

**HARYANA STATE INDUSTRIAL & INFRASTRUCTURE**  
**DEVELOPMENT CORPN. LTD.**  
**PANCHKULA**

**HSI IDC EMPLOYEES CONDUCT, PUNISHMENT & APPEAL RULES, 1993**

In exercise of the powers conferred by Article 80(xv) of the Memorandum & Article of Association of HSI IDC Ltd. Chandigarh and all other enabling provisions thereunder, the Board of Directors do hereby make the following rules governing conduct and making provisions for Punishment and Appeal in respect of employees of the Corporation.

I. Short title, commencement and application-(1) These rules may be called the **HSI IDC (Conduct, Punishment & Appeal) Rules, 1993.**

II. These shall come into force w.e.f. 1.8.1993.

III. (1) These shall apply to all persons appointed to different cadres/posts in the Corporation.

**Provided** that nothing in these rules shall apply to -

holders of any post in respect of which the Corporation may by general or special order, declare that these rules do not apply.

(2) **Definitions** - In these rules, unless the context otherwise requires:-

**a) 'The Corporation'** means the Haryana State Industrial Development Corporation Limited.

**b) 'Corporation employee '** means any person appointed to any service or post with HSIDC.

**c) 'Members of family'** in relation to a Corporation employee includes :-

i) Wife or husband, as the case may be, of the employee, whether residing with the employee or not does not include a wife or husband, as the case may be, separate from the Corporation employee, by a decree or order of a Competent Court ;

ii) Son or daughter or step-daughter of the employee and wholly dependent on him, but does not include a child who is no longer in any way dependent on Corporation employees or of whose custody the employee has been deprived by or under any law :

iii) Any other person related, whether by blood or marriage, to the corporation employee or to the corporation employee's wife or husband and wholly dependent on the corporation employee.

(3) General - (1) Every Corporation employee shall at all times;

i) maintain absolute integrity:

ii) maintain devotion to duty; and

iii) do nothing which is unbecoming of an employee.

(2) i) Every Corporation employee holding a supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all corporation employees under his control and authority.

ii) No corporation employee shall, in the performance of his official duties, or in the exercise of powers conferred on him act otherwise than in his best judgement except. When he is acting under the direction of his official superior.

iii) The direction of the official superior shall ordinarily be in writing.

**Explanation** - Nothing in clause (ii) of sub-rule (2) shall be construed as empowering an employee to evade his 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.

**IV.** Employment of near relatives of Corporation employees in companies or firms enjoying corporation patronage:-

(1) No Corporation employee shall use his position or influence directly or indirectly to secure employment for any member of his family in any company or firm enjoying Corporation patronage.

(2) (i) No employee shall, except with the previous sanction of the Corporation, permit his son, daughter or other dependent to accept employment in any company or firm with which he has official dealings or in any other company or firm having official dealings with Corporation.

**Provided** that where the acceptance of the employment cannot await prior permission of the Corporation or is otherwise considered urgent, the master shall be reported to the corporation at the earliest but not later than one month and the employment may be accepted provisionally subject to the permission of MD/HSIDC.

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

(3) No corporation employee shall in the discharge of his official duties with any matter or give or sanction any contract to any undertaking or any other person, if any member of his family is employed in influential position in that undertaking or under that person or if he or any member of his family is interested in such matter of contract in any other manner and the corporation employee shall refer every such matter or contract to his official superior in writing and the matter or contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

**V. Taking part in politics and elections** - (1) No corporation employee shall be a member of, or be otherwise associated with, any political party or any organization which takes part in politics nor shall he take part in, subscribe in aid of, or assist in any other manner, any political movement or activity.

(2) No employee of the Corporation shall form or assist in formation of Association of employees or become member of such association with unlawful objective or whose objective is prejudicial to the interest of the Corporation or the State or in consistent with and against the objectives of the corporation or otherwise constitution of India or law in force, public order or morality.

(3) If any question arises whether a party is a political party or whether any organization takes part in politics or whether any movement or activity fall within the scope of sub-rule(1), the decision of Board of the Corporation, thereon shall be final.

(4) No Corporation employee shall canvass or otherwise canvass, interfere with, or use his influence in connection with or take part in an election to any legislature or local authority;

**Provided that:-**

- (a) A Corporation employee qualified to vote at such election may exercise his right to vote, but where he does so, he shall give no indication of the manner in which he proposes to vote or has voted.
- (b) A corporation employee shall not be deemed to have contravened the provisions of this sub-rule by reason only that he assists in the conduct of an election in the due performance of duty imposed on him by or under any law for the time being in force.

**Explanation** - The display by a Corporation employee on his person, vehicle or residence of any electoral symbol shall amount to using his influence in connection with an election with in the meaning of this sub-rule.

VI. **Demonstration and strikes** - No corporation employee shall :-

- i) engage himself or participate in any demonstration which is prejudicial to the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign State, public

order, decency or morality or which involves contempt of court, defamation or incitement to an offence, or

- ii) resort to or in any way abet any form of strike in connection with any matter pertaining to his service or any other employee of the Corporation.

**VII. Connection with Press or Radio** - (1) No employee shall, except with the previous sanction of the Competent Authority, i.e. Managing Director, wholly or in part, or conduct or participate in the editing or management of any newspaper or other periodical publication.

(2) No employee shall except with the previous sanction of the Managing Director or any other prescribed authority or except in the bonafide discharge of his duties:-

- a) publish a book himself or through a publisher, or contribute an article to a book or a compilation of articles; or
- b) participate in a radio broadcast or contribute an article or write a letter to a newspaper or periodical either in his own name or anonymously or pseudonymously or in the name of any other person:

**Provided** that no such sanction shall be required:-

- i) If such publication is through a publisher and is of a purely literary, artistic or scientific character; or
- ii) If such contribution, broadcast or writing is of a purely literary, artistic or scientific character.

**Provided** further that the corporation may withdraw at any time the sanction so granted if there are reasons to believe that the sanction is being misutilized after affording reasonable opportunity of being heard.

**VIII. Criticism of Government or Corporation's policy** - No employee shall, in any radio broadcast or in any document published in his own name or anonymously, pseudonymously or in the name of any other person or in any

communication to the press or in any public utterance make any statement of fact or opinion:-

- (i) Which has the effect of any adverse criticism of any current recent policy or action of the Government of India, Government of Haryana, any other State Government; or the Corporation.
- (ii) Which is capable of embarrassing the relations between the concerned Government vis-à-vis the Corporation.
- (iii) Which is capable of embarrassing the relations between the Government of India or the Govt. of Haryana and the Govt. of any foreign State:-

**Provided** that nothing in this rule shall apply to any statements made or views expressed by an employee in good faith or in the interest of the Corporation and also in his official capacity or in the due performance of the duties assigned to him.

**IX. Evidence before committee or any other authority** - (1) Save as provide in sub-rule (3), no corporation employee shall except with the previous sanction of Competent Authority of the Corporation, give evidence in connection with any inquiry conducted by any person, committee or authority.

(2) where any sanction has been accorded under sub-rule (1) no employee giving such evidence shall criticize the policy or any action of the Government of India, Government of Haryana or any other State Government or the Corporation.

(3) Nothing in this rule shall apply to -

- a) Evidence given at inquiry before an authority appointed by the Govt. Parliament or a State Legislature; or
- b) Evidence given in any judicial inquiry; or
- c) Evidence given at any departmental inquiry

**X. Unauthorized Communication of the information** - No employee shall except in accordance with any general or special order of the corporation or in the performance in good faith of the duties assigned to him communicate,

directly or indirectly, any official document or any part thereof; or information to any employee or any other person to whom he is not authorized to communicate such document or information.

**Explanation** - Quotation by a Corporation employees (in his representation to the Managing Director or Board of the Corporation or other Competent authority) of or from any letter, circular or office memorandum, or from the notes on any file, to which he is not authorized to have access, or which he is not authorized to keep in his personal custody or for personal purposes, shall also amount to unauthorized communication of information within the meaning of this rule.

**XI. Subscriptions** - No employee shall, except with the previous sanction of the Managing Director or any other prescribed authority ask for or accept contributions to or otherwise associate himself with raising of any funds or other collections in cash or in kind in pursuance of any object whatsoever.

**XII. Gifts** - (1) Save as otherwise provided in these rules, no employee shall accept or permit any member of his family or any other person acting on his behalf to accept any gift from any person or his relatives having directly or indirectly dealing with that corporation, without prior approval of the Competent Authority.

**Explanation** - the expression "gifts" shall include free transport boarding, lodging or other service or any other pecuniary advantage when provided by any other person other than a near relative or personal friend having no official dealings with the Corporation employee.

**Note - (i)** A casual meal, gift or other social hospitality shall not be deemed to be a gift.

**Note - (ii)** A corporation employee shall avoid accepting lavish hospitality or frequent hospitality from any individual having official dealings with from industrial or commercial firms, organizations, etc.

(2) On occasions such as weddings, anniversaries, functions or religious functions, when the making of a gift is in conformity with prevailing religious or social practice, an employee may accept gifts from

his near relatives and friend but he shall make report to prescribed authority of the corporation if the value of any such gift exceeds Rs. 500/-

(3) In any other case, a corporation employee shall not accept, or permit any member of his family or any other person acting on his behalf to accept any gift without the sanction of prescribed authority of the Corporation, if the value thereof exceeds -

- (i) Rs. 500/- in the case of an employee holding any Class-I/Group-A or Class-II/Group B posts; and
- (ii) Rs. 150/- in the case of a Corporation employee holding any class III/Group 'C' or Class IV/Group 'D' post.

**XII-A Prohibition of dowry** - No Corporation employee shall -

- i) give or take or abet the giving or taking of dowry; or
- ii) demand, directly or indirectly, from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.

**Explanation** - For the purpose of this rule, "dowry" has the same meaning as in the Dowry Prohibition Act, 1961 (28 of 1961), as amended in its application to the State of Haryana.

**XIII. Public demonstration in honour of Corporation employee** - No corporation employee shall, except with the previous sanction of the Govt. Received any complimentary or valedictory address or accept any testimonial or attend any meeting or entertainment held in his honour or in the honour of any other Corporation employee.

**Provided** that nothing in this rule shall apply to -

- (a) A farewell entertainment of a substantially private and informal character held in honour of a corporation employee or any other corporation employee on the occasion of his retirement or transfer of any person who has recently quit the service of the corporation or
- (b) The acceptance of simple and inexpensive entertainment arranged by public bodies or institutions.



**Note** - Exercise of pressure or influence of any sort on any employee to induce him to subscribe towards any farewell entertainment even if it is of a substantially private or informal character, and the collection of subscriptions from Group 'C' or Group 'D' employees under any circumstances for the entertainment of any employee not belonging to executive cadre is forbidden.

**XIV. Private trade or Employment** (1) No employee shall engage directly or indirectly in any trade or business or negotiate for, or undertake, any other employment without prior approval of the Managing Director of the Corporation.

**Provided** that a Corporation employee may, without such sanction undertake honorary work of social or charitable nature or occasional work of artistic or scientific character subject to the conditions that -

- (i) He shall within a period of one month of his undertaking any such work, report to the Corporation giving full details.
- (ii) His official duties do not thereby suffer;
- (iii) He shall discontinue any such work if so directed by the authorities of the corporation.

**Provided** further that, if the undertaking of any such work involves holding of an elective office, he shall not seek election to any such office without the previous sanction of the corporation (allowable only in the case of non-political/non-profiting office only)

**Explanation** - Canvassing by an employee -

- (i) In support of the business of insurance agency, commission agency, etc., owned or managed by his wife or any other member of his family; or
- (ii) For a candidate for an elective office referred to in the second proviso, shall be deemed to be a breach to this sub-rule.

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

(3) No employee shall, without the previous sanction of the corporation, except in the discharge of his 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, 1956, or any other law for the time being in force or any co-operative society for commercial purposes:

**Provided** that a Corporation employee may take part in the registration, promotion or management of a co-operative society substantially for the benefit of corporation employees or of a literary, scientific or charitable society registered under the Societies Registration Act, 1860 or any corresponding law in force, subject to the conditions that -

- (i) He shall, within a period of one month of his taking part in such activity, report to the Corporation giving full details;
- (ii) His official duties do not thereby suffer;
- (iii) He shall discontinue taking part in any such activity, if so directed by the Government.

**Provided** further that, if taking part in any such activity involves holding of an elective office, he shall not seek election to any such office without the previous sanction of the prescribed authority.

**Explanation I** - A "Co-operative society" means a society registered or deemed to be registered under the Co-operative Societies Act, 1912, or any other law relating to co-operative societies for the time being in force in any state.

**Explanation II** - Convassing for a candidate for an elective office referred to in the second proviso shall be deemed to be breach of this sub-rule.

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

**XV. Investment, lending and borrowing** - (1) No corporation employee shall speculate in any stock, share or other investment.

**Explanation** - 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.

(2) No Corporation employee shall make, or permit any member of his family or any person acting on his behalf to make any investment which is likely to embarrass or influence him in the discharge of his official duties.

(3) The corporation employee shall refrain from the sale and purchase of shares of any company which has official dealings with HSIDC. Any employee who intends making investment in the shares of such companies can do so only with prior written permission of the Managing Director.

(4) (i) No corporation employee shall, save in the ordinary course of business with a bank or a firm of standing duly authorized to conduct banking business, either himself or through any member of his family or any other person acting on his behalf :-

(a) lead or borrow money as principal or agent, to or from any person within the local limits of his authority or with whom he is likely to have official dealings, or otherwise place himself under any pecuniary obligation to such person, or

(b) Lend money to any person at interest or in a manner whereby return in money or in kind is charged or paid.

**Provided** that a corporation employee may, give to or accept from a relative or a personal friend purely temporary one of a small amount free of interest, or operate a credit account with a bonafide tradesman or make an advance of pay to his private employee ; but such amount shall not exceed twelve month's emoluments for the construction of house or purchase of built up house and six month's emoluments for the purchase of conveyance and other purposes."

**Provided** further that an employee may, with the previous sanction of the prescribed authority enter into any transaction referred to in sub-clause (a) or sub-clause (b)".

(ii) When an employee is appointed or transferred to a post of such nature as would involve him in the breach of any of the provisions or sub-rule (2) or sub-rule (4), he shall forthwith report the circumstances to the prescribed authority and shall thereafter act in accordance with such order as may be made by such authority.

**XVI. Insolvency and habitual indebtedness** - A Corporation employee shall so manage his private affairs as to avoid habitual indebtedness, or insolvency. A corporation employee against whom any legal proceedings are instituted for the recovery of any debt due from him or for adjudging him as an insolvent shall forthwith report the full facts of the legal proceeding to the corporation..

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

**XVII. Moveable, immovable and valuable property** - (1) Every employee shall on his first appointment to any service or post under the corporation, and thereafter at such intervals as may be specified by the corporation submit a return of his assets and liabilities, in such form as may be prescribed by the corporation, giving the full particulars regarding :-

- (a) "the immovable property inherited, owned, acquired or held on lease or mortgage, by him or his spouse or any member of his family, either in their own name or in the name of any other person:
- (b) Shares, debentures and cash including bank deposits inherited or similarly owned, acquired or held by him or his spouse or any other member of his family;
- (c) Other movable property inherited or similarly owned, acquired or held by him or his spouse or any other member of his family; and

(d) Debts and other liabilities incurred directly or indirectly by him or his spouse or any other member of his family."

**Note-I** Sub-rule(1) shall not ordinarily apply to class-IV/ Group 'D' employees, but the corporation may direct that it shall apply to any such employee or class of employees.

**Note -II** In all returns the value of items of movable property worth less than Rs. 1,000/- may be added and shown as a lump sum. The value of articles of daily use such as clothes, utensils, crockery, books etc., need not be included in such return.

**Note-III** Every employee who is in service on the date of the commencement of these rules shall submit a return under this sub-rule on or before such date as may be specified by the prescribed authority after such commencement.

(2) No employee shall, except with the previous knowledge of the prescribed authority, acquire or dispose of any immovable property by lease mortgage, purchase, sale, gift or otherwise either in his own name or in the name of any member of his family.

**Provided** that the previous sanction of the prescribed authority shall be obtained by the employee if any such transaction is -

- i) with a person having official dealings with the corporation employee or
- ii) otherwise than through a regular or reputed dealer,

(3) where an employee enters into a transaction in respect of movable property either in his own name or in the name of a member of his family, he shall, within one month from the date of such transaction, report the same to the prescribed authority, if the value of such property exceeds Rs.10,000/-.

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

- i) with a person having official dealings with the Corporation employee; or
- ii) otherwise than through a regular or reputed dealer."

(4) The corporation or the prescribed authority may, at any time, by general or special order require a corporation employee to furnish, within a period specified in the order, a full and complete statement of such movable or immovable property held or acquired by him on his behalf or by any member of his family as may be specified in the order. Such statement shall, if so required by the Corporation/by the prescribed authority, include the details of the means by which, or the source from which, such property was acquired.

(5) The Corporation may exempt any category of Corporation employee belonging to Class III/Group 'C' or class IV/Group 'D' from any of the provisions of this rule except sub-rule(4).

**Explanation** - For the purpose of this rule -

- (1) The expression "movable property" includes -
  - (i) Jewellery, insurance policies, the annual premium of which exceed Rs.10,000 or one sixth of the total annual emoluments received from Corporation which ever is less, shares, securities and debentures;
  - (ii) Loans and advance by such employees whether secured or not ;  
and
  - (iii) Motor cars, motor cycles, horses, or any other means of conveyance, and
  - (iv) Refrigerators, radios, radiograms and other electronic goods.
- (2) "Prescribed Authority" means - as may be specified by the Board of Directors for various purposes and categories of employees from time- to-time.

**XVIII. (1) Vindication of acts and character of Corporation employees-**

No employee shall, have except with the previous sanction of the prescribed authority have recourse to any court or to the press for vindication of any official act which has been the subject matter of adverse criticism or an attack of a defamatory character.

(2) Nothing in this rule shall be deemed to prohibit an employee from vindicating his private character or any act done by him in his private capacity and where any sanction for vindicating his private character or any act done by him in private capacity is taken, the employee shall submit a report to the prescribed authority regarding such action.

**XIX. Canvassing** - No employee shall bring or attempt to bring any political or other influence to bear upon any superior authority to further his interests in respect of a matter pertaining to his service under the corporation.

**XX. Bigamous Marriages** - (1) No employee shall enter into, or contract a marriage with a person having a spouse living: and

(2) No employee, having a spouse living shall enter into, or contract a marriage with any person:

**Provided** that the corporation may permit an employee to enter into, or contract any such marriage as is referred to in sub-rule (1) or sub-rule(2), if it is satisfied that-

- (a) such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and
- (b) there are other ground for so doing."

**XXI. Consumption of intoxicating drink and drug** - an employee shall-

- (a) Strictly abide by any law relating to intoxicating drink or drug, in force in any area in which he may happen to be for the time being.
- (b) take due care that the performance of his duties is not effected in any way by the influence of any intoxicating drinks or drugs;
- (c) Not consume intoxicating drinks or drugs in public;
- (d) Not appear in a state of intoxication in a public place;

- (e) Not be present on duty in a state of intoxication; and
- (f) Not habitually use any intoxicating drinks or drugs to excess.

**XXII. Interpretation** - If any question arises relating to the interpretation of these rules, decision of the Board of Directors thereon shall be final.

**XXIII. Repeal and saving** - Any rules/instructions corresponding to these rules in force immediately before the commencement of these rules and applicable to the Corporation employees to whom these rules apply are hereby repealed.

**Provided** that any order made or action taken under the rules/instruction so repealed shall be deemed to have been made or taken under the corresponding provisions of these rules.

\*\*\*\*\* \*\*\*\*\* \*\*\*\*\*



## **CHAPTER - II**

### **PUNISHMENT & APPEAL REGULATIONS**

1. **Punishment & Appeals** : where an employee is found guilty of breach of any of the provisions of these regulations, conduct Rules or of any negligence, inefficiency or indolence in the performance of his duties, or of knowingly doing anything detrimental to the interest of the Corporation, in conflict with any of its instructions, or of committing a breach of discipline, or of any other act of misconduct or misdemeanor, or where such employee is convicted of a criminal offence, one or more of the following may be imposed on him, namely :-

**i) Minor penalties**

- a) warning with a copy on personal file (character roll)
- b) Censure.
- c) Stoppage of increments without cumulative effect
- d) Recovery from pay or otherwise of whole or part of any pecuniary loss caused, by negligence, or breach of orders to the Corporation or any other authority where the employee is/was on deputation.

**ii) Major penalties**

- a) Reduction to a lower post, time scale, or to a lower stage in a time scale.
- b) Stoppage of increments with cumulative effect.
- c) Removal from service.
- d) dismissal from service, which shall ordinarily be a disqualification for future employment.
- e) Compulsory retirement.

## **EXPLANATION: 1**

The following shall not amount to a penalty within the meaning of this regulation.

- a) withholding of increment of an employee for failure to pass a departmental examination in accordance with the orders, or the terms of his appointment;
- b) stoppage of an employee at the efficiency bar in the time scale of pay on the ground of his unfitness to cross the bar;
- c) non-promotion, whether in a substantive or officiating capacity, of an employee, after consideration of his case, to a class or post to which he is eligible for promotion;
- d) reversion to substantive grade or post of an employee appointed on probation to another grade or post or termination on account of unsatisfactory performance in the case of first appointment, during or at the end of probation in accordance with the terms of his appointment or in accordance with these regulations.
- e) repatriation of the services of any employee at the disposal of the Corporation to Organisation which had lent his services to the corporation;
- f) compulsory retirement of an employee in accordance with the provisions relating to his superannuation or retirement as per service Bye-laws/policy decision of the corporation.
- g) termination of the services of any employee employed on contract, daily-wages, seasonal basis or on casual basis.
- h) termination of services of an employee on account of abolition of post.
- i) extension of probation period in terms of appointment letter or Service Bye-laws of the Corporation.

## **EXPLANATION-II**

Without prejudice to the generality of the term 'misconduct' the following acts of omission & commission shall be treated as misconduct besides those arising out of the Conduct Rules hereto above:-

- a) Theft, fraud or dishonesty in connection with the business or property of the corporation or of property of another person within the premises of the Corporation:
- b) Taking or giving bribes or any illegal gratification;
- c) Possession of pecuniary resources or property, disproportionate to the known sources of income by the employee or on his behalf by another person, which the employee cannot satisfactorily explain.
- d) Furnishing false information regarding name, age, father's name, qualification, ability or previous services or any other matter pertaining to employment at the time of appointment or during the course of employment;
- e) Willful insubordination or disobedience, whether alone or in combination with other, of any lawful and reasonable order of his superior.
- f) Absence without leave or over-staying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
- g) Habitual late or irregular attendance;
- h) Neglect of work or negligence in the performance of duty including malingering or slowing down of work;
- i) Damage to any property of the Corporation;
- j) Interference or tampering with any safety devices or communication system, postal devices or any other office machine/equipment installed in or about the premises of the corporation;
- k) Drunkenness or riotous or disorderly or indecent behaviour in the premises of the corporation or outside such premises when such behaviour is related to or connected with the employment.
- l) Gambling within the premises of the establishment.
- m) Violation of any lawful orders or instructions given by a Competent Authority.
- n) Commission of any act which amounts to a criminal offence involving moral turpitude.

- o) Purchasing properties, machinery, stores without express permission in writing from the competent authority and in violation of financial proprieties.
- p) Commission of any act subversive of discipline or of good behaviour;
- q) Abetment of or attempt at abetment of any act which amounts to misconduct:

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

## 2. **Procedure for imposing major penalties.**

- i) No order imposing on an employee, any of the major penalties specified in these regulations shall be passed except in the manner hereinafter specified, after affording reasonable opportunity;
  - a) Where a penalty is imposed on the ground of conduct which has lead to conviction of the employee on a criminal charge; or
  - b) Where the appointing authority is satisfied, for reasons to be recorded in writing, that it is not reasonably practicable to hold an inquiry; or
  - c) Where the authority is satisfied that it is not in the interest of the corporation to hold an inquiry.
- ii) The Appointing Authority shall frame definite charges on the basis of the allegations. Such charges, together with a list of the allegations on which they are based, shall be communicated in writing to the employee who shall be required to submit within such time as may be specified by the appointing authority, a written statement of his defence and also to state whether he desires to be heard in person,
- iii) The appointing authority may itself enquire into the charges, of if it considers it necessary so to do, it may appoint a Board of enquiry or an enquiry officer for the purpose, subject to the conditions that members of the Board of Enquiry or the Enquiry Officer, hereinafter referred to as the enquiry authority, shall not belong to a rank lower than that of the

employee concerned. Any officer of the corporation or of the State Govt. or an outsider may be appointed as Enquiry authority.

iv) The employee shall, for the purpose of preparing defence, be permitted to inspect and take extract from such records of the corporation as may be specified provided that such permission may be refused if, for reasons to be recorded in writing, in the opinion of the appointing authority such records are not relevant for the purpose or it is against the interest of the corporation to allow him access thereto.

v) On receipt of the written statement of defence or if no such statement is received within the time specified, the appointing authority or the inquiry authority, as the case may be, may enquire into such of the charges as are not admitted.

vi) The appointing authority may nominate any person to present the case in support of the charges before the inquiry authority. The employee may present his case with the assistance of any other employee, but shall not engage a legal practitioner for the purpose unless the person nominated by the appointing authority as aforesaid is a legal practitioner/legally trained person or unless the appointing authority, having regard to the circumstances of the case, so permits.

vii) The inquiry authority shall, in the course of inquiry, consider such documentary evidence and take such oral evidence as may be relevant or material in regard to the charges. The employee shall be entitled to cross examine witnesses examined in support of the charges and to give evidence in person. The person presenting the case in support of the charges shall be entitled to cross examine the employee and the witnesses examined in support of his defence. If the enquiring authority declines to examine any witness on the ground that his evidence is not relevant or material, it shall record its reasons in writing.

viii) At the conclusion of the enquiry, the enquiring authority shall prepare a report of enquiry, recording its findings on each of the charges together with reasons therefore. If, in the opinion of such authority, the

proceedings of the enquiry establish charges different from those originally framed, it may record finding on such charges, provided that finding on such charges shall not be recorded unless the employee has admitted the facts constituting them or has had an opportunity of defending himself against them.

ix) The record of the enquiry shall include:-

a) The charges framed against the employee and the list of allegations appended thereto.

b) His written statement of defence, if any,

c) The oral evidence taken in the course of inquiry.

d) The documentary evidence considered in the course of the enquiry.

e) The orders, if any, made by the appointing authority and enquiring authority in regard to the enquiry, and

f) A report setting out the finding on each charge and the reasons thereof.

x) The appointing authority shall, if it is not the inquiring authority, consider the record of the inquiry and record its findings on each charge.

xi) After the enquiry against an employee has been completed, and after the punishing authority has arrived at a provisional conclusion in regard to the penalty to be imposed, the employee shall, if the penalty to be imposed is major penalty be supplied with a copy of the report of the enquiring authority and be called upon to show cause within reasonable time, not ordinarily exceeding one month, against the particular penalty proposed to be imposed upon him. Any representation submitted by him in this behalf shall be taken into consideration before final orders passed:

**Provided** that if the punishing authority disagrees with any part or whole of the findings, of the enquiring authority, the point or points of such disagreement, together with a brief statement of the ground thereof, shall also be supplied to the employees.

### **3. Procedure for imposing minor penalties:-**

- i) No order imposing any of the minor penalties specified in regulation 1(i) shall be passed except after:-
  - a) The employee has been informed in writing of the proposal to take action against him and of the allegations on which it is proposed to be taken and has been given an opportunity to make any representation he may wish to make; and
  - b) Such representation, if any, is taken into consideration by the competent authority.
- ii) The record of proceedings in such cases shall include:-
  - a) A copy of the intimation to the employee of the proposal to take action against him;
  - b) A copy of the statement of allegations communicated to him;
  - c) His representation, if any, and
  - d) The orders on the case together with reasons therefor.

**4. Joint Inquiry:** where two or more employees are concerned in any case, the appointing authority may make an order directing that disciplinary action against all of them may be taken in a common proceeding.

**5. Communication of orders:** Every order imposing a major or minor penalty specified in regulation 1 passed by the competent authority shall be communicated to the concerned employee forthwith.

**6. Appeal** (i) Save in case of an order passed by the Board of Directors every employee shall be entitled to appeal against any order or imposing any penalty specified in regulation-1.

- ii) An appeal under sub-regulation(i) shall lie:-
  - a) When the order imposing the penalty is passed by the Managing Director, to the Board of Directors or such authority as may be authorised by the Board of Directors. The Board of Directors in its 200<sup>th</sup> meeting held on 28.06.1994 has authorized

the Chairman, HSIIDC to hear appeals and to act as Appellant Authority.

iii) No appeal shall lie against an order passed by appellate authority under sub-regulation ii (a).

**7. Time limit for preferring an appeal:** No appeal shall be entertained if this is not preferred within a period of 90 days from the date of receipt of orders imposing penalty on him provided that the Appellate Authority may condone the period, for reasons to be recorded in writing, upto a period of 120 days.

**8. Conduct and submission of Appeal:-**

i) Every appeal preferred under regulation 6 shall contain all relevant facts and statement relied on by the appellant and shall be complete in itself.

ii) An appeal shall not be couched in dis-respectful or improper language. If so couched, the appellate authority may refuse to entertain it or, in its discretion, may return the appeal to the appellant and allow him an opportunity to submit within the time specified by it an amended appeal which shall not contain any disrespectful or improper language.

iii) Every person submitting an appeal shall do so separately and in his own name.

iv) An appeal shall not be submitted by an employee direct to the appellate authority but may be submitted through proper channel to the appointing authority who shall forward it to the appellate authority with his comments and with the relevant records;

**Provided** that a copy of the appeal may be submitted direct to the appellate authority.



v) Appeal shall not be addressed personally by name to any authority or to any member of the Board of Directors and any such act shall be deemed to be breach of discipline..

## **9. Withholding of appeal**

- i) The appointing authority may withhold the appeal if
- a) It is an appeal against an order against which no appeal lies; or
  - b) It does not comply with any of the provisions relating to filing and conduct of appeals.
  - c) It is not submitted within the period specified in regulation 7 and no cause is shown for the delay or
  - d) It is a repetition of an appeal already decided and no new facts or circumstances are adduced.
- ii) Where an appeal is withheld, an order to that effect shall be made setting out the reasons for such action and a copy of order shall be sent to the appellant and to the appellate authority.

**Provided** that where an appeal is so withheld the appellate authority may call for the appeal alongwith the relevant records of such action as that authority may deem fit and pass suitable orders.

## **10. Disposal of appeal:**

The appellate authority may, after consideration of the case:-

- a) set-aside, reduce, confirm or enhance the penalty; or
- b) remand the case to the authority which imposed the penalty with such direction as it may deem fit in the circumstance of the case;

**Provided** that the appellate authority shall not impose any enhanced penalty which neither such authority nor the authority which made the order appealed against is competent to impose.

No order imposing enhanced penalty shall be passed unless the appellant is given a reasonable opportunity of making any representation which he may wish to make against such enhanced penalty.

The decision of the appellate authority shall be final. A copy of the appellate order shall be supplied to the appellant and to the Appointing Authority for such action as might be necessary.

**11. Review:**

Notwithstanding anything contained in these regulations the Board of Directors, may at any time, either on its own motion or otherwise, review any order made under these regulations and:-

- a) Confirm, modify or set aside the order or impose any penalty where no penalty has been imposed; or
- b) Pass such order as it may deem fit.

**Provided** that no order imposing or enhancing any penalty shall be made by the Board of Directors unless the employee has been given a reasonable opportunity of making a representation against the penalty proposed and where it is proposed to impose any of the penalties specified in Regulation 1(i) or to enhance the penalty imposed by order sought to be reviewed to any of the penalties specified in this clause, no such penalty shall be imposed except after an enquiry in the manner laid down in regulation 2 has been made and a reasonable opportunity to the employee to show cause against the penalty proposed on the evidence adduced during the enquiry has been afforded.

**12. Repeal and saving:**

Any rules/instructions corresponding to these rules in force immediately before the commencement of these rules and applicable to the Corporation employee to whom these rules apply are hereby repealed.

**Provided** that any order made or action taken under the rules/instructions so repealed shall be deemed to have been made or taken under the corresponding provisions of these rules.

\*\*\*\*\*    \*\*\*\*\*    \*\*\*\*\*