



Conquering Newer Horizons

OIL EXECUTIVES' CONDUCT, DISCIPLINE AND APPEAL RULES, 1982

(WITH AMENDMENTS UP TO 10.08.2022)

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OIL EXECUTIVES' CONDUCT, DISCIPLINE AND APPEAL RULES, 1982

(WITH AMENDMENTS UP TO 10.08.2022)

1.0 SHORT TITLE AND COMMENCEMENT

- 1.1 These Rules may be called the OIL Executives' Conduct, Discipline and Appeal Rules, 1982 (With Amendments up to 10.08.2022).
- 1.2 They shall come into force on 10.08.2022.

2.0 APPLICATION

These Rules shall apply to all employees except:

- 2.1 Those in casual employment or paid from contingencies.
- 2.2 Those governed by the Standing Orders under the Industrial Disputes Act, 1947.

3.0 DEFINITIONS

In these Rules, unless the context otherwise requires:

- 3.1 "**Company**" means Oil India Limited (OIL).
- 3.2 "**Employee**" means a person in the employment of the Company other than the casual, work-charged or contingent staff or workman as defined in the Industrial Disputes Act, 1947, but includes a person on deputation to the Company.
- 3.3 "**Workman**" means a person as defined in the Industrial Disputes Act 1947 and to whom the provision of these Rules shall not apply.
- 3.4 "**Board**" means the Board of Directors of the Company and includes in relation to the exercise of powers, any committee of the Board/Management or any officer of the Company to whom the Board delegates any of its powers.
- 3.5 "**Chairman & Managing Director**" means the Chairman & Managing Director of the Company.
- 3.6 "**Disciplinary Authority**" means the authority specified in the Schedule appended to these Rules and competent to impose any of the penalties specified in Rule 23.
- 3.7 "**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.
- 3.8 "**Government**" means the Government of India.
- 3.9 "**Appellate Authority**" means the authority specified in the Schedule appended to these Rules.

- 3.10 “**Reviewing Authority**” means the authority specified in the Schedule attached to these Rules.
- 3.11 “**Family**” in relation to an employee includes:
- 3.11.1 The wife or husband as the case may be of the employee, whether residing with the employee or not but does not include a wife or husband as the case may be separated from the employee by a decree or order of a competent court.
- 3.11.2 Sons or daughters or stepsons or stepdaughters of the employee and wholly dependent on the employee, 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.
- 3.11.3 Any other person related, whether by blood or marriage to the employee or to such employee’s wife or husband and wholly dependent on such employee.
- 3.12 “**Public servant**” shall mean and includes a person as defined in Section 2(1) (o) read with Section 14 (f) of the Lokpal and Lokayukta Act, 2013 as amended from time to time.
- 3.13 “**Inquiry Authority**” means an Employee or Committee of Employees or any retired executive of the Company or any serving or retired public servant appointed by the competent Disciplinary Authority.
- 3.14 “**Appointing Authority**” in relation to an employee means:
- i) the authority empowered to make appointments to the grade the employee holds; or
- ii) where the Employee having been a member of any other service or having held any other post has been in continuous employment of the Company, the authority which appointed (or the authority empowered to make appointment) him/her to that service, or to any grade in the service or to that post.
- 3.15 “**Presenting Officer**” means the officer appointed by the Company/Disciplinary Authority to present on its behalf the case under the rules.
- 3.16 “**Complaints Committee**” means the Complaints Committee constituted by the Company to redress complaints of sexual harassment.
- 3.17 “**Person**” : Person unless repugnant to the subject or context thereof, the expression “person” used in these Rules shall include any company or body corporate, proprietorship, partnership or association of persons (whether registered or not), and the singular shall include the plural and vice versa, and the masculine shall include the feminine and vice-versa.

- 3.18 **“Designated Employee”:** In relation to Code of Internal Procedures and Conduct for prevention of insider trading in dealing with securities of OIL in accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992 shall include designated employees as per “Code of Conduct to Regulate, Monitor and Report Trading by Insiders” as amended from time to time.
- 3.19 **“Scope of service” :** Unless in any case it be otherwise distinctly provided, the whole time of an employee shall be at the disposal of OIL and he/she shall serve OIL in its business in such capacity and at such place as he/she may from time to time, be directed.
- 3.20 **Liability to Abide by Rules and Orders:** Every employee of OIL shall conform to and abide by the Rules of OIL, as may be made applicable to him/her from time to time, and shall observe, comply with and obey the orders and directions given to him/her in the course of his/her official duties by any person or persons under whose jurisdiction, superintendence or control he/she may, for the time being be placed.

4.0 GENERAL

- 4.1 Every employee of the Company shall at all times :
- 4.1.1 maintain absolute integrity;
- 4.1.2 maintain devotion to duty; and
- 4.1.3 do nothing which is unbecoming of a public servant;
- 4.1.4 commit oneself to and uphold the supremacy of the Constitution and democratic values;
- 4.1.5 defend and uphold the sovereignty and integrity of India, the security of the State, public order, decency and morality;
- 4.1.6 maintain high ethical standards and honesty;
- 4.1.7 maintain political neutrality;
- 4.1.8 promote the principles of merit, fairness and impartiality in the discharge of duties;
- 4.1.9 maintain accountability and transparency;
- 4.1.10 maintain responsiveness to the public, particularly to the weaker section;
- 4.1.11 maintain courtesy and good behavior with the public;
- 4.1.12 take decisions solely in public interest and use or cause to use public resources efficiently, effectively and economically;
- 4.1.13 declare any private interests relating to the Employee’s public duties and take steps to resolve any conflicts in a way that protects the public interest;
- 4.1.14 not place oneself under any financial or other obligations to any individual or organization which may influence the employee in the performance of one’s official duties;

- 4.1.15 not misuse one's position as public servant and not take decisions in order to derive financial or material benefits for oneself, one's family or one's friends;
 - 4.1.16 make choices, take decisions and make recommendations on merit alone;
 - 4.1.17 act with fairness and impartiality and not discriminate against anyone, particularly the poor and the under-privileged sections of society;
 - 4.1.18 refrain from doing anything which is or may be contrary to any law, rules, regulations and established practices;
 - 4.1.19 maintain discipline in the discharge of one's duties and be liable to implement the lawful orders duly communicated to the employee;
 - 4.1.20 maintain confidentiality in the performance of one's official duties as required by any laws for the time being in force, particularly with regard to information, disclosure of which may prejudicially affect the sovereignty and integrity of India, the security of the State, strategic, scientific or economic interests of the State, friendly relation with foreign countries or lead to incitement of an offence or illegal or unlawful gain to any person;
 - 4.1.21 Perform and discharge one's duties with the highest degree of professionalism and dedication to the best of his/her abilities.
- 4.2.1 Every employee of the Company holding a supervisory / managerial post shall take all possible steps to ensure the integrity and devotion to duty of all employees for the time being under his/her control and authority.
- 4.2.2 No employee of the Company shall, in the performance of his/her official duties, or in the exercise of powers conferred on the employee, act otherwise than in his/her best judgement except when employee is acting under the direction of his/her official superior.
- 4.2.3 The direction of the official superior shall ordinarily be in writing. Oral direction to subordinates shall be avoided, as far as possible. Where the issue of oral direction becomes unavoidable, the official superior shall confirm it in writing immediately thereafter.
- 4.2.4 An employee who has received oral direction from his/her official superior shall seek confirmation of the same in writing as early as possible, whereupon it shall be the duty of the official superior to confirm the direction in writing.

Explanation I - An employee who habitually fails to perform the task assigned to the employee within the time set for the purpose and with the quality of performance expected of the employee shall be deemed to be lacking in devotion to duty within the meaning of the clause 4.1.2.

Explanation II - Nothing in clause 4.2.2 shall be construed as empowering an Employee to evade his/her responsibilities by seeking instructions from, or approval of, a superior officer or authority when such instructions are not necessary under the scheme of distribution of powers and responsibilities.

4.2A **Promptness and Courtesy**

No Employee shall

- (a) in the performance of his/her official duties, act in a discourteous manner;

- (b) in his/her official dealings with the public or otherwise adopt dilatory tactics or willfully cause delays in disposal of the work assigned to him/her.

4.2B Observance of Government's policies

Every Employee shall, at all times-

- (i) act in accordance with the Government's policies regarding age of marriage, preservation of environment, protection of wildlife and cultural heritage;
- (ii) observe the Government's policies regarding prevention of crime against women.

4.3 Prohibition of sexual harassment of women

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

Explanation. - For the purpose of this Rule, -

(a) "Sexual harassment" includes any one or more of the following acts or behaviour (whether directly or by implication) namely : -

- (i) physical contact and advances; or
- (ii) a demand or request for sexual favours; or
- (iii) making sexually coloured remarks; or
- (iv) showing pornography; or
- (v) any other unwelcome physical, verbal, non-verbal conduct of a sexual nature.

(b) The following circumstances, among other circumstances, if it occurs or is present in relation to or connected with any act or behaviour of sexual harassment may amount to sexual harassment : -

- (i) implied or explicit promise of preferential treatment in employment; or
- (ii) implied or explicit threat of detrimental treatment in employment; or
- (iii) implied or explicit threat about her present or future employment status; or
- (iv) interference with her work or creating an intimidating or offensive or hostile work environment for her; or
- (v) humiliating treatment likely to affect her health or safety

(c) "workplace" includes :-

- (i) any department, organisation, undertaking, establishment, enterprise, institution, office, branch or unit which is established, owned, controlled or wholly or substantially financed by funds provided directly or indirectly by the Central Government;
- (ii) hospitals or nursing homes;
- (iii) any sports institute, stadium, sports complex or competition or games venue, whether residential or not used for training, sports or other activities relating thereto;

- (iv) any place visited by the employee arising out of or during the course of employment including transportation provided by the employer for undertaking such journey;
- (v) a dwelling place or a house related to or connected in course of official dealings.

4.4 ABSENCE FROM STATION

- a) Unless otherwise expressly provided, the whole time of an Employee shall be at the disposal of the Company and he/she shall serve the Company in its business in such capacity and at such place as he/she may from time to time be directed by his/her superior.
- b) An Employee shall not absent himself from duty without having obtained the permission of the Competent Authority.
- c) No Employee shall leave the station, where he/she is posted, without prior permission of the Competent Authority.
- d) If any employee overstays beyond the period of leave originally granted or subsequently extended or is otherwise absent beyond 21 days continuously without prior permission of, or intimation to, authority empowered to grant him/her leave, he/she shall be treated to have voluntarily abandoned OIL's service and the Competent Authority may pass orders accordingly. A communication relating to such order having been passed by the Competent Authority shall be sent to the employee concerned at his/her last known address on record. Competent Authority for this sub Rule will be the Disciplinary Authority.

5.0 MISCONDUCT

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

- 5.1 Theft, fraud or dishonesty in connection with the business or property of the Company or of property of another person within the premises of the Company.
- 5.2 Taking or giving bribes or any illegal gratification.
- 5.2A Obtaining donations / advertisement / sponsorship etc. for the associations/NGOs formed by either employee or their spouse / employee's family members etc. from the contractors, vendors, customers or other persons having commercial relationship / official dealings. This will be treated as misconduct.
- 5.3 Possession of pecuniary resources or property disproportionate to the known source of income by the employee or on his/her behalf by another person, which the employee cannot satisfactorily account for.
- 5.4 Furnishing false information regarding name, age, father's name, qualification, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.
- 5.5 Acting in a manner prejudicial to the interests of the Company.
- 5.6 Willful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of employee's superior.

- 5.7 Absence without leave or overstaying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
- 5.8 Habitual late or irregular attendance.
- 5.9 Neglect of work or negligence in the performance of duty including malingering or slowing down of work.
- 5.10 Damage to any property of the Company.
- 5.11 Interference or tampering with any safety devices installed in or about the premises of the Company.
- 5.12 Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Company or outside such premises where such behaviour is related to or connected with the employment.
- 5.13 Gambling within the premises.
- 5.14 Smoking within the premises where it is prohibited.
- 5.15 Collection without the permission of the Competent Authority of any money within the premises of the Company except as sanctioned by any law of the land for the time being in force or rules of the Company.
- 5.16 Sleeping while on duty.
- 5.17 Commission of any act which amounts to a criminal offence involving moral turpitude.
- 5.18 Absence from the employee's appointed place of work without permission or sufficient cause.
- 5.19 Purchasing properties, machinery, stores, etc. from or selling properties, machinery, stores, etc. to the Company without express permission in writing from the Competent Authority.

For the purpose of this rule, Head of HR of the Sphere will be the Competent Authority.
- 5.20 Commission of any acts subversive of discipline or which amount to a criminal offence.
- 5.21 Abetment of or attempt at abetment of any act which amounts to misconduct.
- 5.22 Construction of unauthorized structures on Company land.
- 5.23 Striking work alone or in combination with other employees, or inciting them to strike work in contravention of the provision of any law or rules having the force of Law.
- 5.24 Letting out any Company's property or allowing unauthorized person to stay or use Company's property.
- 5.25 Leveling malicious or false allegations.
- 5.26 Occupying or taking possession in an unauthorized manner or refusal to vacate or deliver possession of Company's quarter(s) or any of its premises, owned or hired, when required to do so by the Company.
- 5.27 Refusal to accept a charge sheet or order or any other communication from the Management.
- 5.28 Violation of the "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" as amended from time to time by designated employees.

- 5.29 Using official email, internet, mobile phone or other electronic equipment or facilities provided by the Company, for any purpose which is prohibited by any law in force.
- 5.30 Note: The above instances of misconduct are illustrative in nature and are not exhaustive.

6.0 EMPLOYMENT OF NEAR RELATIVES OF THE EMPLOYEES OF THE COMPANY IN ANY COMPANY OR FIRM ENJOYING PATRONAGE OF THE COMPANY

- 6.1 No employee shall use his/her 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.
- 6.2 No employee shall, except with the previous sanction of the Competent Authority, permit his/her son, daughter or any member of the family to accept employment with any company or firm / entity with which the employee has official dealings, or with any company or firm / entity, having official dealings with the Company.
- 6.2.1 Provided that where the acceptance of the employment cannot await the 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.

The Competent Authority for the purpose of this Rule is:

- a) In the case of employee below Grade H, the employee in Grade H or above to whom the employee directly or indirectly reports;
- b) In the case of employee in Grade H and above, the concerned Functional Director.

- 6.3 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 / entity or any other person if any member of his/her family is employed in that company or firm or under that person or if employee or any member of his/her family is interested in such matter or contract in any other matter and the employee shall refer every such matter or contract to 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.

7.0 TAKING PART IN DEMONSTRATION AND STRIKE

- 7.1 No employee of the Company shall engage oneself or participate in any demonstration which involves incitement to an offence.

7A Restriction on political activities of employees of the Company

The following kinds of activities of the employees are prohibited, as the case may be:

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

8.0 CONNECTION WITH ELECTRONIC AND PRINT MEDIA

- 8.1 No employee of the Company shall, except with the previous sanction of the Competent Authority, own wholly or in part, or conduct or participate in the editing or management of any newspaper or other periodical publication.
- 8.2 No employee of the Company shall, except with the previous sanction of the Competent Authority or the prescribed authority, or in the bona fide discharge of his/her duties, participate in broadcast or contribute any article or write any letter either in his/her own name or anonymously, pseudonymously, or in the name of any other person to any publication.
- 8.2.1 Provided that no sanction shall be required if such broadcast/publication or such contribution is of purely literary, artistic or scientific character which does not include any scientific, technical or economic data pertaining to the work, plans or operations of the Company for the development of petroleum resources and the production and sale of petroleum and petroleum products produced by it and for matters connected therewith or pertaining to the oil & gas bearing areas of the Company;
- 8.2.2 Competent Authority for granting sanction under Rule 8:

For Fields: RCE

For Projects: Project Head of minimum Grade G.

For Corporate Office: Respective Grade H or above

9.0 CRITICISM OF GOVERNMENT AND THE COMPANY

- 9.1 No employee shall, in any electronic and print media 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 any public utterances, make any statement:
- 9.1.1 Which has the effect of adverse criticism of any policy or action of the Central or State Governments, or of the Company; or
- 9.1.2 Which is capable of embarrassing the relations between the Company and the public.
- 9.1.3 Provided that nothing in these Rules shall apply to any statement made or views expressed by an employee, of purely factual nature which are not considered to be of a confidential nature, in his/her official capacity or in due performance of the duties assigned to him/her.
- 9.1.4 Provided further that nothing contained in this clause shall apply to bona fide expression of views by him/her as an office bearer of a recognized association for the purpose of safeguarding the conditions of service of such employees or for securing an improvement thereof.
- 10.0 EVIDENCE BEFORE COMMITTEE OR ANY OTHER AUTHORITY**
- 10.1 Save as provided in sub-Rule 10.3, no employee of the Company shall, except with the previous sanction of the Competent Authority, give evidence in connection with any enquiry conducted by any person, committee or authority.
- 10.2 Where any sanction has been accorded under sub-Rule 10.1, no employee giving such evidence shall criticise the policy or any action of the Central Government or of a State Government, or the Company.

- 10.3 Nothing in this Rule shall apply to:
- 10.3.1 evidence given at any enquiry before an authority appointed by the Government, Parliament or a State Legislature or any Company;
- 10.3.2 evidence given in any judicial enquiry, or
- 10.3.3 evidence given at any departmental enquiry ordered, by authorities subordinate to the Government.

11.0 UNAUTHORIZED COMMUNICATION OF INFORMATION

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

12.0 GIFTS

- 12.1 Save as otherwise provided in these Rules, no employee of the Company shall accept or permit any member of his/her family or any other person acting on his/her behalf, to accept any gift.
- 12.1.1 **Explanation:** 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.
- 12.1.2 **Note:** An employee of the Company shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with the employee.
- 12.2 On occasions such as weddings, anniversaries, funerals or religious functions, when the making of gifts is in conformity with the prevailing religious or social practices, an employee of the Company may accept gifts from his/her near relatives, colleagues but he/she shall make a report to the Competent Authority if the value of the individual gift(s) exceeds Rs.25,000/-.
- 12.3 On such occasions as are specified in sub-Rule 12.2, an employee of the Company may accept gifts from his/her personal friends having no official dealings with the employee, but employee shall make a report to the Competent Authority if the value of any such gift exceeds Rs. 1,500;
- 12.4 In any other case, an employee of the Company shall not accept or permit any other member of his/her family or any other person acting on his/her behalf to accept any gifts other than from relatives without the sanction of the Competent Authority if the value thereof exceeds Rs.5,000/-.
- 12.4.1 Provided that when more than one gift has been received from the same person/firm other than relatives within a period of 12 months, the matter shall be reported to the Competent Authority if the aggregate value of the gifts exceeds Rs.25,000/-.

The Competent Authority for the purpose of this Rule is:

- a) In the case of employee below Grade H, the employee in Grade H or above to whom the employee directly or indirectly reports.
- b) In the case of employee in Grade H and above, the concerned Functional Director.

12.A. REGARDING DOWRY: No employee of the company shall:

- 12.A.1 give or take or abet the giving or taking of dowry; or
- 12.A.2 demand directly or indirectly, from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.
- 12.A.3 **Explanation:** For the purpose of this Rule 'dowry' has the same meaning as in the Dowry Prohibition Act 1961 (28 of 1961) or amendments, if any.

13.0 PRIVATE TRADE OR EMPLOYMENT

- 13.1 No employee of the Company shall except with the previous sanction of the Competent Authority, engage directly or indirectly in any trade or business or undertake any other employment;

Provided that an employee may, without such sanction, undertake honorary work of a social or charitable nature or occasional work of literacy, artistic or scientific character, subject to the condition that his/her official duties do not thereby suffer.

- 13.2 Every employee of the Company shall report to the Competent Authority; any member of his/her family is engaged in a trade or business or owns or manages insurance agency or Commission agency.

- 13.3 No employee of the Company 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 other law for the time being in force or any co-operative society for commercial purposes;

Provided that an employee of the Company may take part in the registration, promotion or management of a consumer/House Building Co-operative society substantially for the benefit of employees of the Company, registered under the Co-operative Societies Act, 1912 (2 of 1912) or any other law for the time being in force, or of a literary, scientific or charitable society registered under the Societies Registration Act, 1860 (21 of 1860), or any corresponding law in force.

- 13.4 No employee of the Company 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 Competent Authority.

13A.0 WITH REGARD TO DEALING IN THE SHARES OF CPSES

- 13A.1 A full-time Director or any employee involved in the decision making process of fixation of price of an IPO/FPO of shares of a CPSE shall not apply either oneself/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 such CPSE, even out of the category of preferential quota reserved for employees/Directors of the Company.
- 13A.2 Employees including full time Directors who are in possession of unpublished price sensitive information would be prohibited from dealing/transacting either in their own name or through any member of their family in the shares of their own Company.
- 13A.3 Full-time Director or employee or any member of his/her family or any person acting on

his/her behalf shall not apply for shares out of any preferential quota reserved for employees/Directors of other companies.

- 13A.4 Employees would be required to disclose to the Company all transactions of purchase/sale in shares worth two months Basic pay or more in value or existing holding/interest in the shares worth two months Basic pay or more in OIL either in his/her own name or in the name of any family member of employee to report to the Company indicating quantity, Price, date of transaction and nature of interest within 4 working days.

14.0 INVESTMENT, LENDING AND BORROWING

- 14.1 No employee shall, save in the ordinary course of business with a bank, financial institution or a firm of standing, borrow money from or lend money to or otherwise place himself under 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.

14A.0 SPECULATION OF STOCK / SHARES OF COMPANIES

Employee shall not speculate in any stock, share or other investment. It may also be explained that frequent purchase or sale or both, of shares, securities or other investments shall be deemed to be speculation within the meaning of this sub-Rule.

With a view to enable the administrative authorities to keep a watch over such transactions, an intimation may be sent in the Proforma (on the lines of proforma annexed to DoPT OM dated 07-02-2019) to the prescribed authority if the total transactions in shares, securities, debentures or mutual funds scheme, etc. exceed six months' basic pay of CPSE employee during the calendar year (to be submitted by 31st January of the subsequent calendar year).

15.0 INSOLVENCY AND HABITUAL INDEBTEDNESS

- 15.1 An employee of the Company shall avoid habitual indebtedness unless he/she proves that such indebtedness or insolvency is the result of circumstances beyond his/her control and does not proceed from extravagancies or dissipation.
- 15.2 An employee of the Company who applies to be, or is adjudged or declared insolvent shall forthwith report the fact to his/her Competent Disciplinary Authority.

For the purpose of this rule, Head of HR of the Sphere will be the Competent Authority.

16.0 MOVABLE, IMMOVABLE AND VALUABLE PROPERTY

- 16.1 Every employee shall, on first appointment in the Company, submit a return of assets and liabilities in the prescribed form giving the particulars regarding:-
- 16.1.1 the immovable property inherited by the employee, or owned or acquired by the employee, held by the employee on lease or mortgage, either in his/her own name or in the name of any member of his/her family or in the name of any other person;
- 16.1.2 shares, debentures, and cash including bank deposits inherited by the employee (or similarly owned, acquired, or held by the employee;
- 16.1.3 other movable property inherited by the employee or similarly owned, acquired or held by the employee if the value of such property exceeds that specified under rule 16.4.
- 16.1.4 debts and other liabilities incurred by employee directly or indirectly;

- 16.1.5 every employee shall, beginning 1st January, submit a return of immovable property inherited/owned/acquired every year.
- 16.2 No employee of the Company shall, except with the previous knowledge of the Competent Authority, acquire or dispose of any immovable property by lease, inherit, mortgage, purchase, sale, gift or otherwise, either in his/her own name or in the name of any member of his/her family.
- 16.3 No employee of the Company or any member of his/her family 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 having official dealings with the employee or his/her subordinate.
- 16.4 Every employee of the Company shall report to the Competent Authority every transaction concerning movable property owned or held by the employee in his/her own name or the name of a member of his/her family, if the value of such property exceeds two months Basic pay.
- 16.5 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 his/her family as may be specified in the order. Such statement shall, if so required by the Competent Authority, include details of the means by which, or the source from which such property was acquired.

Explanation I- For the purposes of this Rule –

the expression 'movable property' includes jewellery, insurance policies, the annual premia of which exceeds 'two months' basic pay of the employee, shares, securities and debentures; all loans, whether secured or not, advanced or taken by the employee; motor cars, motor cycles, horses or any other means of conveyance; and refrigerators, radios radiograms and television sets.

Explanation II- For the purpose of this Rule 'lease' means, except where it is obtained from, or granted to, a person having official dealings with the employee, a lease of immovable property from year to year or for any term exceeding one year or reserving an yearly rent.

- 16.6 No executive shall make or permit any member of his/her family as defined in "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" (as amended time to time) or any person acting on his/her behalf to make any investment which is likely to embarrass or influence him/her in the discharge of his/her official duties.
- 16.7 No executive shall purchase shares out of the quotas reserved for friends and associates of Directors of companies which is likely to embarrass him/her in the discharge of his/her official duties at some time or the other.

For the purpose of Rule 16, Head of HR of the Sphere will be the Competent Authority

17.0 CANVASSING OF NON OFFICIAL OR OTHER INFLUENCE

- 17.1 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 Company.

18.0 BIGAMOUS MARRIAGE

- 18.1 No employee shall enter into, or contract, a marriage with person having a spouse living; and
- 18.2 No employee, having a spouse living, shall enter into, or contract, a marriage with any person.
- 18.2.1 Provided that the Board may permit an employee to enter into, or contract, any such marriage as is referred to in clause 18.1 or clause 18.2 if it is satisfied that:
- 18.2.1.a such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and
- 18.2.1.b there are other grounds for so doing.

18.3 Public sector employee who has married or marries other than that of Indian nationality, shall forthwith intimate the fact to his/her employer.

19.0 CONSUMPTION OF INTOXICATING DRINKS AND DRUGS

19.1 Employee shall –

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

Explanation: For the purposes of this Rule, 'public place' means any place or premises (including a conveyance) to which the public have, or are permitted to have, access, whether on payment or otherwise.

19A PROHIBITION REGARDING EMPLOYMENT OF CHILDREN BELOW 14 YEARS OF AGE.

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

20.0 SUSPENSION

20.1 The Appointing Authority or any authority to which 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

- 20.1.1 Where disciplinary proceeding against him/her is contemplated or is pending; or
- 20.1.2 Where case against him/her in respect of any criminal offence is under investigation or trial.
- 20.1.3 Where, in the opinion of the authority aforesaid, he/she has engaged oneself in activities prejudicial to the interest of the security of the State;
- 20.2 An employee who is detained in police / judicial 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 an authority as mentioned in clause 20.1 and shall remain under suspension until further orders.

- 20.3 Where a penalty of dismissal or removal from service imposed upon an employee under suspension is set aside on appeal or on review under these Rules and the case is remitted for further inquiry or action or with any other directions, the order of his/her suspension shall be deemed to have continued in force and from the date of the original order of dismissal or removal and shall remain in force until further orders.
- 20.4 Where a penalty of dismissal or removal from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of a court of law and the Disciplinary Authority, on consideration of the circumstances of the case, decides to hold a further inquiry against him/her 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.
- 20.5 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.
- 20.6 The suspended employee shall not leave the station unless otherwise specifically instructed or permitted.

21.0 SUBSISTENCE ALLOWANCE

- 21.1 An employee under suspension shall be entitled to draw subsistence allowance equal to 50 per cent of his/her basic pay provided the Disciplinary Authority is satisfied that the employee is not engaged in any other employment or business or profession or vocation. In addition he/she 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 meet the expenditure for which the allowance was granted.
- 21.2 Where the period of suspension exceeds six months, the authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the first six months as follows :
 - 21.2.1 The amount of subsistence allowance may be increased to 75 per cent of basic pay and allowance 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.
 - 21.2.2 The amount of subsistence allowance may be reduced to 25 per cent of 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.
- 21.3 If an employee is arrested by the Police on a criminal charge and bail is not granted, no subsistence 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 he is granted bail.

22.0 TREATMENT OF THE PERIOD OF SUSPENSION

- 22.1 When the employee under suspension is reinstated, the Competent Authority may grant to him/her the following pay and allowances for the period of suspension:
- 22.1.1 If the employee is exonerated and not awarded any of the penalties mentioned in Rule 23 the full pay and allowances which he/she would have been entitled to if he/she had not been suspended, less the subsistence allowance already paid to him/her; and
- 22.1.2 If otherwise, such proportion of pay and allowances as the Competent Authority may prescribe.
- 22.2 In a case falling under sub-clause 22.1.1 the period of absence from duty will be treated as a period spent on duty. In case falling under sub clause 22.1.2 it will not be treated as a period spent on duty unless the Competent Authority so directs.

The Competent Authority in such case will be Disciplinary Authority.

23.0 PENALTIES

- 23.1 The following penalties may be imposed, on an employee, as hereinafter provided, for misconduct committed by the employee or for any other good and sufficient reasons.
- 23.1.1 **Minor Penalties**
- a) Censure
 - b) Fine up to Rs. 50,000/-
 - c) Recovery from pay or such other amount as may be due to him/her of the whole or part of any pecuniary loss caused to the Company by negligence or breach of orders.
 - d) Withholding of increments of pay without cumulative effect.
 - e) Withholding of promotion up to 6 months.
 - f) Reduction to a lower stage in the time-scale of pay by one stage for a period not exceeding 3 years, without cumulative effect and not adversely affecting his/her terminal benefits.
- 23.1.2 **Major Penalties**
- a) Withholding of promotion for more than 6 months.
 - b) Fine above Rs.50,000/-
 - c) Same as provided in clause 23.1.1(f), 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;
 - d) 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 employee was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his/her seniority and pay on such restoration to that grade or post;
 - e) Compulsory retirement
 - f) Removal from service which shall not be a disqualification for future employment under the Govt. or CPSE owned or controlled by the Govt.;

- g) Dismissal from service which shall ordinarily be a disqualification for future employment under the Govt. or CPSE 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 23.1.2(f) or 23.1.2(g) shall be imposed:

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

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

- 23.2.1 Withholding of increment of an employee on account of his/her work being found unsatisfactory or not being of the required standard, or for failure to pass a prescribed test or examination;
- 23.2.2 Stoppage of an employee at the efficiency bar in a time scale, on the ground of his/her unfitness to cross the bar;
- 23.2.3 Non-promotion, whether in an officiating capacity or otherwise, of an employee, to a higher post for which he/she may be eligible for consideration but for which he/she is found unsuitable after consideration of his/her case;
- 23.2.4 Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he/she is considered, after trial, to be unsuitable for such higher grade or post, or on administrative grounds unconnected with his/her conduct;
- 23.2.5 Reversion to his/her previous grade or post, of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his/her appointment

23.2.6 Termination of service:

- a) of an employee appointed on probation, during or at the end of the period of probation, in accordance with the terms of his/her 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/she was appointed, or earlier in accordance with the terms of his/her appointment;
- c) of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
- d) of any employee on reduction of establishment.
- e) of an employee prematurely retired under Rule 30B and 30C.

24.0 SCHEDULE OF DISCIPLINARY AUTHORITY TO IMPOSE PENALTIES

- 24.1 The Disciplinary Authority, or any authority higher than it may impose any of the penalties specified in Rule 23 on any employee.

Grades	Type of penalty	Disciplinary Authority	Appellate Authority
A/B/C/D	All	Grade H	ED
E/F	All	ED	Functional Director
G/H	All	Functional Director	CMD
I	All	CMD	Board

Note:

1. Where the Authority specified in this schedule does not exist, the power may be exercised by higher authorities.
2. The Reviewing Authority shall mean the Appellate Authority or any authority higher than it, as the case may be.

25.0 PROCEDURE FOR IMPOSING MAJOR PENALTIES

- 25.1 No order imposing any of the major penalties specified in Rule 23 shall be made except after an inquiry is held in accordance with this rule.
- 25.2 Whenever the Disciplinary Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, it may itself enquire into, or appoint any Inquiring Authority to inquire into the truth thereof. Provided that where there is a complaint of sexual harassment within the meaning of Rule 4(3) above, the Complaints Committee for inquiring into such complaints, shall be deemed to be the Inquiring Authority appointed by the Disciplinary Authority for the purpose of these Rules and the Complaints Committee shall hold, if separate procedure has not been prescribed for the Complaints Committee for holding the inquiry into the complaints of sexual harassments, the inquiry as far as practicable in accordance with the procedure laid down in these Rules.

Explanation - Where the Disciplinary Authority itself holds the inquiry, the Inquiring Authority shall be construed as a reference to the Disciplinary Authority.

- 25.3 Where it is proposed to hold an inquiry, the Disciplinary Authority shall deliver or cause to be delivered to the employee a copy of the articles of charge, the statement of the imputations of misconduct or misbehaviour and a list of documents and witnesses by which each article or charges is proposed to be sustained. On receipt of the articles of charge, the employee shall be required to submit his/her written statement of defence, if employee so desires, and also state whether employee desires to be heard in person, within a period of fifteen days, which may be further extended for a period not exceeding fifteen days at a time for reasons to be recorded in writing by the Disciplinary Authority or any other authority authorized by the Disciplinary Authority on his/her behalf:

Provided that under no circumstances, the extension of time for filing written statement of defence shall exceed forty-five days from the date of receipt of articles of charge.

- 25.3.1 **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.
- 25.4 On receipt of the written statement of defence, the Disciplinary Authority may itself inquire into such of the articles of charge as are not admitted, or, if it considers it necessary so to do, appoint, under sub-Rule (2), an Inquiring Authority for the purpose, and where all the articles of charge have been admitted by the charge sheeted employee in his/her written statement of defence, the Disciplinary Authority shall record its findings on each charge after taking such evidence as it may think fit and shall act in the manner laid down in Rule 26.

If no written statement of defence is submitted by the charge sheeted employee, the Disciplinary Authority may itself inquire into the articles of charge, or may, if it considers it necessary to do so, appoint, under sub-Rule (2), an Inquiring Authority for the purpose.

- 25.5 Where the Disciplinary Authority itself inquires or appoints an Inquiring Authority for holding an inquiry, it may, by an order appoint an employee to be known as the 'Presenting Officer' to present on its behalf the case in support of the articles of charge.
- 25.6 The employee may take the assistance of any other public servant to represent the case on his/her behalf but may not engage a legal practitioner for the purpose unless the Presenting Officer appointed by the Disciplinary Authority is a legal practitioner or the Disciplinary Authority having regard to the circumstances to the case, so permits.
- 25.7 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 the employee pleads guilty to any of the articles of charge, the Inquiring Authority shall record the plea, sign the record and obtain the signature of the employee concerned thereon. The Inquiring Authority shall return a finding of guilt in respect of those articles of charge to which the charge sheeted employee concerned pleads guilty.
- 25.8 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 charge sheeted employee may, for the purpose of preparing his/her defense:
- 25.8.1 inspect the documents listed with the charge sheet.
- 25.8.2 submit a list of additional documents and witnesses that he/she wants to examine; and
- 25.8.3 be supplied with the copies of the statements of witnesses, if any, listed in the charge sheet.
- 25.8.4 Note: Relevancy of the additional document and the witnesses referred to in sub-clause 25.8.2 above will have to be given by the employee concerned and the documents and the witnesses shall be summoned if the Inquiring Authority is satisfied about their relevance to the charges under inquiry.
- 25.9 The Inquiring Authority shall ask the authority in whose custody or possession the documents are kept, for the production of the documents or issue a non-availability certificate before the Inquiring Authority within one month of the receipt of such requisition: Provided that if the authority having the custody or possession of the requisitioned documents is satisfied for reasons to be recorded by it in writing that the production of all or any of such documents would be against the public interest or security of the State, it shall inform the Inquiring Authority accordingly and the Inquiring Authority shall, on being so informed, communicate the information to the charge sheeted employee and withdraw the requisition made by it for the production or discovery of such documents.
- 25.10 The authority in whose custody or possession the requisitioned documents are shall arrange to produce the same before the Inquiring Authority on the date, place and time specified in the requisition notice.
- 25.10.1 Provided that the authority having the custody or possession of the requisitioned documents may claim privilege if the production of such documents will be against the public interest or the interest of the Company. In the event, it shall inform the Inquiring Authority accordingly.
- 25.11 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 charge sheeted employee. The Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on a new matter, without leave of the Inquiring Authority. The Inquiring Authority may also put such questions to the witnesses as it thinks fit.

- 25.12 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 re-examine any witness. In such case, the charge sheeted 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.
- 25.13 When the case for the Disciplinary Authority is closed, the charge sheeted employee may be required to state his/her defence, orally or in writing, as he/she may prefer. If the defence is made orally, it shall be recorded and the charge sheeted 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.
- 25.14 The evidence on behalf of the charge sheeted employee shall then be produced. The charge sheeted employee may examine himself/herself in his/her own behalf if employee so prefers. The witnesses produced by the charge sheeted employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the Inquiring Authority according to the provision applicable to the witnesses for the Disciplinary Authority.
- 25.15 The Inquiring Authority may, after the charge sheeted employee closes his/her case, and shall, if the employee has not examined himself/herself, generally question the charge sheeted employee on the circumstances appearing against the charge sheeted employee in the evidence for the purpose of enabling the charge sheeted employee to explain any circumstances appearing in the evidence against him/her.
- 25.16 After the completion of the production of the evidence, the charge sheeted employee and the Presenting Officer may file written briefs of their respective cases within 15 days of the date of completion of the production of evidence.
- 25.17 If the charge sheeted employee does not submit the written statement of defence referred to in sub-Rule 25.3 on or before the specified date for the purpose or does not appear in person or through the assisting officer or otherwise fails or refuses to comply with any of the provisions of these Rules, the Inquiring Authority may hold the enquiry ex parte.
- 25.18 Whenever any Inquiring Authority, after having heard and recorded the whole or any part of the evidence in an inquiry ceases to exercise jurisdiction therein, and is succeeded by another Inquiring Authority which has, and which exercises such jurisdiction, the Inquiring Authority so succeeding may act on the evidence so recorded by its predecessor, or partly recorded by its predecessor and partly recorded by itself.
 - 25.18.1 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 re-examine any such witnesses as hereinbefore provided.

- 25.19.1 After the conclusion of the inquiry, report shall be prepared and it shall contain;
- 25.19.1a a gist of the articles of charge and the statement of the imputation of misconduct or misbehavior;
- 25.19.1b a gist of the defence of the charge sheeted employee in respect of each article of charge;
- 25.19.1c an assessment of the evidence in respect of each article of charge;
- 25.19.1d the findings 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 such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

- 25.19.2 The Inquiring Authority, where it is not itself the Disciplinary Authority shall forward to the Disciplinary Authority the records of inquiry which shall include :
- 25.19.2a the report of the inquiry prepared by it under sub-clause 25.19.1 above;
- 25.19.2b the written statement of defence, if any, submitted by the employee referred to in sub-Rule 25.13;
- 25.19.2c the oral and documentary evidence produced in the course of the inquiry;
- 25.19.2d written briefs referred to in sub-Rule 25.16, if any; and
- 25.19.2e the orders, if any, made by the Disciplinary Authority and the Inquiring Authority in regard to the inquiry.

25.20

- 25.20.a The Inquiring Authority should conclude the inquiry and submit his/her report within a period of six months from the date of receipt of order of his/her appointment as Inquiring Authority.
- 25.20.b Where it is not possible to adhere to the time limit specified in clause (a), the Inquiring Authority may record the reasons and seek extension of time from the Disciplinary Authority in writing, who may allow an additional time not exceeding six months for completion of the Inquiry, at a time.
- 25.20.c The extension for a period not exceeding six months at a time may be allowed for any good and sufficient reasons to be recorded in writing by the Disciplinary Authority or any other authority authorised by the Disciplinary Authority on his/her behalf.

26.0 ACTION ON THE INQUIRY REPORT

- 26.1 The Disciplinary Authority, if it is not itself the Inquiring Authority may, for reason to be recorded by it in writing remit the case to the Inquiring Authority for fresh or further inquiry and report and the Inquiring Authority shall thereupon proceed to hold the further inquiry according to the provisions of Rule 25 as far as may be.
- 26.2 The Disciplinary Authority shall forward or cause to be forwarded a copy of the report of the inquiry, if any, held by the Disciplinary Authority or where the Disciplinary Authority is not the

Inquiring Authority, a copy of the report of the Inquiring Authority, together with its own tentative reasons for disagreement, if any, with the findings of Inquiring Authority on any article of charge to the employee who shall be required to submit, if employee so desires, his/her written representation or submission to the Disciplinary Authority within fifteen days, irrespective of whether the report is favourable or not to the employee.

- 26.3 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.
- 26.4 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.
- 26.A In the matter of promotion of employees against whom disciplinary / court proceedings are pending or whose conduct is under investigation, the procedure may be followed in accordance with the DoPT OM No. 22011/4/91-Estt.(A) dated 14.09.1992 and subsequent instructions of DOPT on sealed cover procedure.

27.0 PROCEDURE FOR IMPOSING MINOR PENALTIES

- 27.1 Where it is proposed to impose any of the minor penalties specified in Rule 23, the employee concerned shall be informed in writing of the imputations of misconduct or misbehaviour against him/her and given an opportunity to submit his/her 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.

- 27.2 The record of the proceeding shall include :

- 27.2.1 a copy of the statement of imputations of misconduct or misbehaviour delivered to the employee;
- 27.2.2 his/her defence statement, if any; and
- 27.2.3 the orders of the Disciplinary Authority together with the reason therefore.

28.0 COMMUNICATION OF ORDERS

- 28.1 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
 - 28.1.1 its finding on each article of charge, or where the Disciplinary Authority is not the Inquiring Authority, a statement of the findings of the Disciplinary Authority together with brief reasons for its disagreement, if any, with the findings of the Inquiring Authority and
 - 28.1.2 A copy of the advice, if any, given by the Commission, and
 - 28.1.3 where the Disciplinary Authority has not accepted the advice of the Commission, a brief statement of the reasons for such non-acceptance.

29.0 COMMON PROCEEDINGS

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

30.0 SPECIAL PROCEDURE IN CERTAIN CASES

- 30.1 Notwithstanding anything contained in Rule 25 or 26 or 27, the Disciplinary Authority may impose any of the penalties specified in Rule 23 in any of the following circumstances:
- 30.1.1 the employee has been convicted on a criminal charge, or on the strength of facts or conclusions arrived at by a judicial trial; or
 - 30.1.2 where the Disciplinary Authority is satisfied for reasons to be recorded in writing that it is not reasonably practicable to hold an inquiry in the manner provided in these Rules; or
 - 30.1.3 where the Board is satisfied that in the interest of the security of the Company, it is not expedient to hold any inquiry in the manner provided in these Rules.

30A DISCIPLINARY PROCEEDINGS / IMPOSITION OF PENALTY ON EMPLOYEES AFTER THEIR RETIREMENT

- 30A.1 The Disciplinary Authority may impose penalty on delinquent employees on conclusion of such departmental proceedings which were initiated during their service time and have continued beyond the date of their superannuation.
- 30A.2 Disciplinary proceedings, if instituted while the employee was in service whether before his/her retirement or during his/her re-employment, shall, after the final retirement of the employee, be deemed to be proceeding and shall be continued and concluded by the authority by which it was commenced in the same manner as if the employee had continued in service.
- 30A.3 During the pendency of the disciplinary proceeding, the Disciplinary Authority may withhold payment of gratuity, for ordering the recovery from gratuity of the whole or part of any pecuniary loss caused to the Company if the employee is found in a disciplinary proceeding or judicial proceeding to have been guilty of offences/misconduct as mentioned in sub-section (6) of Section 4 of the Payment of Gratuity Act, 1972 or to have caused pecuniary loss to the Company by misconduct or negligence, during his/her service including service rendered on deputation or on re-employment after retirement. However, the provisions of Section 7(3) and 7(3A) of the Payment of Gratuity Act, 1972 should be kept in view in the event of delayed payment, in case the employee is fully exonerated.

In keeping with the earlier provision, all other retirement benefits will be released.

30B PREMATURE RETIREMENT:

- 30B.1 Without prejudice to, and independent of the rights of the Company to dispense with the services of employees either under the contract of employment or under these Rules or on medical grounds irrespective of the age of an employee, an employee designated as executive who has attained the age of 50 years (55 years in case of an officer, who had joined the services of the Company after attaining the age of 35 years) or has served the Company for more than 30 years and is considered to be inefficient or of doubtful integrity may be prematurely retired

by the Competent Authority by giving him/her advance notice of not less than 3 months in writing.

30B.2 The criteria for judging inefficiency or doubtful integrity shall be as follows:-

- a) Inefficiency: Inefficiency will be judged based on Annual Performance Appraisal Report (APAR) Rating and unauthorized absence for preceding five years.
- b) Doubtful integrity: doubtful integrity will be judged based on proven instances of misconduct related to integrity in past service.

Employees who fall below a threshold based on the above criteria shall be referred to a committee comprising of senior executives for review and recommendation for a decision by CMD in consultation with D(HR) and concerned functional Director in line with Board approved methodology.

30B.3 The benefits admissible to those retiring prematurely will be as under:-

- a) Provident Fund, Gratuity, Encashment of leave, Benefits under OIPF or OISBSF as applicable, OIEPF, Post Retirement Medical Scheme in accordance with the respective rules governing each of these entitlements/benefits.
- b) Transfer benefits for self and family for proceeding to Home Town or to a place where he/she intends to settle down in India in accordance with the Rules.

30B.4 Representation against Premature Retirement:

After receipt of order of premature retirement, an executive may put up representation against the order, within three weeks from the date of service of such notice/order to the Head (HR Development), FHQ for putting up before the Representation Committee along with fresh input, if any.

The Representation Committee for Officers of all Grades will be the Executive Council.

The Representation Committee after considering the representation shall make its recommendations within one month from the date of receipt of the reference and the Appropriate/Appointing Authority shall pass its orders within two weeks from the date of receipt of the recommendations of Representation Committee.

30C PREMATURE RETIREMENT ON MEDICAL GROUNDS

30C.1 Without prejudice to, and independent of the rights of the Company to dispense with the services of employees either under the contract of employment or under these Rules, irrespective of the age, length of past service or left over period till presumptive date of his/her retirement, services of an employee, who is medically unfit may be terminated by the Competent Authority by giving him/her notice of not less than 3 months in writing. For the purpose of this rule, CMD shall be the Competent Authority.

30C.2 Head of Sphere may, on medical grounds, refer an employee to a Medical Board comprising of Head of Medical Service, not less than 2 Medical Officers of the Company and a relevant Specialist from a Govt. Hospital of status not less than that of civil surgeon in any of the following circumstances for a medical check up and report on the nature and prognosis of disease, if any, that he/she is suffering from. (The term 'Medical Officer' of the Company would include a Medical Practitioner as may have been retained by the Company)

- (i) when an employee owing to apparent physical or mental infirmity or deterioration in general health, is unable to discharge his/her duties;
- (ii) when an employee is reported to be suffering from incurable and infectious/contagious disease;
- (iii) when an employee is suffering from a curable disease but is not likely to be fit to resume his/her normal duties within a period of 12 months;
- (iv) when an employee, though attending duties, is found to be mentally deranged, or suffering from lunacy or mental infirmity;
- (v) when an employee has been on leave for reasons of sickness for total period of 120 days including Sundays, holidays and other closed days or more, during a continuous period of six months; or

30C.3 The report of the Medical Board, together with his/her attendance record etc. shall be considered by the authority who had referred the case to Medical Board and shall be placed before the Competent Authority for considering the case for termination of services of the concerned employee. Based upon the report of the Medical Board and other relevant records, the Competent Authority may consider an employee as medically unfit to continue with the services of the Company and termination of the services of an employee on medical grounds under the rules provided:

- (i) the employee is not fit to resume his/her duties within a period of 12 months, or
- (ii) the employee is suffering from lunacy or mental derangement and his services cannot be effectively utilized by the Company, or
- (iii) the employee is suffering from incurable and infectious/contagious disease and his/her attendance is likely to pose health hazards to others.

30C.4 An employee who is considered as unfit to continue with the services of the Company shall be served with a three months' notice informing about the decision of termination of his/her service on medical grounds.

The employee against whom action for termination of service on medical grounds has been taken may prefer a representation within 30 days of the receipt of such notice. The representation shall be addressed to the "Representation Committee" and submitted through CMD. The authority against whose notice, the representation is made shall forward the representation together with its comments and the relevant record to the Representation Committee. Upon consideration of the representation vis-à-vis Comments of the Competent Authority and relevant record, the Representation Committee shall dispose of the representation either agreeing with the decision of the Competent Authority or otherwise within 30 days from the date of representation. For the purpose of this Rule, the representation committee shall be the Executive Council (EC) of the Company.

30C.5 In case no representation, within the stipulated time as mentioned above, is received from the employee to whom the notice for termination of service on medical grounds has been served, the decision of the Competent Authority shall be considered as final.

30C.6 The benefits admissible to those retiring prematurely will be as under:-

(a) Provident Fund, Gratuity, Encashment of leave, Benefits under OIPF or OISBSF as applicable, OIEPF, Post Retirement Medical Scheme in accordance with the respective rules governing each of these entitlements/benefits.

(b) Transfer benefits for self and family for proceeding to Home Town or to a place where he intends to settle down in India in accordance with the Rules.

31.0 EMPLOYEES ON DEPUTATION FROM THE CENTRAL GOVERNMENT OR THE STATE GOVERNMENT, ETC.

31.1 Where an order of suspension is made or disciplinary proceeding is taken against an employee, who is on deputation to the Company from the Central or State Government, or another public undertaking, or a local authority, the authority lending his/her services (hereinafter referred to as the "Lending Authority") shall forthwith be informed of the circumstances leading to the order of his/her suspension, or the commencement of the disciplinary proceeding, as the case may be.

31.2 In the light of the findings in the disciplinary proceedings taken against the employee:

31.2.1 If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on the employee, it may pass such orders on the case as it deems necessary after consultation with the Lending Authority; provided that in the event of a difference of opinion between the Disciplinary and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.

31.2.2 If the Disciplinary Authority is of the opinion that any of the major penalties should be imposed on him/her, it should re-place his/her services at the disposal of the Lending Authority and transmit to it the proceedings of the inquiry for such action as it deems necessary.

31.3 If the employee submits an appeal against an order imposing a minor penalty on him/her under sub-Rule 31.2.1, it will be disposed off 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.

32.0 APPEALS

32.1 An employee may appeal against an order imposing upon the employee any of the penalties specified in rule 23 or against the order of suspension referred to in Rule 20. The appeal shall lie to the authority specified in the schedule.

32.2 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 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. 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 imposes 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 Rule 23 and an inquiry as provided in Rule 25 has not already been held in the case, the Appellate Authority shall direct that such an inquiry be held in accordance with the provisions of Rule 25, and thereafter consider the record of the inquiry 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 upon the employee. The Appellate Authority shall pass final order after taking into account the representation, if any, submitted by the employee.

33.0 REVIEWS

Notwithstanding anything contained in these Rules, the Reviewing Authority as specified in the schedule may call for the record of the case within six months of the date of the final order and after reviewing the case pass such orders 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 Rule 23 and an inquiry as provided under Rule 25 has not already been held in the case, the Reviewing Authority shall direct that such an inquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the inquiry and pass such order as it may deem proper. If the Reviewing Authority decides to enhance the punishment or defer with the decision of Disciplinary Authority to exonerate the employee and propose to impose penalty but an inquiry has already been held in accordance with the provisions of Rule 25, the Reviewing Authority shall give show cause notice to the employee as to why the enhanced penalty should not be imposed upon the employee or decision of the Disciplinary Authority to exonerate him/her is to be quashed and to impose penalty . The Reviewing Authority shall pass final order after taking into account the representation, if any, submitted by the employee.

34.0 SERVICE OF ORDERS, NOTICES, ETC

- 34.1 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/her by registered post at his/her last known address.

35.0 POWER TO RELAX TIME LIMIT AND TO CONDONE DELAY

- 35.1 Save as otherwise expressly provided in these Rules, CMD with the concurrence of D(HR) shall be the authority competent under these Rules to make any order for good and sufficient reasons or if sufficient cause is shown, extend the time specified in these Rules for anything required to be done under these Rules or condone any delay.

36.0 SAVINGS

- 36.1 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/her under the Rules, which have been superseded by these Rules.
- 36.2 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.

36.3 The proceedings pending at the commencement of the rules shall be continued and disposed as far as may be, in accordance with the provisions of these Rules, as if such proceedings were proceeding under these Rules.

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

37.0 REMOVAL OF DOUBTS

37.1 Where a doubt arises as to the interpretation of any of these Rules, the matter shall be referred to the Board for final decision.

38.0 AMENDMENTS

38.1 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.



EXECUTIVE INSTRUCTIONS

1.0 Impact of penalty on promotion as per existing PMS and Promotion Policy

In case provisions regarding treatment of effect of penalties on promotion are amended, these executive instructions will also be suitably modified with approval of EC.

Minor Penalties	Penalty	Currency	Impact on promotion
23.1.1.a	Censure	NIL	Will be considered for promotion.
23.1.1.b	Fine up to Rs.50,000/-		If empanelled, the promotion will be given effect with benefits after completion of one year from the date of imposition of penalty but his/her seniority will be reckoned from the effective date of DPC.
23.1.1.c	Recovery from pay or such other amount as may be due to him/her of the whole or part of any pecuniary loss caused to the Company by negligence or breach of orders (may be imposed in conjunction with other penalties).		
23.1.1.d	Withholding of increments of pay without cumulative effect.	From the date of imposition till completion of the period for which the increments are withheld as per the order.	Will be considered for promotion. If empanelled, promotion will be effected prospectively after currency of the penalty is over. If this penalty is imposed, say in July-2020 and say two increments have been withheld , the currency of the penalty starts from July 2020 and will end on 31.12.2022 (increments are withheld from 01.01.2021 till 31.12.2022). If empanelled, the executive will be promoted w.e.f.01.01.2023.
23.1.1.e	Withholding of promotion up to 6 months	For the period specified in the order w.e.f. date of effecting promotion	The executive is considered for promotion. Period of penalty in connection with the punishment of “withholding of promotion” shall be counted from date of effecting promotion. The promotion will be given effect prospectively after completion of the specified period in the order.

Minor Penalties	Penalty	Currency	Impact on promotion
23.1.1.f	Reduction to a lower stage in the time-scale of pay by one stage for a period not exceeding 3 years, without cumulative effect and not adversely affecting his/her terminal benefits.	From the date of imposition till completion of the period specified in the order from date of reduction which will be 1 st day of next month from date of imposition of penalty.	Will be considered for promotion. If empanelled, promotion will be effected prospectively after currency of the penalty is over. Pay is reduced from the 1 st day of next month from date of imposition and is restored on completion of the period specified in the order

Major Penalties	Penalty	Currency	Impact on promotion
23.1.2.a	Withholding of promotion for more than 6 months.	For the period specified in the order w.e.f. date of effecting promotion .	The executive is considered for promotion. Period of penalty in connection with the punishment of "withholding of promotion" shall be counted from date of effecting promotion. The promotion will be given effect prospectively after completion of the specified period in the order.
23.1.2.b	Fine above Rs.50,000/-	NIL	Will be considered for promotion. If empanelled, the promotion will be given effect with benefits after completion of one year from the date of imposition of penalty but his/her seniority will be reckoned from the effective date of DPC. However, normally, this major penalty should be considered in situations where other penalties are not practicable for imposition in prospective manner e.g. in situations where disciplinary proceedings continue beyond retirement.

Major Penalties	Penalty	Currency	Impact on promotion
23.1.2.c	Save as provided in clause 23.1.2(f), 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.	From the date of imposition till completion of the period specified in the order from date of reduction which will be 1 st day of next month from date of imposition of penalty.	Will be considered for promotion. If empanelled, promotion will be effected prospectively after currency of the penalty is over. Pay is reduced from the 1 st day of next month from date of imposition and is restored (level to which pay is restored depend on the order) on completion of the period specified in the order.
23.1.2.d	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 employee was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his/her seniority and pay on such restoration to that grade or post.	From the date of imposition till completion of the period specified in the order from date of reduction which will be 1 st day of next month from date of imposition of penalty.	Reduction is effected from 1 st day of next month from date of imposition till completion of the period specified in the order. If restoration of grade is specified in the order, his/her grade will be restored after the specified period and his/her seniority will be as per the order (original seniority or bottom of the grade). If restoration of grade is not specified, he/she will be considered by DPC subject to other criteria and if empanelled, the promotion will be effected prospectively only after the specified period i.e. after the currency of the penalty is over.
23.1.2.e	Compulsory retirement	NIL	NA
23.1.2.f	Removal from service which shall not be a disqualification for future employment under the Govt. or CPSE owned or controlled by the Govt.	NIL	NA

Major Penalties	Penalty	Currency	Impact on promotion
23.I.2.g	Dismissal from service which shall ordinarily be a disqualification for future employment under the Govt. or CPSE owned or controlled by the Govt.	NIL	NA

2.0 Penalty of withholding of increments

- 2.1 Currency of this penalty of pay begins immediately on its imposition. However, financial impact of the penalty would start at the beginning of next year since increments are due on the 1st of January each year. Hence, if this penalty is imposed, say in July-2020 and say TWO increments have been withheld, then the currency of the penalty starts from July 2020 and will end on 31.12.2022.
- 2.2 However, care should be taken that the individual should not have stagnated on the date of imposition of the penalty and there is adequate scope in his/her pay scale to accommodate such Withholding.
- 2.3 On imposition of this penalty, following must be indicated by DA:
- 2.3.1 Number of increments to be withheld.

EXAMPLE-

A. Withholding of 2 increments without cumulative effect

Date of penalty 09.10.2020, Basic pay as on 09.10.2020: Rs.1,93,170

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.01.2021	1,98,970	1,93,170 (increment withheld)
2	01.01.2022	2,04,940	1,93,170 (increment withheld)
3	01.01.2023	2,11,090	2,11,090 (penalty over)

B. Withholding of 2 increments with cumulative effect

Date of penalty 09.10.2020, Basic pay as on 09.10.2020: Rs.1,93,170

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.01.2021	1,98,970	1,93,170 (increment withheld)
2	01.01.2022	2,04,940	1,93,170 (increment withheld)
3	01.01.2023	2,11,090	1,98,970 (penalty over)

3.0 Penalty of withholding of promotion

- 3.1 Withholding of Promotion, shall be counted from the next date w.e.f. which the Employee is selected for promotion irrespective of the number of occasions in the past when he was not promoted.

- 3.2 This penalty should not be imposed when the employee is not even eligible for Promotion.
- 3.3 On imposition of this penalty, following must be indicated by DA:
- 3.3.1 Period of withholding of promotion.
- 4.0 Penalty of reduction in stage of pay (in case of minor penalty)**
- 4.1 Reduction is effected from 1st day of next month from date of imposition till completion of the period specified in the order.
- 4.2 On imposition of this penalty, following must be indicated by DA:
- 4.2.1 Period of the penalty.

EXAMPLE-

Reduction in a lower stage of pay (one stage) without cumulative effect for a period of two years.
 Date of penalty 09.10.2020.
 Basic pay as on 09.10.2020: Rs.2,11,090.
 Grade 'F'. Pay scale Rs.1,00,000-2,60,000.

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.11.2020	2,11,090	2,04,940 (1 stage reduced)
2	01.01.2021	2,17,430	2,11,090 (annual increment)
3	01.01.2022	2,23,960	2,17,430 (annual increment)
4	01.11.2022	2,23,960	2,23,960 (penalty over)
5	01.01.2023	2,30,680	2,30,680

- 5.0 Penalty of reduction in stage of pay (in case of major penalty)**
- 5.1 Reduction is effected from 1st day of next month from date of imposition till completion of the period specified in the order.
- 5.2 On imposition of this penalty, following must be indicated by DA:
- 5.2.1 Number of stages to which pay of the charge sheeted employee shall be reduced.
- 5.2.2 Period of the penalty.
- 5.2.3 Whether during period of reduction employee will or will not earn the increments.
- 5.2.4 Whether on expiry of such period, reduction will or will not have effect of postponing future increments of his pay (i.e. with or without cumulative effect).
- 5.3 Based on the above, this penalty may have four situations:
- 5.3.1 Reduction with direction that during period of reduction, employee will earn increments and on expiry of such period, the reduction will not have effect of postponing future increments of his pay (without cumulative effect of reduction). When imposed as a major penalty, normally in this option, more than one stage should be reduced in order to differentiate from the minor penalty.

EXAMPLE-

Reduction in a lower stage of pay (two stage) without cumulative effect for a period of two years. He will earn increments during the period.

Date of penalty 09.10.2020.

Basic pay as on 09.10.2020: Rs.2,11,090.

Grade 'F'. Pay scale Rs.1,00,000-2,60,000.

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.11.2020	2,11,090	1,98,970 (2 stage reduced)
2	01.01.2021	2,17,430	2,04,940 (annual increment)
3	01.01.2022	2,23,960	2,11,090 (annual increment)
4	01.11.2022	2,23,960	2,23,960 (penalty over)
5	01.01.2023	2,30,680	2,30,680

- 5.3.2 Reduction with direction that during period of reduction, employee will not earn increments and on expiry of such period, the reduction will not have effect of postponing future increments of his pay (without cumulative effect of reduction).

EXAMPLE-

Reduction in a lower stage of pay (one stage) without cumulative effect for a period of two years. He will not earn increments during the period.

Date of penalty 09.10.2020.

Basic pay as on 09.10.2020: Rs.2,11,090.

Grade 'F'. Pay scale Rs.1,00,000-2,60,000.

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.11.2020	2,11,090	2,04,940 (1 stage reduced)
2	01.01.2021	2,17,430	2,04,940 (no increment)
3	01.01.2022	2,23,960	2,04,940 (no increment)
4	01.11.2022	2,23,960	2,23,960 (penalty over)
5	01.01.2023	2,30,680	2,30,680

- 5.3.3 Reduction with direction that during period of reduction, employee will earn increments and on expiry of such period, the reduction will have effect of postponing future increments of his/her pay (with cumulative effect of reduction).

EXAMPLE-

Reduction in a lower stage of pay (one stage) with cumulative effect for a period of two years. He will earn increments during the period.

Date of penalty 09.10.2020.

Basic pay as on 09.10.2020: Rs.2,11,090.

Grade 'F'. Pay scale Rs.1,00,000-2,60,000.

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.11.2020	2,11,090	2,04,940 (1 stage reduced)
2	01.01.2021	2,17,430	2,11,090 (annual increment)
3	01.01.2022	2,23,960	2,17,430 (annual increment)
4	01.11.2022	2,23,960	2,17,430 (penalty over)
5	01.01.2023	2,30,680	2,23,960

- 5.3.4 Reduction with direction that during period of reduction, employee will not earn increments and on expiry of such period, the reduction will have effect of postponing future increments of his/her pay (with cumulative effect of reduction).

EXAMPLE-

Reduction in a lower stage of pay (one stage) with cumulative effect for a period of two years. He will not earn increments during the period.

Date of penalty 09.10.2020.

Basic pay as on 09.10.2020: Rs.2,11,090.

Grade 'F'. Pay scale Rs.1,00,000-2,60,000.

S No	Pay on	Without penalty (Rs.)	With penalty (Rs.)
1	01.11.2020	2,11,090	2,04,940 (1 stage reduced)
2	01.01.2021	2,17,430	2,04,940 (no increment)
3	01.01.2022	2,23,960	2,04,940 (no increment)
4	01.11.2022	2,23,960	2,11,090 (penalty over)
5	01.01.2023	2,30,680	2,17,430

6.0 Fine above Rs.50,000/-

Normally, this major penalty should be considered in situations where other penalties are not practicable for imposition in prospective manner e.g. in situations where disciplinary proceedings continue beyond retirement.

7.0 Penalty of reduction to a lower time scale of pay, grade, post

7.1 Reduction is effected from 1st day of next month from date of imposition till completion of the period specified in the order.

- 7.2 On imposition of this penalty, following must be indicated by DA:
- 7.2.1 The specific basic pay the charge sheeted employee is allowed to draw in the reduced pay scale. He/she shall not draw more than the maximum of the reduced pay scale even if he/she is drawing more in the pre penalty pay scale. The DA has an option to order drawal of a specific basic pay in the reduced pay scale which is less than what he/she is actually drawing in the pre penalty pay scale.
 - 7.2.2 Period of the penalty.
 - 7.2.3 Whether he/she will be restored to pre penalty grade at the end of the period. If restoration allowed:
 - 7.2.3.1 Whether his/her original seniority will be allowed or will be at the bottom of the grade.
 - 7.2.3.2 Whether on restoration, some of the increments not paid during the period of penalty will be allowed.
 - 7.2.4 It is further clarified that in OIL's context, Grade & Post mean the same.
 - 7.2.5 The Time Scale of pay refers to the Pay Scale and not to the Stagnation Increments, whereas 'Withholding of Increments of Pay', may also include stagnation increments besides the normal yearly increments.

EXAMPLE-

If one is reduced from the basic pay of Rs. 1,70,000 in Grade 'B' pay scale of Rs.60,000-1,80,000 to the reduced pay scale of Rs. 50,000-1,60,000 'A' Grade for a period of 2 yrs. vide order dated 28.08.2021.

His reduced basic pay cannot be more than Rs. 1,60,000. He will not draw the increments in the lower pay scale till 31.08.2023. If the direction is that, he shall be restored to the grade / post from which he is reduced then on 01.09.2023 he will be restored to 'B' Grade and scale. He may be allowed to draw Rs. 1,70,000 or less (slab to be specified by DA depending on number of increments in the penalty period allowed to be restored) in Grade 'B' pay scale.

Further, the DA may specify restoration of seniority, which means he will occupy his original seniority in 'B' Grade. The DA has the option to order placing the employee at the bottom of the Grade 'B' seniority list on his restoration. If there is no direction (i.e. if the order is silent) by the DA regarding restoration to 'B' grade, seniority and pay in 'B' Grade, then the employee would continue to be in 'A' Grade and pay scale from 01.09.2023 onwards and will earn increments in 'A' scale and earn promotion from 'A' Grade as per policy. Absence of direction regarding restoration does not automatically result in restoration.

8.0 Forfeiture of Gratuity

- 8.1 Termination (dismissal/removal/ compulsory retirement as a penalty) of service is a prerequisite for forfeiture of gratuity. Forfeiture of gratuity (full or partial) can be done in any of the following conditions:
- 8.1.1 If the termination is due to any act, wilful omission or negligence causing any damage or loss to, or destruction of, property belonging to the Company. The forfeiture of gratuity shall be to the extent of the damage.
 - 8.1.2 If the termination is due to his riotous or disorderly conduct or any other act of violence on his part.

- 8.1.3 If the termination is due to any act which constitutes an offence involving moral turpitude, provided that such offence is committed by him in the course of his employment.
- 8.2 Whether the forfeiture will be full or partial will be specified in the penalty order.
- 8.3 Withholding the penalty during pendency of disciplinary proceedings under Rule 30A is different from forfeiture. If the proceedings does not result in termination, the withheld gratuity shall be released. In case of termination, DA can take a view as per the above conditions.
- 9.0 Absence from station/Abandonment of service**
- 9.1 If an employee meets the criteria of abandonment of service as defined in Rule 4.4(d) of OIL Executives' Conduct, Discipline and Appeal (OECDA) Rules, 1982 (With Amendments up to 10.08.2022), the Competent Authority, i.e. Disciplinary Authority, before passing an order on voluntary abandonment of service, shall send a written notice to the employee at his/her last known address on record by registered post with AD (additionally by speed post, email, whatsapp, SMS etc.) informing the employee that if he/she does not report for duty at his/her place of posting within 15 (fifteen) days from the date of notice, he/she shall be deemed to have abandoned his/her employment and his/her name shall be struck off from the roll of employees of the Company.
- 9.2 If in spite of such notice having been sent to the employee, he/she does not report for duty within 15 (fifteen) days of the dispatch of the notice, the Competent Authority may direct that the name of the employee be struck off the rolls of employees of the Company for having abandoned his/her employment and the employee shall thereupon cease to be in employment of the Company irrespective of whether the employee has received or not received the notice aforesaid.
- 9.3 On such an order being passed by the Competent Authority directing that the name of the employee be struck off the records of the Company for having abandoned his/her employment, intimation of such order shall be sent to the erstwhile employee at his/her last known address on record by registered post with AD (additionally by speed post, email, whatsapp, SMS etc.) and such order shall be final and binding on such erstwhile employee irrespective of whether he/she receives the intimation or not.
- 9.4 Should the employee report for duty prior to the expiry of fifteen day period following the dispatch of the first notice aforesaid to him/her, the Competent Authority shall be at liberty to initiate action for the imposition of any major or minor penalties for his/her unauthorised absence in accordance with the OECDA Rules, 1982 (With Amendments up to 10.08.2022)
