to an expert and / or regulate the payment as deemed fit.

In particular, expenses incurred on diagnostics and treatments availed of in the following kinds of Hospitals, will be reimbursed fully.

---Government, including Railway Hospitals

---Government-aided Hospitals nominated by the Corporation

---Trust hospitals established on no-profit/no-loss basis

---Hospital/Nursing Home registered with Local Bodies/State Government

---Hospitals nominated by the Corporation.

Diagnostics and consultations upto 15 days prior to leading to indoor admission and treatment which needs further follow-up, including diagnostics, consultations and medication etc. after discharge from hospital/nursing home may also be treated as part of indoor treatment provided such follow up does not extend beyond one month from the date of discharge.

- ii) The Corporation may notify separately the private Hospitals recognized by it for the purpose of reimbursement of Expenses incurred by the employees on indoor treatment/hospitalization of themselves and their family members. For this purpose, the Corporation may also carry out an appropriate survey of area(s) where its staff and executives reside and may hold consultation with such medical or other experts as it deems fit.

iii) Room rent on hospitalization

Reimbursement on account of Room Rent shall be restricted to rates of Forties Hospital, as given below:¹

Sl No	Grade	Charges up to
1.	CMD/Directors	Private Deluxe Room/Suite
2.	E7-E9	Private AC Room
3.	E0 – E6	Private Single Room.
4.	NE 1 to NE 8	Two bedded room/multi sharing room
5.	ICU for all employees	Actuals

Taxes, if any, will be reimbursed in addition to the above.

The room rents applicable for the year will be circulated by the Company well before the commencement of the financial year. If necessary, revision may be done during the year.

iv) Diagnostics and Treatment

Reimbursement of expenses incurred on diagnostics and treatment during the time of hospitalization shall be as per actual.

v) General:

The rates for diagnostics, room rent and treatment given above for Indoor treatment, will be applicable to self, spouse and children.

In case of dependents other than spouse and children, the rates applicable will be that as would have been applicable to the employee if the treatment had been taken in hospitals recognized by the corporation.

¹ Source: IRCON

In case of dependants where the rate of treatment or a diagnostic test is not mentioned in the rate list of recognized hospitals, the same will be reimbursed at 75% of the actual.

8.8. OPD TREATMENT

The rules mentioned below under OPD treatment are applicable to any Practitioner in the fields of Allopathy, Homeopathy, Ayurvedic, Naturopathy and Unani systems of medicine.

8.8.1 Treatment in Hospital

Employees or members of their families taking OPD treatment from any of the reputed Hospitals or at the Hospitals nominated by the Corporation will be reimbursed expenses including consultation fee (except on account of inadmissible items of appliances/instruments) in accordance with the rules of these hospitals.

In respect of reimbursement availed at the other hospitals the reimbursement will be limited to the rates prevailing in the Forties Hospital and where a rate applicable to the Forties Hospital is not available, the rates will be limited to 75% of the actual expenses.

Entitlement of the employees as mentioned here under:-

- i. Executives: Charges for General or private OPD
- ii. Non-Executives: Charges for General OPD

8.8.2 Treatment with Private Practitioner

(A) Where there is no AMA of the Corporation, the employee and members of his/her family may receive medical attendance and treatment from private registered medical practitioners of his/her choice at the residence or at the residence of the Doctor or at the latter's consulting room.

The treatment can be availed whether the employee is in station, on leave or on tour at another station.

Consultation fee charged by the Doctor will be reimbursed subject to the following ceilings, which may be reviewed and revised if necessary by the Competent Authority from time to time.

Doctors Qualification	Treatment at Clinic	Domiciliary Treatment
MBBS/BDS or equivalent	INR 500	INR 800
Specialists with MD, MS, MDS qualification or equivalent	INR 800	INR 1200

(B) Reimbursement under homeopathic & Indian systems of Medicine

Employees/ their dependent family members will be entitled for reimbursement for charges for treatment undertaken under Homeopathic, Ayurvedic, Naturopathy and Unani systems of medicine, as under:-

		Rates
i	If medicines are prescribed by Doctor having Bachelor degree	Rs. 150 for first consultation
		Rs. 75 for subsequent consultations.
ii	If medicines are supplied by the Doctor having Bachelor Degree	No separate consultation charges
		Medicines @ Rs. 30/- per day for the period of treatment.

For Indoor treatment, under the Indian systems of medicines including naturopathy, same may be taken from the hospitals empanelled with IRFC.

Note:

1. When both husband and wife are employees of the corporation, benefits under these rules to self and members of his/her family will be admissible only according to the entitlement of one of them, at their discretion.

8.9 DENTAL TREATMENT²

In the case of dental treatment, all clinical, surgical and pathological interventions together with medication as required shall be covered except that charges for cleaning/polishing of teeth with gold or dental treatment for cosmetic reasons will not be reimbursable.

S.No.	Treatment	Max. Ceiling (Rs)
I	Consultation*	400
II	Fillings:	600
	Composite Veneer	1100
III	Minor-I (Extraction, Peri coronotomy, Biopsy, Frenectomy, Abscess Incision)	600
IV	Minor-II (Gum treatment, Alveolectomy, Growth Removal, Pulpotomy)	900
	Flap Surgery – per segment	1600
	Flap Surgery – Full mouth	14000

² Source: IOCL

S.No.	Treatment	Max. Ceiling (Rs)
V	Major-I (Apeectomy, Cystectomy, Root Canal Treatment, Crown Capping)	2500
VI	Major-II (Gingivectomy, Peripheral neurectomy, Tumour Excision, fractureand extraction of jaw)	4500
VII	Major-III (Extractions, Segmental resection of jaw, Ostectomy, Condylectomy)	4500
VIII	Special Procedures (Resection of jaw)	15000
IX	X-Ray (Single plate)	200
	Dental CT Scan/Orthopantomogram (Full mouth)	1200
X	Dentures (Full)	10000
	Partial Denture (1 st tooth)	2000

8.10 OPHTHALMIC TREATMENT

Apart from consultation fees for an eye specialist, fees charged for testing of eyes will be reimbursed. Eyesight may be got tested once in a calendar year by an *optometrist/ophthalmologist if not done at a notified hospital/clinic. Amount of actual expenditure restricted to a ceiling of Rs.5000/- per dependent member once in two financial year including the cost of spectacles/lens will be reimbursed.*³

Expenses incurred in connection with any surgical treatment of eyes including cataract operation, correction of squint (eye) will be reimbursable if such operation is performed in a private hospital/nursing home, the reimbursement will be restricted to the charges admissible in theForties Hospital,

8.11 AMBULANCE CHARGES⁴

Ambulance charges for emergency evacuation of employees and members of their family from residence to hospital by road shall be reimbursable as per actual only in those cases where the patient has been admitted to the hospital. In case public transport such as taxi has been used to carry the patient due to emergency, or non-availability of ambulance, actual charges subject to a maximum of Rs.200/- will be reimbursed.

³ Source: PFC

⁴ Source: IRCON

Ambulance charges or taxi charges in lieu of Ambulance will be reimbursed on production of voucher/money receipt from the hospital/service provider.

8.12 PERIODICAL MEDICAL CHECK-UP OF EXECUTIVES AND NON-EXECUTIVES

The facility of periodical medical checkup will be subject to the condition that such check up would be conducted in one of the reputed hospitals in NCT of Delhi and would be permitted at the following scales:

A. Bi-annual Checkup every year:

Executives and non-executives and their spouses who have attained the age of 40 years would be allowed for a bi-annual checkup

- i. Till they attain the age of 50 years or
- ii. Till the employee ceases to be in employment of the Company owing to voluntary/compulsory retirement, resignation, death, dismissal from service, etc. before the attainment of age of 50 years.

B. Annual Check Up:

- i. Both For the Executives and non-executives and their spouses aged above 50 years till superannuation, retirement including voluntary/compulsory retirement, resignation, death, dismissal from service, etc. of the Executive and non-executive, whichever is earlier.

The item of Periodical Medical Checkup is given at *Annexure-II* to this chapter

C. Charges payable:

- i. Charges to be paid for medical examination shall be fixed by the Company after discussion and negotiation with various hospitals or shall be restricted to rates of Forties Hospital, New Delhi.
- ii. In case any suspected abnormality is detected during periodical medical check up necessitating further investigation and a need is established for specific treatment for an ailment/disease during periodical medical checkup, the cost thereof will be reimbursed as part of the periodical medical checkup. Cost of such specific treatment would be reimbursed for a period upto three months and reimbursement beyond three months could be considered in rare cases on merits of the case under approval of Chairman & Managing Director.

8.13. POST RETIREMENT MEDICAL FACILITY

The following rules for post retirement medical facility would be applicable in absence of or till the date of implementation of PRM scheme discussed in Chapter 10 Section B.

8.13.1 Benefits

The retired/separated employees and their spouses residing at places where the company has its empanelled hospitals/full-fledged dispensaries would be allowed medical treatment facilities, including medicines as available in such hospitals/dispensaries only.

In respect of such retired/separated employees who reside at places where the Company does not have its own empanelled hospital/full-fledged dispensaries, reimbursement of medical expenses incurred shall be regulated as under:

8.13.2 Indoor Treatment

Reimbursement of medical expenses incurred for Indoor Treatment obtained in Govt. hospitals or other hospitals notified by the company will be allowed as per rates of these hospitals, where treatment is obtained from any other private hospital/nursing home the entitlement for accommodation, major operation and diagnostic tests etc. will be limited to those of Forties Hospital, and where the schedule notified by the Forties Hospital does not specify the charges by the corresponding notified rates of Max Hospital.

8.13.3 Out Patient/Domiciliary Treatment

- 1) For Outpatient/Domiciliary treatment, reimbursement of medical expenses shall be allowed as per Corporation's Medical Attendance Rules for serving employees. The annual ceiling for reimbursement of expenditure incurred for Outpatient/Domiciliary treatment would be equivalent to maximum of the pay scale plus DA of a serving employee of equivalent status/rank, on the last day of the relevant financial year. The maximum ceiling for the employees who are enrolled for the benefits under the scheme, for the first year after their retirement will however, be proportionate to the number of months for which the benefits will be availed after retirement up to 31st March of that Financial Year.
- 2) The entitlement of medical benefits for the retired/separated employees, as above, shall be the same as admissible to serving employees of equivalent status/rank and shall be allowed as per Company's Medical Attendance Rules as applicable for serving employees within India. *They shall also be permitted to claim reimbursement for dependent parents/dependent children within the ceiling prescribed.*

8.13.4 Contribution

1. The employees at the time of retirement shall make a lump sum payment of Rs. 2500/- before issuance of membership card.
2. The contribution once paid shall not be refundable even if the benefits under the scheme are not availed by the beneficiary or in the event of death of beneficiary/beneficiaries.

8.14. MEDICAL TREATMENT OUTSIDE INDIA

- i. An employee may be permitted to obtain medical treatment outside India for himself or for a member of his family for any treatment specified below as notified by the Government from time to time.
- ii. Procedure for obtaining the treatment outside India will be as prescribed by the Bureau of Public Sector Enterprises in its O.M. No.2 (39)/78-BPE (WC) dated the 24th June, 1988 as amended from time to time.

8.15 REIMBURSEMENT PROCEDURE

- (i) The Corporation may enter into arrangement with a few selected hospitals of good repute whereby treatment of employees or their eligible family members shall be carried out based on a specific request from the Corporation and bill submitted by the hospital to the Corporation for direct payment. In such cases also, expenses on account of inadmissible items of medicine / treatment if availed by the employee, will be recovered from the salary of the employee, if paid directly to the hospital by the corporation.
- (ii) In all other cases of indoor treatment, all prescriptions, bills and Cash Memo for medicines purchased from the concerned chemist, laboratory, Hospital etc, against such prescriptions shall be submitted in original by the employee. The bills should be sent through the supervising Executive in the case of non-Executive employees and directly in the case of Executives to the Administration section for the purpose of scrutiny and sanction of the competent authority and payment through the Accounts section according to these Rules, after adjusting the amount of any advance sanctioned earlier.
- (iii) Such claims should normally be preferred within three months of the end of the month in which the expenses are incurred.

8.16 NON-REIMBURSABLE

Expenditure incurred on the following will not be reimbursed by the corporation.

- (i) Cost of preparations which are primarily foods, vitamins, general tonics, etc.
- (ii) Cost of contact lenses, walking sticks, implements and accessories not classified as medicines. *Cost of hearing aids, artificial limbs and implants shall however be reimbursed.*
- (iii) Treatments for cosmetic reasons like hair transplants, dental (cosmetic) treatment, weight loss, liposuction, rejuvenation and lasik laser for removal of specs, etc., except those *essential in the case of burns disfiguring accidents etc.*

8.17. MEDICAL ADVANCE

8.17.1 Advance for the purpose of Indoor medical treatment may be sanctioned by the competent authority Chairman & Managing Director subject to the following conditions:

- a) Employee shall furnish an estimate from the hospital where treatment is proposed to be taken, indicating the likely expenditure.
- b) Advance shall be released through a cheque/draft drawn in favour of the Hospital.

8.17.2 It will be the responsibility of the employee to ensure that the unutilized portion of the advance is returned immediately and in any case not later than two weeks from the date of discharge of the patient failing which recovery of the outstanding amount will be made from the next salary bill and interest will be charged at the rate of PLR of State Bank of India per annum after the expiry of the one week period.

8.17.3 Bills/vouchers shall be submitted within 30 (thirty) days from the date of receipt of refund from the hospital failing which recovery of the advance would be started from his salary for the next month, unless condoned by the competent authority in exceptional cases.

8.17.4 That portion of the advance for which employee has incurred expenses which are non-reimbursable or reimbursable at lower rates, shall be recovered from his salary.

8.18 FRAUDULENT USE OF RULES

Misuse, Fraudulent use, false declaration, or false claims for reimbursement, or any other misdemeanour by any employee under these Rules will render the employee liable:

- a) To refund the amounts obtained from the Company by such misuse, false claims, etc., and
- b) To disciplinary action under the IRFC Conduct, Discipline and Appeal Rules.

8.19. INTERPRETATION AND RELAXATION

The Chairman & Managing Director of the Corporation has the power to interpret these Rules and his decision shall be final. He may also relax the provisions of these rules in individual cases of hardship for reasons to be recorded in writing.

Annexure I

INDIAN RAILWAYS FINANCE CORPORATION LTD

Declaration for Dependent for Medical Benefits

I ----- (Name) -----
(Designation), IRFC, do hereby declare that:

1. The members of my family and other dependants for whom I shall be claiming reimbursement of medical expense, under the IRFC Medical Benefits Rules are as under:

S.No	Name	Date of Birth	Relationship	Residing with me since	Status(married/unmarried/Widow etc	Remarks

2. Particulars of other members of my family who are residing with me but not dependant on me are as under:

S.No	Name	Date of Birth	Relationship	Residing with me since	Status(married, unmarried Widow etc	Remarks

3. My wife/husband is employed in-----/is not employed and she /he will not claim reimbursement of medical expenses from IRFC or her/his employer.

4.Certified that the person(s) for whom reimbursement of medical expenses will be claimed by me is/are wholly dependent on me and residing with me. His/her/their income from all sources put together does not exceed Rs.7000/- per month (excluding Dearness allowance/relief on pension)

SIGNATURE OF EMPLOYEE

NAME:

EMPLOYEE NO:

Date of Appt:

Forwarded to Admn. Section

Annexure II

For Males

- General Physical Examination,
- Routine urine and stool examination,
- Eye examination – Ophthalmologic assessment,
- X Ray – Chest (P.A. view), Resting Electro-cardiography,
- Haematology (HB, TLC, DLC, ESR & Blood group), Blood sugar-fasting, PP, Cholesterol, Triglycerides, Urea, Creatinine, 8 Gamma G.T., SGOT, SGPT, Alk. Phosphates.
- Ultrasound-Abdomen
- Prostate specific antigen test
- Tread Mill Test

For Females

- Gynaecological checkups with Papsmear
- General Physical Examination,
- Routine urine and stool examination,
- Eye examination – Ophthalmologic assessment,
- X Ray – Chest (P.A. view), Resting Electro- cardiography
- Haematology (HB, TLC, DLC, ESR & Blood group), Blood sugar-fasting, PP, Cholesterol, Triglycerides, Urea, Creatinine, 8 Gamma G.T., SGOT, SGPT, Alk. Phosphates.
- Bone Densitometry Test
- Mammography
- Ultrasound-Abdomen
- Tread Mill Test

Chapter 9: IRFC EMPLOYEES GRATUITY RULES

9.1. OBJECTIVE

The Objective of these Rules is to provide financial assistance to the employees of the Corporation and/or their families as a social security measure on termination of their employment due to retirement, resignation, physical incapacitation or death. However, gratuity is subject to good, efficient and faithful service by employees who are aged not less than 18 years and not more than 60 years.¹

9.2. DEFINITIONS

In these Rules unless the context otherwise requires:

- (I) “Corporation” means The Indian Railways Finance Corporation Limited” with Corporate and Registered offices at Upper Ground Floor, “East Tower”, NBCC Place, Bisham Pithamah Marg, Pragati Vihar, Lodhi Road, New Delhi 110003.
- (II) “Employee” means any person (other than an apprentice trainee or casual employee or one engaged on contract or reemployed after superannuation) employed on emoluments in the Corporation and includes the full time Directors but does not include any employees of Central or State Governments or any other corporation or company, who are working in the Corporation on deputation/secondment or other foreign service terms until they are permanently absorbed in the Corporation. The term also does not include resource persons deployed in IRFC office by nominated agencies to whom specific activities have been outsourced because such persons are not employees of the Corporation.
- (III) “Emoluments” means the last pay drawn, including Basic pay, Dearness Pay, Dearness Allowance, Leave Salary, Subsistence Grant, on the date immediately preceding the date of quitting service or the date of death. There will be no ceiling on reckonable emoluments for the purpose of calculating Gratuity.
- (IV) “Completed year of service” means continuous service for one year without an unauthorized break.
- (V) “Continuous service” means uninterrupted service and includes service which is interrupted by illness, accident, leave, lay-off, strike or lockout or cessation of work not due to any fault of the employee concerned and which has not been treated as unauthorised absence.
- (VI) “Family” in relation to an employee shall be deemed to consist of:

¹ Source: IRCON

- a) In the case of a male employee, himself and his wife and in the case of a female employee herself and her husband.
 - b) Sons, unmarried and widowed daughters including step-children and adopted children.
 - c) Brothers below the age of 18 years and unmarried and widowed sisters including step- brothers and step- sisters.
 - d) Father
 - e) Mother
 - f) Married daughters
 - g) Children of predeceased son
- (VII) "Qualifying Service" shall mean all service rendered after 18 years of age except the periods rendered as Apprentice and extraordinary leave without salary
- (VIII) "Superannuation" in relation to an employee means the attainment by him of such an age as is prescribed in the Rules, contract or conditions of service, by which he is governed at which the employee shall vacate the employment.

9.3. PAYMENT OF GRATUITY

Subject to the provisions of Rule 6 of Gratuity Act, Gratuity shall be payable to an employee of the Corporation, on termination of his employment after he has rendered continuous and qualifying service for not less than 5 years on

- i) His superannuation
- ii) His retirement or resignation (voluntary retirement under a duly approved scheme would not constitute resignation)
- iii) His death
- iv) Discharge on abolition of post
- v) Permanent incapacitation due to bodily or mental infirmity

Provided that

- (i) Where an employment is terminated on death, completion of continuous and qualifying service of 5 years is not necessary for the purpose of payment of gratuity.
- (ii) In the case of death of an employee, Gratuity shall be payable to his nominee and in case no nomination has been made Gratuity will be paid in the manner specified in Rule 9.4.2(III).
- (iii) In the event of transfer from the Corporation to another company in the Public Sector including Center & State with the consent of management, the Corporation may make a lump sum payment of gratuity earned by the employee to the other company as if the employee retired from service on

the date of transfer under the Rules applicable to him. The condition of minimum qualifying service of 5 years will not be applicable in such cases.

- (iv) In case of employees absorbed on transfer from Central Government, the condition of minimum qualifying service of 5 years will not apply.

9.4. AMOUNT OF GRATUITY

9.4.1 Retirement Gratuity

Eligibility:-

- (a) Employees who retired on superannuation after completion of 5 years of qualifying service.
- (b) Employees who retired voluntarily after continuous service of 20 years or more
- (c) The ceiling of gratuity of the executives and non-unionized supervisors of the CPSEs would be Rs. 20 lac with effect from 01-01-2017 and the funding for the entire amount of Gratuity would be met from within the ceiling of 30% of BP plus DA. Besides, the ceiling of gratuity shall increase by 25% whenever IDA rises by 50%.
 - a. Gratuity will be equal to 15/26 of a month's emoluments for each completed year of service or part thereof, in excess of six months subject to a maximum of **Rs. 20 Lac (Rupees Twenty Lac)**
 - b. In respect of Central Government employees who have opted for absorption in IRFC, the gratuity will be made to all employee for the service rendered in IRFC without adjusting / deducting the amount of gratuity received from the Central Government subject to over all limit **Rs. 20 Lac (Rupees Twenty Lac)** mentioned in the Gratuity Act.

9.4.2 Death Gratuity

- (I) In the case of death of an employee the following minimum gratuity shall be payable:

Length of Qualifying Service	Amount of Gratuity
(i) Less than 1 year	2 times of emoluments
(ii) 1 year or more but less than 5 years	6 times of emoluments
(iii) 5 years or more but less than 20 years	12 times of emoluments
(iv) 20 years or more	Half of emoluments for every complied six monthly period of qualifying services, subject to a maximum of 33 times of emoluments or Rs. 20 Lac whichever is less.

(Approved by BOD in 236th meeting held on 20.10.2017 and MoR on 24.11.2017)

(II) In respect of Central Government employees, who have opted for absorption in the Corporation the total gratuity admissible in respect of service rendered under the Government and that under the Corporation shall not exceed the amount that would have been admissible had the employee continued in Government service and retired on the same pay which he drew on retirement from the Corporation.

(III) Death Gratuity is payable:-

- a) To nominee/(s) as per nomination.
- b) If no valid nomination exists, in equal shares, to:
 - i. Wife/wives/husband (including judicially separated).
 - ii. Sons including step sons and adopted sons,
 - iii. Unmarried daughters including step daughters and adopted daughters.
- c) If neither nomination exists nor any family member as in (b) above is surviving, then in equal shares to-
 - i. Widowed daughters including step and adopted daughters.
 - ii. Parents including adoptive parents,
 - iii. Brothers below 18 years of age including step brothers,
 - iv. Unmarried sisters and widowed sisters including step sisters
 - v. Married daughters,
 - vi. Children of pre-deceased son.
- d) If neither valid nomination exists, nor any member of family as in (b) and (c) above survives, then to one who produces succession certificate from an appropriate court of law otherwise the benefits shall lapse to the fund.
- e) A minor's whole share is to be paid to natural guardian and in the absence of natural guardian to one who furnishes guardianship certificate.
- f) A minor's share to the extent of Rs.25000 may be paid without guardianship certificate on production of indemnity bond.
- g) A nominee convicted of murder or abetting murder of the employee will not be paid his share of gratuity and his share will go to other eligible family members.

(IV) Other conditions regarding Gratuity.

- a) The amount should be rounded off to the next higher rupee.

Ascertained Government dues can be recovered from retirement/death gratuity without the consent of the employee.

- b) In respect of delayed payment of gratuity wherever it results in payment of penal interest at the rate applicable to GPF deposits in line with orders of the Government on the subject, action shall be taken to recover the amount from the salaries of the concerned Dealing Official, Supervisor and Head of Office in proportion of their salary.
- c) Once it has been decided to pay gratuity, the amount should be paid immediately pending a decision regarding payment of interest.
- d) Retirement gratuity is not taxable.
- e) Retirement gratuity is not liable to be attached by court order.
- f) Persons who come over from Autonomous bodies etc., must remit their pensionary benefits along with interest applicable for GPF deposits. Interest is payable for the period from the date of receipt of the benefits from the Autonomous body to date of their remittance, as required, if the gap is more than one month. Rate of the penal interest will be the rate of interest applicable to GPF deposits.
- g) An employee against whom disciplinary action / proceedings is / are contemplated or pending at the time of resignation / retirement etc., will not be paid Gratuity, unless the action / proceedings against him have been finalised. On finalisation of the disciplinary proceedings, the release of the payment of the amount of gratuity will depend on the final outcome of the disciplinary proceedings and keeping in view the orders of the disciplinary authority. Gratuity will not be admissible to an employee whose services are terminated for misconduct, insolvency or inefficiency.

(V) Nomination

An IRFC employee, on his initial confirmation in a service/post, shall make a nomination in the prescribed form. By making nomination, he will confer rights on such nominee(s) as he chooses, to receive the retirement gratuity/death gratuity.

Conditions for making nomination:-

- i. Nomination can be in favour of family member(s) only.
- ii. In case employee does not have a family, then nomination can be made in favour of any person(s) or a body of individuals.
- iii. In case of nomination in favour of more than one person/body, exact share of each should be clearly mentioned.
- iv. An employee can mention the name of alternate nominee, another family member, who shall be entitled to receive payment of gratuity in the event of death of nominee before the IRFC

employee or after the death of the employee, but before receiving the payment of gratuity.

If there is no second family member at the time of making nomination, the employee can nominate any person/body as alternate nominee(s).

- v. Nomination in favour of a non-family member shall become invalid, in the event of the employee subsequently, acquiring a family or an additional member in the family, as the case may be.
- vi. Nomination made can be cancelled at any time by sending a notice in writing to the Head of office. In such a case, it is necessary to send a fresh nomination.
- vii. Making/cancellation of nomination will be effective from the date of its receipt in Head Office.

9.5. FORFEITURE OF GRATUITY

(I) The Gratuity of an employee whose services have been terminated for any act, willful omission, or negligence causing any damage or loss to or destruction of property belonging to the Corporation, shall be forfeited to the extent of damage or loss caused.

(II) The gratuity payable to an employee may be wholly or partially forfeited:

- i) if the services of such an employee have been terminated for his/her riotous or disorderly conduct or any other act of violence on his/her part or
- ii) if the services of such an employee have been terminated for any act which constitutes an offence involving moral turpitude provided that such offence is committed by him in the course of his employment.

9.6 DELAY IN PAYMENT OF GRATUITY²

If, for any reason, the amount of gratuity payment to the employee is not paid within **30 days** from the date on which gratuity had become payable to the date on which it is paid, **simple interest** at such rate, as notified by the Central Government, from time to time for repayment of long term deposits, shall be paid to the employees concerned. However, no such interest shall be payable to the employee if, the delay is due to the fault of the employee and the management had obtained permission in writing from the Competent Authority for delay in payment on this account.

9.7. Interpretation

In the event of a dispute relating to interpretation of these Rules or any other matter concerning payment of Gratuity, the decision of the Chairman & Managing Director of the Corporation shall be final and binding.

²Source: IRCON

Chapter 10: SUPERANNUATION BENEFIT FUND SCHEME

The superannuation benefits to employees of IRFC would include

1. Defined Contribution Pension Scheme (Section A Chapter I to X)
2. Post Retirement Medical Benefit scheme (Section B)

SECTION A (Chapter I to X)

Chapter-I

10.0 NAME OF THE PENSION SCHEME AND EFFECTIVE DATE

(a) Name of the Pension Scheme: This scheme may be called Indian Railway Finance Corporation Limited (IRFC) Defined Contribution Pension Scheme- 2007. The Scheme shall be Administered and regulated by Pension Fund Regulatory and Development Authority (PFRDA)

(b) Effective Date of the Pension Scheme: Effective date of the Pension Scheme shall be **01-01-2007**

Chapter-II

10.1 DEFINITIONS

In these Rules, where the context so admits the masculine shall include the feminine, the singular shall include the plural and vice versa and the following words and expressions shall, unless repugnant to the context, have the following meanings:

1.	ACT	Shall mean the Income-Tax Act, 1961 and The Indian Trust Act 1982, as the context requires.
2.	ACTUAL SERVICE	Shall mean the aggregate of periods of service rendered from 01-01-2007 or the date of joining the Company whichever is later, to the date of exit from the employment of the Company.
3.	ACCUMULATED CONTRIBUTION/CORPUS	Shall mean the aggregate of Employer and Member Contribution, if opted, and income generated from investment thereon in a Members account as on the date of Normal Retirement age or the date of separation whichever is earlier
4.	ANNUITY	Shall mean the immediate or deferred Annuity or annuities, payable by the Annuity

		Service Provider(s) to the Members and/or Beneficiaries as per these Rules.
5.	ANNUITY SERVICE PROVIDER	Shall mean any Indian Life Insurance Companies who are licensed by Insurance Regulatory and Development Authority (IRDA) and empanelled by Pension Fund Regulatory and Development Authority (PFRDA).
6.	ANNUITY PURCHASE PRICE	Means the Cost of Annuity
7.	APPROVED SUPERANNUATION FUND	Shall mean a Superannuation Fund or any part of a Superannuation Fund, which has been and continues to be approved by the Commissioner of Income Tax (CIT) in accordance with Part-“B” of the Fourth Schedule to the Income Tax Act, 1961.
8.	BASIC PAY	Pay as defined by DPE and reckoned for the purpose of Provident Fund.
9.	BENEFICIARY:	Shall mean a Member of the Pension Scheme and in case of death of a Member, shall mean his spouse and/ or child or children and /or dependents of the Member or any such other person as nominated by the Member in respect of whom the benefits are payable under these Rules. PROVIDED that where there is any difference of opinion as to who is the Beneficiary in the event of the Death of a Member, the decision of the Board of Trustees shall prevail.
10.	BOARD	Shall mean Board of Directors of Indian Railway Finance Corporation Limited.
11.	BOARD OF TRUSTEES	Shall mean the Trustee as per PFRDA guidelines of IRFC Defined Contribution Pension Scheme 2007 .
12.	CHAIRMAN OF TRUST	Deleted
13.	CHILDREN	Shall mean legitimate children and includes adopted children if the Board of Trustees are satisfied that under the personal law of the Member, adoption of a child is legally recognized
14.	COMPANY	Shall mean Indian Railway Finance Corporation Ltd., having its Registered

		Office at UG Floor, East Tower, NBCC Place, Pragati Vihar, New Delhi 110003.
15.	CONTRIBUTION	Shall mean amount payable by the Employer and the Member as specified in chapter-IV of this Scheme.
16.	COMMISSIONER	Shall mean the Chief Commissioner/ Commissioner of Income-Tax (CIT), having jurisdiction over the Pension Trust.
17.	CONTRIBUTORY SERVICE	Shall mean the period of actual service rendered by a Member for which the contributions to the Fund have been received or are receivable as per the provisions of these Rules.
18.	COST OF ANNUITY	Means the money deposited with the Annuity Service Provider for payment of Annuity as per the provisions of these Rules.
19.	CPSE	Shall mean the Central Public Sector Enterprises or a Public Sector Bank.
20.	EFFECTIVE DATE	Shall mean 01-01-2007
21.	EMPLOYER	Shall mean Indian Railway Finance Corporation Ltd (hereinafter referred to as the "Company") and every power, authority and discretion vested in the Company shall be exercisable by the Chairman & Managing Director (CMD) of the Company.
22.	ELIGIBLE EMPLOYEE	Shall mean an employee who is eligible to join the Pension Scheme as per these Rules and has opted for the same.
23.	ENTRY DATE	<p>Entry Date, in relation to the Employees who have joined the Company on regular rolls on or before the Effective Date shall be 01-01-2007. In relation to the Employees who have joined the Company on Regular Rolls after the Effective Date shall mean the date of joining.</p> <p>In relation to an Employee who comes on deputation to the Company from any other organization/CPSE, the Entry Date shall be the date on which the Employee joins on regular rolls of the Company.</p> <p>In relation to the employees joining the Company retaining his lien in the other</p>

		CPSE then the Entry Date shall be the date on which he joins on the regular rolls of the Company.
24.	EXISTING EMPLOYEES:	Shall means an employee who is on regular rolls of the Company on the effective date of the Pension Scheme.
25.	FAMILY	Shall mean Family as defined in the Provident Fund Rules of the Company..
26.	FINANCIAL YEAR	Shall mean a period of twelve months or part thereof beginning from 1 st April of the year and ending on 31st March of the following year.
27.	FUND	Shall mean the IRFC Pension fund 2007.
28.	MASTER POLICY	Shall mean the Policy issued by the Annuity Service Provider, which incorporates the various Annuities effected under the Scheme for the benefit of the Members
29.	MEMBER	Shall mean Member of the Scheme.
30.	NON CONTRIBUTORY SERVICE	Is the period of Actual Service rendered by a Member for which no contributions to the Pension Schemes has been received or are receivable.
31.	NORMAL RETIREMENT AGE	Shall means the age of 60 years or any other age as may be declared/prescribed by the Company from time to time on which an employee superannuates from the services of the Company as per the terms and conditions of service.
32.	NOTIFICATIONDATE	Shall mean such date on which the Scheme is notified by the Company.
33.	PENSION	Shall mean the Annuities payable under the Rules from the Annuity Service Provider.
34.	PENSIONER	Means the person who is in receipt of Pension under these Rules.
35.	PERMANENT TOTAL DISABLEMENT	Shall mean such disablement of permanent nature as incapacitates an Employee for all work which he/she was capable of performing at the time of disablement, regardless whether such disablement is sustained in the course of duty or otherwise and which results in cessation of employment with the Company.

36.	RULES	Shall mean the Rules of the Pension Scheme as herein set out and any amendments made thereto from time to time with approval of MoR.
37.	SALARY	Means the Basic Pay including Special Pay and Personal Pay and stagnation pay, if any, and Dearness allowance payable to an Employee while on duty in accordance with the terms and conditions of his employment, but does not include any bonus /performance related payment / allowances by whatever name called etc, payable to the Employee.
38.	SCHEME	Shall mean IRFC defined contribution pension scheme – 2007 as described in the rules and the MOU signed with the service provider under the pension scheme regulated as per PFRDA guidelines.
39.	SECRETARY	Deleted
40.	SEPARATION	Shall mean cessation of service of the member with the Company otherwise than by Superannuation or Permanent Total Disablement or Death.
41.	SERVICE RULES	Shall means the rules applicable to the Employees of the Company including the Conduct, Discipline and Appeal rules and other Conditions of Service/Rules framed and implemented by the Company in relation to terms and conditions of service of its Employees.
42.	SUPERANNUATION	In relation to a Member means the date on which the Member attains the Normal Retirement Date.
43.	SURPLUS ACCOUNT	Deleted
44.	TRUSTEES	Shall mean the Trustees as per PFRDA guidelines.
45.	TRUST	Shall mean the Trust under which the Scheme is established to which the Employer and the Members shall contribute their respective contributions more particularly defined hereinafter.
46.	TRUST DEED	Shall mean MOU executed by the company

		with the service provider for purpose of administering the Scheme in accordance with the provisions thereof and shall include any amendments made thereto by appropriate deeds of variation. The guidelines of PFRDA shall be regulated.
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Chapter-III

10.3 ELIGIBILITY & REQUIREMENTS FOR MEMBERSHIP

10. 3.1 The pension scheme will be applicable to all regular employees (Board level Executive and below board level Executive and Non executives) irrespective of their service in IDA scale of pay in the Company (including service in other CPSEs) up to normal retirement date or who resigns from the services of the Company.

10. 3.2 Chairman & Managing Director (CMD) and functional Directors of the Company shall be admitted to the benefits of the fund only if he does not beneficially own shares in the company carrying more than five percent of the total voting power.

10.4 The employer decision regarding the eligibility of an employee for the purpose of the scheme shall be final and binding on all the parties concerned.

Chapter-IV

10.5 ADMINISTRATION OF THE PENSION TRUST

10.5.1 Fund Constituted Under an Irrevocable Trust

Pension Fund Regulatory Development Authority (PFRDA) has established the NPS Trust under Indian Trust Act, 1882 and appointed National Pension System Board of Trustees under whom the administration of NPS vests under Indian Law. The Trust is responsible for taking care of funds under NPS. NOTE: Any change as per PFRDA regulations, guidelines from time to time

10.5.2 Management of the Fund

The Funds contributed by the employer and employee (Optional for employee) shall be as per the investment guidelines provided by PFRDA.

Indian Life Insurance Companies who have licensed by IRDA and empanelled by PFRDA to act as Annuity Service Provider to provide annuity services to the members/Beneficiaries.

Chapter-V

10.6 CONTRIBUTION STRUCTURE

The contribution shall be duly paid by the Company to the Trustees Bank through Point of presence in respect of each Member at the rate mentioned in paras below on the relevant dates specified hereinafter.

Employer Contribution

- i) **Rate of Contribution:** Employer will contribute towards the Pension Scheme at the rate of 30% of Basic Pay and DA **minus** Employer contribution towards CPF, Gratuity, PRMS and any other superannuation benefit being allowed. Company may notify the exact Pension contribution rate annually or at such interval as may be worked out with reference to the actuarial valuation for PRMS and Gratuity.
- ii) **Initial Contribution:** Initial contribution would be paid by the Company in respect of past services of the members, for the period of their IDA pay scale commencing with the Entry Date into the Scheme till the date of severance of employment with the Company (for reasons other than resignation, termination, disciplinary proceedings, lispendens or due to sudden disappearance) or the month in which the scheme is notified by the Company i.e. the Notification date, whichever is earlier. The amount payable by the Company for the said period in respect of each member shall be at the rate notified for this purpose as per Para 10.6. (i) above. The initial contribution shall be payable within 90 days from the date the Scheme is notified by the Company. This is, however, subject to payment/adjustment of tax deducted at source (TDS).

No initial contribution shall be paid in respect of the Employees who have ceased to be in Service on or before the Notification Date, on account of resignation, termination, disciplinary proceedings, lispendens or due to sudden disappearance.

10.6.1 Ordinary Monthly Contribution

Subject to the provisions of these rules, the ordinary monthly Contribution payable by the Employer would be at the rate notified as per Para 10.6. (i) above. It shall be credited to the individual members account (as Employer Contribution) through the Trust and shall be payable throughout the period of service of the member up to the date of Normal Retirement Date or the date of Death or Total Permanent Disablement or date of separation whichever is earlier. In case employees on IDA scales are posted on a foreign project, contribution would be based on the basic pay considered for provident fund.

10.6.2 Member Contribution

- i) Member may contribute voluntarily.
- ii) The contribution payable under these Rules shall be calculated on the Salary actually drawn during the whole month whether paid on daily, weekly,

fortnightly or monthly basis. Each contribution shall be calculated in whole rupees and where the contribution contains a fraction of a rupee it shall be rounded off to the next higher rupee.

- iii) Notwithstanding any contract to the contrary, the Company shall not be entitled to deduct the Employer's contribution from the wage of a Member or otherwise to recover it from him.

10.6.3 Contribution in Case of Members Services Lent on Deputation/ Secondment & Continuity of Membership

- i) In the event of a Member's service being lent on deputation or secondment by the Employer to any other company, firm, association or concern under the Management or associated with the Employer, or to any other CPSE or Government Service or any other Organisation, for the purpose of these Rules, the Member's services shall be deemed to be continuous and uninterrupted.
- ii) During such period the contributions payable by the Employer shall continue to be paid to the NPS Account. The Employer may recover such Employer's contribution from the organisation to which the Member's services are lent and the Employee's contribution, if any shall be deducted from the Salary of the Member (if he has opted for contribution) by the organisation to which the Member's services are lent and shall be remitted to the Fund by such concern. In case the employer does not contribute, the concerned employee shall remit the employer's contribution to maintain continuity.

10.6.4 Member's right Of Lien Over The Post And His Continuity In Membership

In case of a member who joins another organization but maintains lien over the employment with the Company, the Contribution for the lien period by the Employer and the Member shall continue to be remitted to the IRFC Defined Contribution Pension Scheme (NPS). In case the Borrowing Company does not pay the Employer's Contribution to the Fund, the employee concerned must remit the same on his own. In case the member does not rejoin the Company before expiry of the lien period, the member may apply for transfer of the accumulated Corpus in his account to that organization where the member has joined, provided that organization has a similar superannuation scheme. In case that Organization is not having similar superannuation scheme, the Accumulated Contribution in the member's account shall be dealt with as per the rules of the NPS Scheme.

To be regulated as per PFRDA Guidelines, Regulations time to time

10.6.5 Payment Of Contributions To Trustee Bank

The Company shall pay the Employers Contribution and Members contribution, if any, collected by the Company, to the Trustee Bank through Point of Presence- service provider (POP- Service provider)- appointed by the company by 15th of the month following the month of deduction.

10.6.6 Trustees Power to Accept Transfer of Contribution from other Superannuation/Pension Funds

Employee joining the services of the Company from any other CPSEs having similar Pension Scheme shall have the option of transferring their corpus to the Fund. Such corpus transferred from previous CPSEs shall be credited to the Member's Pension account.

To be regulated as per PFRDA Guidelines, Regulation time to time

10.6.7 Transfer of Member's Contribution to Other Superannuation/Pension Fund

In the event of any Member technically resigning from the services of the Company and joining another CPSE having an approved Defined Contribution Pension Scheme, the entire amount of Employer and Member contribution along with interest accrued thereon shall be transferred to such CPSE, on receipt of request from the concerned Member. However, in case of Members who resign from the services of the Company to join another CPSE, not having similar Pension Fund or any other organization not being a CPSE (irrespective of whether such Fund exists in that organisation), shall not be allowed the benefits of transferring the Accumulated Contribution and in all such cases pension benefits shall be regulated as per the provisions of Scheme.

Any change as per PFRDA Regulations, Guidelines from time to time

10.6.8 COST OF ADMINISTERING THE FUND:

To be regulated as per PFRDA regulations, guidelines from time to time.

Chapter-VI

10.7 PENSION FUND MANAGER AND INVESTMENT CHOICES :-

10.7.1 The corporation shall select Pension Fund Manager from the approved list of PFRDA. The Funds shall be invested by the PFRDA registered Pension Fund (PFs) as per the investment guidelines provided by PFRDA. The investment guidelines are framed in such a manner that there is minimal impact on the subscribers contribution even if there is a market downturn by a judicious mix of investment instrument like Government securities, corporate bonds and equities.

1. CHANGE OF PENSION FUND:-

Pension Fund can be changed once in a financial year.

10.7.2 CONTROL OF THE FUND: -

The Pension Fund Manager shall manage and invest the Funds as per the Investment guidelines provided by PFRDA.

Chapter-VII

10.8 PENSION BENEFITS

10.8.1 Benefits On Normal Retirement Age-Superannuation Pension

- i) Upon retirement of a Member on reaching the Normal Retirement Age or on completion of tenure of Board level appointees, Member would be entitled to receive the pension benefits subject to other condition in the rules.
- ii) Pension shall become payable to all regular employees (Board Level Executives and Below Board Level Executive and Non Executives) in IDA scale of pay in the company irrespective of the period of service rendered and on attaining the normal age of retirement.
- iii) Pension would be payable in the form of Annuity from the Annuity Service Provider. Annuity purchase price would be equal to the Accumulated Contribution in the Member's Pension account including the amount, if any, transferred from previous employer(s) and the income generated from investment of such Accumulated Contribution.

10.8.2 Benefits on Death While In Service- Pension To Family

- i) In the event of death of a Member while in service of the Company, the Family member(s) who has been nominated by the Member as Beneficiary(s), shall be entitled for payment of pension.
- ii) Pension would be payable in the form of Annuity from the Annuity Service Provider. Annuity purchase price would be equal to the Accumulated Contribution in the Member's pension account including the amount, if any, transferred from previous employer(s) and interest thereon.

Note: Any change in the clause to this effect would be subject to DPE Guidelines.

To be regulated as per PFRDA regulations, guidelines from time to time.

10.8.3 Benefits in case of Total Permanent Disablement and Sudden Disappearance

Note: To be regulated as per PFRDA regulations, guidelines from time to time.

10.8.4 Benefits In Cases Of Disciplinary Proceedings And LisPendens

To be regulated as per PFRDA regulations, guidelines from time to time.

10.8.5 General

- i) The pension shall be paid to the Member as per the frequency chosen (monthly, quarterly, half yearly or yearly) and as per the pension option selected by him from the various options as offered by the Annuity Service Provider. Amount of Annuity would depend upon the Annuity purchase price and applicable annuity rates. The duration of pension payable to the Pensioner will be for the life time of the member after retirement or as opted by the individual Member under the various schemes of the Annuity Service Provider.

- ii) Pension Annuity would be payable from the next month following the month of Superannuation, Death while in Service, Total Permanent Disablement, VRS, Pre Mature Retirement or on separation from the service.
- iii) The corporation shall intimate to the Annuity Service Provider in writing the pension option and the frequency selected by the Member. The option once chosen shall be final and binding on the retired Employer/Beneficiary. For this purpose, with the approval of Management, the services of empanelled annuity service provider who are licensed by Insurance Regulatory and Development Authority (IRDA) and are currently empanelled by PFRDA.
- iv) In the event of any future wage revision in the Company from retrospective effect, an arrear of Annuity shall become payable to the Members who have retired in the intervening period. The Contribution due to the Members on account of the wage revision shall be paid by Company to the Trust which in turn shall utilize the same to buy additional Annuity from the Annuity Service Provider for such Members. The additional Annuity shall however, be payable from the prospective date of payment of additional purchase price to the Annuity Service Provider and not from the date of purchase of original Annuity or the date of retirement of the Member.

Chapter–VIII

10.9 AUDIT AND ACCOUNTS

10.9.1 Maintenance Of Books Of Account:

NPS trust under the NPS Trust regulations, is responsible for monitoring the operation and functional activities of NPS intermediaries' viz. custodian, Pension, Funds' Trustee Bank, Central Recordkeeping Agency, Point of Presence, Aggregators and that of IRDAI registered Annuity Service Providers (empanelled with PFRDA) and also for providing directions/advisory to PF(s) for protecting the interest of subscribers, ensuring compliance through audit by Independent Auditors, and Performance review of Pension Funds etc.

Chapter–IX

10.10 MISCELLANEOUS PROVISIONS

10.10.1 Member not to Withdraw

No Member shall be allowed to withdraw from the Pension scheme while he is still an Employment of the Company.

To be regulated as per PFRDA Regulation, Guidelines from time to time.

10.10.1.2 Amendment of rules

Any change in the rule of pension scheme by the DPE shall be adopted by IRFC with the approval of Board of Directors

10.10.2 Member To Have No Interest In The Master Policy/Scheme Of Insurance And Employer Not To Have Any Interest In Fund's Moneys.

- i) No Member/Beneficiary shall have any interest in the Master Policy taken out by the Trustees under the rules of a fund or in any investment otherwise made by the Trustees in accordance with the Rules of the Trust but shall be entitled to receive Pension Benefits in accordance with the Rules.
- ii) No money belonging to the fund shall be receivable by the Employer under any circumstances nor shall the employer have any lien or charge on the fund.
- iii) PROVIDED ALWAYS that the Trustees shall administer the Scheme for the benefit of the Members and their Beneficiaries in accordance with the provisions of these Rules.

To be regulated as per PFRDA Guidelines, Regulation from time to time.

10.10.3 Restraint on Assignment or Encumbrance

The Benefits under the Schemes are strictly personal and cannot be assigned, charged, or alienated in any manner whatsoever.

10.10.4 Amendment of Rules

Any change in rule of pension scheme by the DPE can be adopted by the IRFC with the approval of Board of Directors.

10.10.5 Variance/ Discontinuance of Contributions

- i) The Company reserves the right to discontinue making Contributions to the Scheme at anytime, after giving three months notice in writing to the Trustees, the Annuity Service Provider and to all the Members of the Scheme.
- ii) In the event of discontinuance of the Contributions by the Employer, the benefits under the Pension Scheme shall vest in the Member and the Member shall be entitled to exercise in respect of his benefits, the same discretions as the Trustees had under the Rules. The Member shall be deemed to have left service on the date of discontinuance and each Member shall be entitled to benefits as envisaged in these present Rules.

To be regulated as per PFRDA Guidelines, Regulation from time to time.

10.10.6 TRUST DEED TO PREVAIL

Should anything contained in these Rules or in any alteration or amendment thereof be inconsistent with the objects or provisions of the Trust Deed, the provisions of the Trust Deed shall prevail. On any such discrepancy coming to the notice of the Trustees, the Trustees shall with the prior approval of the Commissioner of Income Tax take steps to amend the said Rules as soon as may reasonably be possible, so as to bring them in conformity with the provisions of the Trust Deed.

To be regulated as per PFRDA Regulation, Guidelines from time to time

10.10.7 JURISDICTION

The Master Policy issued under the Scheme shall be under the Indian Contracts Act. The Scheme will be subject to the laws of India including the Indian Insurance Act, 1938, as amended, the Income Tax Act, 1961 and to any legislation subsequently introduced. All benefits under the Scheme shall be payable only in India. Should anything contained in these Rules, or in any amendment made thereof be repugnant to any provision or provisions of the Income Tax Act, 1961 or the Income Tax Rules, 1962, or any amendments thereto, the same shall be ineffective to the extent of repugnancy. The Trustees shall remove any such repugnance, if so directed by the Commissioner of Income Tax.

To be regulated as per PFRDA Guidelines, Regulation from time to time.

10.10.8 SCHEME OF INSURANCE

Note: To be regulated as per PFRDA Regulation, Guidelines from time to time

10.10.9 Deduction of Sums Due to Income Tax Authorities

- i) In any case, where the Trustees or the Annuity Service Provider is liable to account to the income tax authorities for income tax on any payment due under the Scheme, the Trustees or the Annuity Service Provider shall deduct a sum equivalent to such tax from such payment and the Annuity Service Provider or the Trustees shall not be liable to the Employer or Members for the sum so deducted.
- ii) If the Scheme for any reason ceases to be approved by the Commissioner of Income Tax, the Trustees shall nevertheless remain liable to tax on benefits paid out of the Scheme in so far as such benefits are secured by the Contributions made before the Scheme ceased to be approved by the Commissioner of Income Tax under the provisions of "Part B" of the Fourth Schedule to the Income Tax Act, 1961.

To be regulated as per PFRDA Guidelines, Regulation from time to time.

10.10.10 Appointment of Beneficiary/Nominee

- i) Every Member shall appoint Beneficiary (ies) under the Rules to receive the benefits hereunder in the event of his death. If a Member dies after he has commenced to draw the pension, the Trustee shall hold the benefits in force for payment to the Beneficiary(ies) as shall have been appointed by the Member in accordance with the remaining paragraphs of this Rule.
- ii) Every appointment made under this Rule shall be in writing, signed by the Member and attested by two witnesses and shall be according to the prescribed form and shall remain in full force and effect until the death of the Beneficiary or until the same has been revoked in writing by the Member by whom the same was made and a fresh appointment made in the manner aforesaid.
- iii) A Member may from time to time or at anytime without the consent of the Beneficiary, if any, revoke or change the Beneficiary by filing a written notice of the change to the Trustees in the prescribed form satisfactory to the Trustees whereupon an acknowledgement of the change and the registration of the name

of the new Beneficiary will be given to the Member by the Trustees for attachment to the certificate. The new appointment shall take effect on the date the notice was signed whether or not the Member is living on the date of acknowledgement of the change, without prejudice to the Annuity Service Provider or the Trustees on account of any payment made before the acknowledgement of the change.

- iv) If a Beneficiary shall at the time of his appointment be a minor or otherwise under disability to give a legal receipt or discharge to the Trustees, the Member must at the time of such appointment as aforesaid, appoint a person who has attained majority and who is capable of giving a legal receipt or discharge to the Trust as and to whom the benefits are to be paid for and on behalf of such Beneficiary so long as such minority or disability continues.
- v) If more than one Beneficiary is appointed and in such appointment the Member has failed to specify their respective interests, the Beneficiaries so named shall share equally. If any designated Beneficiary predeceases the Member, the interest of such Beneficiary shall terminate and his share shall be payable equally to such of the remaining of the Beneficiaries surviving the Member unless the Member has made written request otherwise, to the Trustees in the prescribed form.

Note: To be regulated as per PFRDA Regulation, Guidelines from time to time

10.10.11 INTERPRETATION OF RULES

It shall be a condition of the membership of the scheme that on any question arising on any point of interpretation of these rules or any point relating to cessation of membership, the decision shall be regulated as per PFRDA guidelines/DPE guidelines as amended from time to time.

Chapter –X

National Pension System (NPS)

The PFRDA is a statutory pension regulatory authority of India to develop and regulate National Pension System (NPS) enacted in 2013 by parliament. It functions under the aegis of Ministry of Finance Department of Financial Services. It is responsible for appointment of various intermediate agencies such as Point of Presence, Central Record Keeping (CRA), Custodian, Pension Fund Managers, NPS Trustee Bank etc.

NATIONAL PENSION SYSTEM:-

NPS reflect Government's effort to find sustainable solutions to the problem of finding adequate retirement income. NPS is an easily accessible, low cost, tax-efficient, flexible and portable retirement savings account. Under the NPS, the individual contributes to his retirement account and also his employer can also co-contribute for the social security/welfare of the individual. NPS is designed on Defined contribution basis wherein the subscriber contributes to his/her account, there is no defined benefit that would be available at the time of exit from the system and the accumulated wealth depends on the contributions made and the income generated from investment of such wealth.

The greater the value of the contributions made, the greater the investments achieved, the longer the term over which the fund accumulates and the lower the charges deducted, the larger would be the eventual benefit of the accumulated pension wealth likely to be.

**Contributions + investment Growth – Charge = Accumulated Pension Wealth
(Individual contribution as well as Employers contribution)**

1. ELIGIBILITY:-

The “NPS Corporate Sector Model” is available to the employees of Corporate Entities in Private Sector, Central Public Sector Enterprises and Public Sector Undertakings including Public Sector Banks. The employees of the Corporate Entities, Central Public Sector Enterprises and Public Sector Undertaking, enrolled by the employer and complying with KYC norms are eligible to be registered as subscribers under NPS.

2. BENEFITS:-

a. For Corporate/employer

The corporate employer registered with the NPS, can claim tax benefits for the amount contributed towards pension of employees. Employer can treat contribution upto 10% of the salary (Basic and Dearness Allowance) to

employees NPS account as 'Business Expense' u/s 80 CCD (2) and u/s section 36(i)(iva) of income Tax Act, 1961 with no ceiling on amount. Further the employer can save on their expenses incurred on formation and Administration of trust, Management of Funds and Recordkeeping etc, shall act as a facilitator to extend benefits of NPS to its employees and has the right to chose pension fund manager (PFM) for its employees and has right to choose Investment pattern (Active/Auto Choice) on behalf of all employees or may allow its employees to choose investment pattern (i.e. what % in equity, Corp. Bonds and Government securities). The responsibility of employer, on implementing NPS, is limited to the extent of remitting monthly contribution of the registered employees to the Trustee Bank through Point of Presence.

b. For Employees

- (i) Cheapest investment product with better growth options through long term market-linked returns.
- (ii) Provides choice of various funds with a flexible investment pattern.
- (iii) Individual Retirement Account for record keeping at individual level ensures portability across geographies and employment.
- (iv) Employee's as well as employer's contribution towards the NPS account of employee is eligible for tax exemption as per the Income Tax Act, 1961 as amended from time to time.(Individuals contribution up to Rs. 50000/- is deductible from taxable income u/s 80 CCD (1B) over and above Rs. 1.50 Lakh u/s 80C of IT act 1961).
- (v) Efficient grievance management through CRA Website, Call Centre, Email or Postal Mail.
- (vi) Routine/quarterly disclosure of the funds helps employees to achieve better fund management.
- (vii) Auto Choice option for those who do not have the required knowledge to manage their investment.
- (viii) An option to remain invested even after retirement either by continuing the contributions or deferred withdrawal option till the age of 70 years.
- (ix) Daily NAV is being published on PFMs and CRA website to know value of investment.
- (x) Easy access to individual PRAN through CRA 24 x 7 x 365 with User ID and Password provided by CRA.

3. FEATURES OF THE RETIREMENT ACCOUNT PROVIDED UNDER NPS?

The following are the most prominent features of the retirement account under NPS:

- Every employee is issued a Permanent Retirement Account Number (PRAN) card and has a 12 digit unique number. In case of the card being lost or stolen, the same can be reprinted with additional charges.

- Under NPS account, two types of accounts – Tier I & II are provided.
 - Tier – I account: Mandatory Withdraw able Account Employer and / or Employee can contribute for retirement into this conditional withdrawal account.
 - Tier – II account: This is a voluntary savings facility, where the subscriber can avail Fund Management facility at very low costs. Subscribers will be free to withdraw their savings from this account whenever they wish. However Tax benefits are not at par with Tier – I account.

4. CONTRIBUTIONS TO TIER- I AND TIER- II ACCOUNT:-

The Important features of NPS – corporate model is flexible contribution. The NPS corporate model allows all three variations of contribution from Employer and Employee:-

- i. Equal contribution by Employer and Employee
- ii. Unequal contribution by Employer and the Employee
- iii. Contribution from either the Employer or the Employee

Since as per DPE guidelines under the Superannuation pension scheme, the contribution by the Employee is optional hence point ii & iii shall be applicable in this model.

For Corporate Model	Tier – I	Tier – II
Minimum amount per Contribution	Rs. 500	Rs. 250
Minimum total contribution in the year	Rs. 1000	
Minimum frequency of contributions	1 Per Year	

5. NOMINEE FOR NPS TIER- I ACCOUNT:-

Employee shall appoint nominee at the time of opening of NPS account in the prescribed section in the form. The Employee has option to change nominee in NPS Tier – I account at any time after he received the PRAN (Permanent Retirement Account Number).

6. PENSION FUND MANAGER AND INVESTMENT CHOICES :-

The Funds contributed by the subscribers under NPS- Corporate model are invested by the PFRDA registered Pension Fund (PFs) as per the investment guidelines provided by PFRDA. The investment guidelines are framed in such a manner that there is minimal impact on the subscribers contribution even if there is a market downturn by a judicious mix of investment instrument like Government securities,

corporate bonds and equities. At present following Eight Pension Funds (PFs) who manage the subscriber funds at the option of the subscriber and the subscriber has option to select anyone.

- SBI Pension Fund Pvt. Ltd.
- ICICI Prudential Pension Fund
- LIC Pension Fund Ltd.
- Kotak Mahindra Pension Fund
- Reliance Capital Pension Fund
- UTI Retirement Solutions Pension Fund
- HDFC Pension Management Company Ltd.
- Birla Sunlife Pension Management Ltd.

INVESTMENT CHOICE:- ACTIVE/AUTO CHOICE

Active Choice- Four different asset classes and % of investment available as:

Asset Class E – Equity market instrument (Maximum investment – upto 50%)

Asset Class C – Fixed income instruments other than Government Securities – upto 100%

Asset Class G – Government Securities – upto 100%

Asset Class A – Alternate Investment Fund (AIF) like REIT etc – upto 5%

Auto Choice : Three Lifecycle Funds viz Aggressive, Moderate & Conservative available and investment pattern in asset classes are derived as per the age of the subscriber.

Aggressive LC – Cap to Equity investment restricted to 75% of the contributions, 10% in Corporate Bonds and 15% in Government Securities.

Moderate LC – Cap to Equity investment restricted to 50% of the contributions, 30% in Corporate Bonds and 20% in Government Securities.

Conservative LC – Cap to Equity investment restricted to 25% of the contributions, 45% in Corporate Bonds and 30% in Government Securities.

7. CHANGE OF PENSION FUND :-

Pension Fund can be changed once in a financial year.

8. CHANGE OF INVESTMENT CHOICE:

Permitted to change Investment Choice (Active/Auto) and % of asset allocation (E,C,G&A) twice in a financial year.

9. WITHDRAWAL/ EXIT:-

Exit	
Vesting Criteria	Benefit
At the age of 60 years	<ul style="list-style-type: none">➤ Lumpsum withdrawal – 60% of the corpus➤ Annuitisation - Min. 40% of corpus➤ Complete withdrawal, if corpus is below Rs. 2.00 Lacs
Due to the death of employee	<ul style="list-style-type: none">➤ The entire corpus shall be payable to the nominee of the subscriber tax free. The nominee, if so wishes has the option to purchase annuity of the total corpus.
Partial Withdrawal	<ul style="list-style-type: none">➤ Tax free withdrawal- 25% of own contribution, after lock-in period of 3 years.➤ Withdrawal three times during entire tenure.

10.ANNUITY SERVICE PROVIDER UNDER NPS :-

Indian Life Insurance Companies who have licensed by IRDA are empanelled by PFRDA to act as Annuity Service Provider to provide annuity services to the subscribers of NPS. Currently, the following are the Indian Life Insurance companies who are licensed by Insurance Regulatory and Development Authority (IRDA) are empanelled by PFRDA to act as Annuity Service Providers to provide annuity service to the subscribers of NPS. Currently, the following are the ASPs are empanelled by PFRDA and the empanelment process is an ongoing process and the list of ASPs may increase in future.

1. Life Insurance Corporation of India
2. SBI Life Insurance Co. Ltd.
3. ICICI Prudential Life Insurance Co. Ltd.
4. Star Union Dai-ichi Life Insurance Co. Ltd.
5. HDFC Standard Life Insurance Co. Ltd.

11.CORPORATE REGISTRATION PROCESS:-

- As per PFRDA guidelines, registration of Corporate Entity is required under NPS Corporate Sector Model with Central Record Agency (NSDL/Karvy) through Point of Presence (POP)
- The corporate entity has to enter MoU with point of presence (POP)- Service Provider to utilize NPS Services.

12.EMPLOYEE REGISTRATION PROCESS:

After registration of Corporate with CRA through PoP, Entity can start employee registration process and remit the contributions towards NPS account of employees.

13.CHARGES THE SUBSCRIBER HAS TO PAY:

The following charges have been prescribed by the Pension Fund Regulatory and Development Authority to be payable to POP- Service Provider. As per PFRDA guidelines, Registration of Corporate entity is required under NPS Corporate Sector Model with CRA (NDLS / Karvy) through Point of Presence (POP). The corporate entity has to enter MOU with POP – Service Provider to utilize NPS services.

Intermediary	Charge Head	Service Charge			Method of Deduction
POP	Initial Subscriber Registration	Rs.200			To be Collected Upfront
	Initial Contribution	0.25% of the contribution Min: Rs.20 & Max: Rs.25,000			
	All Subsequent Contribution				
	All Non-Financial Transaction	Rs.20			
CRA		NCRA (NSDL)		KCRA (Karvy)	Through cancellation of units
		Existing	From 01.04.2017	Existing	
	Account Opening Charge	Rs.50	Rs.40	Rs.39.36	
	Annual Maintenance Charges	Rs.190	Rs.95	Rs.57.63	
	Per Transaction (Financial / Non-Financial)	Rs.4	Rs.3.75	Rs.3.36	
	Custodian	Asset Maintenance (Per Annum)	0.0032% of AUM		
PF	Investment	0.01% of AUM			

	Management (Per Annum)		
NPS Trust	Reimbursement t of Expenses	0.01% of AUM	Through adjustment in NAV
Trustee Bank	Trustee Bank Charge	No charges levied by Trustee Bank	

Superannuation Benefit Fund (Pension Scheme) approved by BOD in 227th meeting held on 29.06.2016 and MoR on 15.03.2018 and further amended by BOD in 244th meeting held on 10th September 2018.

SECTION B

POST RETIREMENT MEDICAL SCHEME (PRMS) FOR IRFC EMPLOYEES

In these Rules, where the context so admits, the masculine shall include the feminine, the singular shall include the plural and the following words and expressions shall, unless repugnant to the context have the following meanings:

1.0 OBJECTIVE

To set up a **“POST RETIREMENT MEDICAL SCHEME (PRMS)”** for catering to the medical requirements of the eligible member, his spouse and dependents as per medical rules of the Corporation of IRFC employees in IDA pay scales who have superannuated/retired/died on or after 01-01-2007 after putting in 15 years of service in IRFC, including his service rendered in other CPSE(s) (Including those already superannuated, or, retired, medically retired employees on or after 01-01-2007). However in case of Board level executives PRMS is allowed without linkage to provision of 15 years of service at the time of attaining the age of superannuation or upon completion of their tenure whichever is earlier.

2.0 TITLE OF THE SCHEME

The Scheme shall be called **“POST RETIREMENT MEDICAL SCHEME (PRMS)”** for IRFC employees.

3.0 APPLICABILITY OF THE SCHEME

- (A) The Scheme shall be applicable to serving employees in IDA pay scales of pay who would superannuate after putting in 15 years service in CPSE(s). The period of service rendered on secondment/deputation to any other concern under the management or services lent by the Company to any PSU/Autonomous Body/Statutory Body/office would be counted for the purpose.
- (B) The Scheme shall also be extended to all categories of Superannuated employees in IDA pay scales, who have superannuated on 01-01-2007 or afterwards, after putting in at least 15 years of service in CPSE(s), and spouse of above mentioned category of deceased employees or ex-employees, who had died after 01-01-2007.
- (C) Post Retirement Benefits shall be applicable to Board level executives (without linkage to provision of 15 years of service) upon completion of their tenure or upon attaining the age of superannuation whichever is earlier.
- (D) The admissibility of benefit under this scheme to an employee against whom disciplinary proceedings are pending under IRFC Conduct, Discipline & Appeal Rules, at the time of his/her superannuation, the case would be examined for his/her entitlement on completion of disciplinary proceedings.

- (E) Employees who resign from service (excluding resignation covered under “technical formality clause), and those employees upon whom penalty of compulsory retirement, removal, dismissal is imposed because of disciplinary proceedings, shall not be eligible for benefits under this scheme.
- (F) In the event of death of a Member or who is permanently disabled & incapacitated, leading to cessation of his/her service, before putting in 15 years of service in a CPSE, or, early retirement after putting in 15 years service in CPSE(s), he/she and his dependants will become admissible for the benefit under this scheme.
- (G) Cases of VRS/VSS would be governed by the such specific schemes of VRS/VSS. Benefits under this scheme would not accrue to VRS/VSS optees automatically.
- (H) The following categories of employees shall not be covered:
- (i) Employees working on adhoc/contract basis including those on casual or daily wages.
 - (ii) Part-time and re-employed employee retired from organizations other than IRFC.
 - (iii) Consultants and Advisors
 - (iv) Employees on deputation to IRFC
 - (v) While calculating the period of service of 15 years, any period of service rendered as trainee, internship or casual, contractual shall not be counted. The service rendered in the Government shall not be counted for the purpose of computation of total service in a CPSE(s).

4.0 DEFINITIONS

In this Scheme unless the context otherwise requires:

(i)	BENEFICIARY	Shall mean the Member, his spouse and dependents as per Medical Rules of the Corporation.
(ii)	COMPANY	Shall mean “IRFC Ltd.”
(iii)	EFFECTIVE DATE	In relation to the Scheme shall mean 1 st day of January, 2007, or the date from which the scheme takes effect;
(iv)	EMPLOYEES	Shall mean the regular employees of the Company in IDA pay scales who are eligible as per Para 3 above.
(v)	EMPLOYER	Shall mean IRFC Ltd. and its CMD.
(vi)	ENTRY DATE	Shall mean (a) in relation to the eligible

		employee in IDA pay scale on 01-01-2007, the effective date, (b) in relation to others, in IDA pay scales, the first day of the month following the date of their joining the Company in IDA pay scale or opting IDA pay scale.
(vii)	MEMBER	Shall mean an Eligible employee, and retired or ex-employee who has been admitted to the membership of the Scheme.
(viii)	QUALIFYING SERVICE	Includes past service rendered in CPSEs.
(ix)	RULES	Shall mean the Rules of the Scheme as herein set out and any amendments made thereto from time to time.
(x)	SALARY	Shall mean Basic Pay, Dearness allowance and stagnation pay, if any.
(xi)	SCHEME	Shall mean Post Retirement Medical Scheme (PRMS)
(xii)	SERVICE	Shall mean in relation to a Member the period for which for the purpose of the scheme, he has been or deemed to be in continuous service with the employer including service rendered in CPSE(s), the period of service from the entry date up to the date of his normal retirement date or the date of cessation of service, as the case may be, and this will include, inter alia, period of authorized leave.
(xiii)	SUPERANNUATION	Shall mean in respect of each employee the date on which he attains the age of 60 years.

5.0 CONDITIONS FOR JOINING THE SCHEME

The eligible employees mentioned in Para 3.0, at the time of his retirement, or, the beneficiary in case of an employee/ex-employee who is/was eligible under Para 3.0 above, shall be eligible to become a Member of the scheme by submitting an application to the Company in the prescribed Proforma (Form-A) and issue of membership card. The management reserves the right to approve/not approve the membership of any person. The decision of the management in this regard shall be final.

- 5.1** The eligible employees mentioned in Para 3.0 at the time of retirement or, the beneficiary in case of an employee/ex-employee who is/was eligible under Para 3.0 above, shall make a lump sum payment of Rs. 2500/- before issuance of membership card.

6.0 MEMBERSHIP CARD

Membership Card, preferably with bio-metric identification facility, shall be issued to the admitted beneficiaries of the scheme by the Personnel Branch concerned.

7.0 EFFECTIVE DATE

The claims of medical treatment of eligible members shall be considered from the date, as specified in the notification for implementation of the scheme.

SECTION II

MANAGEMENT OF THE SCHEME

8.0 FUNDING OF THE SCHEME

- 8.1** Vide clause (v) of Annexure IV of DPE's Office Memorandum No. 2(70)/09-DPE(WC) dated 26-11-2008, CPSE's have been allowed to make their own scheme to take care of the superannuation benefits of IDA scales employees consisting of Contributory Provident Fund, Gratuity, Pension and Post Retirement benefits to the tune of maximum 30% of basic pay plus DA vide DPE's Office Memorandum No. 2(70)/08-DPE(WC)-GL-VII/09 dated 02-04-2009 and OM No. W-02/0017/2014-DPE-(WC)-GL-XI/14 dated 21-05-2014. This scheme (PRMS) would be subject to the factors like affordability, capacity to pay and sustainability of CPSEs.
- 8.2** The scheme would be funded through 6% (Basic + DA) contribution by IRFC, which is within the ceiling of 30% Superannuation Benefits prescribed by DPE.

- 8.3 Every year a provision shall be made as per DPE letter dated 26-11-2008, 02-04-2009 and 21-05-2014 to take care of the medical needs of IDA pay scales ex-employees

9.0 Management of Funds and Trust:

- 9.1 The fund earmarked towards this scheme will be managed by a trust constituted by the Company as detailed below:

- 9.1.1 The fund shall be constituted under an Irrevocable Trust under the provisions of the Income Tax Act, 1961. The shall be named as “IRFC Superannuation Medical Fund Trust”

- 9.1.2 The Fund will be responsible for the administration of the Scheme; receive contribution from the Company and make payment to the Insurance Company towards Premium for Insurance Coverage; investment of the additional Funds, if and with the Fund Manager; as per the provisions of the Scheme in conjunction with the Rules as notified by the Company from time to time, etc.

- 9.1.3 The Fund Manager will invest the Fund, as per the regulations laid down by the Govt. / Insurance Regulatory and Development Authority of India (IRDAI), to obtain maximum returns.

- 9.1.4 All money received by the Trust shall vest in the Trustees and Trustees shall have power to utilize such money received by way of contribution, interest, and redemption of investments or otherwise to the Fund, as per the provisions of the Income Tax Act/Rules.

9.1.5 Nomination of Trust and Execution of Trust Deed:

- 9.1.5.1 Trustees will be nominated by the Management. There will be representatives of Executives and Non Executives in the Trust(In case of union if any, representative of worker and in case of officers association if any, representative of officer association). The trust Deed will be finalized by the Management. The Trustees will take all necessary steps to establish, run & manage the Trust and the Scheme, including the following:

- i) Execute the trust deed approved by the management;
- ii) Take all acts necessary for formation of the trust and its registration;
- iii) To open Bank Account in the name of trust;
- iv) To appoint the Fund Manager(s) and enter into necessary contract with them;
- v) To make necessary application to the Income Tax Officer having jurisdiction over the Fund for approval of the Scheme under the Income-Tax Act, 1961.

9.1.6 Terms of Office of the Trustees:

- 9.1.6.1 The trustees shall be nominated / appointed by the Company for the period specified by the Company. An outgoing trustee shall be eligible for re-nomination/appointment.

9.1.7 Trustee Power to operate Bank Account:

- 9.1.7.1 Any two trustees, one of them being the Secretary to the trust, acting jointly, shall on behalf of the trustees, operate the Bank Accounts of the Fund and

discharge, receive or otherwise dispose off, as may be necessary, any money of the Fund.

9.1.8 Meeting of the Trust:

9.1.8.1 Trustee shall meet at least once in every quarter and at least four times in a year.

9.1.9 Minutes of Meetings:

9.1.9.1 Proper Minutes of the Meetings held shall be kept duly signed by the Chairman/Secretary.

9.1.10 Audit and Accounts

The account of the Scheme shall be kept and maintained by the Trustees in India which shall contain such particulars as the Trustees may think proper as required by law and accurate accounts shall be kept and maintained by the Trustees.

9.1.10.1 The Trustees shall appoint Auditors who shall have access to all books, papers, vouchers, accounts and documents connected with the trust and shall in writing report to the Trustees on the annual Receipts and Payment Accounts.

SECTION III

BENEFITS UNDER THE SCHEME

10.0 ELIGIBILITY FOR MEDICAL REIMBURSEMENT

10.1 The ex-employee or his beneficiary shall be eligible for medical reimbursement subject to ceiling indicated in the table below for the relevant Financial Year.

S. No.	Category of employee	Total Annual Medical ceiling for ex-employee or his beneficiary (including OPD charges mentioned in column 4)	Permissible OPD charges per annum (10% of Total Annual Medical permissible limit) in column 3 (included in ceiling limits indicated in column 3).
1	2	3	4
A	Non-executive (All Clusters/Grades)	Rs.4,00,000/-	Rs. 40,000/-
B	Executives Cluster/Grades E0 to E6	Rs.6,00,000/-	Rs. 60,000/-
C	Executives Cluster/Grades E7-E9	Rs.8,00,000/-	Rs. 80,000/-
D	Functional Directors	Rs.10,00,000/-	Rs. 1,00,000/-

Note: The total Annual medical ceiling would be the sum total of benefit admissible to an employee including to his spouse and other dependants, if any, in any financial year. The ceiling of medical re-imbursement would not be reviewed every year.

10.2 The total annual medical ceiling limit mentioned in column 3 of table above is inclusive of OPD as well as hospitalization expenses. OPD charges also include pathological tests, Annual/periodical health check up costs. Such reimbursement shall be within the annual medical ceiling as given in Para 10.1 above.

10.3 The entitlement of room rent and other treatment charges including surgical and non-surgical treatment shall be on the scale as admissible to a serving employee from time to time, corresponding to the last post/grade held by the employee. The present rates of room rent and other treatment charges for

reimbursement as admissible to the serving employees as per existing IRFC Medical Benefits Rule.

11.0 DENTAL TREATMENT

Dental treatment or surgery arising from an accident or a disease including filling of cavity & root canal shall be covered under the annual ceiling limit as defined in Col.3 of Para 10.1 mentioned above. Charges for the supply of dentures, cleaning, polishing of teeth, filling of teeth with gold or dental treatment for cosmetic reasons shall not be reimbursable.

12.0 REIMBURSEMENT OF MEDICAL EXPENSES

The beneficiaries shall submit their claims along with a copy of the self attested membership card. The claim shall be submitted by the beneficiary on the prescribed Proforma.

13.0 CLAIMS FOR REIMBURSEMENT

(A) HOSPITALISATION:

Claims for reimbursement of Hospitalization can be submitted by the beneficiary after the treatment, in the prescribed Proforma along with required hospital treatment Bills and supporting documents as prescribed from time to time.

(B) OPD:

Claims for Reimbursement of OPD expenses should be submitted only twice during the financial year along with documents in original viz. Bills of medicines, tests and doctors prescriptions etc. as per details below:

- Bills for the period of treatment from 1st March up to 31st October to be submitted in the 1st week of November;
- Bills for the period of treatment from 1st November up to 28th February to be submitted in the 1st week of March.

14.0 PROCESS OF CLAIMS

The claims relating the reimbursement of medical expenses under the scheme shall be submitted to the nominated Officer in Finance Division in IRFC Office. The dependency of the beneficiary would be got verified by the Officer from the Personnel Branch before finalization of the claim. The member of the scheme should invariably intimate the Officer of the scheme in IRFC Office of his hospitalization within 3 days of his hospitalization through email/fax/letter. In case of emergency/serious cases, the period of intimation may be extended as per the condition of the case with the approval of Chairman of the Trust/Committee as the case may be.

The claims of members shall be processed on the pattern of existing medical reimbursement being processed in case of serving IRFC employees.

15.0 SETTLEMENT OF CLAIMS

The claims will be settled and payments shall be released to the member of the scheme through Bank transfers to his account as mentioned in the reimbursement claims.

- 15.1 In case the Company procures mediclaim policy in respect of the beneficiaries of this scheme for administration of this scheme the benefits, entitlement and process of claims shall be as per the mediclaim policy so procured. The Management of the Company would be free to procure the mediclaim policy from an insurance Company for administration of the scheme, or implement the scheme in house.

SECTION IV

MESCELLANEOUS PROVISIONS

16.0 AMENDMENT TO THE SCHEME

The Board of Trustees in consultation with the Company shall have the power to make any amendments in the Scheme/Rules. The Board of Trustees may review the availability of money in the Fund at periodic interval as may be deemed fit to decide any revision in the benefits payable under the Medical Scheme. Decision of the Board of Trustees shall be final and binding. However, no alteration in the rules constitution, objects or conditions of the Fund shall be made without the prior approval of the Commissioner Income Tax. No such amendment shall affect in anyway

16.1 Trust Deed to prevail

Should anything contain in the scheme or any alteration or amendment thereof be inconsistent with objects or provisions of the Trust Deed, the provisions of the Trust Deed shall prevail. On any such discrepancy coming to the notice of the Trustees, the Trustees shall with the prior approval of the Commissioner of Income Tax take steps to amend the scheme as soon as may reasonably be possible, so as to bring them in conformity with the provisions of the Trust Deed.

16.2 Jurisdiction

The scheme will be subject to the Laws of India including the Indian Insurance Act, 1938, as amended, the Income Tax Act, 1961 and to any legislation subsequently introduced. All benefits under the Scheme shall be payable only in India. Should anything contained in these Rules, or in any amendment made thereof be repugnant to any provision or provisions of the Income Tax Act, 1961 or the Income Tax Rules, 1962, or any amendments thereto, the same shall be ineffective to the extent of repugnancy. The Trustees shall remove any such repugnance, if so directed by the Commissioner of Income Tax.

- 16.2.1** Any dispute shall be subject to exclusive jurisdiction of Court at Delhi.

17.0 Interpretation

It shall be a condition of the Membership of the Scheme that on any question arising on any point of interpretation of these Rules or any point relating to cessation of Membership, or Relaxation of any provision of these rules, the decision of the Board of Trustees shall be final and binding. However, in case member concerned is not satisfied with the decision of Board of Trustees, the same can be referred to Chairman & Managing Director of the Corporation for its review. If the decision has any bearing on the provisions of the Income Tax Act, 1961 or the Income Tax Rules, 1962 or any amendments thereto, it has to be forthwith reported to the Commissioner of Income Tax and if the Commissioner of Income Tax so requires, the Trustees shall review the decision.

18.0 GENERAL

18.1 The Company reserves the right to amend or modify the scheme, in part or full at any time and without assigning any reasons. The retired employee will have no right whatsoever to force the Company to the continuity of the scheme or to enhance/extend any other facility than those provided in this scheme.

(Superannuation Benefit Fund Scheme (PRMS) approved by BOD in 227th meeting held on 29.06.2016 and MoR on 25.09.2018 and further amended by BOD in their 252nd meeting held on 11th May, 2019).

APPLICATION FORM FOR JOINING IRFC (PRMS)

SUB: APPLICATION FOR JOINING IRFC (PRMS) SCHEME & ISSUE OF MEDICAL CARD

REF: IRFC LETTER NO. DATED

With reference to IRFC letter cited above for joining PRMS, I hereby opt to join & become member of IRFC (PRMS). Kindly issue me the Medical Card along with that of my following dependent family members as per the rules of the scheme. My service particulars and other information is as under:

1. NAME OF THE SCHEME --- POST RETIREMENT MEDICAL SCHEME
2. NAME OF THE EMPLOYEE:
- 2A. NAME OF THE APPLICANT, IF SPOUSE:
3. PARTICULARS OF EMPLOYEE:
4. FATHER'S/HUSBAND'S NAME OF THE EMPLOYEE:
5. DESIGNATION OF EMPLOYEE:
6. OFFICE FROM WHICH RETIRED:
7. GRADE/RATE OF PAY & :
8. DOB:
9. DOA:
10. DOR/DOD:
11. NATURE OF RETIREMENT:
12. QUALIFYING SERVICE IN IRFC (NO OF YEARS):
13. ADDRESS& TELEPHONE NO.:
14. DETAILS OF DEPENDENT FAMILY MEMBERS FOR WHICH MEDICAL CARD IS TO BE ISSUED:

SL NO.	NAME	RELATION	DOB

DATE:	JOINT PHOTOGRAPH	SIGNATURE	OF
APPLICANT			
PLACE:	OF FAMILY	NAME OF APPLICANT	
		DESIGNATION	

I, S/o Sh. retired on as/(spouse of ex-employee) hereby declare that I am joining the above said scheme with full knowledge about the rules and regulations of the scheme. I would not challenge the order of IRFC Ltd. in this effect in any court of law. I also declare that I shall fulfill all terms and conditions in the IRFC Ltd. PRMS as amended till now and bind with these instructions.

DATE: _____ SIGNATURE OF APPLICANT _____
PLACE: _____ NAME OF APPLICANT: _____
DESIGNATION _____

Chapter 11: IRFC (CONDUCT, DISCIPLINE & APPEAL) RULES

SECTION A

Rule1. Short Title & Commencement¹

- (I) These Rules may be called IRFC (Conduct, Discipline & Appeal) Rules 2008.
- (II) They shall come into force on 1st day of the month following the date of approval by the Board of Directors of the Corporation.

Rule2. Application²

These Rules shall apply to all employees of the Indian Railways Finance Corporation Ltd. except those in casual employment or paid from contingencies, if any. They will not apply to Resource Persons deployed by nominated agencies to whom certain activities are outsourced because such personnel are not employees of the Corporation.

Rule3. Definitions³

In these rules, unless the context otherwise requires:

- (i) “Employee” means a person in the employment of the Corporation other than the casual or contingent staff, but includes a person on deputation to the Corporation. Nothing in these Rules shall operate to deprive a person on deputation with the Corporation of any right or privilege, to which he is entitled under any of the laws/rules, by which he is governed in his parent organization.
- (ii) “Corporation” means Indian Railways Finance Corporation Limited.
- (iii) “Board” means the Board of Directors of the Corporation and includes, in relation to the exercise of powers, any committee of the board/management or any officer (Executive) of the Corporation to whom the Board delegates any of its powers.
- (iv) “Chairman” means the Chairman of the Corporation
- (v) “Chairman & Managing Director” means the Chairman & Managing Director of the Corporation

¹ Existing Para

² Existing Para

³ Existing Para

- (vi) "Appointing Authority" means the Chairman & Managing Director or any other Officer (Executive), to whom the power of making appointment to any post or a specified category of posts in the Corporation has been delegated with the approval of the Board of Directors or Chairman & Managing Director.
- (vii) "Disciplinary Authority" means the authority specified as such in the Schedule appended to these Rules and competent to impose any of the penalties specified in Rule 23.
- (viii) "Competent Authority" means the authority empowered by the Board of Directors by any General or Special Rule or Order to discharge the function or use the powers specified in the rule or order (Annexure 1 to this chapter).
- (ix) "Appellate Authority" means the authority specified as such in the Schedule appended to these Rules.
- (x) "Government" means the Government of India
- (xi) "Reviewing Authority" means the authority specified as such in the Schedule appended to these Rules.
- (xii) "Family" in relation to an employee includes:
 - a) The wife or husband as the case may be of the employee, whether residing with him or not but does not include a wife or husband separated from the employee by a decree or order of a court.
 - b) Sons or daughters or step-sons or step-daughters of the employee who are wholly dependant on him but does not include a child or step-child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived of by or under any law.
 - c) Any other person related whether by blood or marriage to the employee or such employee's wife or husband and wholly dependant on such employee.
- (xiii) "Public Servant" shall mean and include a person as mentioned in Section 21 of the Indian Penal Code as amended from time to time.

Rule4. General⁴

- (I) Every employee of the Corporation shall at all times
 - (i) Maintain absolute integrity
 - (ii) Maintain devotion to duty,
 - (iii) Do nothing which is unbecoming of a public servant.

⁴Exisining Para

(II) Every employee of the Corporation holding a supervisory or executive post shall take all possible steps to ensure the integrity and devotion to duty of all employees under his control and authority.

Rule 5. Misconduct⁵

Without prejudice to the generality of the term “Misconduct”, the following acts of omission and commission shall be treated as misconduct:

- (i) Theft, fraud, or dishonesty in connection with the business or property of the Corporation or of property of another person within the premises of the Corporation.
- (ii) Taking or giving bribes or any illegal gratification.
- (iii) Possession of pecuniary resources or property disproportionate to the known sources of income by the employee or on his behalf by another person which the employee cannot satisfactorily account for.
- (iv) Furnishing false information regarding name, age, father’s name, qualifications, ability or previous service or any other matter germane to the employment at the time of appointment or during the course of employment in the Corporation.
- (v) Acting in a manner prejudicial to the interests of the Corporation.
- (vi) Willful insubordination, or disobedience of any lawful and reasonable order of his superior, whether or not in combination with others.
- (vii) Absence without leave or overstaying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
- (viii) Habitual late or irregular attendance
- (ix) Neglect of work or negligence in the performance of duty including malingering or slowing down of work.
- (x) Damage to any property of the Corporation.
- (xi) Interference or tampering with any safety devices installed in or about the premises of the Corporation.
- (xii) Drunkenness or riotous or disorderly or indecent behavior in the premises of the Corporation or outside such premises where such behavior is related to or connected with the employment.
- (xiii) Gambling within the premises of the establishment.
- (xiv) Smoking within the premises of the establishment where it is prohibited.

⁵ Existing Para

- (xv) Collection without the permission of the competent authority of any money within the premises of the Corporation except as sanctioned by any law of the land for the time being in force or rules of the Corporation.
- (xvi) Sleeping while on duty.
- (xvii) Commission of any act which amounts to a criminal offence involving moral turpitude.
- (xviii) Absence from the employee's appointed place of work without permission or sufficient cause.
- (xix) Purchasing properties, machinery, stores, etc. from or selling properties, machinery, stores etc., to the Corporation/Company without express permission in writing from the competent authority.
- (xx) Commission of any act subversive of discipline or of good behavior.
- (xxi) Abetment of or attempt of abetment of any act which amounts to misconduct.
- (xxii) Sexual harassment of women employees at workplace.

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

Rule6. Employment of near relatives of the Employees of the Corporation in any Company or Firm enjoying the patronage of the Corporation ⁶

No employee shall use his position or influence directly or indirectly to secure employment for any person related, whether by blood or marriage, to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not. Further:

- (I) No employee shall, except with the previous sanction of the competent authority, permit his/her son, daughter or any other member of his/her family to accept employment with any company or firm, with which he/she has official dealings or with any other firm having official dealings with the Corporation.

Provided that where the acceptance of the employment cannot wait for prior permission of the competent authority, the employment may be accepted provisionally subject to the permission of the competent authority, to whom the matter shall be reported forthwith.

- (II) No employee shall in the discharge of his/her official duties deal with any matter or give or sanction any contract to any company or firm or any other person, if any member of his/her family is employed in that company or firm or under that person or if he/she or any member of his/her family is interested in such matter or contract in any other manner and the employee shall refer every such matter or contract to

⁶ Existing Para

his/her official superior and the matter or the contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

Rule7. Taking part in Demonstrations

No employee shall engage himself/herself or participate in any demonstration which involves incitement to an offence.

Rule7(a). Political Activities⁷

No employee shall participate in any political activities of the following kind:

- (i) To be an office bearer of a political party, whether recognized or not.
- (ii) To take part in or assist in any manner any movement/agitation or demonstration of any political nature,
- (iii) To take part or canvass in an election to any legislature or local authority.

Rule8. Connection with Press or Radio/TV⁸

- (I) No employee of the Corporation shall, except with the previous sanction of the competent authority, own wholly or in part, or conduct or participate in the editing or management of any newspaper or other periodical publication.
- (II) No employee of the Corporation shall except with the previous sanction of the competent authority or the prescribed authority or in the bonafide discharge of his duties participate in a Radio/TV broadcast or contribute any article or write any letter either in his own name or anonymously or pseudonymously or in the name of any other person to any newspaper or periodical.

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

Rule9. Criticism of the Government & the Corporation⁹

No employee shall in any Radio/TV broadcast or in any document published under his/her 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 Corporation or

⁷Existing Para

⁸ Existing Para

⁹ Existing Para

- (b) Which is capable of causing embarrassment to or vitiating relations between the Corporation and the public.

Provided that nothing in these Rules shall apply to any statement made or views expressed by an employee of a purely factual nature and which are not considered to be confidential even though available to the employee in his/her official capacity or acquired in due performance of the duties assigned to him/her.

Rule10. Evidence before Committee or any other Authority

- (I) Save as otherwise provided in Sub-Rule (2), no employee of the Corporation shall, except with the previous sanction of the competent authority give evidence in connection with any Enquiry conducted by any person committee or authority.
- (II) Where any sanction has been accorded under Sub Rule I, no employee giving such evidence shall criticize any policy or any action of the Central Government or of State Government or of the Company.
- (III) Nothing in this Rule shall apply to:
- (a) Evidence given at any enquiry before an authority appointed by the Government, Parliament or State legislature or any Corporation.
- (b) Evidence given in any judicial enquiry or
- (c) Evidence given at any departmental enquiry ordered by authorities subordinate to Government.

Rule11. Unauthorised Communication of Information¹⁰

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

Rule12. Gifts

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

Explanation –I The expression “gift”, shall include free transport, board, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the employee.

Explanation –II A person shall be deemed to be a near relative of another, if and only if:-

¹⁰ Existing Para

- a. They are members of a Hindu undivided family; or
 - b. They are husband and wife, or
 - c. The one is related to the other in the manner indicated below:-
 - 1. Father 2. Mother (including step-mother) 3. Son (including step-son) 4. Son's wife 5. Daughter (including step-daughter) 6. Father's father 7. Father's mother 8. Mother's mother 9. Mother's father 10. Son's son 11. Son's son's wife 12. Son's daughter 13. Son's daughter's husband 14. Daughter's husband 15. Daughter's son 16. Daughter's son's wife 17. Daughter's daughter 18. Daughter's daughter's husband 19. Brother (including step brother) 20. Brother's wife 21. Sister (including step-sister) 22. Sister's husband.
- II. On occasions such as weddings, anniversaries, funerals or religious functions, when the making of gifts is in conformity with the prevailing religious or social practices, an employee of the Corporation may accept gifts, from his near relatives but he shall make a report to the competent authority if the value of the gift exceeds as under:-
- Rs. 10, 000 CMD, Directors and Officer of Grade E-0 to E-9
 - Rs. 5, 000 Employees in Grade NE-4 to NE-8
 - Rs. 2, 500 Employees in Grade NE-1 to NE-3
- III. On such occasions as are specified in sub-rule (II), an employee of the Corporation may accept gifts from his personal friends having no official dealings with him, but he shall make a report to the competent authority as per the limits mentioned in sub Para (II) above.
- IV. In any other case, an employee of the Corporation shall not accept or permit any other member of his family or any other person acting on his behalf to accept any gifts without the sanction of the competent authority if the value thereof exceeds as under:
- Rs. 5, 000 CMD, Directors and Officer of Grade E-0 to E-9
 - Rs. 2, 500 Employees in Grade NE-1 to NE-8

Provided that when more than one gift has been received from the same person/firm within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of the gifts exceeds the limits mentioned in sub Para IV above.

Rule 12A. No employee of the Corporation shall¹¹-

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

¹¹ Existing Para

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

Rule13. Private Trade or Employment¹²

- (I) No employee shall engage directly or indirectly in any trade or business or undertake any other employment in addition to his employment with the Corporation. Provided that an employee may 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.
- (II) Every employee of the Company shall report to the Competent Authority of any member of his family is engaged in a trade or business or own or manages an insurance agency or commission agency.
- (III) No employee shall, without the previous sanction of the competent authority, except in the discharge of his/her official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Companies Act 2013 or any other law for the time being in force or any cooperative society for commercial purposes.

Provided that an consumer/house building society substantially for the benefit of the employees of the Company or employee may take part in the registration, promotion or management of a cooperative society under the Cooperative Societies Act 1912 or of a literary, scientific or charitable society registered under the Societies Registration Act 1860 or any other corresponding Law in force.
- (IV) No employee may accept any fee or any pecuniary advantage for any work done by him/her for any public body or any private person without the sanction of the Corporation,

Rule 13 A RESTRICTION ON JOINING PRIVATE COMMERCIAL UNDERTAKINGS AFTER RETIREMENT

No functional director of a company including the Chief Executive, who has retired from the service of the Company, after such retirement, shall accept any appointment or post, whether advisory or administrative, in any private commercial firm or company, whether Indian or foreign, with which the Company has or had business relations, within two years from the date of his retirement without prior approval of the Government.

Rule14. Investments, Lending and Borrowing¹³

No employee shall, save in the ordinary course of business with a bank, the Life Insurance Corporation of India, or a firm of standing borrow money from

¹² Modified Para

¹³ Existing Para

or lend money to or otherwise place himself/herself under any pecuniary obligation to any person with whom he/she has or is likely to have official dealings, or permit any such borrowing, lending or pecuniary obligation in his/her name or for his/her benefit or for the benefit of any member of his/her family.

Rule 15. Insolvency and Habitual Indebtedness¹⁴

- I. An employee of the corporation shall avoid habitual indebtedness unless he proves that such indebtedness or insolvency is the result of circumstances beyond his control and does not proceed from extravagance or dissipation.
- II. An employee of the Corporation who applies to be, or is adjudged or declared insolvent shall forthwith report the fact to his competent authority.

Rule 16. Movable, Immovable and Valuable Property¹⁵

A. On appointment-

Disclosure on appointment of Movable and Immovable Property - Every employee shall on first appointment in the Company, submit a return of his / her assets and liabilities in the prescribed form giving the particulars regarding -

- a) The immovable property inherited, owned, acquired or held on lease or mortgage, either in the employee's own name or in the name of any member of his / her family or in the name of any other person;
- b) Shares, debentures and cash including bank deposits inherited or similarly owned, acquired or held by him / her;
- c) Other movable property inherited or similarly owned, acquired or held if the value of such property exceeds two months' basic pay of the employee.
- d) Debts and other liabilities incurred directly or indirectly.

B. During Service -

1. **Acquisition / disposal of Immovable Property** - No employee of the Company shall except with the prior intimation of the competent authority acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or

¹⁴ Existing Para

¹⁵ New added Para

otherwise, either in own name or in the name of any member of his / her family.

2. **Transactions with persons having official dealings** - No employee of the Company shall, except with the previous sanction of the competent authority, enter into any transaction concerning any immovable or movable property with a person or a firm or a company etc. having official dealings with the employee or his / her subordinate.
3. **Disclosure on demand** - The competent authority, 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 the employee or on his / her behalf or by any member of the family as may be specified in the order. Such statement shall, if so required by the competent authority, include details of the means of which, or the source from which such property was acquired.
4. **Disclosure of transactions of Movable Property**

Where an IRFC employee enters into a transaction in respect of movable property either in his own name or in the name of a member of his / her family, he shall, within one month from the date of such transaction, report the same to Company, if the value of such property exceeds two months' basic pay of the IRFC employee.

Explanation No.1

The term "every transaction concerning movable property owned or held by him / her" includes all transactions of sale or purchase.

Explanation No. II

For purpose of this sub-rule, the definition of movable property shall include:

- a) Jewellery,
- b) Insurance policies, the annual premium of which exceeds two months basic pay.
- c) Shares, securities and debentures.
- d) Loans advanced by such employee, whether secured or not;
- e) Motor cars, motor cycles, horses or any other means of conveyance; and
- f) Refrigerators, radios (radiogram and television sets), music system, camera, washing machine, computer etc.

5. **Speculation in stock, share or other investments** - No employee of the Company shall speculate in any stock, share or other investments. Frequent purchase or sale or both of shares, debentures or other investments shall be deemed to be speculation within the meaning of this sub-rule.

Sale and purchase of shares, securities, debentures, etc. are to be treated as transactions in movable property. An intimation is to be given under sub rule B(4) of Rule 16 to the prescribed authority in the following cases:

- (i) CMD, Directors and Officers in Grade E0 to E9 – If the cumulative transactions i.e. sale, purchase or both in shares, securities, debentures or mutual funds scheme etc. exceeds Rs.50, 000/- during the calendar year.
- (ii) Employees in Grade NE-1 to NE-8 – If the cumulative transactions i.e. sale, purchase or both in shares, securities, debentures or mutual funds scheme etc. exceeds Rs. 25, 000/- during the calendar year.

The above intimation will be in addition to the intimations(s) required to be given under sub rule B(5) of Rule 16 in respect of individual transactions in shares, securities, debentures etc. which exceeds the amounts prescribed therefore.

6. 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 Indian Railway Finance Corporation Ltd. (IRFC) 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 IRFC, even out of the category of preferential quota reserved for employees/Director of the Indian Railway Finance Corporation Ltd.
7. **Transaction by family members** - Transaction entered into by the spouse or any other member of family of an employee of the Company out of his or her own funds (including stridhan, gifts, inheritance etc.) as distinct from the funds of the employee himself / herself, in his or her own name and in his or her own right, would not attract the provisions of the above rules.
8. Declaration of Assets and Liabilities by public servants under Section 44 of the Lokpal and Lokayuktas Act, 2013 will be filed as per the requirement specified by the Government i.e for a financial year by 31st July of the following financial year.

Rule17. Canvassing of Non-Official or other influence¹⁶

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

Rule18. Bi-Gamous Marriages¹⁷

(I) No employee shall enter into or contract a marriage with a person having a spouse living and

(II) No employee, having a spouse living, shall enter into or contract a marriage with any person;

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

(a) Such marriage is permissible under the personal Law applicable to such employee and the other party to the marriage and

(b) There are other grounds for so doing.

(III) An employee who has married or marries a person other than that of Indian Nationality shall forthwith intimate the fact to the Corporation.

Rule19 Consumption of Intoxicating Drinks and Drugs¹⁸

An employee of the Corporation/Company shall

a. strictly abide any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be for the time being;

b. not be under the influence of any intoxicating drink or drug during the course of his duty and shall also take due care that the performance of his duties at any time is not affected in any way by the influence of such drink or drug;

c. refrain from consuming any intoxicating drink or drug in a public place;

d. not appear in public place in a State of intoxication;

e. not use any intoxicating drink or drug to excess.

Rule 20. Sexual Harassment of Women at Work Place¹⁹

Sexual Harassment for women at workplace

An Internal Complaints Committee (ICC) against Sexual Harassment of Women At Workplace (Act and rules 2013) need to be constituted.

¹⁶ Existing Para

¹⁷ Existing Para

¹⁸ Modified Para

¹⁹ Modified Para as per 2013 Act guidelines

The objective of ICC would be to look into complaints filed against sexual harassment. According to Supreme Court Guidelines, "Sexual Harassment" includes any one or more of the following unwelcome acts or behavior (whether directly or by implication) namely:-

- Physical Contact and Advances
- Demand or Request for sexual favours
- Making sexually coloured remarks
- Any other unwelcome verbal or non- verbal conduct of sexual nature

the following shall also amount to sexual harassment:

- Implied or explicit promise of preferential treatment in her employment,
- Implied or explicit threat of detriment in her employment,
- Implied or explicit threat about her present or future employment,
- Interference with her work or creating an intimidating or offensive or hostile work environment e.g. through sexist remarks, display of pornography, sexist or obscene graffiti, brushing etc.
- Humiliating treatment likely to affect her health or safety e.g. refusal to accede to request.

PROCEDURE OF FILING COMPLAINT

- i. An aggrieved woman employee may file a complaint (7 copies) with the Internal Complaints Committee (ICC) within 3 months of the incident or the last incident in case of series of incidents which period may be extended by not more than three months by the ICC if satisfied of the circumstances which prevented filing of complaint. The Presiding Officer/ Member shall render assistance in making of the complaint in writing. In the event of inability of the employee due to physical/ mental incapacity or death, her legal heir or such other person as may be prescribed, may make a complaint.
- ii. A copy of the complaint shall be sent to the respondent within 7 days of receipt of complaint who shall file his reply within 10 days. The letter shall be sent to the local and permanent address of the respondent. The envelope should be marked confidential and that it to be opened by the addressee only.
- iii. Conciliation by the ICC before conducting Inquiry

- iv. The ICC shall endeavor to settle the matter through conciliation, if so requested by the aggrieved woman employee. But no monetary settlement can be done by means of conciliation. The ICC shall record the settlement and forward a copy to the employer, the woman employee and the respondent. There shall be no inquiry on arrival of settlement. However, the ICC shall proceed with the inquiry if no settlement could be reached.
- v. Inquiry by the Internal Complaints Committee
- vi. The inquiry shall be conducted in accordance with service rules. In the absence of service rules, the inquiry shall be done as per the prescribed rules. The inquiry shall be completed within 10 days and the inquiry report submitted with the employer within 10 days of completion of the inquiry. It may be noted that if the respondent fails to comply the terms of settlement, the ICC shall proceed with the inquiry or forward the complaint with police. The ICC shall give opportunity of hearing to both the parties. A copy of the findings shall be provided to both the parties to enable them to make representation against the findings. The employer shall take action on the inquiry report within 60 days of its submission unless ICC has recommended that no action needs to be taken.
- vii. In case of an adverse finding, the ICC may recommend the employer to take following actions against the errant employee:
- viii. Action in accordance with the service rules and students' handbook and in their absence an action as per the prescribed rules such as written apology, warning, reprimand, withholding promotion/ pay rise/increment, termination, counseling or liability to render community service.
- ix. The matter may be referred by aggrieved woman or ICC to the Metropolitan Magistrate/ Judicial Magistrate Class I. No subsequent inquiry shall be held after that.
- x. PUNISHMENT FOR FALSE/ MALICIOUS COMPLAINT/ FALSE EVIDENCE
- xi. The malicious intent shall be established through inquiry. Action against such offence by the complainant shall be in accordance with the service rules. However, the inability to substantiate or

to provide adequate proof shall not be construed against the complainant.

Rule 21 Suspension²⁰

- (I) The Appointing Authority or any authority to whom it is subordinate or the Disciplinary Authority or any authority empowered in that behalf by the Management by general or special order may place an employee under suspension:
 - (a) Where disciplinary proceedings against him is contemplated or is pending or
 - (b) Where case against him in respect of any criminal offence is under investigation or trial.
- (II) An employee who is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours, shall be deemed to have been suspended with effect from the date of detention by an order of the Appointing Authority and shall remain under suspension until further orders.
- (III) Where a penalty of dismissal or removal from service imposed upon an employee under suspension is set aside on appeal or on review under these rules and the case is remitted for further inquiry or action or with any other directions, the order of his suspension shall be deemed to have continued in force on and from the date of the original order of dismissal or removal and shall remain in force until further orders.
- (IV) Where a penalty of dismissal or removal from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of a Court of law and the Disciplinary Authority, on consideration of the circumstances of the case, decides to hold a further inquiry against him on the allegations on which the penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension by the Appointing Authority from the date of the original order of dismissal or removal and shall continue to remain under suspension until further orders.
- (V) An order of suspension made or deemed to have been made under this Rule may at any time be revoked by the authority, which made or is deemed to have made the order or by any authority to which that authority is subordinate.

Rule 21 (a).Subsistence Allowance²¹

- (I) An employee under suspension shall be entitled to draw subsistence allowance equal to 50% of his basic pay provided the Disciplinary

²⁰ Existing Para

²¹ Slightly modified Para

Authority is satisfied including certificate provided by the employee that the employee is not engaged in any other employment or business or profession or vocation. In addition he shall be entitled to Dearness Allowance admissible on such subsistence allowance and any other compensatory allowance of which he was in receipt on the date of suspension provided the suspending authority is satisfied that the employee continues to incur the expenditure for which the allowance was granted.

- (II) Where the period of suspension exceeds six months, the authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first six months as follows:
 - (i) The amount of subsistence allowance may be increased to 75% of basic pay and allowances thereon, if in the opinion of the said authority, the period of suspension has been prolonged, for reasons to be recorded in writing, not directly attributable to the employee under suspension.
 - (ii) The amount of subsistence allowance may be reduced to 25% of the basic pay and allowances thereon, if in the opinion of the said authority, the period of suspension has been prolonged, due to the reasons to be recorded in writing, directly attributable to the employee under suspension.
- (III) If an employee is arrested by the police on a criminal charge and bail is not granted no subsistence allowance is payable, On grant of bail, if the competent authority decides to continue the suspension the employee shall be entitled to subsistence allowance from the date the bail is granted.

Rule 22. Treatment of the Period of Suspension²²

- (I) When the employee under suspension is reinstated, the Competent Authority may grant him the following pay and allowances for the period of suspension:
 - (a) If the employee is exonerated and not awarded any of the penalties mentioned in Rule 23, full pay and allowances which he would have been entitled to if he had not been suspended, less the subsistence allowance already paid to him and
 - (b) If otherwise, such proportion of pay and allowances as the Competent Authority may prescribe.
- (II) In a case falling under sub-clause (a) the period of absence from duty will be treated as a period spent on duty. In a case falling under sub-clause (b) it will not be treated as a period spent on duty unless the Competent Authority so directs.

²² Existing Para

Rule23. Penalties

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

Minor Penalties

- (a) Censure;
- (b) Withholding of Increments of pay with or without cumulative effect;
- (c) Withholding of Promotion for specified period;
- (d) Recovery from pay or such other amount as may be due to him of the whole or part of any pecuniary loss caused to the Corporation/Company by negligence or breach of order;
- (e) Reduction to a lower stage in the time-scale of pay for a period not exceeding 3 years, without cumulative effect and not adversely affecting his terminal benefits.

Major Penalties

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

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

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

Explanation:

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

- (i) Withholding of increment of an employee on account of his work being found unsatisfactory or not being of the required standard, or 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 for consideration but for which he is found unsuitable after consideration of his case.
- (iii) Reversion to a lower grade or post of an employee officiating in a 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 appointment.
- (v) Termination of service:
 - (a) Of an employee appointed on probation during or at the end of probation in accordance with the terms of appointment.
 - (b) Of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed or earlier in accordance with the terms of his appointment.
 - (c) Of an employee appointed under a contract or agreement in accordance with the terms of such contract or agreement.
 - (d) Of an employee on reduction of establishment.
 - (e) Of an employee declared on medical grounds to be unfit for further service in any capacity by being given three month's notice or pay in lieu thereof in the case of a regular employee and one month's notice or pay in lieu thereof in the case of a temporary employee.
 - (f) Of an employee who remains unauthorisedly absent from duty for 90 days or more

Note: In cases coming under sub clause (f), the following procedure shall be followed:

1. The employee concerned shall be given a show cause notice to explain his/her conduct satisfactorily within 15 days of the receipt of notice by him/her.
2. A screening committee of two Senior Executives shall be constituted to review the conduct of the employee and his/her explanation if any and record its decision on the question of termination of the services of the employee.
3. Reasons for its decision shall be recorded by the screening committee.
4. No further inquiries shall be held.

Rule24. Authority Competent to Impose Penalties²³

The Disciplinary Authority as specified in the Schedule to these Rules or any authority higher than it may impose any of the penalties specified in Rule 23 on any employee.

Rule25. Procedure for Imposing Major Penalties

- (1) No order imposing any of the major penalties specified in clause (e), (f) and (g) of Rule 23 shall be made except after an Inquiry is held in accordance with this Rule.
- (2) Whenever the Disciplinary Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehavior against an employee, it may itself inquire into or appoint any serving or retired official of the Company or any other PSU or Govt. (hereinafter called the Inquiring Authority) to inquire into the truth thereof.
- (3) Where it is proposed to hold an inquiry, the Disciplinary Authority shall frame definite charges on the basis of the allegations against the employee. The charges together with the statement of the allegations, on which they are based, a list of documents by which and a list of witnesses by whom the Articles of charges are proposed to be sustained, shall be communicated in writing to the employee, who shall be required to submit within such time as may be specified by the Disciplinary Authority (not exceeding 15 days) a written statement whether he admits or denies any of or all the Articles of charges.

Explanation:

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

- (4) On receipt of the written statement of the employee or if no such statement is received within the time specified, an enquiry may be

²³ Existing Para

held by the Disciplinary Authority itself or by any other Public Servant appointed as an Inquiring Authority under Sub clause (2).

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

- (5) (a) The Disciplinary authority may if he so desires maintain a panel of retired officers from within or outside the organization for appointment as inquiring authorities in terms of guidelines issued by CVC vide O.M.No.98/MSD/23 dated 1.08.03.
- (5) (b) Where the disciplinary authority itself inquires or appoints an inquiring authority for holding an inquiry, it may, by an order appoint a public servant to be known as the "Presenting Officer" to present on its behalf the case in support of the articles of charge.
- (6) The employee charged may take the assistance of any other public servant, to be referred to as Defence Assistant, but may not engage a legal practitioner for the purpose. It is clarified that, when on behalf of the disciplinary authority, the case is being presented by a Prosecuting Officer of the Central Bureau of Investigation or a Government Law Officer (such as Legal Adviser, Junior Legal Adviser), there are evidently good and sufficient circumstances for the disciplinary authority to exercise his discretion in favour of the delinquent officer and allow him to be represented by a Legal Practitioner. Any exercise of discretion to the contrary in such cases is likely to be held by the court as arbitrary and prejudicial to the defence of the delinquent employee.
- (7) On the date fixed by the Inquiring Authority, the employee shall appear before the Inquiring Authority at the time, place and date specified in the notice. The Inquiring Authority shall ask the employee whether he pleads guilty or he has any defence to make and if he pleads guilty to any of the Articles of charges, the Inquiring Authority shall record the plea, sign the record and obtain the signature of the employee concerned thereon. The Inquiring Authority shall write a finding of guilt in respect of those Articles of charge, to which the employee concerned pleads guilty.
- (8) If the employee does not plead guilty, the Inquiring Authority shall adjourn the case to a later date not exceeding thirty days, after recording an order that the employee may, for the purpose of preparing his defence:
 - (i) Inspect the documents listed with the Charge sheet,
 - (ii) Submit a list of additional documents and witnesses that he wants to examine and

- (iii) Be supplied with the copies of the Statements of witnesses, if any listed in the Charge sheet.

Note: Relevance of the additional documents and the witnesses referred to in sub clause 8(ii) above to the charges under inquiry will have to be given by the employee concerned and the documents and witnesses shall be summoned only if the Inquiring Authority is satisfied about their relevance to the charges under Inquiry.

- (9) The Inquiring Authority shall ask the authority, in whose custody or possession the documents are kept, for the production of the documents on such date as may be specified.
- (10) The authority, in whose custody or possession the requisitioned documents are, shall arrange to produce the same before the Inquiring Authority on the date, time and place specified in the requisition notice.

Provided that the authority having the custody or possession of the requisitioned documents may claim privilege, if the production of such documents will be against the public interest or the interest of the Corporation. In that event, it shall inform the Inquiring Authority accordingly.

- (11) On the date fixed for the Inquiry, the oral and documentary evidence by which the Articles of charge are proposed to be proved shall be produced by or on behalf of the Disciplinary Authority. The witnesses shall be examined by or on behalf of the Presenting Officer and may be cross examined by or on behalf of the employee. The Presenting Officer shall be entitled to reexamine the witnesses on any points on which they have been cross examined, but not on a new matter without the leave of the Inquiring Authority. The Inquiring Authority may also put such questions to the witnesses as it thinks fit.
- (12) Before the close of the prosecution case, the Inquiring Authority may, in its discretion, allow the Presenting officer to produce evidence not included in the Charge sheet or may itself call for new evidence or recall or reexamine any witness. In such case, the employee shall be given opportunity to inspect the documentary evidence before it is taken on record or to cross examine a witness who has been so summoned.
- (13) When the case for the Disciplinary Authority is closed the employee may be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case, a copy of the Statement of defence shall be given to the Presenting officer, if any appointed.
- (14) The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf, if he so prefers. The

witnesses produced by the employee shall then be examined, where the Inquiring Authority considers them relevant. They shall be liable to cross examination, reexamination and examination by the Inquiring Authority, according to the provisions applicable to the witnesses of the Disciplinary Authority.

- (15) The Inquiring Authority may, after the employee closes his case, and shall, if the employee has not examined himself, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in evidence against him.
- (16) The Inquiring Authority may, after completion of the production of evidence, hear the Presenting Officer, if any appointed and the employee or permit them to file Written Briefs of their respective cases within 15 days of the completion of the production of evidence.
- (17) If the employee does not submit the Written Statement of Defence referred to in sub rule (3) on or before the date specified for the purpose or does not appear in person or through the Defence Assistant or otherwise fails or refuses to comply with any of the provisions of these Rules, the Inquiring Authority may hold the enquiry ex-parte.
- (18) Whenever any Inquiring Authority, after having heard and recorded the whole or any part of the evidence in an enquiry, ceases to exercise jurisdiction therein, and is succeeded by another Inquiring Authority, which exercises such jurisdiction, the Inquiring Authority so succeeding may act on the evidence so recorded by its predecessor or partly recorded by its predecessor and partly recorded by itself.

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

- (19) (i) After conclusion of inquiry, a Report shall be prepared and it shall contain;
 - (a) A gist of the Articles of charge and the Statement of imputations of misconduct or misbehavior,
 - (b) A gist of the defence of the employee in respect of each Article of charge,
 - (c) An assessment of the evidence in respect of each Article of charge,
 - (d) The finding on each Article of charge and the reasons therefore.

Explanation:

If, in the opinion of the Inquiring Authority, the proceedings of the inquiry establish any Article of charge different from the original Articles of the charge, it may record its findings on such article of charge.

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

- 19 (ii) The Inquiring Authority, where it is not itself the Disciplinary Authority shall forward to the Disciplinary Authority the Records of the Inquiry which shall include:
- (a) The Report of the enquiry prepared by it under sub clause (i) above,
 - (b) The Written Statement of defence, if any submitted by the employee referred to in sub rule 13,
 - (c) The oral and documentary evidence produced in the course of the enquiry,
 - (d) Written briefs referred to in sub rule 16, if any, and
 - (e) The orders if any made by the Disciplinary authority and the Inquiring Authority in regard to the enquiry.

Rule 26. Action on the Inquiry Report²⁴

- (1) The Disciplinary Authority, if it is itself not the Inquiring Authority, may, for reasons to be recorded in writing, remit the case to the Inquiring Authority for fresh or further enquiry and report and the Inquiring Authority shall thereupon proceed to hold the further enquiry according to the provisions of Rule 25 as far as may be necessary.
- (2) The Disciplinary Authority shall, if it disagrees with the findings of the Inquiring Authority, on any Article of charge, record its reasons for such disagreement and record its own findings on such charge, if the evidence on record is sufficient for the purpose.
- (3) If the Disciplinary Authority having regard to its findings on all or any of the Articles of charge is of the opinion that any of the penalties specified in Rule 23 should be imposed on the employee it shall, notwithstanding anything contained in Rule 27, make an order imposing such penalty.
- (4) If the Disciplinary Authority having regard to its findings on all or any of the Articles of charge is of the opinion that no penalty is called for, it may pass an order exonerating the employee concerned.

²⁴ Existing Para

Rule27. Procedure for Imposing Minor Penalties

- (1) Where it is proposed to impose any of the penalties specified in clauses (a) to (e) of Rule 23, the employee concerned shall be informed in writing of the Imputations of misconduct or misbehavior against him and given an opportunity to submit his Written Statement of defence within a specified period not exceeding 15 days. The Defence statement, if any, submitted by the employee shall be taken into consideration by the Disciplinary Authority before passing orders.
- (2) The Record of the proceedings shall include:
 - (i) A copy of the Statement of Imputations of misconduct or misbehavior delivered to the employee,
 - (ii) His Defence Statement, if any and
 - (iii) The Orders of the Disciplinary Authority together with the reason therefore.

Rule28. Communication of Orders²⁵

Orders made by the Disciplinary Authority under Rule 26 or Rule 27 shall be communicated to the employee concerned, who shall also be supplied with a copy of the Report of Enquiry, if any.

Rule29. Common Proceedings²⁶

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

Rule30. Special Procedure in Certain Cases²⁷

Notwithstanding anything contained in Rules 25, or 26 or 27, the Disciplinary Authority may impose any of the penalties specified in Rule 23 in any of the following circumstances:

- (i) If the employee has been convicted on a criminal charge or on the strength of facts or conclusions arrived at by a judicial trial, or
- (ii) Where the Disciplinary Authority is satisfied for reasons to be recorded by it in writing that it is not reasonably practicable to hold an enquiry in the manner provided in these Rules or
- (iii) Where the Board is satisfied that in the interest of the security of corporation it is not expedient to hold any inquiry in the manner provided in these rules.

²⁵ Existing Para

²⁶ Existing Para

²⁷ Existing Para

Rule 30.1 CONTINUATION OF DISCIPLINARY PROCEEDINGS AFTER SUPERANNUATION/RETIREMENT

Any disciplinary proceedings instituted against an employee, while he was in service, whether before his retirement or during his re-employment, shall after final retirement of the employee, be continued and concluded in service until the proceedings are concluded and final order passed in respect thereof. Such employee will not be entitled to receive any pay and/or allowance after the date of superannuation/retirement. He will also not be entitled for the payment of any gratuity and leave encashment benefits till the proceedings are completed and final orders passed thereon. In case, the employee, as a result of the disciplinary proceedings instituted against him, is found guilty of offences/misconduct as mentioned in sub-section (6) of Section 4 of the Payment of Gratuity Act, 1972 or to have caused pecuniary loss to the Company by misconduct or negligence, during his service including service rendered on re-employment after retirement, the disciplinary authority may order recovery from gratuity of the whole or part of any pecuniary loss caused to the Company. However, the provisions of Section 7(3) and 7(3A) of the Payment of Gratuity Act, 1972 shall be kept in view in the event of delayed payment, in case the employee is fully exonerated.

For the purpose of this Rule, departmental proceedings shall be deemed to be Instituted on the date, on which the statement of charges is issued to the employee, or if the employee has been placed under suspension from an earlier date, on such date.

Rule 31. Employees on deputation from Central Government, State Governments etc²⁸.

- (1) When an order of suspension is made or Disciplinary proceeding is commenced against an employee, who is on deputation to the Corporation from the Central or State Government or another Public Sector 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.
- (2) In the light of the findings in the Disciplinary proceeding taken against the employee;
 - (a) If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him, it may pass such orders on the case as it deems necessary after consultation with the Lending Authority provided that in the event of a difference of opinion between the Disciplinary Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.

²⁸ Existing Para

- (b) 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.
- (3) If the employee submits an appeal against an order imposing a minor penalty on him under sub-clause 2(a), it will be disposed of after consultation with the Lending Authority; provided that if there is a difference of opinion between the Appellate Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority and the proceedings of the case shall be transmitted to that authority for such action as it deems necessary.

Rule 32. Appeals

- (1) An employee may appeal against an order imposing upon him any of the penalties specified in Rule 23 or against the order of suspension referred to in Rule 20. The appeal shall be made to the Competent Authority.
- (2) An appeal shall be preferred within one month from the date of communication of the order appealed against. The Appeal shall be addressed to the Appellate Authority specified in the Schedule to these Rules and submitted to the Authority whose order is appealed against. The authority, whose order is appealed against, shall forward the appeal together with its comments and the Records of the case to the Appellate Authority within 15 days.
- (3) The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders within three months of the date of appeal. The Appellate Authority may pass order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority which imposed the penalty or to any other authority with such direction as it may deem fit, in the circumstances of the case.

Provided that if the enhanced penalty which the Appellate Authority proposes to impose is a major penalty specified in clauses (f) to (j) of Rule 23 and an Enquiry as provided in Rule 25 has not already been held in the case, the Appellate Authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the records of the enquiry and pass such orders as it may deem proper. If the Appellate Authority decides to enhance the punishment but an enquiry has already been held as provided in Rule 25, the Appellate Authority shall give a Show Cause Notice to the employee as to why the enhanced penalty should not be imposed on

him. The Appellate Authority shall pass final order after taking into account the representation, if any, submitted by the employee.

Rule33. Review

Notwithstanding anything contained in these Rules, the Reviewing Authority specified in the Schedule to these rules may call for the records of the case within six months of the date of the final order and after reviewing the case pass such order thereon as it may deem fit.

Provided that if the enhanced penalty which the Reviewing Authority proposes to impose is a major penalty specified in clauses (f) to (j) of Rule 25 and an enquiry as provided under Rule 25 has not already been held in the case, the Reviewing Authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the enquiry and pass such order as it may deem proper. If the Appellate Authority decides to enhance the punishment but an enquiry has already been held in accordance with the provisions of Rule 25, the Reviewing authority shall give a Show cause Notice to the employee as to why the enhanced penalty should not be imposed upon him. The Reviewing Authority shall pass final order after taking into account the representation, if any, submitted by the employee.

Rule34. Retirement at the Age of 50 Years²⁹

- (1) Where an employee has attained the age of 50 years and where the Board of Directors in the case of employees in the grade of Deputy General Manager and above and the Chairman & Managing Director in the case of the other employees is satisfied that the employee is
 - (i) Medically unfit to continue in service,
 - (ii) Inefficient or
 - (iii) Of doubtful integrity,such an employee may be prematurely retired from service with the approval of the Board of Directors or the Chairman & Managing Director, as the case may, be subject to the procedure prescribed in these rules being followed.
- (2) (i) If an employee has been on leave on medical grounds for a period of 120 days or more during the continuous period of 6 months, then the Board of Directors or the Chairman & Managing Director, as the case may be, may refer him to a Medical Board consisting of three Doctors of appropriate specialization for check-up and report on
 - (a) The disease he is suffering from,
 - (b) Whether it is curable or incurable,
 - (c) Whether the disease is infectious or contagious,

²⁹ Existing Para

- (d) In the case of curable disease, whether the person is likely to be fit to resume his normal duties within a period of 12 months.
- (ii) If the employee is not fit to resume his duties within a period of 12 months and in case of employees suffering from incurable or infectious/contagious diseases or suffering from lunacy or mental derangement, the Medical Board may certify in regard to his/her fitness or otherwise to be continued in service.
- (iii) If the Medical Board certifies that the employee is not medically fit to continue in service, he would be liable to be prematurely retired from service with the approval of the Board of Directors or the Chairman & Managing Director as the case may be.
- (3) (i) A Committee of the Chairman & Managing Director and the Director Finance shall be constituted to consider and recommend on the fitness or otherwise of employees in the grade of Deputy General Manager and above to continue in service on grounds of inefficiency or doubtful integrity. In the case of employees below the grade of Deputy General Manager, the committee for the purpose shall consist of the Director Finance and a General Manager or an Additional General Manager to be nominated by the Chairman & Managing Director.
- (ii) The report of the committees shall be submitted to the competent Authority, viz., the Board of Directors or the Chairman & Managing Director, as the case may be, who shall take a decision on the question of premature retirement or continuance in service of the employee concerned.

Rule35. Service of Orders Notices etc³⁰

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

Rule36. Power to Relax Time Limit & Condone Delay³¹

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

Rule37. Savings

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

³⁰ Existing Para

³¹ Existing Para

- (2) An appeal pending at the commencement of these Rules against an order made before the commencement of these Rules shall be considered and orders thereon shall be made, in accordance with these Rules.
- (3) The proceedings pending at the commencement of these Rules shall be continued and disposed of as far as may be, in accordance with the provisions of these Rules, as if such proceedings were proceedings under these rules.
- (4) Any misconduct etc. committed prior to issue of these Rules which was misconduct under the superseded Rules shall be deemed to be misconduct under these Rules

Rule38. Removal of Doubts

Where a doubt arises as to the interpretation of any of these Rules the decision of the Managing Director/Board of Directors, as the case may be, thereon shall be final.

Rule39. Amendments³²

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

³² Existing Para

SECTION B
IRFC (CORPORATE GOVERNANCE – CODE OF CONDUCT
& WHISTLE - BLOWER POLICY) RULES

The Company has adopted a Code of Business Conduct and Ethics for Board Members and Senior Management. The same came into effect from 29-05-2008. The code is reproduced below:

11.1 Introduction

This Code shall be called “The Code of Business Conduct & Ethics for Board Members and Senior Management” of Indian Railway Finance Corporation Ltd.

The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company.

This Code for Board Members and Senior Management has been framed specially in compliance of the provisions of Clause 49 of the Listing Agreement with Stock Exchanges and as per the Guidelines of DPE 2010 and MCA Corporate Governance Voluntary Guidelines 2009 and Corporate Act 2013.

It shall come into force with effect from the April, 2008 (year and month).

11.2 Definitions and Interpretations³³:

- 2.1 The term “Board Members” shall mean Directors on the Board of Directors of the Company.
- 2.2 The term “Whole-time Directors” or “Functional Directors” shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.
- 2.3 The term “Part-time Directors” shall mean Directors on the Board of Directors of the Company who are not in whole time employment of the Company.
- 2.4 The term “Relative” shall have the same meaning as defined in Section 6 of the Companies Act, 1956.
- 2.5 The term “Senior Management” shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise all members of management one level below the Whole time Directors, including all functional heads.
- 2.6 The term “the Company” shall mean Indian Railway Finance Corporation Ltd.

Note: In this Code words importing the masculine gender shall include feminine gender and words importing singular shall include the plural of vice-versa.

³³ Existing Para

11.3 Applicability³⁴

- 3.1 This code shall be applicable to the following personnel:
- a) All whole-time Directors including the Chairman & Managing Directors of the Company.
 - b) All Part-time Directors including Independent Directors under the provisions of law.
 - c) Senior Management
- 3.2. The Whole-time Directors and Senior Management should continue to comply with other applicable / to be applicable policies, rules and procedures of the Company.

11.4 Contents of Code³⁵

Part I General Moral Imperatives

Part II Specific Professional Responsibilities

Part III Specific Additional Provisions for Board Members and Senior Management

This code is intended to serve as a basis for ethical decision-making in the conduct of professional work. It may also serve as a basis for judging the merit of a formal complaint ethical standards.

It is understood that some words and phrases in the code of ethics and conduct document are subject to varying interpretations. In case of any conflict, the decision of the Board shall be final.

PART – I

11.4 General Moral Imperatives³⁶

- 5.1 Contribute to society and human well being
- 5.1.1 This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe environment, human well being includes a safe natural environment.
- 5.1.2 Therefore, all Board Members and Senior Management who are accountable for the professional conduct of the Company, must be alert to, and make others aware of, the legal and a moral responsibility of

³⁴ Existing Para

³⁵ Existing Para

³⁶ Existing Para

ensuring a professional environment conducive to preservation of human wellbeing.

5.2 Be honest and trustworthy & practice integrity

5.2.1 Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively.

5.2.2 All Board Members and Senior Management are expected to act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct, while conducting business of the Public Enterprise.

5.3 Be fair and take action not to discriminate

5.3.1 The value of equality, tolerance, respect for others, and the principles of equal justice govern this imperative. Discrimination, on the basis of race, sex, religion, caste, age, disability, national origins or other such factors, is an explicit violation of this Code.

5.4 Honour confidentiality

5.4.1 The principle of honesty extends to issues of confidentiality of information. The ethical concern is to respect all obligations of confidentiality to all stakeholders unless discharged from such obligations by requirements of the law or other principles of this Code.

5.4.2 All Board Members and Senior Management, therefore, shall maintain the confidentiality of all confidential unpublished information about business and affairs of the Company.

5.5 Pledge & Practice

5.5.1 To strive continuously to bring about integrity and transparency in all spheres of the activities.

5.5.2 Work unstintingly for eradication of corruption in all spheres of life.

5.5.3 Remain vigilant and work towards growth and reputation of the Company.

5.5.4 Bring pride to the organization and provide value-based services to Company's stakeholders.

5.5.5 Do duty conscientiously and without fear or favour.

PART II

11.12 Specific Professional Responsibilities

6.01 Live the Vision, Mission and Values of the Company – each day

Live the Vision, Mission and Values of The Indian Railway Finance Corporation Ltd. each day. For quick reference they are as under:

Vision

To become a pivotal financial institution providing services par excellence.

Continuous adoption of state-of-the-art technology to have competitive edge in service delivery

Promoting efficiency and effectiveness built on best corporate practices

Mission

To finance the rolling stock and project assets to be leased to Railways and allied sectors on the best possible rates and terms.

To tap domestic as well as overseas Markets for funds at the most competitive rates

To achieve 'zero complaint status' through improved customer service to the bondholders/investors/lenders

To create a learning organization by continuous capacity building of employees for making IRFC an employer of choice

Values

- Zeal to excel and zest for change
- Integrity and fairness in all matters
- Respect for dignity and potential of individuals
- Strict adherence to commitments
- Ensure speed of response
- Foster learning, creativity and team-work
- Loyalty and pride in the Company

- 6.1 Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work : - Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.

6.2 Acquire and maintain professional competence :-

Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

6.4 Compliance with Laws: - The Board Members and Senior Management of the Company shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow and obey the policies, procedures, rules and regulations relating to business of the Company.

6.5 Accept and provide appropriate professional review:-Quality professional work depends on professional review and comments. Whenever appropriate, individual members should seek and utilize peer review as well as provide critical review of the work of theirs.

6.6 Manage personnel and resources to enhance the quality of working life: - Organisational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them delivering their best. The Board Members and Senior Management would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

6.7 Be upright and avoid any inducements :- The Board Members and Senior Management shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving Company. This includes gifts or other benefits of significant value, which might be extended at time, to influence business for the organization or awarding a contract to an agency, etc.

6.8 Observe Corporate Discipline: - The flow of communication within the Company is not rigid and people are free to express themselves at all levels. Though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action.

6.9 Conduct in a manner that reflects credit to the Company: - All are expected to conduct themselves, both on and off duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behavior has a bearing on the standing of Company and the way in which it is perceived within the organization and by the public at large.

- 7.2. Be accountable to Company's stakeholders: - All of those whom we serve, be it our Customers, without whom the Company will not be in business, the Shareholders, who have an important stake in its business, the Employees, who have a vested interest in making it all happen, the Vendors, who support the Company to deliver in time and Society to which Company is responsible for its actions – are stakeholders of the Company. All, therefore, must keep in mind at all times that they are accountable to Company's stakeholders.
- 7.2. Prevention of Insider Trading: - The Board Members and Senior Management shall comply with the code of Internal Procedures and conduct for prevention of Insider Trading in dealing with Securities of the Company.
- 7.2. Identify, mitigate and manage business risks: - It is everybody's responsibility to follow the Risk Management Framework of the Company to identify the business risks that surround function or area of operation of the Company and to assist in the company-wide process of managing such risks, so that Company may achieve its wider business objectives.
- 7.2. Protect properties of the Company: - The Board Members and Senior Management shall protect the assets including physical assets, information and intellectual rights of the Company and shall not use the same for personal gains.

PART - III³⁷

- 7.2. Specific Additional Provisions for Board Members and Senior Management
- 7.2. As Board Members and Senior Management: They shall undertake to actively participate in the meetings of the Board and Committees on which they serve.
- 7.2. As Board Members
- 7.2.1 Undertake to inform the Chairman & Managing Director / Company Secretary of the Company of any changes in their other Board positions, relationship with other business and other events / circumstances / conditions that may interfere with their ability to perform Board / Board Committee duties or may impact the judgment of the Board as to whether they meet the independence requirements of Listing Agreement with Stock Exchanges and the Guidelines of DPE.
- 7.2.2 Undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of the Company. Illustrative cases can be :

³⁷ Existing Para

- Related Party Transactions: Entering into any transactions or relationship with Company or its subsidiaries in which they have a financial or other personal interest (either directly or indirectly such as through a family member or relation or other person or other organization with which they are associated).
- Outside Directorship: Accepting Directorships on the Board of any other Company that competes with the business of the Company.
- Consultancy / Business / Employment: Engaging in any activity (be it in the nature of providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties / responsibilities towards Company. They should not invest or associate themselves in any other manner with any supplier, service provider or customer of the Company.
- Use of Official position for personal gains: Should not use their official position for personal gains.

7.3 Compliance with the Code of Business Conduct and Ethics

7.3.1 All Members of the Board and Senior Management of Company shall uphold and promote the principles of this code.

The future of the organization depends on both technical and ethical excellence. Not only it is important for Board Members and Senior Management to adhere to the principles expressed in this Code, each of them should also encourage and support adherence by others.

7.3.2 Treat violations of this code as inconsistent association with the organisation

Adherence of professionals to a code of ethics is largely and generally a voluntary matter. However, if any of Board Members and Senior Management does not follow this Code, the matter would be reviewed by the Board and its decision shall be final. The Company reserves the right to take appropriate action against the defaulter.

7.4 Miscellaneous Points

7.4.1 Continual updation of code

This Code is subject to continuous review and updation in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise as may be deemed necessary by the Board and all such amendments / modifications shall take effect prospectively from the date stated therein.

7.4.2 Where to seek clarifications

Any member of Board or Senior Management requiring any clarification regarding this code of conduct may contact Director (Finance)/ Company Secretary / any officer specifically designated by the Board of Directors.

II. Whistle Blower Policy

To provide employees, investor, suppliers, lenders, service providers and bondholders an avenue to raise complaints in line with commitment of the Company to the highest possible standards of ethics, Moral & legal business conduct and its commitment to open communication a Whistle Blower Policy has been put in place effective from 23-05-2008.

DPE guidelines on Corporate Governance (2010) inter-alia provide for a non-mandatory requirement for all Central Public Sector Enterprises to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company’s code of conduct.

The same is outlined below:

POLICY	Whistleblower Policy
OBJECTIVE	To provide employees, investors, suppliers, lenders, service providers and Bondholders an avenue to raise Complaints, in line with commitment of Indian Railway Finance Corporation Limited (IRFC) to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication.
To provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith.	
SCOPE	All permanent employees, customers and investors, suppliers, lenders, service providers and Bondholders of IRFC.
COVERAGE	IRFC Limited.
MAIN FEATURES	<p>The whistle blowing policy is intended to cover serious complaints over actions of any employee that could have a large impact on IRFC, such as:-</p> <ul style="list-style-type: none">➤ Incidence of unethical behavior towards internal or external stake holders;➤ Actual or suspected fraud, embezzlement, etc.;➤ Violation of Company’s General guidelines on Conduct;➤ Moral turpitude;➤ Unlawful conduct.
Complainant	An employee, investor, supplier, lender, service provider and Bondholders making a disclosure under (whistleblower) this policy is commonly referred to as a Complainant

(whistleblower). The Complainant's role is of a reporting party, he/she is not an investigator. Although the Complainant is not expected to provide the proof of the veracity of his allegation, he needs to demonstrate that there are sufficient grounds for complaint.

Safeguards

Harassment or Victimization:

Harassment or victimization of the Complainant by any employee of the Company will not be tolerated and could constitute sufficient grounds for serious action under Discipline and Appeal Rules (DAR) against such errant employee.

Confidentiality:

Every effort will be made within parameters of legal constraints to protect the Complainant's identity.

Anonymous Allegations:

Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Complaints expressed anonymously will not be usually investigated but subject to the seriousness of the issue raised the Management can initiate an investigation independently.

Malicious Allegations: Malicious allegations by the Complainant may result in disciplinary action.

Reporting

The Complaints may be addressed to the Chairman & Managing Director of the Company and in exceptional case to the Chairman of the Audit Committee.

Investigation

All complaints received will be recorded and looked into. If initial enquiries by the Management indicate that the complaint has no basis, or it is not a matter to be pursued under this policy, it may be dismissed at this stage and the decision documented.

Where initial enquiries indicate that further investigation is necessary, this will be carried out under directive either of the Chairman & Managing Director or of Chairman / Audit Committee himself, in the manner deemed fit. The investigation would be conducted in a fair manner, as a neutral fact finding process and without presumption of guilt. A written report of the findings would be made.

Investigation Result

Based on thorough examination of the findings of the enquiry conducted, or on the basis of findings of the Committee, the Chairman & Managing Director or Chairman / Audit Committee, would initiate

appropriate action. Preventive measures would be taken to prevent re-occurrence of the incident.

Investigation Subject The investigation subject is the person / group of persons who are the focus of the enquiry / investigation. Their identity would be kept confidential to the extent possible.

Reporting to Such cases would be periodically reported to Board of Directors of the Company (IRFC).

Board Communication with

Complainant The Complainant will receive acknowledgement on receipt of the Complaint.

The amount of contact between the Complainant and the investigators of the complaint will depend on the nature of the issue and the clarity of information provided. Information may be sought from him/her.

Subject to legal constraints, he/she will receive information about the outcome of any investigations.

ACCOUNTABILITIES: Employees / Customers/ Investors /Bondholders

1. Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for complaint.
2. Avoid anonymity when making a complaint.
3. Co-operate with investigating authorities, maintaining full confidentiality.
4. The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty complaints. Malicious allegations by employees may attract disciplinary action.
5. A Complainant has the right to protection from retaliation. But this does not extend to immunity for complicity in the matters that are the subject of the allegations and investigation.
6. In exceptional cases, where the Complainant is not satisfied with the outcome of the investigation carried out by the Chairman & Managing Director or the Committee nominated by him, she/he can make a direct appeal to the Chairman of the Audit Committee of IRFC.
7. Complaint should not be of frivolous in nature.
8. Complaint should not be based on conjecture or hearsay.

Annexure I
SCHEDULE
Competent Authority (Disciplinary/Appellate/Reviewing Authorities) under
the
IRFC (Conduct, Discipline and Appeal) Rules

S. No 1	Category of Employees 2	Disciplinary Authority for Minor Penalties 3	Disciplinary Authority for Major Penalties 4	Appellate Authority 5	Reviewing Authority 6
1	NE 1 –NE3	Dy. Manager (E2)	Addl. General Manager (E6)	Group General Manager	Group General Manager
2	NE 4 –NE 5	Manager (E3)	Addl. General Manager (E6)	Group General Manager	Group General Manager
3	NE 6-NE8 & E0	Deputy General Manager (E4)	General Manager (E7)	Director	CMD
4	E1 – E4	Director	Director	CMD	Board of Directors
5	E5 – E9	CMD	CMD	Board of Directors	Board of Directors
6	Director / CMD	President of India	President of India	----	----

Note:

1. When Executives of the level indicated in the Schedule above are not available, Executives and Board Level Officers in higher Scales of Pay shall exercise the powers
2. Reviewing Authority includes also those at higher levels of the Corporation than those indicated in the last column of the Schedule.

Chapter 12: ADVANCE RULES

A. IRFC EMPLOYEES RULES FOR GRANT OF ADVANCE FOR ACQUISITION OF RESIDENTIAL ACCOMMODATION

12.1. Title & Scope¹

These Rules may be called the IRFC Employees Housing Advance Rules. These Rules shall apply to all regular employees of the Corporation and shall not apply to employees on deputation or those working on casual, contractual or temporary basis.

12.2. Objective²

The Objective of the scheme detailed in these Rules is to provide, as a measure of welfare and social security, assistance to the employees of the Corporation to own residential accommodation at the place of duty or their intended place of residence after retirement.

12.3. Definitions³

- (i) "Advance" means sum of money paid to an employee in advance for acquisition of a plot of land and construction of a house thereon, for purchasing a ready-built house or a flat, for enlarging an existing house or for construction of a new house or flat.
- (ii) "Corporation" means the Indian Railways Finance Corporation Ltd. and includes the corporate office and other offices, if any, under its administrative control.
- (iii) "Regular Employee" for the purpose of these rules means a person employed on full time regular basis in the Corporation and shall not include deputationists, temporary, ad hoc casual or contractual employees or reemployed personnel.

Note: In case of grant of advance for acquisition of residential accommodation to Board level appointees, provisions of section 295 of Companies Act, 1956 as applicable to IRFC, will be followed.

- (iv) "Salary/Wages" means basic pay and personal pay including DA and will include pension and pension equivalent of retirement benefits, in respect of employed pensioner, provided and to the extent, the same has been taken into consideration for fixation of his pay.
- (v) "Sanctioning Authority" means the Chairman & Managing Director, the Director Finance or any other Executive of the Corporation to whom the power of sanctioning the advance is delegated.

¹ Existing Para

² Existing Para

³ Existing Para

12.4. Eligibility

Employees of the Corporation who on the date of making application have been confirmed in the regular establishment (excluding service as trainee) and have put in one year service shall be eligible for grant of advance. In case of superannuation, 36 (thirty six) months will be considered as eligibility for grant of advance.

Where both the husband and wife are employees of the Corporation and are otherwise eligible for the grant of advance, the advance shall be admissible to one of them at their option.

For the purpose of reckoning continuous service, service rendered by an employee in the Central or a State Government or a Public Sector Undertaking or any other Government Institution shall also be taken into consideration, provided there is no break in service exceeding 30 days from the date of leaving one of these organizations and the date of joining another of these or the Corporation as the case may be. All required formats for grant of advance and other relevant formats in this reference are attached as Annexure 1-11 of this chapter.

12.5. Purposes for Grant of Advance

The Advance may be granted under these Rules for any of the following purposes:

- (i) Construction of new house including acquisition of plot of land for the purpose of such construction.
- (ii&iii) Purchase of a ready built house or ownership flat (which has not been lived in since its construction) if the agency offering it for sale is a Govt., Semi-Govt. or an autonomous institution like DDA, City Improvement Trust, State House Boards, Registered Co-operative House Construction/ Building Society, etc. **including a house or flat under Self Finance Scheme (SFS) of such organisations.**
 - (a) The sale is an outright one and
 - (b) The employee gets a clear title to the house/flat and has the right to mortgage it.

Note: No advance will be sanctioned to an employee for the purpose of registering himself for allotment of a plot of land and/ or a house. However, on allotment being made in his favour, advance may be sanctioned to him towards the registration deposit made by him to the extent the same is in excess of Rs. 15,000/- and subject to other conditions in the Rules.

- (iv) Purchase of a ready built house other than those as sub-rule (5.ii) above at the discretion of the competent authority and on proper evaluation of the property-after verifying encumbrance aspects in totality.

However, the following facts will be ascertained before the advance is granted in such cases:

- (a) The Number and date of the Building plan issued by the Municipal or other competent authority by reference to the original plan.

- (b) The date of commencement of construction and the date of completion of the house/flat by reference to the completion certificate issued by the Municipal or other competent authority.
- (c) The tax bill and receipt issued by the Municipal or other competent authority
- (d) Information from the neighborhood if necessary.
- (v) Enlargement of an existing house owned by the employee concerned
- (vi) Repayment of the balance amount of advance for acquisition of residential accommodation together with interest accrued thereon, directly by the Corporation to his parent organisation, in the case of employees of Govt./ PSUs/ Statutory/ Corporation/ Quasi-Govt. Bodies who directly get absorbed/ join as fresh appointees with the consent of previous employer and who in continuation deputation/ lien get absorbed in the services of the Corporation and apply for an advance for the purpose of repayment of ADVANCE FOR ACQUISITION OF RESIDENTIAL ACCOMMODATION drawn from their parent organisation/ department and interest accrued thereon. Provided where an employee joining from Banks/ Financial Institution where the provision for transfer of liability does not exist and employees before their appointment had to liquidate the liability of Principal and interest accrued on ADVANCE FOR ACQUISITION OF RESIDENTIAL ACCOMMODATION of amount equivalent to principal and interest repaid by them on production of documentary evidence to that effect.
- (vii) Repayment of outstanding loan, earlier obtained by the employee from specified housing financial institution(s) towards constructions/purchase of flat only if the employee is otherwise eligible for grant of advance under these rules. Advance for acquisition of residential accommodation under this sub-rule will be available to the employees even where the construction of the house/flat has commenced.

12.6. Conditions for Grant of Advance:

- (i) Advance is admissible for constructing/purchase of a house/flat as provided for in these Rules at the place of duty or at a place where the employee intends to settle down finally after retirement.

The advance for the cases covered under sub-rules 5.(i) and 5.(v) shall be granted only if the employee and his spouse jointly owning the land/ house are willing to execute a mortgage deed for the same in favour of the Corporation.
- (ii) Only one advance is admissible under these Rules during the entire period of service.
- (iii) The cost of the house/flat to be built/purchased (including the cost of land) and where it is proposed to enlarge living accommodation in an existing house/flat, the total cost of existing structure(excluding the cost of land) with the proposed additions /expansions should not exceed the cost-ceiling limits

separately laid down under these Rules. In individual cases, the cost ceiling limits may be relaxed upto a maximum of 25%.

- (iv) The employee should not have availed of any loan or advance from any other Government source for the purpose. However, if he undertakes to repay such an outstanding loan/advance with interest in one installment, he may apply for advance under these Rules.
- (v) The total amount of withdrawal from Provident Fund accumulations and the advance under these Rules should not exceed the cost-ceiling limits laid down under these Rules.
- (vi) The employee or his/her spouse or minor children should not already own a house/flat in the town or urban agglomeration where the house/flat is proposed to be built/purchased with the advance. If, however, the employee is a member of a Hindu Undivided Family, which owns a House at the same place, he may be granted advance under these Rules but the amount of advance will be restricted to 60% of the normal entitlement.
- (vii) The employee must possess a clear title to the land. The land must be owned by the employee or his/her spouse jointly with him/her. It should be free from encumbrances/ attachments.
- (viii) An employee proposing to purchase a house/flat from a registered cooperative society shall furnish the following documents along with his application for advance:
 - (a) A letter from the Registrar of Cooperative Societies of the concerned state confirming the name, address and registration of the society.
 - (b) An attested copy of the society's title deed in respect of the land on which the house/ flat has been or is being built along with an affidavit from the society to the effect that the land and the house or flat are free from all encumbrances.
 - (c) An attested copy of the offer of sale of the house/flat to the employee indicating the total cost of the house/flat showing separately the cost of the land and the house/flat and where the house along with the land is being sold to the applicant, the terms of allotment, payment etc.,
 - (d) A copy of the plan and detailed specification adopted for the construction of the house/flat and the accommodation available therein.
 - (e) An attested copy of the sale deed proposed to be executed by the society in favour of the employee.
 - (f) A declaration from the society stating that there is no objection to the house/flat being mortgaged to the Corporation on such terms and conditions as may be prescribed by the Corporation.
 - (g) An attested copy of the Bye-laws of the society.

- (ix) An employee proposing to construct a house on a plot of land allotted on lease to him by a Government, or Semi-Government institution like Improvement Trusts, Development Authorities etc shall furnish an attested copy of the Lessor's letter conveying its permission for the construction of the house on the leased plot by the employee.

12.7. Amount of Advance

- (1) **Cost Ceiling:** For new construction or purchase of a ready-built flat, the cost of building (excluding the cost of land) shall not exceed 134 times of the monthly basic pay of the employee subject to a minimum of Rs.7.50 lakhs and maximum of Rs. 30 lakhs.

Note:

- (i) Where the Sanctioning Authority is satisfied on the merits of any individual case, the cost ceiling may be relaxed upto 25% of the prescribed limits.
- (ii) If the cost, as estimated or on scrutiny of the estimate still exceeds the ceilings permitted herein, the employee should either reduce the size of the building or delete some items of work so as to bring the cost within the permitted ceiling.

7.1 Ceiling on Advance: Subject to rule 7.2, the maximum amount of advance admissible to an employee would be the least of the following:-

7.1.1 For new construction/purchase of ready built house:

- i) 90 months salary/wages of the employee; or
- ii) 100% cost of construction including that for acquisition of land/ 100% cost of the property, as the case may be;

or

- iii) Rs. 25 lakhs (upto 40% towards purchase of land)

7.1.2 For enlargement of living accommodation in an existing house:

- i) 30 months salary/wages of the employee; or
- ii) 100% cost of enlargement; or
- iii) Rs. 10.00 Lakhs

7.1.3 The limits as at sub-rule 7.1.1/7.1.2 as appropriate, shall also apply to a case covered under sub-rule 5.vi.

7.2 The actual amount of advance to be sanctioned to an employee will be determined by the Company on the basis of the plans, detailed specifications and estimates to be furnished by the employee, within the ceiling limit of advance as prescribed above, and monthly paying capacity of the employee which may be taken as follows:

Length of Remaining Service	Repaying Capacity
Employee retiring/superannuating after 20 years.	50% of wages/ salary
Employees retiring superannuating after 10 years, but not later than 20 Yrs.	60% of wages/ salary
Employee retiring/ superannuating within 10 years	66-2/3% of wages/ salary

7.3The provisions of Payment of Wages Act shall also be kept in view while sanctioning the advance to employees coming within the purview of the said Act.

7.4Further, loan amount will be restricted in a way so that total deduction does not exceed 75% of gross salary. Gross salary means Basic + DA + other allowances excluding HRA/Lease.

Note: In no case shall the amount of advance for the construction/purchase of a new house/flat exceed the actual cost thereof.

7.5*Notwithstanding anything contained in clause 7.5.1 of these rules an employee shall be eligible for second loan for the purpose contained under clause 12.5 and 7.1.3. Such of those employees who have liquidated the loan already drawn shall also be eligible for the second loan provided a period of 10 (ten) years from the date of initial sanction of advance has elapsed. The period of 10 (ten) years for this purpose includes the date of original sanction in previous organization.

7.5.1Employees shall be permitted to sell the existing dwelling unit purchased out of advance for acquisition of residential accommodation in the following circumstances:

- (i) Where the employee or his dependent family members suffers from diseases related to heart, asthma or arthritis and other serious ailments which does not permit them to climb stairs and the house/ flat is located above ground floor.
- (ii) The request of such employee can be considered (without liquidating the outstanding amount of loan) on recommendation of authorized medical attendant (AMA) from empanelled hospital regarding the disease.
- (iii) Such permission shall be granted once in the entire service of the employee.

7.5.2 The permission to sell the flat or house shall be subject to submission of two fresh surety bonds from the regular employees of the corporation to cover the risk of release of the mortgaged papers. Further on disposal of the flat or house it will be necessary that information utilizing the sale proceeds are given to HR Unit immediately and in case of surplus unutilized amount of the sale proceeds to the corporation towards settlement of outstanding advance for acquisition of residential accommodation.

The new property has to be mortgaged within a period of three months. The necessary documentation shall be the responsibility of the employee for new

property so acquired by using sale proceeds. The rebate as permissible under rules shall also be allowed accordingly. In case new house/ flat is not mortgaged within three months, interest without rebate shall be applicable from the date of sale till the date of mortgage.

HR unit shall deal with such cases suitably in consultation with Finance and Legal units and may evolve necessary and detailed procedure before sanction of any loan. The competent authority for the purpose will be Chairman & Managing Director.

12.8. Security⁴

The forms of Securities and the types of cases in which they will have to be provided by the employee are indicated below:

(1) Agreement in Form 4

An Agreement in Form 4 appended to these rules shall be executed by the employee in the following types of cases before the first installment of the advance is disbursed to him:

- (i) Purchase of a plot of land and building a house thereon.
- (ii) Purchase of a ready-built house/flat.
- (iii) Where the terms of sale of land do not vest the title to it in the purchaser till the house is constructed on the land.
- (iv) Enlargement of an existing house/flat.

(2) Agreement in Form 6

An agreement in Form 6 appended to these Rules shall be executed by the employee agreeing to execute a Mortgage Deed in the prescribed form within the time specified in Sub- Rule(5).

(3) Surety

A Surety Bond in Form 7 appended to these Rules shall be furnished by the employee from a regular employee of the Corporation, who has completed at least 5 years of service (including service in the Central or a State Government Department or a Public Sector Undertaking or any other Government Institution) and whose salary / wages are not less than two-third of that of the applicant before the sanctioned advance or any part thereof is disbursed. The liability of the surety will continue till the house/flat purchased/built is mortgaged to the Corporation or till the advance together with the interest thereon is completely repaid, whichever event happens earlier. If, however the surety resigns or his services are terminated or any other event of this nature takes place, the employee-applicant shall provide a substitute surety. No employee can stand surety for more than one case of Housing Advance.

Note: Eligibility conditions regarding surety can be relaxed in exceptional cases by MD by allowing eligible sureties of the CPSE or Central Government.

⁴ Existing Para and *best practices and schedule 'A' CPSEs

(4) Collateral Security

A Collateral Security to the satisfaction of the sanctioning authority shall be furnished by the employee in addition in cases, where the land on which the flat stands is not mortgaged by the owner of the land in favour of the Corporation as a security towards repayment of the advance. Such a security is not, however required when the purchase of the flat is from a Government or Semi-Government agency.

(5) Mortgage Deed

- (i) A Mortgage Deed in Form 8 appended to these Rules shall be executed by the employee in the following types of cases for acceptance by the sanctioning authority:
 - (a) Along with the application in all cases where the applicant owns the property absolutely either by himself or jointly with his/her wife/husband.
 - (b) In cases of purchase of plot of land for the purpose of construction of a house thereon, within three months of the purchase being effected.
 - (c) In cases where the terms of sale do not vest the title in the property till the house is erected thereon, within three months of the employee-applicant acquiring the title to the property.
- (ii) A Mortgage Deed in Form 9 appended to these Rules shall be executed by the employee in cases where the property is leasehold.
- (iii) The mortgage in all the above cases may be executed through equitable mortgage through deposit of title deeds of the property with the Corporation in the areas where this is permissible under the law, and where such a mortgage is not permissible, the execution shall be by way of simple mortgage to be registered with the Registrar or Sub-Registrar of the area concerned.

(6) Supplementary Mortgage Deed

Execution of supplementary Mortgage in Form 8 or 9 as the case may be will be necessary in a case where the amount of advance originally sanctioned is enhanced or the number and the amount of installments of repayment of advance or interest are changed subsequently.

(7) After the advance together with interest due thereon has been fully repaid, the property mortgaged as security for the repayment of the advance shall be re-conveyed to the employee by means of a deed in Form 11 appended to these Rules by or under the authority of the sanctioning authority.

Note: All the documents by way of security provided for in this rule shall be signed on behalf of the Corporation by an Executive of the Grade of Deputy General Manager or above.

12.9. Disbursement of Advance⁵

- (i) In cases of construction of a new house including the acquisition of a plot of land for the purpose, the amount of sanctioned advance shall be paid to the employee in the following installments:

Purpose/Stage	Amount of Advance	Conditions
For purchase of plot	40% of advance (30% in case of double storey house)	An agreement is to be executed and a surety bond should be produced before hand. Plot to be purchased and copy of sale deed to be furnished within 2 months of drawal of advance.
For construction of House	50% of the balance advance (after deducting advance for purchase of plot, if any)	Plot to be mortgaged with the house to be built thereon, in favour of the Corporation.
When construction reaches plinth level	Balance of the advance	
For enlargement of house	50% of the advance	House to be mortgaged in favour of the Corporation.
When construction reaches plinth level in case of single storeyed house/rood level in case of double storeyed house	Balance 50% of the advance	----
Purchase of Ready built House	Entire amount in one lump sum	House to be acquired and mortgaged in favour of the Corporation within 3 months of drawal of advance.
Purchase/Construction of Flat	In one lumpsum or in suitable installments	Advance to be utilized one month of drawal.

⁵ Existing Para

The first installment shall be paid only after the sanctioning authority is satisfied that the development of the area in which the house is built is complete in respect of amenities such as water supply, street lighting, drainage and sewerage and after the Agreement in Form 4 appended to these Rules has been executed by the employee.

- (ii) The entire amount of the advance may be paid in one lump sum in the case of purchase of a ready-built house/flat, after the prescribed Agreement in Form 4 and Surety Bond in Form 7 appended to these Rules have been executed/provided by the employee.
- (iii) In the case of houses/flats purchased under the self-financing schemes, the amount of the advance shall be paid in such installments and at such intervals as are laid down by the authority implementing the scheme and on production of demand letter issued by the Authority and progress of construction. Payment of the first installment shall be made only after the prescribed Agreement in Form 4 and Surety Bond in Form 7 appended to these Rules have been executed/provided by the employee.
- (iv) In cases of enlargement of existing house/flat, the payment shall be made in two or three suitable installments after the prescribed Agreement in Form 4 or Supplementary Agreement in Form 5 appended to these Rules for the total amount including the enhanced amount of House building advance as the case may be has been executed by the employee.

12.10. Interest⁶

- (i) The rate of interest which shall be paid by the employee on the advance sanctioned under these Rules shall be the rate applicable for similar advances granted to Government employees. The rate of interest will however, be half a percent less than the normal rate for employees who are eligible for the benefits under the small family norms subject to the conditions prescribed therefore being satisfied.
- (ii) Interest will be calculated on the balance of advance outstanding on the last day of each month.
- (iii) If the outstanding advance is cleared either by regular recoveries from pay or by lump sum payment during the course of a month, no interest is payable for that month as the interest-bearing balance for that month will be nil.
- (iv) In the process of recovery, the amount of advance will be recovered first and thereafter, the interest chargeable on the advance.
- (v) In working out interest-bearing balance of advance, if the pay of a month is drawn late due to administrative reasons, recovery of the advance shall be deemed to have been made in the month following the month to which the pay relates, irrespective of the actual date of drawal.

⁶ Existing Para

- (vi) If the part of the advance is adjustable against the gratuity due to the employee the adjustment shall be deemed to have been made on the date of retirement and no interest shall be charged beyond that date.
- (vi). Notwithstanding anything contained above, failure of an employee to faithful observance of all the terms and conditions attached to the advance sanctioned will make him liable to pay the interest at the rate of bank lending interest.
- (vii) On compliance of the conditions attached to the sanction to the satisfaction of the Competent Authority, rebate in interest to the extent of 2-1/2 % will be allowed by the sanctioning authority from date of completion of the formalities as outlined in the terms of sanction*. The following compliance would be necessary for getting the benefits of 2.5% interest rebate:-
- a. The perpetual lease deed/ sale deed/ lease deed/ gift deed etc. as the case may be, got registered in the name of employee concerned.
 - b. In case of registered co-operative societies the share certificate, allotment 1 possession letter is obtained and sub-lease is executed.
 - c. Mortgage deed in respect of house / flat is executed and along with original documents referred to at (a) and (b) above are deposited with IRFC as equitable mortgage.
 - d. Insurance of flat/ house under rule 14 of the advance for acquisition of residential accommodation Rules, to the extent of loan outstanding as on 1st April of each year is obtained from the insurance company and copy sent to HR.
 - e. In respect of employees who have separated either on account of resignation or retirement before the issue of guidelines and in respect of employees who have not been given possession of the house / flat due to which they could not comply with the above formalities the rebate of 2.5% may be given on liquidation of loan together with accrued interest thereon at the time of separation.
 - f. An employee who complies with the above formalities will be eligible for grant of 2.5% rebate in the interest rate from the date of release of loan provided the documents as mentioned above are completed within three months. Employees who fail to comply within this period, rebate will be from the date of compliance of the aforesaid requirements.
 - g. The rebate shall be admissible from 1st of the following month in which the employee has complied with all the above conditions of advance for acquisition of residential accommodation sanctioned.

NOTE:* It is further clarified that the rebate may be admissible from 1st of the following month in which the employee has complied with all the conditions as stipulated.

On submission of the documents as mentioned above, a receipt will be given to the employee by the dealing officer in HR. On repayments of the loan together with interest thereon the mortgaged property will be redeemed through a letter of redemption and receipt obtained from the employee concerned.

12.11. Procedure for Drawal of Advance⁷

- (i) Application for the grant of advance under these Rules shall be submitted in Form 1 appended to these Rules through proper channel. The following documents shall accompany the application:
 - (a) A declaration in regard to house property, if any owned by the employee or his/her wife/husband or minor children at the time of application.
 - (b) If the advance is required for enlarging an existing house/flat, the original sale deed if any, as well as the other documents such as non-encumbrance certificate from the Registrar/sub-Registrar evidencing that the employee possesses indisputable title to the property in question. A site plan shall also be furnished.
 - (c) The original sale deed or other proof of the employee having clear title to the land on which the house is proposed to be built along with a site plan, except in the case of purchase of land and outright purchase of a house or flat in which case proof of negotiations etc shall be furnished.
 - (d) Where a ready-built house/flat is intended to be purchased, the Corporation, before authorizing the payment of the advance, shall require the employee to produce proof of negotiation for the purchase of the house/flat together with a copy of the building plan and the site plan and a certificate that he has satisfied himself that the transaction will enable him to acquire indisputable clear title to the house/flat.
 - (e) An employee who intends to construct a new house or to enlarge an existing house/flat shall furnish a copy of each of the building plan and the site plan as well as the specifications, detailed estimates and abstract estimates in Forms 3 and 2 appended to these Rules. The employee shall get the site plan and the building plan duly approved by the Municipality or other local body concerned before submitting them to the Corporation.
- (ii) The sanctioning authority shall get the application scrutinized from legal administrative and financial angles and satisfy itself of the correctness of the facts stated therein. The existence of provision in the Budget shall be certified by the Finance/ Accounts section.
- (iii) After the sanction is accorded the employee shall arrange to fulfill the prescribed formalities like submission of the prescribed forms duly completed such as Agreement, Mortgage Deed, Surety Bond etc as applicable.

⁷ Existing Para

After the documents have been vetted, the Corporation shall arrange disbursement of the appropriate proportions of the sanctioned advance in suitable installments as provided for in these Rules.

- (iv) In the case of purchase of land, house/flat, the amount of advance shall be sanctioned by the Corporation to the employee, but the cheque/Demand draft for the amount shall actually be given to the seller by the Corporation after the requisite documents are received from the employee and the necessary formalities are completed.
- (v) In the case of purchase of house/flat under self – financing schemes, payment of installments of advance shall be made to the scheme-implementing authority by the Corporation after the execution of the prescribed agreement and completion of other formalities provided for in these Rules.
- (vi) The sanctioning authority shall also ensure that:
 - (a) The prescribed Mortgage deed is executed immediately on purchase of land/house/flat and/or sanction of advance and the documents are kept in safe custody after registration, if required under the law.
 - (b) The house is insured in the manner indicated in these Rules immediately after the purchase/completion and kept insured till the entire amount of advance and interest thereon are repaid in full and that the premium receipts are regularly produced for check by the Accounts section.
 - (c) Any amount of advance in excess of the actual expenditure incurred on purchase of land and construction/purchase of house/flat is refunded by the employee concerned to the Corporation forthwith together with the interest, if any due thereon.
 - (d) The property mortgaged to the Corporation is released immediately on the repayment of the advance and the interest thereon in full.
- (vii) The employee shall deposit all the legal documents such as Title Deed, Mortgage Deed, Agreement, Surety Bond etc with the administration or accounts section on behalf of the sanctioning authority.
- (viii) The outstanding balance of the advance along with interest, if any remaining at the time of retirement of the employee shall be recovered from the gratuity due to the employee and an undertaking to this effect shall be obtained from him at the time of sanctioning the advance.

12.12. Time Limits for Utilization of Advance⁸

- (i) In the case of purchase of a plot of land, the land shall be purchased and the sale deed produced within two months of the sanction of the installment of advance for the purpose.

⁸ Existing Para

- (ii) In the case of purchase of a house, acquisition of the same and the mortgage to the Corporation shall be completed within three months of sanction of advance for the purpose. Extension of time-limit may be granted by the sanctioning authority depending upon the merits of an individual case.
- (iii) In the case of purchase of a ready-built flat, the employee shall utilize the amount of advance and produce the sale deed and mortgage deed within one month of the sanction of advance. Extension of time-limit may be granted by the sanctioning authority depending upon the merits of an individual case.
- (iv) Any sanction of advance or its installment under these Rules, if not utilized within a period of 4 months, will lapse automatically.
- (v) If the advance is not utilized within the time-limit prescribed herein, it should be refunded in lump sum with interest thereon failing which it shall be open to the Corporation to recover the advance with interest in lump sum from the salary and other dues, and/or by taking recourse to any other proceedings as deemed necessary.

12.13. Construction and Maintenance⁹

- (i) The construction of a new house or additions to an existing house/flat, as the case may be, shall be
 - (a) Carried out exactly in accordance with the approved plan and specifications on the basis of which the amount of the advance has been computed and sanctioned. The plan and specifications shall not be departed from without the prior approval of the Corporation. The employee shall certify, when applying for installments of the advance admissible at the plinth level etc that the construction is being carried out strictly in accordance with the plan and estimates furnished by him to the Corporation and that the construction has already reached the plinth/roof level and that the amount already drawn has actually been utilized for the construction of the house. The Corporation may, if necessary, arrange to have an inspection carried out by an official to be nominated by it to verify the correctness of the certificate.
 - (b) Completed within 18 months of the date on which the first installment of the advance is paid to the employee. Failure to do so shall render the employee liable to refund the entire amount of the advance together with the interest calculated as specified in these Rules above in one lump sum. An extension of the time limit may, however, be permitted upto one year by the Corporation in case the work of construction is delayed due to circumstances beyond the employee's control. The date of completion of the house shall be reported to the Corporation without delay.
- (ii) The house/flat shall be maintained in good condition and repairs carried out by the employee concerned at his own cost. He shall also keep it free of all

⁹ Existing Para

encumbrances and shall continue to pay all the municipal and other local taxes regularly until the advance along with interest thereon is repaid to the Corporation in full. The employee shall furnish an annual certificate to this effect to the Corporation.

- (iii) After completion of construction/purchase of the house/flat, an annual inspection may be carried out by an authorized employee of the Corporation under instructions from the sanctioning authority to ensure that it is maintained in good condition until the advance along with interest thereon is repaid in full. The employee concerned shall afford full facilities for all the inspections provided for herein.

Note: Furnishing of false certificates shall render the employee concerned liable to appropriate disciplinary action, apart from his being called upon to refund to the Corporation forthwith the entire advance drawn by him together with accrued interest in one lump sum.

12.14. Insurance¹⁰

Immediately on completion of construction /purchase of the house/flat, the employee concerned shall insure the house at his own cost for a sum not less than the amount of the advance and shall keep it so insured against damage by fire, flood and lightning, till the advance along with interest is fully repaid to the Corporation. A letter in Form 10 appended to these Rules should also be written to the Insurer by the employee about the interest which the Corporation has in the insurance policy. The premium for the insurance shall be paid regularly and the receipts therefore produced for inspection by the section issuing the sanction for the advance. In the event of failure on the part of the employee to effect such insurance and pay the premium for the same, it shall be lawful but not obligatory for the Corporation to insure the house/flat at the cost of the employee concerned and recover the same from the employee along with interest thereon at 12%.In addition, the employee shall be liable to be proceeded against for appropriate disciplinary action.

12.15. Repayment of Advance¹¹

- (i) The advance granted to an employee under these rules, together with the interest thereon, shall be repaid in full before superannuation/separation from service of the employee by monthly installments with a period not exceeding 25 years: repayment of principal in 15 years (180 installments) and interest in 10 years (120 installments)

Provided that where an advance had been sanctioned under sub-rule 5(vi) the amount of monthly installment shall not be less than the installment amount of which the advance was being repaid by the employee while in service in parent organization/ department. Provided further that it will be open to an employee to repay the amount in a shorter period, if he so desires.

¹⁰ Existing Para

¹¹ Existing Para

Note: Recovery of the advance granted for construction of a new house or enlarging an existing house shall commence through the pay of the month following the month of completion of the house or the 18th month after the date on which the first installment of the advance is paid to the employee, whichever is earlier. In the case of advance taken for purchasing a ready-built house/flat recovery shall commence from the pay of the month following that in which the advance is drawn. In case the advance is sanctioned partly for purchase of land and partly for construction, recovery shall commence through the pay of the month following the month of completion of the house or the pay of the 24th month after the date on which the installment for purchase of land is drawn, whichever is earlier.

- (ii) It shall be open to an employee to repay the advance and/or interest in a shorter period, if he so desires. However, the entire advance together with interest thereon shall, in any case, be repaid in full before the date on which the employee is due to retire from service.
- (iii) In case an employee does not repay any balance of the advance due to the Corporation and the interest thereon on or before the date of his retirement, it shall be open to the Corporation to enforce the security of the mortgage at any time thereafter and recover the balance of the advance together with interest thereon and the cost of the recovery by sale of the mortgaged property and/or in such other manner as may be permissible under the law.
- (lii-a) In case of default by the employee in honoring his commitments, including submission of documents within the stipulated period, the Corporation shall charge interest @2.5 % over the IRFC advance for acquisition of residential accommodation rate till such time as the default continues not exceeding 6 months. In case the default exceed the period of 6 months, the Corporation shall have the right to resort to Legal recourse of recovery in full.
- (iv) Recovery of the advance shall be effected through the monthly pay/leave salary bills of the employee concerned by the Corporation.
- (v) If the employee ceases to be in service for any reason, other than normal retirement/ superannuation or if he/she dies before the repayment of the advance and/or interest thereon in full, they shall become payable to the Corporation forthwith.

Note: The Corporation may, however, in deserving cases permit the employee concerned or his successors as the case may be, to repay the outstanding amount together with interest thereon in suitable installments after safeguarding the interests of the Corporation. Failure on the part of the employee concerned or his/her successors, as the case may be, to repay the advance and the interest thereon for any reason whatsoever, shall entitle the Corporation to enforce the mortgage and take such other action to effect recovery of the outstanding amount as may be permissible. In such cases of default, if the amount realized by the sale of the property is not sufficient to cover the amount outstanding as balance due to the Corporation, the

Corporation shall be entitled to proceed against the Surety for the recovery of the amount, which falls short to make good the difference.

12.16 A CREATION OF SECOND CHARGE*

If an employee wants to avail of a further loan (in addition to the house advance) from any Financial Institution, he is allowed to create a second charge on the property, the first charge shall however, be with IRFC, subject to the following conditions :-

1. Loan to be obtained should be from recognised Financial Institution like Banks, Govt. Financial Corporation's, Co-operative Housing Finance institutions, Public Companies formed and registered in India with the specific purpose of financing housing like House Development Finance Corporation Ltd.
2. The total advance for acquisition of residential accommodation taken plus the amount of loan now raised should not exceed the cost of House/Flat or expansion/enlargement thereof.
3. Second Charge may be created purely for the purpose of meeting the balance cost of the house or for the purpose of expansion/enlargement of an existing dwelling unit. In the case of expansion/enlargement of the existing dwelling unit permission for creation of second charge may be considered provided necessary permission has been obtained from the agencies/local authority for such expansion/enlargement of the flat/house.
4. Prior permission of the Corporation should be obtained.

12.16-B Pari-Passu Arrangements*

In case of specified housing financial institutions insisting on pari-passu arrangements, employees are allowed to take second loan subject to the following :-

- 15-B-1 Interest agreement regarding Pari-Passu charge to be executed among borrower employee, IRFC and the financial institution in the prescribed format.
- 15-B-2 Memorandum of Pari-Passu arrangement to be executed between IRFC and the financial institution shall be in the prescribed format.

12.16-C INTEREST SUBSIDY SCHEME*

C-1 The employees should be encouraged to take house building loan from LIC, HUDCO, House Banking and other financial institutions. Such employees of the Corporation as are otherwise eligible for grant of advance for acquisition of residential accommodation under these Rules may avail of the house building loan scheme sponsored by the LIC etc. In such cases, the Corporation will grant subsidy to them to meet the difference between the rates of interest applicable in IRFC and the interest rate actually paid to the LIC etc. from time to time subject to the conditions that the subsidy will be granted on the amount which would have been admissible to the concerned employee under these rules and no subsidy shall be allowed on the interest levied by the LIC etc. for default and/or delay in payment. No

employee can avail of the interest subsidy scheme and also have an advance for acquisition of residential accommodation sanctioned from the Corporation. Where both husband and wife are employees of the Corporation, and if one of them avails of the interest subsidy scheme, neither of them can avail of the advance for acquisition of residential accommodation.

C-2 The subsidy will be paid after actual verification of receipt issues by the LIC of India etc. for payment of interest and for this purpose; suitable registers will be maintained to avoid double/over payment. The original receipts will also be endorsed suitably to guard against a second claim. The modus operandi of payment of subsidy for interest will be evolved by the IRFC.

12.17. Safeguards¹²

- (i) Before disbursement of the first installment of the advance, the employee shall mortgage the land with the house to be constructed thereon to the Corporation. The original documents of title to the land shall be deposited with the sanctioning authority before drawing the second installment of the advance.
- (ii) In the case of a ready-built house/flat and in cases where the title to land passes to the buyer after the house is built there on or after a prescribed period, the Agreement in the prescribed form shall be obtained from the employee that he will execute the Mortgage Deed as soon he as he acquires the title.
- (iii) Surety Bond in the prescribed form (Annexure6 to this chapter) shall be obtained from the employees who apply for advance, as prescribed in these Rules.

12.18. Forms & other Records¹³

- (i) The forms and drafts of Mortgage Bond and other documents required under these Rules shall be such as are prescribed herein which may be amended by the Chairman & Managing Director from time to time.
- (ii) Procedure for watching recovery of advances granted under these Rules and books to be kept for the same shall be as prescribed by the Chairman & Managing Director.

12.19. Stamp Duty

The Stamp Duty chargeable on documents, registration fees and other expenses to be incurred for the completion of legal and other formalities shall be borne by the employee.

¹² Existing Para

¹³ Existing Para

*Best practices from schedule A CPSE

12.20. Modifications/Amendment of Rules And Delegation of Powers¹⁴

The Corporation reserves the right to modify, cancel, add to or amend any of the provisions of these Rules and to delegate the power of sanction under these Rules to any authority in the Corporation from time to time. Such modification, cancellation, addition and amendment to any of the provisions of these Rules shall not affect the advances already sanctioned unless the employees to whom such advances have been sanctioned specifically agree to the same.

12.21. Interpretation¹⁵

The power to interpret these Rules shall vest in the Chairman & Managing Director, whose decision shall be final.

B. IRFC EMPLOYEES RULES FOR GRANT OF ADVANCE FOR ACQUISITION OF PERSONAL VEHICLES & PERSONAL COMPUTERS

1. Title & Scope

These Rules may be called the IRFC Employees Rules for Grant of advance for acquisition of Personal Vehicles and Personal Computers and apply to the regular employees of the Corporation including those deputationists who are absorbed in the Corporation. These Rules do not apply to casual, temporary or contractual employees, nor to Resource Persons deployed by nominated agencies in IRFC office as such personnel's are not employees of the Corporation.

2. Objective

These Rules are intended to regulate the grant and recovery of interest-bearing monetary advance by the Corporation to the eligible employees for purchase of motor car / motor cycle, which they intend to use for commuting between their place of residence and the office and for other official purposes. The Rules also cover purchase of Personal Computers, which the Corporation personnel might need at home for enhancing their effectiveness as employees of the Corporation.

3. Eligibility

- (i) Advance for the purchase of Personal Vehicles and Personal Computer under these Rules will be admissible only to regular employees of the Corporation including those deputationists who are absorbed in the Corporation. These Rules do not apply to casual, temporary or contractual employees, nor to Resource Persons deployed by nominated agencies in IRFC office as such personnels are not employees of the Corporation.
- (ii) The provisions of this chapter shall also regulate mutatis-mutandis the cases relating to the grant of conveyance advance for repayment of the balance amount of conveyance advance together with accrued interest thereon, directly by the Corporation to the parent organisation of such employees who join / get absorbed in the Corporation from other

¹⁴ Existing Para

¹⁵ Existing Para

Government Department / PSUs / Statutory Corporations / Quasi-Government bodies.

- (iii) An employee applying for the advance should have rendered at least one year of regular service in the Corporation and should have at least three years of service left before retirement on superannuation.
- (iv) Employees who join the Corporation on deputation shall be eligible to be granted the advance at the time of their permanent absorption for the purpose of repayment of the balance of the advance (and interest thereon) which they might have taken from their previous employer.
- (v) In case of conveyance to Board level executives, provision of Company's Act 2013 and terms and conditions of their appointment will be followed.

4. Basic Conditions for Grant of these Advances⁵⁴

The following basic conditions will be required to be fulfilled for the grant of advances under these Rules:

- (i) In the opinion of the authority competent to sanction the advance, possession of the vehicle in question or the Personal Computer, as the case may be, should be considered to be useful for the employee's service in the Corporation.
- (ii) The authority competent to sanction the advance should be satisfied that the employee has the capacity to repay the advance together with the interest.
- (iii) All the relevant forms provided in the annexure 12-21 for this HR Manual for the purpose of grant of these advance need to be filled as and when required.

5. Amount of Advance admissible in various Cases

The maximum amount of advance, which may be granted in various cases of purchase of Vehicles and Personal Computer and the Grades of employees eligible to be granted the advance in each case along with the terms of recovery of the advance are indicated below:

- 5.1 Employees of the grade of Section Officer (NE7) (Rs.28000-98000), and above are eligible to be granted advance for the purchase of a Motor Car.

The maximum amount of advance for the purchase of a motor car to an employee shall be limited to the least of the following:

5.1.1 For advance granted for the first time:

- A. Employees in the Grade of Section Officer (NE7) (28000-98000)-E1 (40000-140000) - Actual cost of motor car or Rs. 4 lakh, whichever is lower.
- B. Employees in the grade of E2 (50000-160000) to E6 (90000-240000) - Actual cost of motor car or Rs. 7.50 lakh whichever is lower.
- C. Employees in the grade of E7 (100000-260000) and above - Actual cost of motor car or Rs. 9.00 lakh whichever is lower.

5.1.2 For advance granted for the subsequent occasions, the least of the following:

Amount of advance as admissible in 5.1.1 above reduced by the sale proceeds of the previous vehicle after repayment of previous advance.

- 5.2 The maximum amount of advance for the purchase of a scooter/ motor cycle for the first time or/ any subsequent occasion to an employee shall be limited to the least of the following:

a) First Advance

Actual cost of scooter / motor cycle; or

Rs. 75,000/- whichever is lower.

b) Subsequent Advances

Amount of advance as in (a) above reduced by sale proceeds of the previous vehicle after repayment of previous advance.

- 5.3 If a vehicle owned and registered in the name of an employee has been sold off by him and applies for advance of conveyance from the Corporation, in such cases, the amount of advance will be restricted to the difference between the cost of the vehicle to be purchased and the sale proceeds of the vehicle (provided the sale proceeds are lesser than the cost of the vehicle to be purchased) subject to the veiling of the maximum permissible amount of advance.
- 5.4 The number of the occasions on which advance to be granted to an employee shall not exceed five for scooter/ motor cycle and car during his entire service subject to the fulfillment of other conditions of these rules.
- 5.5 The anticipated price of the vehicle will include expenditure on items like spare wheel together with a tyre/ tube or pillion seat of a scooter, which have to be necessarily purchased along with the scooter/motor cycle and motor car. It shall not, however, include the cost of accessories like radio in a car, plastic cover etc. which are not essential item and are purchased by the customer of his own volition and the registration and insurance charges, road tax that are payable for the vehicle purchased.
- 5.6 The Principal and the interest thereon will be recovered in a maximum of 120 equal monthly installments, subject to the entire amount together with interest being recovered, in any case before retirement of the employee.
- 5.7 The second and subsequent advances for the same purposes, if granted subject to the conditions prescribed in these Rules, will be recovered in a maximum of 90 equal monthly installments.

(B)Motor Cycle /Scooter Advance

All employees are eligible to be granted advance for the purchase of a Motor cycle or Scooter.

- i. On the first occasion of application for the advance, the admissible amount of the advance is Rs. 75,000 or the anticipated cost of the vehicle whichever is less.
- ii. The Principal and the interest thereon will be recovered in a maximum of 70 equal monthly installments, subject to the entire amount together with interest being recovered in any case before retirement of the employee.
- iii. The Second and subsequent advances for the same purpose, if granted subject to the conditions prescribed in these Rules will be recovered in a maximum of 50 equal installments.

(C) Personal Computer advance

- i. All employees of the corporation are eligible to be granted advance for purchase of a Personal Computer – Desktop or laptop or any other variety.
- ii. On the first occasion of application for the advance, the admissible amount of the advance is Rs. 60,000 or the anticipated cost of the Computer whichever is less.
- iii. The Principal and the interest thereon will be recovered in a maximum of 60 equal monthly installments, subject to the entire amount together with interest thereon being recovered, in any case before the date of retirement of the employee.
- iv. The Second and subsequent advances, for the same purpose, if granted subject to the conditions prescribed in these Rules, will be recovered in 60 equal monthly installments.
- v. A minimum of three years will have to lapse as intervals between the grants of advances for the purpose of computers on the second and subsequent occasions.

Note:

1.If the actual price of the Vehicle/PC is less than the amount granted as advance, the difference shall be refunded by the employee within a period of two weeks to the Corporation.

2.The expression “actual price” includes sales tax and the cost of such items as spare wheel, tyre, tube or a pillion seat in a scooter etc. on the purchase of which the employee has no choice. Insurance and registration charges are also not included in the “actual price”.

6. Sanctioning Authority

The following will be the sanctioning authorities for the various advances provided for in these Rules:

Advance	Sanctioning Authority
Motor car& Personal Computers	Director
Motor Cycle/Scooter	GGM/GM in-charge of Administration

7. Procedure for Sanction of Advance¹⁶

- i. Application for advance shall be made in the Form Annexure¹¹ appended to these Rules. The advance will be sanctioned by the competent authority after ascertaining the eligibility of the employee and the availability of funds in the Budget.
- ii. After the sanction for the advance is conveyed, the employee will have to execute an Agreement in Form Annexure¹²&Annexure¹³ (as applicable) appended to these Rules.
- iii. The purchase of the Vehicle/Personal Computer shall be completed within thirty days from the date on which the employee draws the advance, failing which the full amount of the advance drawn along with interest thereon will be recoverable from the employee and will have to be refunded to the Corporation immediately. The sanctioning authority may, however, extend the time- limit for a period not exceeding one month depending upon the merits of the case.
- iv. As soon as the Vehicle/Personal Computer is purchased and in any case within 30 days from the date of purchase, the employee shall submit to the sanctioning authority a Mortgage Deed in Form Annexure 4 appended to these Rules mortgaging the Vehicle/Personal Computer to the Corporation. After scrutiny the sanctioning authority will forward the Mortgage Deed, duly accepted to the Administration section for safe custody.
- v. Sanctions which are not utilized within a period of four months from the date of issue will lapse automatically.
- vi. Cash receipt, Agreement Form and the Mortgage Deed shall be returned to the employee after the advance and the interest are completely recovered.
- vii. An advance for the purchase of a Vehicle/Personal Computer under these Rules shall not be granted to an employee who has already purchased the same and paid for it out of his own funds unless it has been purchased within the last three months reckoned from the date the advance is applied for and has been financed by raising a temporary loan. In such a case an Agreement

¹⁶ Existing Para

in Form Annexure14 appended to these Rules will have to be executed by the employee.

8. Second and Subsequent Advance

- (i) For a second and subsequent advance for the purchase of a Personal Vehicle/ Personal Computer under these Rules, the amount of advance will be restricted to the difference between the price of the Vehicle/Personal Computer to be purchased and the sale proceeds of the old Vehicle/Personal Computer left over with the employee after repayment of the earlier outstanding advance (principal and interest), if any, subject to the amount not exceeding the limit prescribed in Rule 5.
- (ii) Second and subsequent advances will be granted only after the lapse of 5 years from the date of sanction of the previous advance in the case of Personal Vehicles and 3 years in the case of Personal Computer, except in special circumstances at the discretion of the sanctioning authority.
- (iii) The restriction of 5 years stipulated in sub rule (ii) above will not however apply when an advance has been sanctioned earlier for the purchase of /Motor Cycle/Scooter but it is desired by the employee to apply for an advance for the purchase of Motor Car.

Note: In such cases relevant form provided in Annexure section of HR manual will have to be executed by the employee.

9. Insurance⁵⁵

- i. The Vehicle/Personal Computer purchased with the advance shall be comprehensively insured within one month from the date of purchase and the insurance policy should be furnished to the sanctioning authority along with the Mortgage Deed for verification. The insurance should be renewed from time to time till the full amount of advance along with interest is liquidated. The amount for which the Vehicle/Personal Computer is insured shall at no time be less than the outstanding advance plus interest.
- ii. The employee shall produce the insurance/renewal policies to the sanctioning authority for verification until the advance is liquidated.
- iii. The employee shall also furnish to the Insurance company a signed letter in the Form Annexure20 appended to these Rules informing the Insurance Company that the Corporation has interest in the Vehicle/Personal Computer. The sanctioning authority will countersign and forward the original letter to the Insurance company and obtain the latter's acknowledgement.

10. Interest

- i. An advance granted under these rules shall carry simple interest from the date of payment of the advance, the amount of interest being on the balance outstanding on the last date of each month.

- ii. The rate of interest to be charged on advances sanctioned under these Rules will be the same as applicable to the Central Government employees for similar advances.
- iii. Notwithstanding anything contained above, failure of an employee to faithful observance of any of the terms and conditions attached to the advance sanctioned will make him liable to pay the interest at the bank leading interest rate as applicable at the relevant time.
- iv. Recoveries on account of simple interest calculated at prescribed rates will be made after all the recoveries on account of the Principal have been completed.
- v. The total amount of interest due from the employee shall be recovered in the minimum number of monthly installments, the amount of each such installment being not more than the amount of installment in which the Principal amount is repaid.
- vi. It shall be ensured that the advance together with the interest is recovered before the date of termination of service of the employee in the Corporation due to retirement or for any other reason.

11. Repayment of Advance

- i. The number of installments, in which the advance granted under these Rules and the interest is recoverable is stipulated in Rule 5.
- ii. The amount recoverable in each installment will be in whole rupees rounded off to the nearest ten-rupee, except the last installment, when the full outstanding amount will be recovered. The installment, once fixed will not be lowered. However, an employee may choose to repay the outstanding balance in a smaller number of installments.
- iii. Recoveries of advance will commence from the salary for the month following that in which the advance is drawn.

12. Sale of Vehicle/Personal Computer

- (i) If an employee desires to sell the Vehicle/Personal Computer which he has purchased with the advance sanctioned under these Rules, before the advance together with interest thereon is fully repaid, he will need to obtain permission from the sanctioning authority. In such a case, he shall repay the balance of the advance and interest outstanding on the same immediately after carrying out the transaction but not later than 7 working days.
- (ii) If, however, the employee desires to apply for re-appropriation of the sale proceeds towards the purchase of another Vehicle/Personal Computer, the sanctioning authority may permit the same, provided that the purchase is effected within 30 days of sale /transfer of the previous vehicle.
- (iii) The amount outstanding does not exceed the cost of the new Vehicle/Personal Computer obtained.

- (iv) The amount outstanding and interest will continue to be repaid at the rate previously fixed.
- (v) If the amount outstanding is less than the cost of the new Vehicle/Personal Computer, the balance of the advance shall be repaid forthwith and
- (vi) The new Vehicle/Personal Computer shall be insured comprehensively and mortgaged to the Corporation in the prescribed forms and all other conditions and Rules will apply in such cases.

D. IRFC MULTI PURPOSE ADVANCE RULES (MPA¹⁷)

The objective of IRFC Multi Purpose Advance Rules is to facilitate the employees to meet expenses on varied need of emergent nature like marriages / social functions, education of children, furnishing of house, purchase of electronic appliances, and to meet other domestic requirements, contingencies, etc. of employees.

- a.1. All regular employees (including those on probation and deputationist) in the Corporation having completed 1 (one) year of service shall be eligible for a Multipurpose Advance equivalent to 12 months' pay will be ceiling for this purpose. Pay for this purpose shall consist of all elements which count for Provident Fund deduction (Basic pay, DA, dearness pay, stagnation increment and personal pay, if any).
- a.2 The advance can be availed in for maximum of 3 times during the entire service in the Corporation.
- b.1 The rate of interest charged shall be simple interest (equivalent to the saving account rates at that time – Bench mark to SBI saving Bank account)) on reducing balance. The principal shall be recovered first in maximum of sixty installments followed by interest in the next ten installments and in the case of deputationist before the completion of the deputation period.
- b.2 Any unsettled amount at the time of Repatriation / Retirement / Resignation etc. shall be recovered from the dues outstanding to the employee. The employee shall furnish an undertaking to this effect before drawl of advance.
- c. The employee shall have an option of prepayment of the entire outstanding balance in one installment at any time during the currency of the loan subject to realization of interest as applicable till that month.
- d. The advance will be sanctioned subject to the overall repaying capacity of the employee which will be calculated as 50% of the pay of the employee, in other words the total monthly recoveries shall not exceed 50% of pay i.e. Basic+DA. If the recovery exceeds 50% of the pay, the amount of MPA shall be so reduced that the recovery does not exceed 50% of pay.
- e. Repayment of advance shall commence from the month immediately following, in which the advance is sanctioned. Sanctioning authority for Multi Purpose Advance will be the officer in charge of the Personnel and Administration wing.

¹⁷ Existing Para

- f. Employees having dues against House Advance or motor car advance or both can apply for MPA.
- g. Employees with less than 10 years of service will have to give one Surety. In case of deputationists from Railways / other departments / other PSU's, services rendered in their parent Organization will also be counted for the purpose. Surety has to be a regular employee of the Corporation.

D FESTIVAL ADVANCES¹⁸

- i. An interest free festival advance to the extent of one month basic pay and dearness allowance as on date of application is admissible to all regular employees on their written application, after they have completed one year of service in the Corporation on the occasion of Festivals listed in Sub-Rule (vi) below..
- ii. Temporary employees may also be granted the advance to the extent of Rs. 10,000/- subject to their furnishing a Surety Bond form a regular employee of the Corporation.
- iii. The Advance will be granted once in a calendar year. It will be recovered in not more than 10 monthly installments commencing from the month following the one in which the advance is drawn.
- iv. An employee will be eligible to be granted a fresh advance only after the previous advance is recovered in full.
- v. The advance will be granted with the approval of the officer heading the personnel administration.
- vi. The following are the festivals on the occasion of which the advance will be granted:

- | | |
|----------------------------|--------------------|
| • PONGAL | • MUHARRAM |
| • REPUBLIC DAY | • HOLI |
| • BAISAKHI (NEW YEARS DAY) | • INDEPENDENCE DAY |
| • ONAM | • ID-UL-FITR |
| • JANMASHTAMI | • DASSEHRA |
| • DIWALI | • CHRISTMAS |
| • GURU NANAK'S BIRTHDAY | |
| • ID-UL-ZUHA | |

Note: Other festivals could be added to the list depending upon needs expressed by employees of the Corporation.

¹⁸ Existing Para

Annexure I

INDIAN RAILWAYS FINANCE CORPORATION LTD APPLICATION FOR ADVANCE FOR ACQUISITION OF RESIDENTIAL ACCOMMODATION

1. Name in Block Letters
Designation
Section where working
Scale of pay
Present pay (excluding allowances
but including Dearness Pay, if any)
2. Place and Address where the House/Flat is proposed to be
purchased/built/enlarged
3. Please state
Whether you are a regular employee of IRFC
Date of initial appointment and Grade
Date of Birth
Date of Superannuation
Is your spouse a Central Government/PSU employee
If so, his/her name, office, designation
4. Do you or your spouse/minor child already own a House/Flat and if so
the Station where it is situated
Floor Area in Sq.Ft
Its approximate valuation
Reasons for acquiring another House/Flat
5. Do you require the Advance for building a new House/Flat,
 - I. If so, please indicate
 - a. Approximate floor area of the House/Flat
proposed to be built in Sq Mt
 - b. Estimated cost of land
 - c. Estimated cost of Building
 - d. Total cost
 - e. Amount of advance required

- f. No of years in which the advance with interest will be repaid

Note: The Cost figures will have to be supported by Specifications, plans and estimates in the prescribed forms.

II. If you are already in possession of land, please state

- a. Name of City, Town, where it is located
- b. Do you wish to settle down there after retirement?
- c. Area of the Plot of land in Sq Mt
- d. Name of the Municipal/Local Authority having Jurisdiction

III. If no plot of land is already in your possession, how and when do you propose to acquire one and also state the approximate plot area in SqMt. Also enclose an attested true copy of the letter from the seller of the plot that subject the settlement and payment of the price, he can hand over to you the vacant possession of a clearly demarcated developed plot of land within a period of two months from the date of the letter.

6. (i) If you require the advance for enlarging living accommodation in an existing house/flat, please state

- a) No of rooms in the existing house (excluding Lavatory, Bath and kitchen)
- b) Total floor area of the rooms in Sq Mt
- c) If an additional storey is to be built, is the foundation strong enough
- d) No of New rooms to be built and particulars thereof
- e) Floor area in Sq Mt
- f) Estimated cost
- g) Amount of advance required
- h) No of years in which the advance and interest will be repaid

Note: A Plan of the existing house and the cost estimates for the new construction along with plan and specifications to be enclosed

7. (1) If you require the advance for purchasing a ready built house/flat please state

- a) Exact location of the House (address)
- b) Floor area of the house in Sq Mt
- c) Plinth area of the house in Sq Mt
- d) Approximate age of the house
- e) Municipal valuation of the house
- f) Name and address of the owner
- g) Approximate price expected to be paid
- h) Amount of advance required
- i) No of years in which the advance and interest will be repaid
- j) Have you satisfied yourself that the transaction will result in your acquiring an undisputed title to the House.

Note: A plan of the House should be enclosed

(2) If you do not already have a house/flat in view, how, when and where do you propose to acquire one.

Also indicate

- a) The approximate amount upto which you propose to buy the house
- b) The approximate amount of advance required
- c) No of years in which the advance and interest will be repaid

Note: The details specified in Item 7 (1) above should also be furnished as soon as possible and in any case before the full amount of the advance is drawn.

8. If the land on which the house stands or is proposed to be constructed is a leasehold, please state

- a) The term of the lease
- b) How much of the term has expired

- c) Whether the conditions of the lease permit the land being mortgaged to the IRFC
- d) Premium paid for the plot of land
- e) Annual rental value of the plot

Note: A copy of the Lease/sale deed should be enclosed.

9. (1) is your title to the land/house indisputable and free from encumbrances?

(2) Can you produce, if required, original documents (sale or lease deed) in support of your title? If not, state reasons therefore indicating what other documentary proof, if any you can furnish in support of your claim.

(3) Does the locality in which the plot of land /House is situated, possess essential services like roads, water supply, drainage, sewerage, street lighting etc?

(Furnish site plan with complete address)

10. Surety

- i. Name and Designation of the Surety
- ii. Present pay (excluding allowances but including DP and DA) of Surety (enclose copy of latest pay slip)
- iii. Date of superannuation of Surety

11. In case you have already made final withdrawal from Provident Fund for the construction or acquisition of a house/flat or a residential plot, please furnish the particulars of the amount withdrawn, date of withdrawal etc.

12. In case you happen to be due to retire from employment within 20 years of the date of application, do you agree to authorize IRFC to adjust the outstanding advance with interest against the gratuity or any other dues admissible to you?

DECLARATION

1. I solemnly declare that the information furnished by me in reply to the various items indicated above are true to the best of my knowledge and belief.
2. I have read the Rules regulating the Grant of Advance to IRFC employees for building/purchasing houses/flats and agree to abide by the terms and conditions stipulated therein.
3. I certify that
 - a) My wife/husband is not a Central Government/PSU employee. My husband/wife, who is a Central Government/PSU employee has not applied for and/or obtained any advance for the same purpose.
 - b) neither I nor my wife/husband/minor child has applied for and/or obtained any loan or advance for acquisition of a house in the past from any Government source or drawn an advance or made a final withdrawal from any Provident Fund in connection with the acquisition of a house/flat.
 - c) that the house/flat proposed to be purchased/constructed/enlarged is required for my bona fide personal use.
 - d) that the construction of the house/flat for which the advance has been applied for has not yet been commenced.

Place

Date

Signature of Applicant

Forwarded by the Controlling Officer.

SIGNATURE

Annexure 2
INDIAN RAILWAYS FINANCE CORPORATION LTD

**ABSTRACT OF COST OF ORIGINAL ESTIMATES AND DETAILED SPECIFICATIONS
FOR GRANT OF ADVANCE TO IRFC EMPLOYEES
FOR BUILDING HOUSES/FLATS**

Amount of Advance Name and Designation

Locality and Address in which the house is proposed to be constructed

Item No	Sub Head and Item of work	Quantity or No	Rate per	Amount	Total
1	Earth work(earth Work excavation for foundations and disposing of surplus earth etc)		1000 sq Mt		
2	Concrete work(Foundation concrete with cement or lime using stone or brick ballast either below floors or for footings)		100 Sq Mt		
3	Damp Proof Course(concrete on rich cement mortar or bitumenistic compound				
4	Roofing work(RCC asbestos or any other type of suitable roof)				
5	Reinforced cement				
6	Masonry(Brick, stone concrete, block walls etc)				
7	Wood work(for doors and windows, wooden scantlings for roof etc)				
8	Steelwork(for reinforcements, holdfasts, window bars etc)				
9	Flooring(concrete, stone, marble chip etc)				
10	Finishing(plastering, painting colour, or white washing, painting etc)				
11	Miscellaneous(like rain water pipes,				

	shelves, jaalis, chulas, pegs hooks for fans etc)				
12	Sanitary installations(closets, connection pipes, manholes, drains etc)				
13	Water supply(Taps, water meters, water tanks, GI Pipes etc				
14	Electricity(Electric Points, meters, connection lines etc)				

Total Cost

Date

Signature of Applicant

Note: The abstract is to be typed on a separate sheet (including the actual details of works/rates etc proposed to be adopted) and attached to the application at the appropriate stage.

Annexure 3
INDIAN RAILWAYS FINANCE CORPORATION LTD

DETAILS OF MEASUREMENTS

No.	Details of Work	Measurements	Quantities	LBH
1.	Earthwork in excavation in foundation trenches in ordinary soil			
2.	Filling available excavated earth in plinth sides of foundations etc			
3.	Providing and laying cement concrete 1:5:10 in foundation etc.			
4.	Providing and laying 38 mm thick long wall			
5.	Applying a coat of residual petroleum bitumen 80/100			
6.	2 nd class brick work in cement mortar 1:6 in foundation and plinth			
7.	2 nd class brick work in superstructure in CM 1:6 upto Floor 2 level			
8.	RCC 1:2:4 in suspended floors roof landings balconies upto floor 2 level			
9.	RCC 1:2:4 in chhajjas upto floor 2 level			
10.	RCC 1:2:4 upto floor 2 level in lintels, beam etc			
11.	Centering, shuttering suspended floors landings balconies etc			
12.	Mild steel reinforcement for RCC work			
13.	Cement concrete floorings 1:2 40 mm thick			
14.	Providing wood work in frames of doors etc			
15.	Providing and fixing 38 mm thick paneled glazes shutters of door windows			
16.	10 mm thick mud phaska of clamped brick arch and covered with flat file bricks			
17.	12 mm cement plaster 1:6 or any other mix			
18.	White washing with lime of new work			
19.	Applying priming coat with ready mixed primer of approved brand			
20.	Painting two or more coats			
21.	Providing and fixing steel compound gates			

Note: Details like long wall, cross wall, doors, windows etc are to be included

**AGREEMENT TO BE EXECUTED AT THE TIME OF DRAWING AN ADVANCE BY
IRFC EMPLOYEE FOR BUILDING ETC**

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be erected thereon and the borrower shall duly observe all the terms and conditions of the said rules and orders that may be issued from time to time by the Management regulating the grant of house building advance

NOW THESE PRESENTS witness and it is hereby agreed by and between the parties hereto as follows:

1. That in pursuance of the said rules and in consideration of the sum of Rs (First instalment) to be paid by the Management after the execution of this Agreement and the sum of Rs (balance to be paid) and/or such further additional advance or advances that may be granted by the Management to the Borrower as provided in the said rules, the Borrower hereby agrees with the Management:

*(a) to repay to the Management the said amount of Rs (Rupees only) with interest calculated in accordance with the said Rules for the time being in force by monthly installments of Rs to be deducted from his pay as provided for in the said Rules from the month of two thousand or from the month following the completion of the house whichever is earlier and the Borrower hereby authorizes the Management to make such deductions from his monthly pay/leave salary /subsistence allowance bills of the amount of such installment and the Borrower shall after paying the full amount of the advance also pay interest thereon in monthly installments in the manner and on the terms specified in the said Rules. It will however be open to the borrower to repay the advance and interest in a shorter period.

*(b)(i) within two months from the date of receipt of the aforesaid amount of Rs (Rupees only) or within such further time as the Management may allow in this behalf to expend the aforesaid amount in the purchase of land and to produce for inspection of the Management the Sale Deed in respect thereof failing which the borrower shall be liable to refund forthwith the entire amount of advance to the Management together with interest thereon.

*(ii) within three months from the date of receipt of the aforesaid advance of Rs (Rupees only) to expend the aforesaid amount (in the purchase of the said ready-built house/flat)/(in the repayment of the loan taken by the borrower for constructing or purchasing the said house/flat) and to complete the acquisition / redemption of the said house/flat and mortgage it to the Management failing which the Borrower shall refund the advance together with interest to the Management forthwith unless extension of time is granted by the Management.

*(iii) to complete construction /enlargement of the said house/flat within months of strictly in accordance with the approved plan and specifications on the basis of which the amount of advance has been computed and sanctioned or within such extended period as may be laid down by the Management

* Mention whichever is applicable and strike off if not applicable

2. That if the actual amount paid for the purchase of the land and building a house thereon/enlarging the said living accommodation/purchase of the ready built house flat is less than the amount received under these presents by the Borrower to repay the difference to the Management forthwith.
3. To execute a document mortgaging the said house/land along with the house to be built thereon to the Management as security for the amount advanced to the borrower under these presents as also for the interest payable for the said amount in the form provided by the said rules.
4. AND IT IS HEREBY AGREED AND DECLARED THAT if the land is not purchased and the sale deed thereof not produced for inspection of the Management within two months of the date of drawal of the part of the advance for that purpose or if the house/flat is not purchased /redeemed and mortgaged within three months of the drawal of the advance or if the borrower fails to complete the construction of the said house as hereinbefore agreed or if the borrower becomes insolvent or quits the service of the Management or dies, the whole amount of advance together with the interest accruing thereon shall immediately become due and payable to the Management.
5. Without prejudice to any other right of the Management in that behalf, if any amount becomes refundable or payable by the Borrower to the Management, the Management will be entitled recover the same by deducting from his pay such amounts as it shall deem reasonable.
6. The Stamp Duty payable in respect of these presents shall be borne and paid by the Management.

THE SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF, THE BORROWER has hereunto set his hand and the Chairman & Managing Director IRFC has caused Shri for and on his behalf to set his hand the day, month and year before written

Signed by the said Borrower
In the presence of

Signature of the BORROWER

1st Witness

Address

Occupation

2nd Witness

Address

Occupation

Signed by Shri
Director IRFC

of IRFC for and on behalf of The Chairman & Managing

In the presence of

1st Witness

Address

Occupation

2nd Witness

Address

Occupation

Annexure 5
INDIAN RAILWAYS FINANCE CORPORATION LTD

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT is made at _____ on this _____ the day of two thousand and _____ between Shri _____ Son of _____ (hereinafter called "the Borrower", which expression shall unless excluded by or repugnant to the subject or context include his heirs, executors, administrators and legal representatives) of the ONE PART and IRFC LTD (hereinafter called "the Corporation" which expression shall unless excluded by or repugnant to the subject or context include their successors in office and assigns) of the OTHER PART.

WHEREAS THE Borrower has already entered into an Agreement with the Corporation on the _____ day of _____ to borrow a sum of Rs _____ for the purchase of land at _____ and construction of a house thereon/enlarging living accommodation/purchase of a ready built house/flat at _____ and more particularly described in the Schedule hereto and in the Schedule referred to in the said Agreement dated _____ (hereinafter referred to as the "said property")

AND WHEREAS the Borrower was sanctioned and had obtained an advance of Rs _____ (Rupees _____ only) for the said purpose

AND WHEREAS the Borrower has approached the Corporation for a further advance of Rs _____ for the said purpose

AND WHEREAS the Corporation has agreed to sanction the said further advance of Rs _____ (Rupees _____ only) to the Borrower on the same terms and conditions with a stipulation that the Borrower shall mortgage the said property/create a further mortgage in respect of the said property already mortgaged in favour of the Corporation.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. That in consideration of the sum of Rs _____ to be paid by the Corporation after the execution of this Agreement as and by way of further advance to the Borrower for the said purpose as provided in the Rules and that the terms and conditions in the Agreement dated _____ entered into between the Borrower and the Corporation will remain in force and effect and will apply to the further advance agreed to be granted by the Corporation to the Borrower, this Agreement shall be treated as supplemental to the said Agreement dated _____
2. That the Borrower shall execute a Deed of Mortgage/create an equitable mortgage in respect of the said property in favour of the Corporation for the said

further advance of Rs (Rupees only) sanctioned by the Corporation to the Borrower with interest thereon payable in accordance with the Rules of the Corporation in such form and within such time as may be prescribed by the Corporation.

3. That this Agreement shall be supplemental and part of the said Agreement dated and that the Borrower shall be bound by the said Agreement and the terms and conditions contained therein as well as herein.
4. That the Stamp Duty payable on these presents shall be borne by the Borrower.

SCHEDULE REFERRED TO ABOVE

IN WITNESS WHEREOF the parties have put their respective hands on the day, month, and year first above written

SIGNED AND DELIVERED by the within named Borrower SHRI

Signature

In the presence of

1 st Witness	Address	Occupation
-------------------------	---------	------------

2 nd Witness	Address	Occupation
-------------------------	---------	------------

Signed and delivered by the within named Corporation IRFC Ltd through Shriits For and on behalf of IRFC Ltd

Signature

In the presence of

1 st Witness	Address	Occupation
-------------------------	---------	------------

2 nd Witness	Address	Occupation
-------------------------	---------	------------

Annexure 6
INDIAN RAILWAYS FINANCE CORPORATION LTD

AGREEMENT TO MORTGAGE

In consideration of Indian Railways Finance Corporation Ltd called the Corporation having at my request agreed to grant a loan of Rs (Rupees

Only) under the IRFC Employees Housing Advance Rules, I hereby undertake that so long as I am indebted to the Corporation to execute by way of security, mortgage with or without possession at the option of the Corporation in favour of the Corporation of all my rights, title, and interest in the ownership flat/house/plot of land described in the Schedule hereto, which I have agreed to buy and over which there are no subsisting encumbrances or charges, within 14 days of allotment of the ready built flat, house or plot of land at to execute such Mortgage to secure the repayment of all the moneys due or to become due from me to the Corporation and in the meanwhile I shall not create any mortgage, charge, or other encumbrance on or sell, exchange or lease or otherwise deal with or dispose of the said flat, house or plot of land and the said flat, house or plot of land shall always remain my sole and exclusive property and free from all encumbrances.

And in further consideration of the premises and in pursuance of the Agreement aforesaid I do hereby irrevocably and unconditionally nominate, constitute and appoint the Corporation or any officer of the Corporation nominated for the purpose as the attorney to create and execute in favour of the Corporation at my cost as to stamp duty and solicitor's charges etc and to get registered the Deed of Mortgage of the said flat, house or plot of land on my failure to do so within the said period of 14 days of the allotment.

And I do hereby also authorize the said attorney to do all the acts necessary in relation to the said flat, house or plot of land in respect of all my rights title and interest therein particularly and including the following:

- A. to sign and execute all the documents, papers in relation to the purchase of the said flat,
- B. to sign and execute all the necessary papers for becoming a member of the society to be formed by the purchasers of the Flat in the building and exercise all the rights as a member,
- C. to sign and execute all the necessary papers for transfer of the building by the owner builder of the building wherein the flat is situated in favour of the society,
- D. generally to do all acts as a purchaser of the flat and a member of the society.

And I do hereby authorize and empower the Corporation to appoint any person or persons as its substitute or substitutes to exercise, execute and carry out all the powers, acts, deeds and things which the Corporation itself is hereby authorized and

empowered to exercise, execute and carry out and to remove any such substitute or substitutes or appoint another in his or their place or places from time to time.

And I agree to ratify and confirm all and whatsoever the Corporation or any person appointed by the Corporation may do or cause to be done by virtue and in pursuance of the said authority hereby given to the Corporation.

SCHEDULE ABOVE REFERRED TO

Description of the flat

Flat No on the Floor in the
Building at

Dated at this day of 200

SIGNATURE OF THE BORROWER

Witness Address Occupation

1

2

SURETY BOND

Corporation the amount of aforesaid advance owing to the Corporation by instalments until the said sum of Rs (Rupees only) shall be/duly paid or mortgage to the Corporation the house/flat built/purchased/redeemed referred to above, whichever event happens earlier then this Bond shall be void, otherwise the same shall be and remain in full force and virtue

BUT SO NEVERTHELESS that if the Borrower shall die or become insolvent or at any time cease to be in the service of the Corporation, the whole or so much of the said principal sum of Rs (Rupees only) together with the interest as shall then remain unpaid shall immediately become due and payable to the Corporation and recoverable from the Surety in one installment by virtue of this Bond.

The obligation undertaken by the Surety shall not be discharged or in any way affected by an extension of time or any other indulgence granted by the Corporation to the said Borrower.

The Stamp Duty in respect of these presents shall be borne and paid by the employee

Signed and delivered by the said at

SIGNATURE OF SURETY

Designation
Address

In the presence of

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Signed by Shri for and on behalf of the MD/IRFC

In the presence of

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Annexure 8
INDIAN RAILWAYS FINANCE CORPORATION LTD

**MORTGAGE DEED TO BE EXECUTED WHEN
THE PROPERTY IS FREEHOLD**

This Indenture made this day of Two thousand
between Shri/Smt/Kumari son/wife/daughter of
at present employed as in the office of
(hereinafter called the "Mortgagor", which expression shall unless excluded
by or repugnant to the subject or context shall include her/his heirs executors,
administrators and legal representatives) of the ONE PART and the Chairman &
Managing Director of Indian Railways Finance Corporation Ltd (hereinafter called
the "Mortgagee" which expression shall unless excluded by or repugnant to the
subject or context include his successors in office and assigns) of the OTHER PART.

WHEREAS the MORTGAGOR is the absolute and sole beneficial owner and is seized
and possessed of or otherwise well and sufficiently entitled to the land and /or
house, hereditaments and premises hereinafter described in the Schedule
hereunder written and for greater clearness delineated on the plan Annexed hereto
and thereon shown with the boundaries thereof coloured (hereinafter
referred to as the "said Mortgaged Property")

AND WHEREAS the Mortgagor applied to the Mortgagee for an advance of Rs
(Rupees only)

- *1. To purchase land and (to construct a house thereon) or (to enlarge living
accommodation in the existing house on the said hereditaments)
- *2. To construct a house on the said hereditaments or *(to enlarge living
accommodation in the house on the said hereditaments)
- *3. To purchase a ready built aforesaid house/flat
- *4 To repay a loan taken by the Mortgagor for constructing or purchasing the
aforesaid house

*(Mention whichever is applicable)

AND WHEREAS the Mortgagee agreed to advance to the Mortgagor the said sum of
Rs
on certain terms and conditions

AND WHEREAS one of the conditions for the aforesaid Advance is that the
Mortgagor should secure the repayment of the said Advance and due observance of
all the terms and conditions contained in the IRFC Employees Housing Advance

Rules (hereinafter referred to as the "said Rules", which expression shall where the context so admits include any amendment thereof or addition thereto for the time being in force) by a mortgage of the property described in the Schedule hereunder written

AND WHEREAS THE MORTGAGEE

*1 has sanctioned to the Mortgagor an advance of Rs (Rupees only) payable by such installments and in the manner as hereinafter appearing

*2 has paid to the Mortgagor an advance of Rs (Rupees only) on and in the manner provided in the said rules upon having the repayment of the loan with interest and the observance of all the terms and conditions contained in the said Rules as hereinafter mentioned secured in the manner hereinafter appearing

AND WHEREAS the Mortgagor is to receive from the Mortgagee the aforesaid advance in the following installments

*Rupees already received on

*Rupees on the execution of this Indenture by the Mortgagor in favour of the Mortgagee

*Rupees when the construction of the house reaches the plinth level

*Rupees when the construction of the house reaches roof level, provided the mortgagee is satisfied that the development of the area in which the house is built is complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage

NOW THIS INDENTURE WITNESSETH AS FOLLOWS

1. In pursuance of the said Rules and in consideration of the said advance sanctioned/ paid by the Mortgagee to the Mortgagor pursuant to the provisions contained in the said Rules the Mortgagor doth hereby covenant with the Mortgagee that the Mortgagor shall always duly observe and perform all the terms and conditions of the said Rules and shall repay to the Mortgagee the said advance of Rs (Rupees only) by monthly installments of Rs (Rupees only) commencing from the pay of the Mortgagor of the month of two thousand and or from the month following that in which the construction of the house is completed, whichever is earlier and the Mortgagor hereby authorizes the Mortgagee to make deduction from his monthly pay/leave salary/ subsistence allowance of the amount of such installments and the Mortgagor shall after paying the full amount of the advance also pay interest due thereon in monthly installments in the manner and on the terms specified in the said Rules, provided that the Mortgagor shall repay the entire advance with interest in full before the date on which he/she is due to retire from service, failing which the Mortgagee shall be entitled to enforce the security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and the costs of recovery by sale of the mortgaged

property or in such other manner as may be permissible under the law. It will however be open to the Mortgagor to repay the amount in a shorter period.

2. If the Mortgagor shall utilize the advance for a purpose other than that for which the advance is sanctioned or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement, superannuation or if he/she dies before repayment of the advance in full, or if the Mortgagor shall fail to observe or perform any of the terms conditions and stipulations specified in the said Rules and on his/her part to be observed and performed, then and in any such case the whole of the principal amount of the advance or of so much thereof as shall then remain unpaid and due shall become payable forthwith to the Mortgagee with interest thereon @ % per annum calculated from the date of the payment by the Mortgagor of the first installment of the said advance. Notwithstanding anything contained herein, if the Mortgagor utilizes the advance for a purpose other than that for which the advance is sanctioned it shall be open to the Mortgagee to take such disciplinary action against the Mortgagor as may be appropriate under the Rules of service applicable to the Mortgagor.
3. In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest as shall at any time or times hereinafter be due to the Mortgagee under the terms of these presents, the Mortgagor doth hereby grant, convey, transfer, assign and assure unto the Mortgagee ALL AND SINGULAR the said Mortgaged property fully described in the Schedule hereunder written together with the buildings erected or to be erected by the Mortgagor on the said Mortgaged property or materials for the time being thereon with all rights easements and appurtenances to the said Mortgaged property with their appurtenances including all erections and buildings erected and built or to be erected and built hereafter on the said mortgaged property or materials for the time being thereon unto and to the use of the Mortgagee absolutely forever, free from all encumbrances SUBJECT NEVERTHELESS TO the provision for redemption hereinafter contained PROVIDED ALWAYS AND it is hereby agreed and declared by and between the parties hereto that if the Mortgagor shall duly pay to the Mortgagee the said principal sum and interest hereby secured in the manner herein provided and also the other moneys (if any) determined to be payable by the Mortgagor to the Mortgagee under the terms and conditions of the said Rules, then the Mortgagee will at any time thereafter upon the request and at the cost of the Mortgagor recovery, retransfer and reassure the said mortgaged property unto and to the use of the Mortgagor or as he/she may direct.
4. AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that if there be shall be any breach by the Mortgagor of the covenants on his/her part herein contained or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement/superannuation or if he/she dies before all the dues payable to the Mortgagee under these presents together with interest

thereon shall have been fully paid off or if the said advance or any part thereof becomes payable forthwith under these presents or otherwise then and in any of such cases it shall be lawful for the Mortgagee to sell the said Mortgaged Property or any part thereof either together or in parcels and either by public auction or by private contract with power to buy in or rescind any contract for sale and to resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts and assurances for effectuating any such sale as the Mortgagee shall think fit AND IT IS HEREBY DECLARED that the receipts of the Mortgagee for the purchase money of the premises sold or any part thereof shall effectually discharge the purchaser or purchasers therefrom and IT IS HEREBY DECLARED that the Mortgagee shall hold the moneys to arise from any sale in pursuance of the aforesaid power UPON TRUST in the first place thereout to pay all the expenses incurred on such sale and then to pay moneys in or towards the satisfaction of the moneys for the time being owing on the security of these presents and the balance if any to be paid to the Mortgagor.

5. The Mortgagor hereby covenants with the Mortgagee as follows

- A. That the Mortgagor now hath in himself /herself good right and lawful authority to grant, convey, transfer, assign, and assure the Mortgaged property unto and to the use of the Mortgagee in the manner aforesaid
- B. That the Mortgagor shall carry out the construction of the house/additions to living accommodation in the aforesaid house exactly in accordance with the approved plan and specifications on the basis of which the above advance has been computed and sanctioned unless a departure there from is permitted by the Mortgagee. The Mortgagor shall certify when applying for installments of advance admissible at the plinth/roof level that the construction is being carried out in accordance with the plan and estimates furnished by him/her to the Mortgagee that the construction has reached plinth/roof level and that the amount already drawn out of the sanctioned advance has actually been used on the construction of the house. He/She will allow the Mortgagee to carry out either by himself or through his representative an inspection to verify the correctness of the above certificates. If a false certificate is furnished by the Mortgagor he/she will be liable to pay to the Mortgagee forthwith the entire advance received by him/her together with interest at per cent per annum and further will also be liable to such disciplinary action as may be permissible under the Rules of service as applicable to the Mortgagor.
- C. That the Mortgagor shall complete the construction of the house/additions to living accommodation in the aforesaid house within eighteen months from unless an extension of time is allowed in writing by the Mortgagee. In case of default the Mortgagor shall be liable to repay forthwith the entire amount advanced to him together with interest calculated under the said Rules in one

lump sum. The Mortgagor shall report to the Mortgagee that the full amount of the advance has been utilized for the purpose for which it was sanctioned. (Note: Clauses B and C are not applicable when the advance is for the purchase of ready built house or for repayment of loan taken by applicant for construction or purchase of a house)

- D. That the Mortgagor shall immediately insure the house at his own cost with an insurance company for a sum of not less than the amount of the aforesaid advance and shall keep it so insured against loss or damage by fire, flood and lightning as provided in the said Rules till the advance is full repaid to the Mortgagee and deposit the policy of insurance with the Mortgagee. The Mortgagor shall regularly pay the premium in respect of the said insurance from time to time and will, when required produce to the Mortgagee the premium receipts for inspection. In the event of failure on the part of the Mortgagor to effect the insurance against fire, floods and lightning, it shall be lawful but not obligatory for the Mortgagee to insure the said house at the cost of the Mortgagor and add the amount of the premium to the outstanding amount of the advance and the Mortgagor shall thereon be liable to pay interest thereon as if the amount of the premium had been advanced to him as part of the aforesaid advance at % till the amount is repaid to the Mortgagee or is recovered as if it were an amount covered by the security of these presents. The Mortgagor shall give a letter to the Mortgagee as often as required, addressed to the Insurer with which the house is insured with a view to enable the Mortgagee to notify the Insurer the fact that the Mortgagee is interested in the insurance policy secured.
- E. That the Mortgagor shall maintain the aforesaid house in good repair at his own cost and shall pay all the municipal and other local rates and taxes and all other outgoings in respect of the mortgaged property regularly until the advance has been repaid to the Mortgagee in full. The Mortgagor shall also furnish to the Mortgagee an annual certificate to the above effect.
- F. The Mortgagor shall afford full facility to the Mortgagee for carrying out inspections after completion of the house to ensure that it is maintained in good repair until the advance has been repaid in full.
- G. The Mortgagor shall refund to the Mortgagee any amount together with interest if any due thereon drawn on account of the advance in excess of the expenditure incurred for which the advance was sanctioned.
- H. That the Mortgagor shall not during the continuance of these presents charge, encumber, alienate or otherwise dispose of the mortgaged property.
- I Notwithstanding anything contained herein the Mortgagee shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of his retirement or death preceding retirement to enforce the security of the Mortgage at any time thereafter and recover the balance of the advance due together with

interest and cost of recovery by sale of the house/flat etc. or in such other manner as may be permissible under the law.

SCHEDULE ABOVE REFERRED TO

In Witness whereof the Mortgagor has hereunto set his hand and the Chairman & Managing Director/IRFC has caused Shri _____ in the Office of _____ for and on his behalf set his hand hereunto the day and year first above written.

Signed by the said Mortgagor _____

In the presence of

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Signed by Shri _____ in the office of _____ for and on behalf of the Chairman & Managing Director/IRFC

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Annexure 9
INDIAN RAILWAYS FINANCE CORPORATION LTD

**MORTGAGE DEED TO BE EXECUTED WHEN THE PROPERTY
IS LEASE- HOLD**

THIS INDENTURE made this day of two thousand and between Shri/Smt/Kumari son/wife/daughter of Shri At (herein after called "The Mortgagor" which expression shall unless excluded by or repugnant to the subject or context include his/her heirs, executors, administrators and assigns) of the ONE PART and the CHAIRMAN & MANAGING DIRECTOR, Indian Railways Finance Corporation Ltd, New Delhi (hereinafter called "THE MORTGAGEE" which expression shall unless excluded by or repugnant to the subject or context include his successors in office and assigns) of the OTHER PART

WHEREAS by a LEASE DEED dated and made between The LESSOR demised to the Mortgagor the property situated at And more particularly described in the Schedule hereunder written for a term of years on a yearly/monthly rent of Rs and subject to the performance and observance of the covenants and conditions therein mentioned.

AND WHEREAS the Mortgagor applied to the Mortgagee for an advance of Rs (Rupees)

*1 to purchase land and to construct a house thereon /to enlarge living accommodation in the existing house in the said hereditaments

*2 to construct a house on the said hereditaments /enlarge living accommodation in the house in the said hereditaments

*3 to purchase a ready built aforesaid house

*4 to repay a loan taken by the Mortgagor for constructing/purchasing the aforesaid house

AND WHEREAS the Mortgagee agreed to advance to the Mortgagor the said sum of Rs on certain terms and conditions

AND WHEREAS one of the conditions for the aforesaid advance is that the Mortgagor should secure the repayment of the said advance and due observance of all the terms and conditions contained in the IRFC Employees Housing Advance Rules(hereinafter referred to as the "said Rules" which expression shall,where the context so admits include any amendment thereof or addition thereto for the time being in force) by a Mortgage of the property described in the Schedule hereunder written.

AND WHEREAS THE MORTGAGEE

1. has sanctioned to the Mortgagor an advance of Rs (Rupees

only) payable by such installments and in the manner as hereinafter appearing

2. has paid to the Mortgagor an advance of Rs (Rupees only) on and in the manner provided in the said Rules upon having the repayment of the loan with interest and observance of all the terms and conditions contained in the said Rules as hereinafter mentioned secured in the manner hereinafter appearing

AND WHEREAS the Mortgagor is to receive from the Mortgagee the aforesaid advance in the following installments

Rs already received on

Rs on the execution of this indenture by the Mortgagor in favour of the Mortgagee

Rs when the construction of the house reaches the plinth level

Rs when the construction of the house reaches the roof level

Provided the Mortgagee is satisfied that the development of the area in which the house is built is complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.

AND WHEREAS the lessor of the said premises has given his approval to the Mortgagee on the condition that if the property be sold under the powers herein contained, he will be paid first, out of the cost of such sale, his share of the unearned increase as provided in the said lease.

NOW THIS INDENTURE WITNESSETH as follows:

- i. In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by the Mortgagee to the Mortgagor pursuant to the provisions contained in the said Rules, the MORTGAGOR DOTH hereby covenant with the Mortgagee that the Mortgagor shall always duly observe and perform all the terms and conditions of the said Rules and shall repay the said advance of Rs (Rupees Only) from the pay of the Mortgagor commencing from the month of two thousand and or from the month following the completion of the house whichever is earlier and the Mortgagor hereby authorises the Mortgagee to make deductions from his monthly pay/leave salary/subsistence allowance of the amount of such installments in the manner and on the terms specified in the said Rules, provided that the Mortgagor shall repay the entire advance with interest in full before the date on which he/she is due to retire from service, failing which the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and the costs of recovery by sale of the mortgaged property or in such other manner as may be permissible under the law. It will however be open to the Mortgagor to repay the amount in a shorter period.

- ii. If the Mortgagor shall utilise the advance for a purpose other than that for which the advance is sanctioned, or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement/superannuation or if he/she dies before repayment of the advance in full, or if the Mortgagor shall fail to observe or perform any of the terms, conditions and stipulations specified in the said Rules and on his/her part to be observed and performed then and in any such case the whole of the principal amount of the advance or so much thereof as shall then remain due and unpaid shall become payable forthwith to the Mortgagee with interest thereon at
- Per cent per annum calculated from the date of the payment by the Mortgagee of the first Installment of the said advance. Notwithstanding anything contained herein, if the Mortgagor utilised the advance for a purpose other than that for which the advance is sanctioned it shall be open to the Mortgagee to take such disciplinary action against the Mortgagor as may be appropriate under the Rules of service applicable to the Mortgagor.
- iii. In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest as shall at any time or times hereinafter be due to the Mortgagee under the terms of these presents the MORTGAGOR DOTH hereby demise unto the MORTGAGEE all and singular the said property comprised in the said Lease dated and more particularly described in the Schedule hereunder written together with buildings erected or to be erected by the Mortgagor on the said property(hereinafter referred to as the Mortgaged Property) or materials for the time being thereon with all rights, easements and appurtenances to the said Mortgaged Property or any of them belonging subject to covenants by the lessee and to the conditions therein contained to HOLD unto the Mortgagee for the residue of the said term of years subject to the terms and conditions of the said lease and subject nevertheless to the proviso for redemption hereinafter contained PROVIDED ALWAYS AND it is hereby agreed and declared by and between the parties hereto that if the Mortgagor shall duly pay to the Mortgagee the said principal sum and interest hereby secured in the manner herein provided and also other moneys (if any) determined to be payable by the Mortgagor to the Mortgagee under the terms and conditions of the said Rules, then the Mortgagee will at any time thereafter upon the request and at the cost of the Mortgagor reconvey, retransfer and reassure the said Mortgaged Property unto and to the use of the Mortgagor or as he/she may direct.
- iv. AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that if there shall be any breach of the covenants on his/her part herein contained or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement/superannuation or if he/she dies before all the dues payable to the Mortgagee under these presents together with interest thereon shall have been fully paid off or if the said advance or

any part thereof becomes payable forthwith under these presents or otherwise then and in any such case it shall be lawful for the Mortgagor to sell the said Mortgaged Property or any part thereof either together or in parcels and either by public auction or by private contract with power to buy in or rescind any contract for sale and to resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts and assurances for effectuating any such sale as the Mortgagee shall think fit and IT IS HEREBY DECLARED that the receipt of the Mortgagee for the purchase money of the premises sold or any part thereof shall effectively discharge the purchaser or purchasers there from and IT IS HEREBY DECLARED that the Mortgagee shall hold the moneys to arise from any sale in pursuance of the aforesaid power UPON TRUST in the first place there out to pay all the expenses incurred on such sale and in the next place to pay to The Lessor of the Mortgaged Property, 50% of the unearned increase pursuant to clause

Of the said Lease then to pay moneys in or towards the satisfaction of the moneys for the time being owing on the security of these presents and the balance if any to be paid to the Mortgagor.

- v. The Mortgagor covenants with the Mortgagee as follows:
- a) That the Mortgagor now hath in himself /herself good right and lawful authority to grant, convey, transfer, assign and assure the Mortgaged Property unto and to the use of the Mortgagee in the manner aforesaid
 - b) That the Mortgagor shall carry out the construction of the house/additions to living accommodation in the aforesaid house exactly in accordance with the approved plan and specifications on the basis of which the above advance has been computed and sanctioned unless a departure there from is permitted by the Mortgagee. The Mortgagor shall certify, when applying for installments of advance admissible at the plinth/roof level, that the construction is being carried out in accordance with the plan and estimates furnished by him/her to the Mortgagee, that the construction has reached plinth/roof level and that the amount already drawn out of the sanctioned advance has actually been used on the construction of the house. He/She will allow the Mortgagee to carry out either by himself or through his representative an inspection to verify the correctness of the above certificates. If a false certificate is furnished by the Mortgagor he/she will be liable to pay to the Mortgagee forthwith the entire advance received by him/her together with interest thereon at _____ per cent per annum and further will also be liable to such disciplinary action as may be permissible under the rules of service as applicable to the Mortgagor.
 - c) That the Mortgagor shall complete the construction of the house /additions to living accommodation in the aforesaid house within eighteen months from@ _____ unless an extension of time is allowed in writing by the

Mortgagee. In case of default the Mortgagor shall be liable to pay forthwith the entire amount advanced to him together with interest calculated under the said Rules in one lump sum. The Mortgagor shall report to the Mortgagee the date of completion of the house and furnish a certificate to the Mortgagee that the full amount of the advance has been utilised for the purpose for which it was sanctioned.

@ Here mention the date on which the first installment of the advance is paid to the Mortgagor

- d) That the Mortgagor shall immediately insure the house at his own cost for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss or damage by fire, flood and lightning as provided in the said Rules till the advance is full repaid to the Mortgagee and deposit the policy of insurance with the Mortgagee. The Mortgagor shall pay regularly the premium in respect of the said insurance from time to time and will when required produce to the Mortgagee the premium receipts for inspection. In the event of failure on the part of the Mortgagor to effect the insurance against fire, floods and lightning, it shall be lawful but not obligatory for the Mortgagee to insure the said house at the cost of the Mortgagor and add the amount of the premium to the outstanding amount of the advance and the Mortgagor shall thereupon be liable to pay interest thereon as if the amount of the premium had been advanced to him as part of the aforesaid advance at %till the amount is repaid to the Mortgagee or is recovered, as if it were an amount covered by the security of these presents. The Mortgagor shall give a letter to the Mortgagee as often as required, addressed to the insurer, with which the house is insured with a view to enable the Mortgagee to notify to the insurer the fact that the Mortgagee is interested in the insurance policy secured.
- e) That the Mortgagor shall maintain the aforesaid house in good repair at his own cost and shall pay all the Municipal and other local rates, taxes and all other outgoings in respect of the Mortgaged property regularly until the advance has been repaid to the Mortgagee in full. The Mortgagor shall furnish to the Mortgagee an annual certificate to the above effect.
- f) The Mortgagor shall afford full facility to the Mortgagee for carrying out inspections after completion of the house to ensure that it is maintained in good repair until the advance has been repaid in full.
- g) The Mortgagor shall refund to the Mortgagee any amount together with interest if any due thereon drawn on account of the advance in excess of the expenditure incurred for which the advance was sanctioned.
- h) That the said Lease dated is now valid and subsisting lease of the said Mortgaged Property and are in no wise void or voidable and the rents and covenants and conditions in and by the indenture of lease reserved have

been paid, performed and observed upto the date of these presents and that the same is assignable in the manner hereinbefore stated.

- i) That the Mortgagor will so long as any money shall remain owing on security of the said Mortgaged Property hereinbefore expressed to be hereby assigned and in any case for the period of the said agreement, duly observe all the covenants by the lease and conditions contained in the said indenture of lease referred to in the Schedule hereunder written and keep the Mortgagee indemnified against all actions, suits, proceedings costs, charges, claims and demands which will be incurred or sustained by reasons of the non-payment of the said rent or the breach, non-performance or non-observance of the said covenants and conditions or any of them.
- j) That the Mortgagor shall not during the continuance of these presents charge, encumber alienate or otherwise dispose of the Mortgaged Property.
- k) Notwithstanding anything contained herein, the Mortgagee shall be entitled to recover the balance of the advance together with interest remaining unpaid at the time of his/her retirement/death preceding retirement to enforce the security of the Mortgage at any time thereafter and recover the balance of the advance with interest and cost of recovery for sale of the house/flat etc or in such other manner as may be permissible under the Law.

SCHEDULE ABOVE REFERRED TO

In Witness whereof the Mortgagor has hereunto set his hand and the Chairman & Managing Director, IRFC has caused Shri _____ in the office of _____
For and on his behalf to set his hand hereunto the day, month and year first above written.

Signature of the Mortgagor

In the presence of

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Signed by Shri _____ in the office of _____ by and on behalf of the Chairman & Managing Director/IRFC in the presence of _____

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Annexure 10
INDIAN RAILWAYS FINANCE CORPORATION LTD

Form of Letter intimating the Insurance Company of the IRFC's interest in the Insurance Policy on the House/Flat constructed/purchased with the Housing Advance granted under the Rules

From

To

(Through Chairman & Managing Director IRFC)

Dear Sir,

I am to inform you that the Indian Railways Finance Corporation Ltd, is interested in the House Insurance Policy No .Kindly insert a clause to the following effect in the Policy.

"1 It is hereby declared and agreed that Shri (the owner of Buliding/Flat having Municipal No hereinafter referred to as the Insured in the Schedule to this Policy) has Mortgaged to Indian Railways Finance Corporation Ltd(hereinafter called the Corporation) as security for an advance for the construction/ Purchase of the House/Flat and it is further declared and agreed that the Corporation is interested in any moneys which but for this endorsement be payable to the said Shri in respect of loss or damage to the said house/Flat(which loss or damage is not made good by repair reinstatement or replacement) and such moneys shall be paid to the Corporation as long as it is the Mortgagee of the House/Flat and its receipt shall be full and final discharge to the Corporation in respect of such loss or damage.
2 Save as by this endorsement expressly agreed, nothing herein shall modify or affect the rights and liabilities of the Insured or the Corporation respectively under or in connection with this policy or any term, provision or condition thereof.

Place Yours Faithfully

Date

Forwarded. The receipt of this letter may be acknowledged. It is also requested that the undersigned may be informed whenever any claim is paid under the policy and also if the premium is not paid periodically for renewal.

Place Signature & Designation

Date

Annexure 11
INDIAN RAILWAYS FINANCE CORPORATION LTD
RECONVEYANCE DEED FOR HOUSE BUILDING
ADVANCES

THIS DEED OF RECONVEYANCE IS MADE day of two Thousand and between the CHAIRMAN & MANAGING DIRECTOR, Indian Railways Finance Corporation Ltd, New Delhi (hereinafter called the Mortgagee which expression shall unless excluded by or repugnant to the subject or context include his successors in office and assigns) of the ONE PART and of (hereinafter called the Mortgagor which expression shall unless excluded by or repugnant to the subject or context include his/her heirs, executors Administrators and assigns) of the OTHER PART

WHEREAS by an Indenture of Mortgage dated the of Two thousand and the Mortgagor of the ONE PART and the Mortgagee of THE OTHER PART and registered at in Book Volume for (hereinafter called the PRINCIPAL INDENTURE), the Mortgagor by the said Principal Indenture mortgaged the property at and more particularly described in the Schedule hereunder written to secure an advance of Rs made by the Mortgagee to the Mortgagor.

AND

WHEREAS ALL MONEYS due and owing on the security of the Principal Indenture having been fully paid and satisfied and the Mortgagee has accordingly at the request of the Mortgagor agreed to execute a Reconveyance of the Mortgaged premises as is hereinafter contained

NOW THIS INDENTURE WITNESSETH that in pursuance of the said Agreement and in consideration of the premises, the Mortgagee doth hereby grant, assign and reconvey unto the Mortgagor all THAT PIECE OF LAND situated at and comprised in the said Principal Indenture and more particularly described in the Schedule hereunder written with their rights, easements and appurtenances as in the Principal Indenture expressed and all the estates, right, title interest, property claim and demand whatsoever of the Mortgagee into, out of or upon the said premises by virtue of the Principal Indenture to have and to hold the premises hereinbefore expressed to be hereby granted, assigned and reconveyed upto and to the use of the Mortgagor, forever freed and discharged from all moneys intended to be secured by the said Principal Indenture and from all actions, suits accounts, claim and demands for and in respect of the said moneys or any part thereof or for or in respect of the Principal Indenture or of anything relating to the premises and the Mortgagee hereby covenants with the Mortgagor that the Mortgagee has not done or knowingly suffered or been party or privy to anything whereby the said premises or any part thereof are, is or can be impeached encumbered or affected in title, estate or otherwise however.

IN WITNESS WHEREOF the Mortgagee has caused Shri _____ on his behalf to set
his hand the day month and year first above written.

SCHEDULE ABOVE REFERRED TO

Signed by Shri _____ for and on behalf of the Mortgagee in the presence of

WITNESSES

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Annexure 12
INDIAN RAILWAYS FINANCE CORPORATION LTD

**APPLICATION FOR ADVANCE FOR PURCHASE OF MOTOR CAR/MOTOR
CYCLE/ SCOOTER/MOPED/BICYCLE/PERSONAL COMPUTER**

- | | |
|---|----------------------------|
| 1 Name of Applicant | 2 Employee No |
| 3 Designation | 4 Scale of Pay & Basic Pay |
| 5 Date of appointment | |
| 6 Date of Superannuation | |
| 7 Type of Vehicle for which advance is required | |
| 8 Anticipated cost of the Vehicle | |
| 9 Amount of Advance required | |
| 10 No of Installments in which the Advance will be repaid | |
| 11 Advance for Purchase of conveyance obtained earlier, if any
(Indicate amount, date and sanction No, along with vehicle details) | |
| 12 Details of earlier advance and interest still outstanding to be paid | |
| 13 Details of the Vehicle proposed to be purchased now
(indicate model, year, and also the party from whom the vehicle is to be purchased) | |
| 14 Do you possess any other vehicle, if so indicate details | |

CERTIFICATE

1. Certified that the information given above is complete and true.
2. Certified that I have not taken delivery of the Motor car/Motor cycle/scooter/Moped/bicycle on account of which I am applying for advance, that I shall complete negotiations for the purchase and pay finally and take possession of the vehicle before the expiry of one month from the date of drawing the advance and that the vehicle (except in the case of bicycle) shall be insured from the date of taking delivery.

3. Certified that I have read the Rules for this Advance and shall abide by them

Dated

Signature of Applicant

Essentiality of Vehicle to be certified by the Supervising Executive

Certified that the possession of the Vehicle by the applicant is necessary for the efficient discharge of his duties.

Signature of Supervising Executive

(Application to be forwarded to Administration and Accounts Sections for sanction)

Annexure 13
INDIAN RAILWAYS FINANCE CORPORATION LTD

**FORM OF AGREEMENT to be executed before drawing ADVANCE for the
Purchase of MOTOR VEHICLE/PERSONAL COMPUTER
(To be executed in Non Judicial paper of appropriate value)**

AGREEMENT

This Agreement made this the day of two thousand
Between Shri son/wife/daughter of Shri
(hereinafter called "the Borrower" which shall include his/her heirs, administrators,
executors and legal representatives and assigns) of the ONE PART and Indian
Railways Finance Corporation Ltd(hereinafter called "the Corporation" which
expression shall include its successors and assigns) of THE OTHER PART

WHEREAS the Borrower has under the provisions of the Rules framed for the
purpose(hereinafter called "the Rules" and which expression shall include any
amendment thereof and/or any instructions issued in this behalf for the time being
in force) applied to the Corporation for a loan of Rs (Rupees
Only) for the purchase of a Motor car/Motor Cycle/Scooter/Personal Computer and
the Corporation has agreed to lend the said amount to the Borrower on the terms
and conditions hereinafter contained.

NOW IT IS HEREBY AGREED between the parties hereto that in consideration of the
sum of Rs only paid by the Corporation to the Borrower (the receipt of which
the Borrower hereby acknowledges) the Borrower hereby agrees with the
Corporation:

- i. To repay to the Corporation the said amount with interest calculated according
to the said Rules by monthly deductions from the salary as provided in the said
Rules and hereby authorises the Corporation to make such deductions.
- ii. Within one month from the date of payment of the said amount to expend the
full amount of the said loan in the purchase of a Motor Vehicle/Personal
Computer or if the actual price paid is less than the loan to repay the difference
to the Corporation forthwith and to execute a document hypothecating the said
Motor Vehicle/Personal Computer to the Corporation as security for the amount
lent to the Borrower as aforesaid and interest in the form provided by the said
Rules and IT IS HEREBY LASTLY AGREED AND DECLARED THAT if the Motor
Vehicle/Personal Computer has not been purchased and hypothecated as
aforesaid within one month from the date of payment of the said sum or if the
Borrower becomes insolvent or quits the service of the Corporation or dies the
whole amount of the Loan and interest accrued thereon shall immediately
become due and payable.

IN WITNESS WHEREOF THE BORROWER has hereunto set his hand and Shri
On behalf of the Corporation has hereunto set his hand on the date,month and
year first before written.

Signature & Designation of Borrower

Signature of Witnesses

1 st Witness	Address	Occupation
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2 nd Witness	Address	Occupation
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Signed by Shri (Name and Designation) for and on behalf of IRFC Ltd

Signature

Witnesses

1 st Witness	Address	Occupation
-------------------------	---------	------------

2 nd Witness	Address	Occupation
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Annexure 14
INDIAN RAILWAYS FINANCE CORPORATION LTD

**FORM of AGREEMENT to be Executed before drawing an ADVANCE for
PURCHASE of a BICYCLE
(To be executed in Non Judicial paper of appropriate value)**

AGREEMENT

THIS AGREEMENT made this day of two thousand and
Between Shri/Smt/KUM (hereinafter called "the Borrower" which expression
shall include his/her heirs, executors, administrators and legal representatives) of
the ONE PART and Indian Railways Finance Corporation Ltd(hereinafter called "the
Corporation" which expression shall include its successors and assigns) of the
OTHER PART

IN CONSIDERATION OF an advance of Rs (Rupees
Only) received by me for the purchase of a Bicycle, I agree

1. To repay the amount in equal installments, calculated to the nearest rupee
commencing from the first month's pay after receipt of the advance.
2. To retain the Bicycle in my personal custody and not dispose it of without the
previous sanction of the sanctioning Authority. When sold under proper
authority, the proceeds will be credited to the Corporation towards the balance
amount of the advance. In the event of the loss or theft or accident to the Bicycle,
I agree to pay the remaining installments as they fall due.
3. To continue to pay any installment due in the event of my transfer to another
station.
4. To the whole or a portion of my pay being taken in adjustment of the advance
should any casualty arise before the full amount is refunded.
5. To the Bicycle being returned to the Corporation by my heirs in the event of any
portion of the advance remaining unadjusted at the time of my death, after
making the deduction specified in clause (4) so that it may be sold to meet the
outstanding debt, the balance, if any, of the sale proceeds being paid over to my
heirs.
6. To pay simple interest on the amount of the advance as fixed by the Corporation
from time to time as per the Rules governing the grant of the advance.

IN WITNESS WHEREOF the parties hereto have set their respective signatures this
The day of Two thousand and

Signature of Borrower

Witnesses

1

Signature, Name and Designation

2

Signature, Name and Designation

Signature and Designation of the Executive for and on behalf of IRFC LTD

Signature

Witnesses

1

Signature, Name and Designation

2

Signature Name and Designation

Annexure 15
INDIAN RAILWAYS FINANCE CORPORATION LTD

**FORM of MORTGAGE BOND for MOTOR VEHICLE/
PERSONAL COMPUTER ADVANCE**

(To be executed in Non-Judicial Stamp Paper of appropriate value)
MORTGAGE BOND

THIS INDENTURE made this day of Two thousand and
Between Shri/Smt/Kum (hereinafter called "the Borrower", which
expression shall include his/her heirs/administrators and legal representatives) of
the ONE PART and Indian Railways Finance Corporation Ltd (hereinafter called " the
Corporation", which expression shall include its successors and assigns) of the
OTHER PART

WHEREAS the Borrower has applied for and has been granted as advance of Rs
(Rupees only) receipt of which the Borrower hereby acknowledges) to
purchase a Motor Vehicle/Personal Computer (hereinafter called "the said asset")
on the terms of the Rules framed by the Corporation in this behalf (hereinafter
referred as "the said Rules", which expression shall include any amendment thereof
or additions thereto for the time being in force).

AND WHEREAS one of the conditions upon which the said advance has been/was
granted to the Borrower is/was that the Borrower will/would hypothecate the said
asset to the corporation within 30 days of the grant of the advance, as security for
the amount so advanced as aforesaid for the Motor Vehicle/Personal Computer the
particulars whereof are set out in the Schedule hereunder written.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said Agreement and
for the consideration aforesaid the Borrower doth hereby covenant to pay to the
Corporation

The sum of Rs as aforesaid or the balance thereof remaining unpaid on the
date of these presents by equal installments of Rs

Each on the first day every month and will pay interest on the sum for the time
being remaining due and owing calculated according to the said Rules and the
Borrower doth agree that such payments may be recovered by monthly deductions
from his salary in the manner provided by the said Rules, or where, in the event of
his proceeding on deputation out of India for a period exceeding 12 months or on
his being transferred to a post outside India, the competent authority has allowed
repayment of the amount of advance remaining unpaid and/or interest as aforesaid
on the happening of such an event, in rupees in India The Borrower doth agree to
pay the Corporation such dues by remittance through Bank Draft drawn by the 15th
of every month in favour of the Officer in whose Books the accounts of the aforesaid
advance are kept, and in further pursuance of the said agreement the Borrower doth

hereby assign and transfer upto the Corporation the Motor Vehicle/the Personal Computer, the particulars whereof are set out in the Schedule hereunder written by way of security for the said advance and the interest thereon as required by the said Rules.

AND the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said asset and that the same is his absolute property and that he has not pledged and so long as any money remains payable to the Corporation in respect of the said advance, will not sell, pledge or part with the property in or possession of the said asset.

PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED that if any of the said instalments of principal or interest shall not be paid or recovered in the manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in the service of the Corporation or if the Borrower shall sell or pledge or part with the property in or possession of the said asset or become insolvent or make any compromise or agreement with his creditors or if any person shall take proceedings in execution of any decree or judgment against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable.

AND IT IS HEREBY AGREED AND DECLARED that the Corporation may on the happening of any of the events hereinbefore mentioned, seize and take possession of the said asset and either remain in possession thereof without removing the same or else may remove and sell the said asset either by public auction or private contract and may out of the sale money retain the balance of the said advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realising his rights hereunder and shall pay over the surplus, if any, to the Borrower, his executors, administrators, or legal representatives, PROVIDED FURTHER THAT the aforesaid power of taking possession or selling the said asset shall not prejudice the right of the Corporation to sue the Borrower or his legal representative for the said balance remaining due and interest or in the case of the said asset being sold, the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Corporation he, the Borrower will insure and keep insured the said asset against loss or damage by fire, theft or accident, riots and any disturbance of public peace with an Insurance Company to be approved by the Corporation and will produce evidence to the satisfaction of the Corporation that the Insurance Company with whom the said asset is insured have received notice that the Corporation is interested in the policy and the Borrower hereby further agrees that he will not permit or suffer the said asset to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident

happening to the said asset the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of the Vehicle/Personal Computer

Maker's name

Description

No of cylinders

Engine No

Chassis No

Computer systems and peripherals

Cost Price

IN WITNESS WHEREOF the Borrower has hereunto set his hand and Shri

In the IRFC for and on behalf of the Indian Railways Finance Corporation Ltd,
has hereunto set his hand

Signature and Designation of Borrower

In the presence of

Witness 1

Witness 2

(Signature, designation and address) (Signature, Designation and address)

Signed by (name and designation) for and on behalf of IRFC

In the presence of

Signature and Designation

Witness 1

Witness 2

(Signature, designation and address) (Signature, Designation and address)

Annexure 16
INDIAN RAILWAYS FINANCE CORPORATION LTD

FORM of MORTGAGE BOND for Motor Vehicle/Personal Computer purchased with sale proceeds of an old one BEFORE THE REPAYMENT of the ENTIRE ADVANCE of money with INTEREST thereon sanctioned by IRFC Ltd for the purchase of the latter Vehicle/PC

MORTGAGE BOND

THIS INDENTURE made on this day of two thousand
And between Shri/Smt/Kum (hereinafter called "the Borrower" which expression shall include his /her heirs, executors, administrators and legal representatives) of the ONE PART and Indian Railways Finance Corporation Ltd(hereinafter called "the Corporation" which expression shall include its successors and assigns) of the OTHER PART

WHEREAS by a DEED OF MORTGAGE dated the day of
Two thousand and the Borrower mortgaged to the Corporation the Motor Vehicle/Personal Computer described in the Schedule thereto (hereinafter referred to as "the old asset") to secure the purchase advance of Rs (Rupees
 Only) with interest at the rate of and conditions mentioned in the said deed of Mortgage (hereinafter called as "the principal deed")

AND WHEREAS out of the said sum of Rs advanced to the Borrower by the Corporation the Borrower has made part payments and a sum of Rs
(Rupees only) towards principal plus interest thereon as per the terms of the principal deed is still due and payable by the Borrower to the Corporation

AND WHEREAS the Borrower being in need of a new Motor Vehicle/Personal Computer (hereinafter referred to as "the new asset") applied to the Corporation for permission to sell his old asset and purchase of a new asset on the terms of the Rules framed by the Corporation in this behalf (hereinafter referred to as "the said Rules" which expression shall any amendments thereof or additions thereto for the time being in force)

AND WHEREAS the Borrower has been permitted to sell the old asset in terms of the said Rules and apply the proceeds of sale towards the purchase of the new asset on condition that the new asset shall be mortgaged to the Corporation by way of security for the repayment of sum thus due and owing from the Borrower to the Corporation.

AND WHEREAS the sum of Rs is now due and owing from the Borrower for principal and WHEREAS the Borrower is liable in addition to pay Rs
As interest as per the terms of the principal deed.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the consideration as aforesaid the Borrower doth hereby covenant to pay to the Corporation the sum of Rs aforesaid by equal monthly installments of Rs

Each on the first day of every month and will pay interest on the sum of Rs

Originally advanced to him(hereinafter referred to as the principal)according to the terms of the principal deed and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary in the manner provided in the said Rules and in further pursuance of the said agreement the Borrower doth hereby assign and transfer to the Corporation the Motor Vehicle/Personal Computer the particulars whereof are set out in the schedule hereunder written by way of security for the said advance and the interest thereon as required by the said Rules. And the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor vehicle/Personal Computer and/or that the same is his absolute property and he has not pledged and so long as any moneys remain payable to the Corporation in respect of the principal will not sell, pledge or part with the property or possession of the said new asset PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said installments of principal or interest shall not be paid or recovered in the manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in the service of the Corporation or if the Borrower shall sell or pledge or part with the property or possession of the said new asset or become insolvent or make any compromise or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgment against the Borrower the balance of the principal which shall then be remaining due and unpaid together with interest on principal calculated as aforesaid shall forthwith become payable AND IT IS HEREBY AGREED AND DECLARED that the Corporation may, on the happening of any of the events hereinbefore mentioned seize and take possession of the said new asset and either remain in possession thereof without removing the same or else may remove and sell the said new asset either by public auction or private contract and may, out of the sale moneys, retain the balance of the principal then remaining unpaid and any interest still due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realising his rights hereunder and shall pay over the surplus, if any to the Borrower, his executors, administrators, legal representatives, PROVIDED FURTHER THAT the aforesaid power of taking possession or selling of the said new asset shall not prejudice the right of the Corporation to sue the Borrower or his legal representatives for the said balance remaining due and interest or in the case of the said new asset being sold the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the Corporation, he, the Borrower will insure and keep insured the said new asset against loss or damage by fire, theft or accident or strike, riots and any disturbance of public peace with an Insurance Company to be approved by the Corporation and will produce evidence to the satisfaction of the Corporation that the Insurance Company with whom the said new asset is insured have received notice that the Corporation is interested in the policy AND the

Borrower hereby further agrees that he will not permit or suffer the said new asset to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by normal wear and tear thereof AND further that in the event of any damage or accident happening to the said new asset the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of the Motor Vehicle/.Personal Computer

Maker's name

Description

No of Cylinders

Engine No

Chassis No

Computer Systems and Peripherals

Cost price

IN WITNESS WHEREOF THE BORROWER has hereunto set his hand and Shri

In IRFC Ltd for and on behalf of Indian Railways Finance Corporation Ltd
has hereunto set his hand

Signature of the Borrower

In the presence of with designation

Witness 1

(Signature, designation and address)

Witness 2

(Signature, Designation and address)

Signed by (Name and Designation) for and on behalf of Indian Railways
Finance Corporation Ltd

Signature and Designation

Witness 1

(Signature, Designation and address)

Witness 2

(Signature, designation and address)

Annexure 17
INDIAN RAILWAYS FINANCE CORPORATION LTD

**FORM of AGREEMENT to be executed before drawing an ADVANCE for the
PURCHASE OF MOTOR VEHICLE/PERSONAL COMPUTER**

AGREEMENT

AN AGREEMENT made this day of Two thousand and
Between Shri/Smt/Kum (hereinafter called "the Borrower" which
expression shall include his/her heirs, executors, administrators and legal
representatives) of the ONE PART and the Indian Railways Finance Corporation Ltd
(hereinafter called "the Corporation" which expression shall include its successors
and assigns) of the OTHER PART

WHEREAS the Borrower has under the provisions the IRFC Rules for grant of
advance for the purchase of Personal Vehicles/Personal Computers (hereinafter
referred to as "the said Rules" which expression shall include any amendments
thereof and /or any instructions issued in this behalf by the Indian Railways Finance
Corporation Ltd, for the time being in force) applied to the Corporation for a loan of
Rs for the purchase of a Motor vehicle/Personal Computer and whereas the
Corporation has agreed to lend the said amount to the Borrower on the terms and
conditions hereinafter contained.

NOW IT IS HEREBY AGREED between the parties hereto that in consideration of Rs
(Rupees only) to be paid by the Corporation to the Borrower, the Borrower
hereby agrees with the Corporation

1 to repay to the Corporation the said amount with interest calculated according to
the said Rules by monthly deductions from his salary as provided in the said Rules
and hereby authorises the Corporation to make such deductions.

2 within one month from the date of payment of the said sum to expend the full
amount of the said loan in purchase of a Motor Vehicle/Personal Computer or if the
actual price paid is less than the loan to repay the difference to the Corporation
forthwith and

3 to execute a document hypothecating the said Motor Vehicle/Personal Computer
to the Corporation as security for the amount to be lent to the Borrower as aforesaid
and interest in the form provided by the said Rules and

4 in case where the amount of a second or subsequent advance has been determined
after taking into account the anticipated sale price of the vehicle/personal computer
already in possession, he agrees to sell the old vehicle/personal computer in his
possession within one month from the date of payment of the said sum and to repay
in full and in one lump sum within seven days from the date of the sale, the excess of
the actual price over the anticipated price at the time of the drawal of the advance
and IT IS HEREBY AGREED AND DECLARED THAT IF THE MOTOR
VEHICLE/PERSONAL COMPUTER has not been purchased and hypothecated as

aforesaid within one month from the date of payment of the said sum or if the Borrower becomes insolvent or quits or is dismissed or discharged from the service of the Corporation or dies the whole amount of the loan and interest accrued thereon shall immediately become due and payable.

IN WITNESS WHEREOF the Borrower has hereunto set his hand and Shri

For and on behalf of Indian Railways Finance Corporation Ltd has hereunto set his hand.

Signature & Designation of Borrower

In the presence of

Witness 1

Witness 2

(Signature, Designation and address) (Signature, Designation and address)

Signed for and on behalf if IRFC Ltd by Shri

Signature with Designation

Witness 1

Witness 2

(Signature, Designation and address) (Signature, Designation and address)

**FORM OF AGREEMENT to be executed before drawing an ADVANCE for the
PURCHASE OF MOTOR VEHICLE/PERSONAL COMPUTER**

lent to the Borrower as aforesaid and interest in the form provided by the said Rules and

4. In case where the amount of the second or subsequent advance has been determined after taking into account the anticipated sale price of the vehicle/computer already in possession, he agrees to sell the old vehicle/computer in his possession within one month from the date of payment of the said sum and to repay in full and in one lump sum within seven days from the date of the sale, the excess of the sale price over the price anticipated at the time of the drawal of the advance and IT IS HEREBY LASTLY AGREED AND DECLARED THAT IF THE MOTOR VEHICLE/PERSONAL COMPUTER has not been purchased or hypothecated as aforesaid within one month from the date of payment to the Borrower of the said sum or if the Borrower failed to repay the amount of loan obtained by him from a private party/ (Bank) for the express purpose of purchasing the said Motor vehicle/personal computer within one month from the date of payment to the Borrower of the said sum or if the Borrower within that period becomes insolvent or quits or is dismissed or discharged from the service of the Corporation or dies, the whole amount of the loan and the interest accrued thereon shall immediately become due and payable.

THE SCHEDULE

Description of the Motor Vehicle/Personal Computer

Maker's Name

Description

No of Cylinders

Engine No

Chassis No

Computer System and Peripherals

Cost Price

IN WITNESS WHEREOF THE BORROWER has hereunto set his hand and Shri

For and on behalf of Indian Railways Finance Corporation Ltd has hereunto set his hand

Signature of Borrower with Designation

Witness 1

Witness 2

(Signature, Designation and address) (Signature Designation and address)

Signed for and on behalf of IRFC Ltd by Shri

Signature with Designation

Witness 1

Witness 2

(Signature, Designation and address)

(Signature, Designation and address)

Annexure 19
INDIAN RAILWAYS FINANCE CORPORATION LTD

**FORM of AGREEMENT to be executed before drawing an ADVANCE for
the PURCHASE of MOTOR VEHICLE/PERSONAL COMPUTER**

AGREEMENT

THIS AGREEMENT made on day of two thousand and
Between Shri/Smt/Kum hereinafter called "the Borrower" which
expression shall include his/her heirs, executors, administrators and legal
representatives) of the ONE PART and Indian Railways Finance Corporation Ltd
(hereinafter called "the Corporation" which expression shall include its successors
and assigns) of the OTHER PART

WHEREAS the Borrower has purchased the Motor Vehicle/Personal Computer
described in the schedule hereunder written (hereinafter referred to as the "said
asset")

AND WHEREAS the Borrower has under the provisions of the Rules framed by the
Corporation regarding grant of advance for purchase of personal vehicle/personal
computer (hereinafter referred to as the "said Rules" which expression shall include
any amendments and/or any instructions issued in this behalf by the Corporation
for the time being in force) applied to the Corporation for a loan of Rs for the
purchase of a Motor Vehicle/personal computer.

AND WHEREAS the Corporation has agreed to lend the said amount to the Borrower
on the terms and conditions hereinafter contained

1. To repay to the Corporation the said amount with interest calculated according
to the said Rules by monthly deductions from his salary as provided in the said
Rules and hereby authorises the Corporation to make such deductions and
2. Within one month from the date of payment to the Borrower of the said sum to
expend the full amount of the said loan in the repayment of any loan obtained by
him from a private party/the (Bank) for the purchase of the said asset
or if the actual price paid is less than the loan, to repay the difference to the
Corporation forthwith and
3. To execute a document hypothecating the said asset to the Corporation as
security for the amount to be lent to the Borrower as aforesaid and interest in
the form provided by the said Rules.

AND IT IS HEREBY LASTLY AGREED AND DECLARED that if the said asset has not
been purchased and hypothecated as aforesaid within one month from the date of

payment to the Borrower of the said sum, if the Borrower fails to repay the amount of the loan obtained by him from a private party/ (Bank)for the express purpose of purchasing the said asset within one month from the date of payment to the Borrower of the said sum or if the Borrower becomes insolvent or quits the service of the Corporation or dies,the whole amount of the loan and interest accrued shall immediately become due and payable.

THE SCHEDULE

Description of the Motor Vehicle/Personal Computer

Maker's Name

Description

No of Cylinders

Engine No

Chassis No

Computer System and Peripherals

Cost price

IN WITNESS WHEREOF the Borrower has hereunto set his hand and Shri

For and on behalf of Indian Railways Finance Corporation Ltd has hereunto set his hand

Signature and Designation of Borrower

Witness 1

Witness 2

(Signature Designation and address) (Signature Designation and address)

Signed for and on behalf of IRFC Ltd by Shri

Signature with Designation

Witness 1

Witness 2

(Signature, Designation and address) (Signature, Designation and address)

Chapter 13: IRFC RULES FOR LEASING OF RESIDENTIAL ACCOMMODATION

13.1. Objective¹

To provide a framework for making available unfurnished leased residential accommodation to Executives commensurate with their status.

These rules are applicable to leasing of residential accommodation from third party as well as to self lease of residential accommodation in favour of the employees of the Corporation.

13.2. Scope and Coverage

The scheme covers Executives in the IDA pay scales of Rs. 12600-32500 (E0) and above or equivalent CDA scales, including Executives in similar pay scales drawn on deputation from other organizations, and such other Executives in whose case the terms of appointment stipulate provision of residential accommodation.

13.3. DPE Guidelines

The following guidelines issued by DPE shall be kept in view while deciding lease rent.

- a) The Board of PSUs² may identify the executives who are entitled to leased accommodation and notify the same.
- b) In case the Company's³ own quarters/flats are given to the executives, these should be of the entitled plinth area. Such entitlement would also need to be specified by the Board of Directors.
- c) In any officer⁴ is allowed to get his own flat/house on self-lease basis, the payment of lease money should in no case be higher than the market rate keeping in view the area/location of the flat/house. The basic point to be seen is that self-leased accommodation should not become source of additional income by the officer concerned.
- d) If the Company⁵ provides leased accommodation after obtaining it from any private owner on lease basis, such decision of taking the flats on lease basis may be taken after following the same procedures such as inviting quotations/opening quotations in the presence of others etc.

¹ Existing Para

² OM No.2(16)/03-DPE(WC)-GL-XX dated 05.06.2003

³ OM No.2(16)/03-DPE(WC)-GL-XX dated 05.06.2003

⁴ OM No.2(16)/03-DPE(WC)-GL-XX dated 05.06.2003

⁵ OM No.2(16)/03-DPE(WC)-GL-XX dated 05.06.2003

- e) In all cases where ⁶the Company provides leased accommodation to its executives or even allow self-leased accommodation to its executives, the Board of Directors must fix the plinth area and the ceilings in terms of value which such area might attract keeping in view the categories of the cities the executives are posted i.e. A, B, C & unclassified cities.
- f) The Board of Directors ⁷may decide the level of executives who will be provided Company leased accommodation and the size type and locality of such accommodation. For purpose of CTC 30% of basic pay may be considered as expenditure on housing.
- g) Every CPSE⁸ must have a Rent Assessment Committee (RAC), which would assess the market rent for categories of executives and non-unionized supervisors, entitled for lease/self lease accommodation and also the maximum ceiling of reimbursement depending upon the Company's capacity to pay. The RAC may include Members from Finance, HR, Civil Engineering, Law etc. as deemed appropriate.
- h) For purpose of CTC⁹, 30% of Basic Pay is required to be considered as expenditure on housing as per Para 8 of DPE O.M. dated 26-11-2008. This is not meant to be a ceiling and therefore, this should not be treated as the maximum limit for a leased accommodation.
- i) The Board of Directors of CPSEs must ensure that self leased accommodation does not become an additional source of income to the employee. The precautions as indicated in DPE O.Ms dated 05.06.2003 and 20.05.2009 will also be kept in view. Further as per DPE OM. No. W-02/0028/2017-DPE(WC)-GL-XIV/17 dated 04.08.2017 in case of the leased residential accommodation for self occupation purpose, i.e. self lease cases, the lease rental ceiling (after adjusting the HRR amount) should not exceed the net applicable HRA amount.

(Approved by BOD in 252nd meeting held on 11th May, 2019)

- j) The recovery ¹⁰of rent for leased accommodation provided by the Company including self-lease in respect of Board Level and below Board Level Executives shall be as under:-
 - a) In respect of leased accommodation (self lease or otherwise) arranged by the CPSEs rent is to be recovered from the employees **@ 7.5% of revised basic pay or actual rent whichever is lower for X class cities.**
 - b) Recovery of rent from accommodation arranged by the Company in its own township or from the pool of flats purchased by it and allotted to its employees, is to be **7.5%** of basic pay or the standard rent fixed by Company, whichever is lower.

⁶ OM No.2(16)/03-DPE(WC)-GL-XX dated 05.06.2003

⁷ OM No. 2(70)/08-DPE(WC) dated 26.11.2008

⁸ DPE OM No. 2(32)/10-DPE(WC)GL-XXIII/2010 dated 26.11.2010

⁹ DPE OM No. 2(32)/10-DPE(WC)GL-XXIII/2010 dated 26.11.2010

¹⁰ OM No. 2(6B)/08-DPE(WC)-GL IV/2012

(Approved by BOD in 252nd meeting held on 11th May, 2019)

- (k) In case the ¹¹leased accommodation including self leased is held jointly, lease rent shall be paid by the Company in the same proportion in which ownership is held by them. If the proportion of ownership is not available or is not produced, leased rent shall be paid by the Company equally among the owners.
- (l) In case the rent ¹²of the leased accommodation is more than the entitlement of the Executive, amount of lease rent in excess of entitlement shall be recovered by the Company from the salary of the Executive on monthly basis.
- (m) Self lease includes ¹³flat/house owned by self or spouse or parents or children jointly or otherwise.
- (n) In case the plinth ¹⁴area of the self leased accommodation is less than the prescribed plinth area, maximum lease rent admissible shall be proportionately reduced.

13.4. Entitlement

- A. In the case of Chairman & Managing Director / Director Finance of the Corporation, the Rental ceiling limit shall be as under:

Designation	Percentage of the maximum of scale of pay
CMD	40%
Directors	35%

- B. Ceiling limit for leasing residential accommodation will be **25%** of the maximum of the pay scale under IDA structure for below Board level Executives.
- C. Variation of (+/-) 20% will be accepted in plinth area with the approval of Chairman & Managing Director.
- D. The plinth area of leased accommodation including self lease shall be as under:-

Designation	Grade Rs.	Executive Level	Plinth Area Sq Ft
Chairman & Managing Director	2,00,000-3,70,000	--	--
Directors	1,80,000-3,40,000	--	--
ED	1,50,000-3,00,000	E-9	1500

¹¹ New Para

¹² New Para

¹³ New Para

¹⁴ New Para

Designation	Grade Rs.	Executive Level	Plinth Area Sq Ft
Group General Manager	1,20,000-2,80,000	E-8	1500
General Manager	1,00,000-2,60,000	E-7	1200
Additional General Manager	90,000-2,40,000	E-6	1200
Joint General Manager	80,000-2,20,000	E-5	1200
Deputy General Manager	70,000-2,00,000	E-4	1200
Manager	60,000-1,80,000	E-3	1000
Deputy Manager	50,000-1,60,000	E-2	1000
Assistant Manager	40,000-1,40,000	E-1	800
Junior Manager	30,000-1,20,000	E-0	800

(Approved by BOD in 252nd meeting held on 11th May, 2019)

13.5. Brokerage Charges¹⁵:

- a. If accommodation is arranged through a broker, the company may pay brokerage charges directly to the broker equal to an amount not exceeding one month rental ceiling or the actual rent, whichever is lower.
- b. Normally, the brokerage charges will be paid by the Company only once at the same place of posting. However, if the executive has to vacate the house as a consequence of expiry of the lease period, fresh brokerage may be permitted.
- c. Brokerage charges will not be admissible in case of self lease or in case of accommodation registered in the name of Spouse, Parents/Grand parents, Children/Grand Children.

13.6. Advance Deposit¹⁶

The maximum of the advance may be 3 months subject to adjustment against rent payable to the owner of the lease accommodation in case of lease agreement with a tenure of one year.

¹⁵ Modified existing Para

¹⁶ Existing Para

Employees are allowed to opt the payment of security deposit or advance rent. In case of security deposit payable to the landlord, it should be restricted to three months rent only. However, it is not payable in case of self lease, where lessor is father, mother, spouse, self, brother and sister etc.

13.7. Repairs & Maintenance:-

CPSEs¹⁷ are not permitted to reimburse any amount of lease rent to its executives towards repair main maintenance charges for the leased accommodation.

13.8. General Conditions¹⁸:

I. The applications for lease/self lease shall be made by the executive in the prescribed Performa (Annexure-1 to this chapter), which will be accompanied by the following documents:-

- i. Letter of consent from the owner of the house.
- ii. Proof of ownership of the house by the owner, which may be either in the form of copy of the registration deed or letter of allotment issued by the relevant authorized Government agencies like DDA, GDA, HUDCO, Housing Board, Cooperative Society, IRWO, or Power of Attorney accompanied by Sale Deed and Absolute Will in favour of the Owner.
- iii. Proof of plinth area and copy of the drawing of house/flat.
1. The lease deed will be made in the following format enclosed:-
 - i. Third party Lease Agreement - Annexure 2 to this chapter
 - ii. Self Lease Agreement of one year - Annexure 3 to this chapter
3. Other conditions to be followed shall be as under:-
 - i. During the currency of a lease deed, no revision of rent would be permitted except where:
 - a) The owner provides some additional facilities or accommodation at the specific request of the Corporation; or
 - b) There is an "Escalation Clause" in the Agreement.
 - ii. Switch from HRA Scheme to Leasing Scheme and vice versa may be permitted except that a switch back to the previous Scheme will not be allowed within next one year.
 - iii. Lease Agreements shall become effective from the date of possession of the accommodation by the executive.
 - iv. No sub-letting of leased accommodation will be allowed.
 - v. Management will have the right to inspect the premises at periodic intervals or whenever deemed necessary to ensure appropriate use of such accommodation and may terminate the lease without any notice if it is satisfied that the accommodation has been put to inappropriate use.

¹⁷ OM No. 2(27)/05-DPE(WC)-GL-XIII/2009 dated 20.05.2009

¹⁸ Existing Para

Management would be free to take in addition any appropriate disciplinary action against the executive himself for such inappropriate use as it may deem fit.

- vi. While vacating the accommodation, the executive shall furnish to the office a “No Demand Certificate” (Annexure-4 to this chapter) from the owner.
- vii. In case, an over payment of rent occurs to the lesser for reasons attributable to an executive, such executive will make good the loss to the corporation caused by such over payment.

13.9 Permissible period for retention of accommodation:-

Sr. No.	Event	Permissible Period
1	Retirement	4 months
2	Death	4 months
3	Transfer to place outside Head quarters	2 months
4	On being deputed by The Company for training	Full period of leave
5	Any kind of leave which Qualifies for payment ofHRA-in fuel	Full period of leave
6	Study Leave (including EOL)	Six months inclusive of various kind of leave which may be due to the employee at the time of proceeding on study leave.
7	Leave on medical ground (including EOL)	Six months inclusive of various kind of leave which may be due to the employee at the time of proceeding on medical leave.
8	Reversion of a deputationist to his parent department	<p>(i) Two months (if served IRFC for a minimum period of one year).</p> <p>(ii) One month (if served IRFC for a period of less than one year).</p> <p>Provided, however, where an employee is transferred to a place outside station in the midst of academic session, the period of two months as mentioned at (3) above may be extended not beyond the end of academic session by the competent authority in exceptional cases, if the shifting of his family</p>

		is likely adversely affect the education of his children.
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13.10

1. The Chairman & Managing Director may nominate any Director or any other officer as responsible for implementation of these Rules in their letter and spirit.
2. The Chairman & Managing Director of the Corporation has full authority to interpret these rules and his decision shall be final in this regard. He shall have the authority to modify any of the provisions of these rules for reasons to be recorded in writing.

Annexure 1
INDIAN RAILWAYS FINANCE CORPORATION LTD

APPLICATION FOR THIRD PARTY/SELF LEASE ACCOMMODATION

1. Project/Office :
2. Name :
3. Designation :
4. Scale of Pay :
5. Place of posting :
6. Nature of appointment :
7. Owner's Name and Address :
alongwith letter of consent
(enclosed)
8. Address of the premises to be taken :
on lease
9. Monetary ceilings of Lease rent for :
the Officer
10. Monthly rent claimed by the Owner :
11. Date from and period for which lease :
lease is proposed to be taken

I undertake to repay through monthly salary the amount in excess of the entitled amount of lease accommodation.

Signature : _____
Name of the : _____
Employee : _____
Designation : _____
Date : _____

Controlling Officer

Annexure 2
INDIAN RAILWAYS FINANCE CORPORATION LTD
THIRD PARTY LEASES AGREEMENT

This Lease Deed is made in New Delhi on _____ between Mr./Mrs. _____ Owner of Flat No. _____ hereinafter referred to as the LESSOR and INDIAN RAILWAY FINANCE CORPORATION LTD. (IRFC) through its representative Mr. /Mrs. _____ hereinafter referred to as the LESSEE.

The LESSOR hereby agrees to lease to the LESSEE his/her accommodation Flat No. _____ together with all electrical & sanitary fittings and fixtures, under the following terms and conditions:-

1. The Lessee agrees to pay the LESSOR a monthly rent @ Rs. _____ (Rupees _____) per month by 10th of every month.
2. The lease is for a period of _____ months commencing from _____ to _____ and for exclusive residential use of Lessee's official Mr. /Mrs. _____ and his/her family.
3. The lease may be terminated during the currency of lease agreement by giving one month's notice on either side.
4. All taxes payable to the Municipality or any other authority shall be paid by the Lessor at his own cost.
5. Major repairs of the house shall be done by the Lessor at his own cost.
6. The water & Electricity charges shall be paid by the Lessee's executive residing in the premises.
7. The Lessee shall be liable to pay breakages, damages to sanitary and electrical fittings, etc. during the lease period.
8. The Lessee shall not make any structural additions or alterations without the written consent of the Lessor.
9. The Lessee shall not sublet the premises without written consent of the Lessor.

10. The Lessee shall give vacant and peaceful possession of the premises on expiry/termination of the Lease.

11. The Lessee shall pay an advance of Rs. _____ to the Lessor as deposit, which shall be promptly returned to the Lessor at the time of vacation of premises.

IN WITNESS WHEREOF, the parties have set and subscribe their hand in the presence of the witnesses mentioned herein below:-

Mr.

(LESSOR)

INDIAN RAILWAY
FINANCE CORPORATION LIMITED
(LESSEE)

WITNESSES:-

1.

2.

CHAPTER-13: IRFC RULES FOR LEASING OF RESIDENTIAL ACCOMMODATION

Annexure 3

INDIAN RAILWAYS FINANCE CORPORATION LTD

RENT DEED (SELF LEASE AGREEMENT)

This Lease Deed is made in New Delhi on _____ between Mr./Mrs. _____ Owner of Flat No. _____ hereinafter referred to as the LESSOR and INDIAN RAILWAY FINANCE CORPORATION LTD. through its representative Mr. /Mrs. _____ hereinafter referred to as the LESSEE.

The LESSOR hereby agrees to lease to the LESSEE his/her accommodation Flat No. _____ together with all electrical & sanitary fittings and fixtures, under the following terms and conditions:-

1. The Lessee agrees to pay the LESSOR a monthly rent @ Rs. _____ (Rupees _____) per month by 10th of every month.
2. The lease is for a period of _____ months commencing from _____ to _____ and for exclusive residential use of Lessee's official Mr. /Mrs. _____ and his/her family.
3. The lease may be terminated during the currency of lease agreement by giving one month's notice on either side.
4. All taxes payable to the Municipality or any other authority shall be paid by the Lessor on his own cost.
5. Major repairs of the house shall be done by the Lessor at his own cost.
6. The water & Electricity charges shall be paid by the Lessee's executive residing in the premises.

IN WITNESS WHEREOF, the parties have set and subscribe their hand in the presence of the witnesses mentioned herein below:-

Mr.
(LESSOR)

INDIAN RAILWAY
FINANCE CORPORAITON LTD.
(LESSEE)

WITNESSES:-

1.

2.

Annexure 4
INDIAN RAILWAYS FINANCE CORPORATION LTD

NO DEMAND CERTIFICATE
IN RESPECT OF THIRD PARTY LEASE ACCOMMODATION

I, _____, presently
working as _____, have handed over vacant possession of
House/Flat No. _____ Shri/Smt.
_____, along with fittings/fixtures, etc. to the entire satisfaction of
the owner. No dues are payable to the owner.

House Owner
(Lessor):

Signature : _____

Name of :
Owner _____

Place : _____

Date : _____

Employee

Signature : _____

Name of :
Employee _____

Designation : _____

Place : _____

Date : _____

GG.M.(P&A), IRFC, New Delhi.

ADDITIONAL FORMAT
SAMPLE JOB DESCRIPTIONS OF TOP TWO POSITIONS IN IRFC

Job Description-1, IRFC Ltd.

Title: Chairman & Managing Director

Reports to: Chairman and Financial Commissioner of Railways and Railway Board of Directors

Based at: New Delhi

Job purpose: To provide a “line of sight” from strategic to operational activity for efficient and effective working of IRFC.

Key responsibilities and accountabilities:

1. Leadership and vision to IRFC
2. Best Business Practices
3. Expand Global Reach
4. Expand the Skill Base of employees in IRFC

Duties and Responsibilities:

Active engagement with stakeholders-both internal and external to the organization.(Indian Government, Railways, Investors and IRFC team).

Review of domestic and international markets

Broad basing of external customer base for future growth of IRFC.

Leading the IRFC team for achieving long-term Strategic Plans.

Essential qualification required: CA/ ICWA/ MBA Finance. Leadership training and development.

Essential skills required: Forecasting of financial markets, bonds, hedging, Able to delegate power and responsibility for decision making and execution

Job Description-2, IRFC Ltd.**Title: Director Finance****Reports to:** Chairman & Managing Director**Based at:** New Delhi**Job purpose:** To provide direction and support to MD, IRFC for planning and execution for strategic to operational activity for efficient and effective working.**Key responsibilities and accountabilities:**

1. Co creating leadership and vision for IRFC
2. Best Business Practices planning and compliance for making IRFC a risk free company
3. Expand Global Reach
4. Expand the Skill Base of employees in IRFC

Duties and Responsibilities:

Forecasting of financial markets, bonds, hedging

Able to delegate power and responsibility for decision making and execution

SWOT analysis for long term growth of IRFC.

Be able to evaluate all options of financing opportunities in domestic and international markets

Raise funds at the least cost option and do timely interest payments to Railways

Long term strategic planning for financial planning for both domestic and international market.

Augment/ grow the professional competency of the team.

Essential qualification required: CA/ ICWA/ MBA Finance. Leadership training and development**Essential skills required:** Forecasting of financial markets, bonds, hedging, Able to delegate power and responsibility for decision making and execution

Chapter 14: IRFC's EMPLOYEE DEVELOPMENT & WELFARE SCHEMES

14.2. INCENTIVES FOR TALENT MOBILITY¹

14.2.1 Incentives for Acquiring Additional Qualifications

- i. The Management of IRFC believes that its employees at all levels should strive to develop their skills and knowledge in order to contribute better to the attainment of objectives of the organization and also to enhance their own career prospects. With this objective in view, the Corporation will sanction monetary / other incentives to the Employees for acquiring higher qualifications/skills on their own initiative, after participating in courses of education on part-time basis, or after availing Study Leave. The additional qualifications eligible under the scheme must be relevant to the employee's working in IRFC and decision about whether or not the course of study pursued or proposed to be pursued qualifies for benefit under the scheme shall wholly vest in the Corporation.
- ii. Before taking up the courses of study for availing benefit under this scheme, the employee should obtain the approval of the Chairman & Managing Director or Director, through the Administration Section. A decision should also be sought about whether the course of study would be eligible for benefits under the incentive scheme, except in cases where the course is already listed specifically by course name in these Rules for the purpose of incentives. The incentives will be sanctioned after successful completion of the course and acquisition of the qualification.
- iii. Incentives in the form of Cash awards and additional increments specified in the Table below will be sanctioned:

Employee's present Qualification	Additional Qualification to be rewarded	Details of Incentive
Non Matriculate	Matriculation	Cash Award of Rs.5000
Matriculation	Graduation	Cash award of Rs.10000

¹ Existing Para

Employee's present Qualification	Additional Qualification to be rewarded	Details of Incentive
Graduation	Post Graduation	Cash Award of Rs.12000
Graduate/Post Graduate	Additional Diploma of one years duration in Computer Systems and Skills / Finance / Accountancy	Cash Award of Rs.12000
Graduate/Post Graduate/Others	MBA from a recognized institute or university / Cost Accountancy / Company Secretary / Chartered Financial Analyst / Chartered Accountancy etc.	Cash Award of Rs.15000 & Two Increments in the existing Grade subject to pay not exceeding max of the Grade..

Note: The additional qualifications listed above are only illustrative. Other qualifications may also be considered for the purpose of granting incentives under these Rules subject to approval of the Corporation.

14.2.2 Children Education Merit Scheme

Grant of Cash Awards to Children of Employees performing well in their 10th/12th Standard examinations. In this regard, it has been decided that cash award will be granted as under:

	Percentage of Marks/GPA	Class X	Class XII
i	Above or equal to 85% or GPA 8.5	Rs. 15000	Rs. 18000
ii	80% but below 85% or GPA 8 but below 8.5	Rs. 10000	Rs. 12000
iii	75% but below 80% or GPA 7.5 but below 8.0	Rs. 6250	Rs. 7500

14.2.4 Scheme for Membership of National and International Professional Institutions²

- i. Employees in the Executive categories in IRFC are encouraged to become members of and become active participants in activities of National and International Institutions pertaining to their Profession. In order to facilitate such an active membership, the Corporation will reimburse subscription and other fees on the following basis:
 - (a) Annual Subscription for Membership of two national Professional Associations/Institutes and participation fees if any in their annual conferences

² Existing Para

- (b) Entrance fees (once only) and annual Subscription of one foreign Professional Association/Institute.

Special Casual Leave can be granted for participation in activities of such institutions as laid down in Rules on Special Casual Leave in this compilation. Individual requests for reimbursement of subscription etc under this Scheme will be approved by the Chairman & Managing Director.

14.4. INCENTIVES FOR WORK LIFE BALANCE

14.4.1 Gifts and Gratitude

Cash Gift costing upto Rs. 5000 on graceful but austere scale on the occasion of marriage of employees and upto Rs. 3000 on the occasion of marriage of their children/dependent sister or brother.

Cash gift on the occasion of the Birthday of employees upto Rs. 2000.

14.4.2 Celebration of Foundation Day³

A foundation day lecture series may be organized by IRFC followed by lunch/dinner. Experts from the field of finance or eminent scholars to speak on current issues / challenges to be invited for creating knowledge and awareness. Gifts/Sweets etc. may be given as considered appropriate.

New Year and Festival Celebration etc.

These days may be celebrated as social functions and suitable Gift Coupons/Gifts may be distributed as considered appropriate.

14.4.3 Recreational Activities⁴

Recreation and social development activities like Sports, Annual Get-togethers, festival celebrations etc. involving the employees of IRFC and their families, may be arranged by the Company in and outside headquarters.

14.5. WELL BEING PROGRAMMES

14.5.2 Funeral expenses upto Rs. 5000 on bereavements in the family (Family as defined under Medical Rules).

14.5.3 Mementos to IRFC Retiring Employees⁵

At the time of retirement on superannuation, the employees of IRFC will be given as a mark of appreciation of their service a gift of the values indicated below:

Non Executive Employees Rs.3000

Executive Employees Rs.5000

14.6. INCENTIVES TO RESPONSIBLE EMPLOYEES

³ Existing Para

⁴ Existing Para

⁵ Existing Para

14.6.1 Promotion of Small Family Norms amongst Employees of IRFC⁶

14.6.1.1 In accordance with the policy of the Government of India, IRFC expects its employees to adopt Small family Norms in their personal life. In order to encourage them towards this end, the Corporation provides an incentive of one Special Increment (called Special allowance) in their Pay and an element of subsidy in the matter of interest payable when they avail of House Building advance.

14.6.1.2 The Following conditions are applicable for grant of the above incentives:

- (a) The employee or the spouse may undergo sterilization operation for limiting their family size to two Children.
- (b) At the time of operation, the employee should have at least one surviving child but not more than two.
- (c) Male employee's age should not be over 50 years and his wife should be between 20 and 45 years of age. A female employee's age should not be over 45 years and her husband should not be over 50 years.
- (d) A certificate confirming the sterilization operation should be submitted in the form prescribed by the Central Government and it should be either from a Central/State Government / CGHS Hospital or Clinic or any other institution approved by the Government for the purpose.
- (e) If the operation is done in a Private Hospital/Nursing Home, the certificate should be countersigned by a Civil Surgeon/DMO/AMA/Medical Officer of CGHS/Central Government Hospital.

14.6.1.3 Incentive in the form of Special Allowance

- (a)⁷ The incentive in the form of one additional increment equal to the amount of the next increment due in the Scale of Pay applicable to the employee at the time of his undergoing the operation, which will remain fixed during his/her entire service will be sanctioned with the approval of the Chairman & Managing Director or any other officer authorized by him.
- (b) If both the husband and wife are Central Government/PSU employees the allowance may at their choice be drawn by either one of them.
- (c) Employees officiating in a higher Grade on ad hoc basis at the time of operation are entitled to the allowance at the rate of the increment applicable in the officiating Grade.

⁶ Existing Parra

⁷ Existing Para

- (d) Once an employee gets the benefit of the allowance at a particular rate he would continue to draw it at the same rate even if he is reduced to a lower stage in the Scale of pay or lower Grade by way of penalty.
- (e)⁸ The incentive will be payable from the first of the month following the date of operation. If the employee is under suspension or is on leave, the benefit will not be given effect to during suspension or leave.
- (f)⁹ If the Sterilization operation fails after the grant of the allowance, the incentive already granted will be withdrawn from the deemed date of pregnancy. However the recovery of the amounts already drawn will be waived if either of the couple undergoes sterilization operation once again.

Provision in the form of special allowance (14.6.1.3) from (a) to (f) above has been deleted in view of DPE OM No. W-02/0004/2018-DPE -WC Dated 23 May, 2018

14.6.1.4 Incentive ¹⁰of Subsidy in interest on House Building Advance

A rebate of half a percent in the rate of interest payable on the House Building Advance sanctioned to the employee will be admissible in the event of his/her/spouse's having undergone sterilization operation under this scheme.

Note: These Incentives are admissible only to regular employees of IRFC and not to casual and temporary employees.

14.6.2 National Language Proficiency

Hindi Divas/Hindi Saptah/Debate/Competition for Hindi language Proficiency can be organized.

IRFC Employees Welfare Scheme

- i. In order to organize and implement other activities related to welfare of the employees and their family members, an IRFC Employees Welfare Committee will be constituted with the approval of the Chairman & Managing Director, and comprising three officers of appropriate level.
- ii. The Corporation will allocate Funds for administering the welfare activities to be implemented under the scheme on recommendation of the Committee. The annual allocation will be to a maximum extent of Rs.50,000(non lapsable) in the initial stages and may be enhanced in the future depending upon the needs / diversity of activities under the scheme.
- iii. A separate Book of accounts will be maintained for appropriations to and expenses from the funds of the scheme and the same shall be audited in an appropriate manner annually.

⁸ Existing Para

⁹ Existing Para

¹⁰ Existing Para