

POWERGRID CDA RULES & Guidelines for Disciplinary Procedure

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POWERGRID CONDUCT, DISCIPLINE AND APPEAL (CDA) Rules

Rule 1: Short Title

- i) These rules may be called POWERGRID Conduct, Discipline and Appeal Rules.
- ii) It shall come into force on 01.02.2020.

Rule 2: Application

These rules shall apply to all employees including retired employee except those in casual or contractual or fixed tenure basis employment or paid from contingencies.

Rule 3: Definitions

In these rules, unless the context otherwise requires:

- (a) **“Employee”** means a person in the employment of the company other than the casual, contractual, fixed tenure basis or contingent staff, but includes a person on deputation to the company and trainees (Executive Trainees/Diploma Trainees/Technician Trainees).
- (b) **“Company”** means the POWER GRID CORPORATION OF INDIA LIMITED.
- (c) **“Board”** means the group comprising Chairman & Managing Director and all Functional Directors of POWERGRID excluding Chairman & Managing Director or Director concerned who has already acted as Disciplinary Authority or Appellate Authority in a disciplinary case coming before it.
- (d) **“Chairman & Managing Director”** means Chairman & Managing Director of the Company.
- (e) **“Disciplinary Authority”** means the authority specified in the [Annexure B](#) appended to these rules & competent to impose any of the penalties specified in Rule 23.
- (f) **“Competent Authority”** means the authority empowered by 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.
- (g) **“Government”** means the Government of India.
- (h) **“Commission”** means the Central Vigilance Commission unless specified otherwise.
- (i) **“Appellate Authority”** means the authority specified in [Annexure B](#) attached to these rules.

- (j) **“Reviewing Authority”** means the authority specified in [Annexure B](#) attached to these rules.
- (k) **“Family”** in relation to an employee includes:
 - (i) Spouse of the employee, whether residing with employee or not but does not include a spouse separated from the employee by a decree or order of competent court.
 - (ii) Sons or daughters or step-sons, step-daughters of the employee & wholly dependent (as per dependence criteria defined under Medical Attendance and treatment Rules) on him, but does not include a child or step-child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived by or under any law.
 - (iii) Any other person, related whether by blood or marriage to the employee or to such employee’s spouse and wholly dependent on such employee.
- (l) **“Relative”** means as defined in the Company Act.
- (m) **“Public servant”** shall mean and include a person as mentioned in Section 21 of Indian Penal Code as amended from time to time.
- (n) The term he / him / his used in these rules shall also mean and include she / her and the third gender unless otherwise specified.

Rule 4: General

- (1) Every employee of the Company shall at all times;
 - (i) Maintain absolute integrity,
 - (ii) Maintain devotion to duty; and
 - (iii) Do nothing which is unbecoming of a public servant.
 - (iv) Commit himself to and uphold the supremacy of the Constitution and democratic values;
 - (v) Defend and uphold the sovereignty and integrity of India, the security of the State, public order, decency and morality;
 - (vi) Maintain high ethical standards and honesty;
 - (vii) Maintain political neutrality;
 - (viii) Promote the principles of merit, fairness and impartiality in the discharge of duties;
 - (ix) Maintain accountability and transparency;
 - (x) Maintain responsiveness to the public, particularly to the weaker section;
 - (xi) Maintain courtesy and good behaviour with the public;
 - (xii) Take decisions solely in public interest and use or cause to use public resources efficiently and economically;
 - (xiii) Declare any private interests relating to his public duties and take steps to resolve any conflicts in a way that protects the public interest;
 - (xiv) Not place himself under any financial or other obligations to any individual or organisation which may influence him in the performance of his official duties;
 - (xv) Not misuse his position as public servant and not take his decisions in order to derive financial or materials benefits for himself, his family or his friends;
 - (xvi) Make choices, take decisions and make recommendations on merit alone;
 - (xvii) Act with fairness and impartiality and not discriminate against anyone, particularly the poor and the under-privileged sections of society;
 - (xviii) Refrain from doing anything which is or may be contrary to any law, rules, regulations and established practices;

- (xix) Maintain discipline in the discharge of his duties and be liable to implement the lawful orders duly communicated to him;
 - (xx) Maintain confidentiality in the performance of his official duties, 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 or lead to incitement of an offence or illegal or unlawful gain to any person.
 - (xxi) Perform and discharge his duties with the highest degree of professionalism and dedication to the best of his abilities.
- (2) (i) Every employee of the company holding a supervisory post shall take all possible steps to ensure integrity and devotion to duty of all employees for the time-being under his/her control and authority.
- (ii) No employee shall, in the performance of his official duties or in the exercise of powers conferred on him, act otherwise than in his best judgment except when he is acting under the direction of his superior official;
- (iii) An employee who has received oral direction from his superior official may seek confirmation of the same in writing as early as possible, whereupon it shall be the duty of the superior official to confirm the direction in writing.
- Explanation-I: An employee who habitually fails to perform the task assigned to him within the time set for the purpose and with the quality of performance expected of him shall be deemed to be lacking in devotion to duty within the meaning of clause (ii) of sub-rule (1).
- Explanation-II: Nothing in clause (ii) of sub rule (2) shall be construed as empowering an employee to evade his responsibilities by seeking instruction from or approval of superior officer or authority when such instructions are not necessary under the scheme of distribution of powers and responsibilities.

Rule 4A: Promptness and courtesy

No employee shall

- a) In the performance of his official duties, act in discourteous manner;
- b) In his official dealings with the public or otherwise adopt dilatory tactics or willfully cause delays in disposal of the work assigned to him.

Rule 4B: Observance of Government's policies

Every employee shall, at all time-

- (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.

Rule 4C: Prohibition of sexual harassment of working women

- (1) No employee shall indulge in any act of sexual harassment of any woman at any workplace.

- (2) Every employee who is in-charge of a work place shall take appropriate steps to prevent sexual harassment to any woman at the workplace.

Explanation. (1) 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, organization, 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.'.

Rule 5: Misconduct

1. Without prejudice to the generality of the term "misconduct", the following acts of omission and commission shall be treated as misconduct:
 - a. Theft, Fraud or dishonesty in connection with the business or property of the company.
 - b. Theft, Fraud or dishonesty with the property of another person within the premises of the company.
 - c. Fraud, Dishonesty and Offences under Cyber laws leading to misrepresentation, breach of confidentiality and privacy.
 - d. Securing or causing others to secure unauthorized access to any confidential electronic communication of the company or misuse of the electronic communication of the company or the computer system or network which may cause damage to the company.
 - e. Publishing, transmitting or causing to publish in Electronic form any material, which appeals to prurient interest and unauthorized passing of information from electronic media.
 - f. Destroying, cancelling or altering or causing others to destroy, cancel or alter confidential computer programme including computer command, design and layout, computer system and computer network, etc.
 - g. Viewing obscene material/scene and involving oneself in indecent chatting/communication through the electronic communication/ computer system of the company.
2. Demanding, taking or giving bribes or any illegal gratification.

- 2A. Obtaining advertisements/ sponsorship etc. by the associations/ NGOs formed by either employees or their spouse / family members etc. from contractors, vendors, customers or other persons having commercial relationship / official dealing with the Company.
3. Possession of pecuniary resources or property disproportionate to the known sources of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for.
4. Furnishing false information regarding name, age, father's name, qualification, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.
5. Acting in a manner prejudicial to the interests of the Company.
6. Willful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of his superior.
7. Absence without leave or overstaying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
8. Habitual late or irregular attendance.
9. Neglect of work or negligence in the performance of duty including malingering or slowing down of work.
10. Damage to any property of the company.
11. Interference or tampering with any safety devices installed in or about the premises of the company.
12. Drunkenness or riotous or disorderly or indecent behaviour in the premises of the company or outside such premises where such behaviour is related to or connected with the employment.
13. Gambling within the premises.
14. Smoking within the premises of the establishment where it is prohibited.
15. Collection without the permission of the competent authority of any money within the premises of the company except as sanctioned by any law of the land for the time being in force or rules of the company.
16. Sleeping while on duty.
17. Commission of any act which amounts to a criminal offence involving moral turpitude.
18. Absence from the employee's appointed place of work without permission or sufficient cause.
19. Purchasing properties, machinery, stores etc. from or selling properties, machinery, stores etc., to the company without express permission in writing from

- the competent authority.
20. Commission of any act subversive of discipline or of good behavior.
 21. Abetment of or attempt at abetment of any act which amounts to misconduct.
 22. Making false allegations against another employee/key officials/Company's Directors/CMD. Use of insolent or impertinent or unparliamentarily language in any official dealing/correspondence or in any representation including appeal or in any forum/meeting.
 23. Failure of the employee to comply with the terms and conditions associated with the loan/advance granted to him under the Company's Rules.
 24. Violation or non-compliance with the Company's Rules/ Policies/ Manuals/ Circulars/ Notices/ expressed instructions.
 25. Unauthorized use or occupation of the Company's quarters/land or other movable or immovable property.
 26. Assaulting or threatening or intimidating any employee of the Company.
 27. Breach of any law applicable to the establishment or the Company or Conduct Rules or any other Rules or specific orders issued by the Company from time to time.
 28. Writing of anonymous letters, addressing appeals or representations to any person other than the appropriate or appellate authority and forwarding advance copies of appeals or representation to any other person outside the Company.
 29. Distribution or exhibition in the Company's premises any bills, posters, pamphlets or papers or causing them to be displayed by means of signs or writing or other visible representation, any matter prejudicial to the company without previous sanction of the management.
 30. Refusal to work on Holidays or on Sundays or beyond working hours when notified/directed to do so in the exigencies of Company's interest.
 31. Gherao, coercion, intimidation, wrongful confinement or use of force or forcibly detaining any of the Company's employees. Shouting/use of defamatory or disrespectful statement/slogans in the Company's premises.
 32. Refusal to accept any order or notice communicated in writing.
 33. Adopting a dilatory attitude, leading to delay in decision making and or harassment of the public
 34. Any other act of delinquency unbecoming of a Public Servant.

Rule 6 Employment of near relatives of the employee of the company in any company or firm enjoying patronage of the company

- (1) Notwithstanding the definition of the term "Relative" no employee shall use his position or influence directly or indirectly to secure employment for any person

- related, whether by blood or marriage, to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.
- (2) No employee shall, except with the previous sanction of the competent authority, permit his son, daughter or any member of the family to accept employment with any private firm with which he has official dealings, or with any other firm, having official dealings with the company :
 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.
- (3) No employee shall in the discharge of his duties deal with any matter or give or sanction any contract to any company or any person if any of his relatives is employed in that company or under that person or if he or any of his relatives is interested in such matter or contract in any other matter and the employee shall refer every such matter or contract to his official superior and the matter of the contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.
 Meaning of 'Relative' - As defined under The Company Act.

Rule 7: Taking part in Demonstrations and Strikes

No employee shall:

- a) Engage himself or participate in any demonstration or incite others to take part in any demonstration, which involves incitement to an offence.
- b) Resort to or abet/incite/instigate any form of strike or coercion or physical duress in contravention of the provisions of any law or rule having the force of law.
- c) Resort to any form of picketing within the Company's premises/ establishments including the entrance of the premises

Rule 7A: Taking part in Political activities

An employee is prohibited to take part in political activities as detailed hereunder:

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

Rule 8: Connection with Press, Radio or Television

- (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.
- (2) No employee of the Company shall, except with the previous sanction of the competent authority or the prescribed authority, or in the bonafide discharge of his duties, participate in a radio/television/internet programme or participate in any public media including social media or contribute any article or write any letter either in his own name or anonymously, pseudonymously or in the name of any other person to any newspaper or periodical.

Provided that no such sanction shall be required if such broadcast or such contribution is of a purely literary, artistic or scientific character and/or is germane to the nature of duties of his/her office. The honorarium received for this purpose shall be governed as per the POWERGRID Honorarium policy.

Rule 9: Criticism of Government and the Company

No employee shall, in any radio/television/internet programme/ social media or in document published under his name or in the name of any other person or in any communication to the press, or in any public utterances, make any statement:

- (a) Which has the effect of adverse criticism of any policy or action of the Central or State Governments, or of the company, or
- (b) Which is capable of embarrassing the relations between the company & the public:

Provided that nothing in these rules shall apply to any statement made or views expressed by an employee, of purely factual nature which are not considered to be of a confidential nature, in his official capacity or in due performance of the duties assigned to him.

Provided further that nothing contained in this clause shall apply to bonafide expressions of views by him as an office bearer of a recognized trade union for the purpose of safeguarding the condition of service of such employees or for securing an improvement thereof.

Rule 10: Evidence before committee or any other Authority

1. Save as provided in sub-rule (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.
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 Central Government or of a State Government or of the company.
3. Nothing in this rule shall apply to:
 - a. Evidence given at any enquiry before an authority appointed by the Government, Parliament or State Legislature or any company,
 - b. Evidence given in any judicial enquiry; or
 - c. Evidence given at any department enquiry ordered by authorities Subordinate to the Government.

Rule 11: Communication of official information

1. Every employee shall, in performance of his duties in good faith, communicate information to a person in accordance with the Right to Information Act, (22 of 2005) and the rule made thereunder.
2. Provided that no employee shall, except in accordance with any general or special order of the company or in the performance in good faith of duties assigned to him, communicate directly or indirectly, any thereof, or document or any part thereof, or classified information to any officer or other employee, or any other person to whom he is not authorized to communicate such document or classified information.

Rule 11A: Pressing of claim in Service Matters

1. No employee shall address representation, appeal, petition or memorial to any outside authority or to any authority not specified under the rule.
2. No employee shall send a representation or advance copies thereof to higher authorities except through proper channel or send copies of a representation to outside authorities.

Provided that an employee belonging to the Scheduled Caste or Schedule Tribe may write directly to the statutory authorities for welfare of SC and ST on matters concerning their welfare.

Rule 12: Gifts

1. Save as otherwise provided in these rules, no employee of the company shall accept or permit any member of his family or any other person acting on his behalf, to accept any gift.
Explanation: The explanation "gift" shall include free transport, boarding, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the employee.
 Note: An employee of the company shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with him.
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 may accept gifts from his near relatives or from his personal friends having no official dealing with him but he shall make a report to the competent authority if the value of the gift exceeds Rs. 25,000/- in case employees in executive category and Rs. 15,000/- in case of employees in the workmen and supervisory categories.
3. In any other case, an employee of the company, shall report to the competent authority within 30 days in the prescribed format if he or any member of his family or any other person acting on his behalf accepts any gifts if the value thereof exceeds Rs.5000/-.
 Provided that when more than one gift has been received within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of such gifts exceeds Rs.25,000/- in case of executives and Rs. 15,000/- in case of non-executives.

Rule 12A: Dowry

- "No employee of the company shall:
1. Give or take or abet the giving or taking of dowry or
 2. Demand, directly or indirectly, from the parent 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 defined in the Dowry Prohibition Act, 1961 (No. 28 of 1961).

Rule 13: Private Trade or Employment

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 of occasional work or a literary, artistic or scientific character, subject to the condition that his official duties do not thereby suffer.
2. Every employee of the Company shall report to the competent authority if any member of his family is engaged in a trade or business or owns or manages an insurance agency or commission agency.
3. No employee-of the Company shall, without the previous sanction of the competent authority, 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, 2013 (1 of 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 any 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, 1960 (21 of 1960) or any corresponding law in force.

4. No employee of the company may accept any fee or any pecuniary advantage for any work done by him for any public body or any private person without the sanction of the competent Authority.
5. **Bar Against Employment after Retirement/Resignation.**
No Executive of E8 level and above, including the CMD of the company, who has retired/resigned from the company, after such retirement or resignation, shall accept any appointment or post whether advisory or administrative, in any firm or company whether in India or outside, with which the company has or had business relations, within 1 year from the date of his retirement/resignation without prior approval of the company. The approving Authority for E8-E9 level executives shall be CMD whereas the Approving Authority for Functional Directors including CMD shall be the Administrative Ministry.
6. No employee of the company shall, except with the previous sanction of the competent authority, ask for or accept contributions to, or otherwise associate himself/herself with the raising of any funds or other collections in cash or in kind in pursuance of any object whatsoever.

Rule 14: Investment, Lending & Borrowing

No employee shall, save in the ordinary course of business with a Bank, the Life Insurance Corporation, 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 has or is likely to have official dealings or permit any such borrowing, lending or pecuniary obligation in his name or for his benefit or for the benefit of any member of his family or he purchases or permits any member of his family to purchase shares from out of the quota reserved for friends and associates of Directors of Companies.

Rule 14-A: Speculation of stock / shares of companies

1. No employee shall speculate in any stock, share or other investment. 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. However, the occasional investments made through stock brokers or other persons duly authorized and licensed shall not be barred.
2. An intimation shall be sent to the Competent Authority in the prescribed format to the prescribed authority, if the total transactions in shares, securities, debentures, mutual funds scheme, etc. exceeds six months basic pay of employee during the calendar year (to be submitted by 31st January of subsequent calendar year).

Rule 15: Insolvency and Habitual Indebtedness

1. An employee of the Company shall avoid habitual indebtedness unless he proves that such indebtedness or insolvency is the result of circumstances beyond his control and does not proceed from extravagance or dissipation.
2. An employee of the Company who applies to be, or is adjudged or declared insolvent shall forthwith report the fact to his competent authority.

Rule 16: Movable, Immovable and valuable property

1. No employee of the company shall, except with the previous knowledge of the Competent Authority, enter into an agreement to acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or otherwise, either in his/ her own name or in the name of any member of his/ her family.¹

Transactions as members of Hindu Undivided joint family do not require previous knowledge. In such cases, transaction in immovable property should be included in the Immovable Property Return (IPR) and those in movable property should be intimated immediately after completion or immediately after the employee comes to know of them. If an employee is unable to give an idea of his /her share of such property, he/ she may give detail of the full property and the names of the members who share it.

2. No employee of the Company shall, except with the previous sanction of the Competent Authority, enter into any transaction concerning any immovable or movable property with a person or a firm having official dealings with the employee or his/ her subordinate. In case of immovable property, sanction of the Competent Authority shall be required to be taken only once prior to any transaction concerning the said immovable property.¹
3. Every employee of the Company shall report to the Competent Authority every transaction concerning movable property owned or held by him in his own name or the name of a member of his family, if the value of such property exceeds two months basic pay (or as may be specified by Company).
4. Every employee shall, on first appointment in the Company, submit a return of assets and liabilities in the prescribed form giving the particulars regarding:-
 - a. the immovable property inherited by him, or owned or acquired by him, held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person;
 - b. shares, debentures, and cash including bank deposits inherited by him or similarly owned, acquired, or held by him;
 - c. Every employee shall on first appointment in the Company, submit a return of assets & liabilities in the prescribed form giving the particulars regarding other moveable property inherited by him or similarly owned, acquired or held by him if the value of such property exceeds two months basic pay of an employee (Executive/Supervisor/ Workmen)
 - d. Debts and other liabilities incurred by him directly or indirectly;
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 him/ her or on his/ her behalf or by any member of his/ her family as may be specified in the

¹ Cir No.498/2021 dated 15.02.2021

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. Every employee, however, shall submit Immovable Property Return (IPR) annually in the month of January latest by 31st January for the previous year.

6. The Competent Authority under Rule 16 shall be:
- (i) Regions/Project: Head of the Region/Project.
 - (ii) Corporate Centre: Executive Director (HR)

Explanation:

For the purpose of these rules, the expression 'Movable Property' includes:

- a) Motor vehicles
- b) Jewellery and Bullion
- c) All loans, whether secured or not, advanced or taken by the employee (excluding contribution made through POWERGRID), PPF (excluding contribution to POWERGRID PF).
- d) Shares/ Bonds/ Mutual Funds
- a) Contribution in National Pension System (NPS)²(excluding contribution made through POWERGRID), PPF (excluding contribution to POWERGRID PF).
- e) Transactions related to immovable property acquired or proposed to be acquired/ disposed.
- f) ³Insurance policies, the annual premium of which exceeds 'two months' basic pay of the employee.

Rule 16 (7): Dealing in POWERGRID Shares

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

Provided that employees or their dependents are prohibited from selling shares allotted to them under IPO only during the time of window is closed as per the "Code of Internal Procedures and Conduct for Prevention of Insider Trading in dealing with Securities of Power Grid Corporation of India Limited", in place for employees and Directors.

- (iii) Full-time Director or executives/employee of POWERGRID 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.

² Cir No.550/2022 dated 09.12.2022

³ Cir No.550/2022 dated 09.12.2022

- (iv) All employees of POWERGRID would be required to disclose to the Company Secretary all transactions of purchase/sale in shares of POWERGRID worth Rs. 50,000/- or more in value or existing holding/interest in the shares of POWERGRID worth Rs. 50,000/- or more in Shares of POWERGRID either in his/her own name or in the name of any family member to report to the Company indicating quantity, price, date of transaction and nature of interest within 4* days working days. (* No. of days to be changed as per SEBI guidelines)

Rule 17: Canvassing of Non-Official or other influence

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

Rule 18: Bigamous Marriages

- (i) No Employee shall enter into, or contract a marriage with a person having a spouse living; and
- (ii) No employee, having a spouse living, shall enter into or contract, a marriage with any person:
Provided that such marriage shall be permissible if allowed by a Court of Law:
- (iii) An employee who has married or marries a person other than that of Indian Nationality, shall forthwith intimate the fact to his/her Appointing Authority.

Rule 19: Consumption of Intoxicating Drinks & Drugs

An employee of the Company shall:

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

Rule 19-A: Prohibition regarding employment of children below 14 years of age

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

Rule 19-B: Private foreign visit

Vigilance clearance is required before issuing NOC for private foreign visit. However, where the Vigilance clearance has already been obtained at an earlier date without mentioning specific date of commencement of journey for obtaining VISA and to complete other formalities, the actual date of commencement of journey and such return journey is to be informed to the Vigilance Department at the earliest. Further, vigilance clearance is to be sought for employees proceeding on private visit abroad prior to granting of NOC for VISA. Also, in cases where the employee has applied for leave for the purpose of private visit abroad, but has not sought NOC for visa, vigilance clearance should invariably be obtained prior to sanctioning of leave by the Competent Authority.

Rule 20: Suspension

1. The appointing authority or any authority to which it is subordinate or the disciplinary authority or any other authority empowered in that behalf by the management by general or special order, as per the prescribed format, may place an employee under suspension;

- a. Where a disciplinary proceeding against him is contemplated or is pending,
or
 - b. Where a case against him in respect of any criminal offence is under investigation or trial.
 - c. Where, in the opinion of the authority aforesaid, he/she has engaged himself/herself in activities prejudicial to the interest of the security of the State.
2. An employee who is detained in police / judicial custody, whether on criminal charge or otherwise, for a period exceeding 48 hours shall be deemed to have been suspended with effect from the date of detention, by an order of the appointing authority & shall remain under suspension until further orders.
 3. Where a penalty of dismissal or removal from service imposed upon any employee under suspension is set aside on appeal or on review under these rules & the case is remitted for further inquiry or action or with any other directions, the order of his suspension shall be deemed to have continued in force on & from the date of the original order of dismissal or removal & shall remain in force until further orders.
 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 & the disciplinary authority, on consideration of the circumstances of the case, decides to hold a further inquiry against him on the allegations on which the penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension by the appointing authority from the date of the original order of dismissal or removal & shall continue to remain under suspension, until further orders.
 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 an authority to which that authority is subordinate.
 6. An order of suspension made or deemed to have been made under this rule shall be reviewed by the authority which is competent to modify or revoke the suspension before expiry of ninety days from the date of order of suspension on the recommendation of the review committee constituted for the purpose and pass orders either extending or revoking the suspension. Subsequent review shall be made before expiry of the extended period of suspension. Extension of suspension shall not be for a period exceeding one hundred and eighty days at a time.
 7. Notwithstanding anything contained in sub-rule 5 an order of suspension made or deemed to have made under sub-rule (1) or (2) of this rule shall not be valid after a period of ninety days unless it is extended after review for a further period before the expiry of ninety days.
 8. Review committee for this purpose shall consist of the disciplinary authority, the appellate authority and an employee from other department/Region of the level of disciplinary/appellate authority.

However, where CMD/Board is the disciplinary authority, review committee shall consist of three executives of the level of GM/ED/Functional Director who are higher in rank than the suspended employee.

Further, where CMD/Board is appellate authority, review committee shall consist of disciplinary authority, employee from other department/Region of the level of disciplinary authority and one executive at GM/ED/Functional Director level who is higher in the rank than the suspended employee.

9. The Review Committee may take a view regarding revocation/continuation of the suspension keeping in view the facts and circumstances of the case and also taking into account that unduly long suspension, while putting the employee concern to undue hardship, involve payment of subsistence allowance without the employee performing any useful service to the Corporation. Without prejudice to the foregoing, if the employee has been under suspension for one year without any charges being filled in a court of law or no charge-sheet has been issued in a departmental enquiry, he shall ordinarily be reinstated in service without prejudice to the case against him. However, in case the employee is in police/judicial custody or is accused of a serious crime or a matter involving national security, the Review Committee may recommend the continuation of suspension of the employee concerned.

Rule 21: Subsistence Allowance

1. An employee under suspension shall be entitled to draw subsistence allowance equal to 50 per cent of his 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 shall be entitled to Dearness Allowance admissible on such subsistence allowance & 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.
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 period of the first six months as follows
 - a. The amount of subsistence allowance may be increased to 75 per cent of basic pay & allowances thereon if, in the opinion of the said authority, the period of suspension has been prolonged for reasons to be recorded in writing not directly attributable to the employee under suspension.
 - b. The amount of subsistence allowance may be reduced to 25 per cent of basic pay & 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.
3. If an employee is arrested by the police on a criminal charge and bail is not granted, no subsistence allowance is payable. On grant of bail, if the competent authority decides to continue the suspension, the employee shall be entitled to subsistence allowance from the date employee is granted bail.

Rule 22: Treatment of the period of Suspension

1. When the employee under suspension is reinstated, the competent authority may grant to him the following pay & allowances for the period of suspension:
 - a. if the employee is exonerated and not awarded any of the penalties mentioned in Rule 23 and if no further inquiry is envisaged, the full pay & allowances which employee would have been entitled to, if employee had not been suspended, less the subsistence allowance already paid to employee; and

- b. If otherwise, such proportion of pay & allowances as the competent authority may prescribe.
2. In case falling under sub-clause (a) the period of absence from duty will be treated as a period spent on duty. In case falling under sub-clause (b) it will not be treated as a period spent on duty unless the competent authority so directs.

Rule 23:Penalties

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

Minor Penalties

- a. Censure;
- b. Withholding of increments of pay without cumulative effect;
- c. Withholding of promotion
- d. Recovery from pay or such other amount as may be due to him, of the whole or part of any pecuniary loss, caused to the Company by negligence or breach of orders.
- e. Reduction to one lower stage in the time scale of pay for a period not exceeding 3 years without cumulative effect and not adversely affecting his terminal benefits.

Major Penalties

- f. Save as provided in clause (e) reduction to a lower stage in the time scale of pay for a specified period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period, the reduction will or will not have the effects of postponing the future increment of pay.
- g. Reduction to a lower time scale of pay, Grade post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to that grade or post.
- h. Compulsory retirement.
- i. Removal from service which shall not be disqualification for future employment under the govt. or the company owned or controlled by the Govt.
- j. Dismissal from service which shall ordinarily be a disqualification for future employment under the govt. or the company owned or controlled by the Govt. Provided that in every case in which the charge of possession of assets disproportionate to known sources of income or the charges 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 and the penalty mentioned only in clause (h) or (i) or (j) shall be imposed. Provided further that in any exceptional case and for special reasons recorded in writing, any other penalty may be imposed.

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

- (i) Withholding of increment of an employee on account of his work being found unsatisfactory or not being of the required standard, or for failure to pass a prescribed test or examination;
- (ii) Non-promotion, whether in an officiating capacity or otherwise, of an employee, to a higher post for which he may be eligible for consideration but for which he is found unsuitable after consideration. of his case;
- (iii) reversion to a lower grade or post of an employee officiating in a higher grade or post, on the ground that he is considered, after trial to be unsuitable for such higher grade or post, or on administrative grounds unconnected with his conduct;
- (iv) Reversion to his previous grade or post, of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment;
- (v) Termination of service;
 - a. of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment;
 - b. of an employee appointed on probation or in temporary capacity, wherever it is found that the employee was not qualified or eligible in terms of the recruitment rules etc, for initial recruitment or had furnished false information or produced a false certificate in order to secure appointment,
 - c. of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on expiry of the period for which he was appointed, or earlier in accordance with the terms of his appointment,
 - d. of an employee appointed under a contract or arrangement in accordance with the terms of such contract or arrangements; and, of any employee on reduction of establishment.
 - e. of an employee under the provisions of Sub Rule 24.5.1 of POWERGRID Service Rules.

Rule 24: Disciplinary Authority

The Disciplinary authority as specified in the [Annexure B](#) or any authority higher than it, may impose any of the penalties specified in Rule 23 on an employee.

Rule 25: Procedure for imposing major penalties

1. No order imposing any of the major penalties specified in Clauses (f) to (j) of Rule 23 shall be made except after an inquiry is held in accordance with this rule.
2. Whenever the disciplinary authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehavior against an employee, it may itself enquire into, or appoint any serving or retired public servant as inquiring authority to inquire into the truth thereof. Provided that where there is a complaint of sexual harassment within the meaning of Rule 4C 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.

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 misbehavior 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 authorised 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.

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

4. On receipt of the written statement of 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 charged 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 charged 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.

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.
6. The employee may take the assistance of any other public servant but may not engage a legal Practitioner for the purpose

Provided that the employee shall not take assistance of a Public Servant who has two pending disciplinary cases on hand in which he has to function as Defence Assistant. Provided further that such Public Servant who offers his/her willingness to appear as Defence Assistant is allowed by his/her Controlling Officer for the said purpose.

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 employee pleads guilty or has any defence to make and if 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 charged sheeted employee concerned pleads guilty.

8. If the employee does not plead guilty, the inquiring authority shall adjourn the case to a later date not exceeding thirty days after recording an order that the charged sheeted employee may, for the purpose of preparing his/her defence:
 - i. inspect the documents listed with charge-sheet.
 - ii. submit a list of additional documents and witnesses that employee wants to examine; and
 - iii. be supplied with the copies of the statements of witnesses, if any, listed in the charge-sheet.

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

9. The inquiring authority shall ask the authority in whose custody or possession the documents are kept, for the production of the documents 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 charged sheeted employee and withdraw the requisition made by it for the production or discovery of such documents.
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.

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.

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 charged sheeted employee. The Presenting Officer shall be entitled to re-examine the witness on any points on which they have been cross-examined, but not on a new matter, without the leave of the Inquiring Authority. The Inquiring Authority may also put such questions to the witnesses as it thinks fit.
12. Before the close of the prosecution case, the inquiring authority may, in its discretion allow the Presenting Officer to produce evidence not included in the

charge sheet or may itself call for new evidence or recall or re-examine any witness. In such case the charged 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.

13. When the case for the disciplinary authority is closed, the charged sheeted employee may be required to state his/her defence, orally or in writing as employee may prefer. If the defence is made orally, it shall be recorded and the charged 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.
14. The evidence on behalf of the charged sheeted employee shall then be produced. The charged sheeted employee may examine himself/herself in his/her own behalf if employee so prefers. The witnesses produced by the charged 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.
15. The Inquiring Authority may, after the charged sheeted employee closes his/her case, and shall, if the employee has not examined himself/herself, generally question the charged sheeted employee on the circumstances appearing against the charged sheeted employee in the evidence for the purpose of enabling the charged sheeted employee to explain any circumstances appearing in the evidence against him/her.
16. After the completion of the production of the evidence, the charged 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.
17. If charged sheeted employee does not submit the written statement of defence referred to in sub-rule (3) on or before the date specified for the purpose or does not appear in person, or through the 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.
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.

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 herein before provided.

19. (i) After the conclusion of the inquiry report shall be prepared and it shall contain-
 - a) a gist of the articles of charge and the statement of the imputations of misconduct or misbehavior;
 - b) a gist of the defence of the charged sheeted employee in respect of each article of charge;

- c) and assessment of the evidence in respect of each article of charge;
- d) the findings on each article of charge and the reasons therefor.

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 charged sheeted employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending oneself against such article of charge.

- ii. The inquiring authority, where it is not itself the disciplinary authority, shall forward to the disciplinary authority the records of inquiry which shall include-
 - a) The report of the inquiry prepared by it under sub-clause (i) above;
 - b) The written statement of defence if any submitted by the employee referred to in sub-rule (13)
 - c) The oral and documentary evidence produced in the course of the inquiry;
 - d) Written briefs referred to in sub-rule (16) if any; and
 - e) The orders if any made by the disciplinary authority and the inquiring authority in regard to the inquiry.
- 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.
- (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.

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.

Rule 26: Action on the inquiry report

- (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 further inquiry and report and the inquiry authority shall thereupon proceed to hold the further inquiry according to the provisions of Rule 25 as far as may be.
- (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.
- (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 that any of the penalties

specified in Rule 23 should be imposed on the employee it shall, notwithstanding anything contained in Rule 27 make an order imposing such penalty.

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

Rule 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.

Rule 27: Procedure for imposing Minor penalties

1. Where it is proposed to impose any of the minor penalties specified in clauses (a) to (d) of Rule 23, the employee concerned shall be informed in writing of the imputations of misconduct or misbehaviour against him and given an opportunity to submit his written statement of defence within a specified period, not exceeding 15 days. The defence statement, if any submitted by the employee shall be taken into consideration by the disciplinary authority before passing orders.
2. The record of the proceedings shall include;
 - a. a copy of the statement of imputations of misconduct or misbehaviour delivered to the employee;
 - b. his defence statement, if any, and
 - c. The order of the disciplinary authority together with the reasons thereof.
3. No officer undergoing a disciplinary action against him/ her or is under the currency of any penalty awarded to him/ her as per rule 23 of these rules shall be Disciplinary Authority as per Rule 25 & 27 and in such a case, the responsibility of the disciplinary authority shall automatically be discharged by any other Authority to be appointed by CMD.

Rule 28: Communication of orders

- Orders made by the Disciplinary Authority under Rule 26 or Rule 27 shall be communicated by the Disciplinary Authority or any executive authorized by him to the employee concerned, who shall also be supplied with a copy of
- (i) 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
 - (ii) A copy of the advice, if any, given by the Commission, and
 - (iii) where the disciplinary authority has not accepted the advice of the Commission, a brief statement of the reasons for such non-acceptance.

Rule 29: 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.

Rule 30: Special Procedure in Certain Cases

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:

- (i) The employee has been convicted on a criminal charge, or on the strength of facts or conclusions arrived at by a judicial trial; or
- (ii) Where the disciplinary authority is satisfied for reasons to be recorded by it in writing that it is not reasonably practicable to hold an enquiry in the manner provided in these Rules; or
- (iii) Where the disciplinary authority is satisfied that in the interest of the security of the corporation/company, it is not expedient to hold an enquiry in the manner provided in these rules.

Rule 31: Employees on deputation from the Central Government or the State Government etc.

- (i) Where an order of suspension is made or disciplinary proceeding is initiated 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 services (hereinafter referred to as the "Lending Authority") shall forthwith be informed of the circumstances leading to the order of his suspension, or the commencement of the disciplinary proceeding, as the case may be.
- (ii) In light of the findings in the disciplinary proceeding taken against the employee:
 - a. If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him, it may pass such orders on the case as it deems necessary after consultation with the lending Authority.
Provided that in the event of a difference of opinion between the disciplinary and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.
 - b. If the Disciplinary Authority is of the opinion that any of the major penalties should be imposed on him, it should place his services at the disposal of the Lending Authority and transmit to it the proceedings of the enquiry for such action as it deems necessary.
 - (iii) If the employee submits an appeal against an order imposing a minor penalty on him under sub rule (ii) (a), 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 employees shall be placed at the disposal of the Lending Authority, and the proceedings of the case shall be transmitted to the authority for such action as it deems necessary.

Rule 32: Appeals

1. An employee may appeal against an order imposing upon him any of the penalties specified in Rule 23 or against the order of suspension referred to in Rule 20. The appeal shall lie to the authority specified in the [Annexure B](#).
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 [Annexure B](#) 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 imposed the penalty, or to any other authority with such direction as it may deem fit in the circumstances of the case.

Provided that if the enhanced penalty which the appellate authority proposes to impose is a major penalty specified in clause (f) to (j) of 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 enquiry 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 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 him. The appellate authority shall pass final order after taking into account the representation, if any, submitted by the employee.

Rule 33: Review

Notwithstanding anything contained in these rules, the reviewing authority as specified in the [Annexure B](#) may either on its own motion or on the application of the employee concerned, 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 clause (f) to (j) of Rule 23 and an enquiry as provided under Rule 25 has not already been held in these cases, the reviewing authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the enquiry and pass such orders as it may deem proper. If the appellate authority decides to enhance the punishment but an enquiry has already been held in accordance with the provisions of Rule 25, the reviewing authority shall give show-cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The reviewing authority shall pass final order after taking into account the representation, if any, submitted by the employee.

Provided further that no review on the request of the employees shall commence until the expiry of the period of limitation for an appeal or the disposal of the appeal where such appeal has been preferred.

An application for review shall be dealt with in a manner as if it were an appeal under these rules.

Rule 34: Service of Orders, Notice etc.

Every order, notice and other process made or issued under these rules shall be served in person on the employee concerned or communicated to the employee by registered or speed-post at his last known address.

Rule 35: Power to Relax Time Limit and to Condone Delay

Save as otherwise expressly provided in these rules the authority competent under these rules to make any order may, for good and sufficient reasons or if sufficient cause is shown, extend the time specified in these rules for anything required to be done under these rules or condone any delay.

Rule 36: Savings

1. Nothing in these rules shall be construed as depriving any person to whom these rules apply, of any right of appeal which had accrued to him under the rules which have been superseded by these rules.
2. An appeal pending at the commencement of these rules against an order made before the commencement of these rules shall be considered and orders thereon shall be made, in accordance with these rules.
3. The proceedings pending at the commencement of these rules shall be continued and disposed as far as may be, in accordance with the provisions of these rules, as if such proceedings were proceedings under these rules.
4. Any misconduct etc. committed prior to the issue of these rules which was a misconduct under the superseded rules shall be deemed to be misconduct under these rules.

Rule 36A: Disciplinary/Competent Authority

Notwithstanding anything contained in these rules, for the purpose of disciplinary proceedings under Rules 20 to 35 (both inclusive) wherever the terms Disciplinary Authority and Competent Authority have been used either interchangeably or otherwise, they shall mean the authorities as specified in the [Annexure B](#) appended to the POWERGRID CDA Rules for exercising various powers as detailed therein.

Rule 36B (i): Effect of Disciplinary cases on acceptance of Resignation/Superannuation

- a) Where an employee submits resignation during pendency or where disciplinary proceedings are contemplated, the resignation may be accepted by the appointing authority if charges are not in the nature of moral turpitude, criminal offence, bribery or corruption or where substantial loss to company is involved or where the evidence against delinquent employee does not warrant or justify assumption that if the departmental proceedings were continued, the employee would be removed or dismissed from service.
- b) However, in other cases of lesser nature in the letter accepting the resignation, it must be indicated that enquiry proceedings were pending or contemplated against the employee. This principle will apply in case of superannuation also.
In such a case as mentioned in 36 B (i) b) final payments as due, excepting Gratuity, will be released to the incumbent forthwith with the acceptance of resignation or superannuation, as the case may be.

Rule 36C: Disciplinary Proceedings after Retirement

- (a)(i) Disciplinary Proceedings, if instituted while the employee was in service whether before his retirement or during his re-employment shall after the final retirement of the employee, be deemed to be proceeding and shall be continued and concluded and final order passed in respect thereof by the authority by which it was commenced in the same manner as if the employee had continued in service.
- (ii) During the pendency of the disciplinary proceedings, 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 proceedings 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 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.

Rule 37: Removal of doubts

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

Rule 38: Amendments

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.

ANNEXURES TO CDA RULES

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N.B.: The proforma given in these Annexures may be suitably modified, wherever necessary, to suit the facts and circumstances of a particular case.

ANNEXURE A: Report of Misconduct

To,

The Departmental Head/ Human Resource Department,
.....Department.

I wish to report as under:

1.	Name & Employee No. of delinquent Employee	
2.	Designation of the delinquent Employee	
3.	Time and Date of incident	
4.	Place of occurrence	
5.	Details of misconduct	
6.	Name(s) & Signature of Witness (es)	
7.	Whether statements recorded and attached :	Yes/No

Date :

Signature of reporting Employee
(Complainant)
Name :
Designation :

.....
Recommendation of Departmental Head (to be forwarded to the HR Executive)

Signature of Departmental Head:

Date :

N.B. : *This report should be filled in duplicate, one copy of which will be forwarded to the HR Executive along with recommendations of Departmental Head. This copy will ultimately be filed in the personal file of the person concerned.*

ANNEXURE B: Schedule of Delegation of Powers in respect of Disciplinary Matters under CDA Rules

Grade	Disciplinary Authority(DA)			Appellate Authority(AA)	Reviewing Authority (RA)
	Minor Penalty	Major Penalty	Removal, Dismissal & Compulsory Reti-		
EXECUTIVES					
E2	GM	Sr.GM	Appointing Authority (i.e. Director (Personnel))	Next higher authority to whom the DA reports	Executive/Authority next higher to the Appellate Authority
E3	GM	Sr.GM	-Do-	-Do-	-Do-
E4	Ch.GM	Ch.GM	-Do-	-Do-	-Do-
E5	Ch.GM	Ch.GM	-Do-	-Do-	-Do-
E6	Ch.GM	ED	-Do-	-Do-	-Do-
E7	ED	ED	-Do-	-Do-	-Do-
E8	Concerned Functional Director*	Concerned Functional Director*	Appointing Authority i.e. CMD	⁴In case DA is Director	
				CMD	Committee of Board#
				In case DA is CMD	
E9 (Excluding Functional Directors)	CMD	CMD	Board of Directors (on recommendation of the Nomination and Remuneration Committee)	In case DA is CMD	
				Committee of Board#	Board of Directors
				In case DA is Board of Directors	
				Not Applicable	Not Applicable

⁴ Cir No. 574/2023 dated 01.09.2023

Grade	Disciplinary Authority(DA)			Appellate Authority (AA)	Reviewing Authority(RA)
	Minor Penalty	Major Penalty	Removal, Dismissal & Compulsory Retirement		
SUPERVISOR					
S1	DGM	GM	Appointing Authority (i.e. Director (Personnel))	Next higher authority executive to whom the DA reports	Executive / Authority next higher to the Appellate Authority
S2					
S3					
S4/SG					
WORKMEN					
W0/W1	Chief Manager	DGM	-Do-	-Do-	-Do-
W2					
W3					
W4	Chief Manager	DGM	-Do-	-Do-	-Do-
W5					
W6					
W7	DGM	GM	-Do-	-Do-	-Do-
W8					
W9					
W10					
W11/SG					

* Concerned Functional Director shall mean the Functional Director having administrative/functional control over the Department/Region/Project or individuals working in them.

Committee of Board shall comprise all Functional Directors excluding CMD and the Director who acted as DA in the case.

In case CMD is the Appellate Authority, the Reviewing Authority shall be Committee of Board.

Notes:

1. For Group Cases: Disciplinary Authority shall be as per the highest-ranking executive.
2. **For communication purposes:** In cases where Directors/ CMD/Board is the Disciplinary Authority/Appellate Authority/Reviewing Authority, the power of signing of the documents/communications such as Memorandum of charges, order appointing inquiring authority, suspension pending enquiry/trial, final order etc. may be delegated to an authority subordinate to him/her but not below the rank of Executive Director, subject to overall control and the final decision being with the respective Directors, CMD/Board in such disciplinary matters.

In addition to above, ED(HR) has been delegated the power of signing of the documents/communications, viz. (a) appointing inquiring authority (b) suspension pending enquiry/trial (c) Final order and (d) any related correspondence in the matter of Disciplinary Proceedings, where the Disciplinary Authority is the respective Director/CMD/Board, subject to overall control and final decision being the Disciplinary Authority.

However, Memorandum of charges shall be signed and issued by the respective Disciplinary Authority only.⁵

⁵ Cir No. 481/2020 dated 17th July 2020

ANNEXURE C: Charge Sheet

Ref. No. : _____ Date : _____

Name
 Employee No.
 Designation
 Section
 Department

1. Whereas it has been reported that you have committed the following act(s) or omission which constitute(s) misconduct in accordance with Conduct Discipline & Appeal Rules.
 - (i) (Full narration of the accounts of misconduct
 - (ii) in detail with particular reference
 - (iii) to date, time, place etc.)
2. You are, therefore, charged with having committed the following act(s) of misconduct:
 - i) (Mention only relevant portion from the clauses
 - ii) Applicable to misconduct and refer to number and
 - iii) Sub-clause of the CDA Rules against each of the charges).
3. You are required to submit to the undersigned a written explanation/statement of defence* on or before showing cause as to why should you not be dismissed or otherwise punished* for committing the above mentioned act(s) of misconduct.
4. Should you fail to submit your explanation/statement of defence* as directed it will be assumed that you have no explanation to offer and the matter will be disposed of ex-parte.
5. Please acknowledge receipt of this charge-sheet on the duplicate copy enclosed.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer : He is requested to hand-over the charge-sheet to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Concerned HR Executive
3. Concerned File.

* Omit which is not applicable.

ANNEXURE D1: Order of Suspension Pending Enquiry

Ref. No. :

Date :

Name

Employee No.

Designation

Section

Department

1. Certain allegations amounting to serious misconduct under the Conduct, Discipline & Appeal Rules have been made against you. Formal charge-sheet is being issued separately.
2. Since the allegations made against you are of a serious nature, you are hereby suspended with immediate effect pending further proceedings and final orders in the matter.
3. During the period of your suspension, you shall not enter the Works Premises except with the permission of the competent authority, nor should you leave the station without the written permission of the undersigned.
4. You are required to surrender you token/identification card* to immediately.
5. During the period of your suspension, you will be entitled to draw Subsistence Allowance as admissible under the rules.
6. Please acknowledge receipt of this order on the duplicate copy enclosed.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer: He is requested to hand-over the charge-sheet to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Pay & Accounts Section.
3. Concerned HR Executive.
4. Concerned File.

* Omit which is not applicable.

ANNEXURE D2: Order of Suspension where an Employee is Accused in a Court of Law for a Criminal Offence

Ref. No. :

Date :

Name

Employee No.

Designation

Section

Department

1. Whereas it has been reported that action is being taken to prosecute you/you have been prosecuted in a Court of Law for an offence/under Section(s) of the Indian Penal Code which is/are of serious nature involving moral turpitude/corruption*.
2. You are, therefore, placed under suspension with immediate effect until disposal of the Criminal trial contemplated/pending against you in accordance with Rule of Conduct, Discipline and Appeal Rules.
3. During the period of your suspension you shall not enter the Works Premises except with the permission of the competent authority nor should you leave the station without the written permission of the undersigned.
4. You are required to surrender your token/identification card* to Immediately.
5. During the period of suspension, you will be entitled to the Subsistence Allowance as admissible under the rules. Please acknowledge receipt of this order on the duplicate copy enclosed.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over the charge-sheet to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Pay & Accounts Section.
3. Concerned HR Executive.
4. Concerned File.

* Omit which is not applicable.

ANNEXURE E: Order Appointing the Enquiry Officer/Committee

Ref. No. :

Date:

OFFICE ORDER

1. Whereas certain allegations constituting misconduct have been made against (name) Designation Section/Deptt. on which basis the charge-sheet was issued to him vide letter No. dated and whereas the above workman/employee* has denied the allegation(s) and the charge(s)/has partly admitted the allegation(s) and the charge(s) necessitating further enquiry/his explanation is not otherwise considered satisfactory/his explanation has not been received*.
2. The undersigned, therefore, appoints as Enquiry Officer to enquire in to the allegations and submit findings to the undersigned within days for consideration.
- *2. The undersigned, therefore, appoints an Enquiry Committee consisting of the following members:
 - i), Chairman
 - ii), Member
 - iii), Convenor

to enquire into the allegations and submit findings to the undersigned within days for consideration.
3. Shri (name of delinquent employee) is directed to appear before the said Enquiry Officer/Committee* and give his testimony and produce witnesses and/or evidence in support of his defence before him/the Committee*.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Enquiry Officer/Members of the Enquiry Committee.
2. Delinquent employee.
3. Concerned HR Executive.
4. Concerned File.

* Omit which is not applicable.

ANNEXURE F: Order Appointing the Presenting Officer

Ref. No. :

Date :

OFFICE ORDER

1. Whereas Charge-Sheet No. dated was issued to Shri (name) designation Section/Deptt.
2. Whereas an Enquiry Officer/Committee* was appointed constituted to enquire into the allegations against the above name employee vide No. dated
3. The undersigned, therefore, appoints Shri (name), Designation Section/Deptt. as the Presenting Officer to present the case and adduce evidence in support thereof, before the said Enquiry Officer/Committee on behalf of the undersigned.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Shri (Presenting Officer)
2. Enquiry Officer/Members of the Enquiry Committee.
3. Delinquent employee.
4. Concerned HR Executive.
5. Concerned File.

* Omit whichever is not applicable.

ANNEXURE G: Notice of Enquiry

REGISTERED A/D
U.P.C.

Ref. No. :

Date :

Name

Employee No.

Designation

Section

Department

Sub. : Enquiry Proceedings

1. In the matter of charge-sheet No. dated issued to you, it hereby informed that the undersigned/the Enquiry Committee* constituted vide Office Order No. dated will hold enquiry in (Place) in the said matter on (date) and at (time).
2. You are advised to appear at the above-mentioned enquiry and produce all your witnesses and evidence in support of your defence.
3. At the enquiry, the management evidence and witnesses will be examined first. You will be given full opportunity to examine the evidence and cross-examine the management witnesses on which the charges are based. You will then be given the opportunity to produce defence evidence and witnesses. The Presenting Officer will have the right to examine defence evidence and cross-examine defence witnesses.
4. In the enquiry, you may conduct your defence in person & take the assistance of a representative as per the provisions of the Conduct, Discipline & Appeal Rules applicable to you. Therefore, you may bring a representative to assist you in the enquiry, if you so desire.
5. You should nominate your representative before the enquiry proceeds and should attend alongwith him if you wish to be so assisted at the enquiry. The evidence and witnesses you intend to produce in the enquiry should also be kept available.
6. Should you/the prosecution side* fail to appear at the enquiry as aforesaid, the undersigned/committee* will be constrained to proceed with the enquiry ex-parte.

Signature of the Enquiry Officer/Convener of the Enquiry Committee

Name :

Designation :

Copy to :

1. (Presenting Officer)
2. (Members of the Enquiry Committee*)
3. (HR executive)
4. (Disciplinary authority)

2* Omit whichever is not applicable.

ANNEXURE H: Exoneration Letter

Ref.No.

Date.....

Name

Employee No.

Designation

Section

Department

1. Please refer to the letter of charge No. dated issued to you and the subsequent enquiry into the allegations mentioned therein.
2. You are, hereby, exonerated of the charges levelled against you vide above mentioned letter dated
- *3. Your suspension order dated in the above case is hereby revoked; and you are advised to report for your duties forthwith, but not later than
- *4. Subject to (3) above, the period of your suspension will be treated as on duty and you will be paid the difference between the subsistence allowance already paid to you and the emoluments consisting of pay and allowances which you would have received had you not been suspended.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over the letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Pay & Accounts Section.
3. Concerned HR Executive.
4. Concerned File.

*Omit if the employee was not placed under suspension.

ANNEXURE I: Warning Letter

Ref. No.:

Date :

Name
Employee No.
Designation
Section
Department

1. As a result of the departmental enquiry held in your presence/ex-parte,*you are found guilty jointly* and severally* of the charge(s) levelled against you. (If all the charges are not proved, mention only those charges which are proved as per the charge sheet dated *).
2. In the circumstances, the undersigned would have been fully justified to take a serious view in the matter and inflict upon you severe punishment. However, in consideration of the fact that your past record is satisfactory/you have admitted your guilt and requested for pardon/with a view to offer you a fair chance to improve your conduct*, I have decided to let you off with a written warning this time.
3. It is hoped that you will appreciate it and improve your conduct in future. However, you should note that in future, if you are found guilty of this or similar misconduct, the Management will not hesitate to take a very serious view, if justified by the facts and circumstances of the case.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Concerned HR Executive.
3. Concerned File.

*Omit whichever is not applicable.

ANNEXURE J: Punishment Order – Censure

Ref. No. :

Date:

Name
Employee No.
Designation
Section
Department

1. As a result of the departmental enquiry held in your presence/ex-parte, * you are found guilty of the charge(s) levelled against you. (If all the charges are not proved, mention only those charges which are proved as per the charge-sheet dated *).
2. In the circumstances, the undersigned would have been fully justified to take a serious view in the matter and inflict upon you severe punishment. However, in consideration of the fact that your past record is satisfactory/you have admitted your guilt and requested for pardon*/with a view to offer you a fair chance to improve your conduct*. You are hereby Censured.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Concerned HR Executive.
3. Concerned File.

*Omit whichever is not applicable.

ANNEXURE K: Punishment Order – Fine

Ref. No. :

Date :.....

Name

Employee No.

Designation

Section

Department

1. Further to the charge-sheet No. dated issued to you and receipt of your explanation dated, an enquiry was held into the charge(s) levelled against you.
2. The undersigned finds from the proceedings of the enquiry that reasonable opportunity was provided to you for conducting your defence at the enquiry by cross-examining management witnesses and producing your defence.
3. The undersigned has carefully gone through the records of the enquiry, the connected papers, documents and findings of the Enquiry Officer/Committee* and based on the findings at the enquiry, it is found that the following charge(s) levelled against you has/have been sufficiently proved/established*.
4. Not only your previous record is not good/unsatisfactory* and there are no extenuating circumstances, your present acts of misconduct are serious and by themselves warrant severe disciplinary action.
5. In the circumstances, it has been decided to punish you by way of imposition of a fine amounting to Rs. Which is required to be deposited by you at the cash counter of the Finance & Accounts Department by (date)/which will be recovered from your salary/wages bill for the month of, 20.....

Signature of the Disciplinary Authority

Name :

Designation :

Copy to:

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Concerned HR Executive.
3. Concerned File.

*Omit whichever is not applicable.

ANNEXURE L: Punishment Order - Suspension

Ref. No. : _____ Date:

Name
 Employee No.
 Designation
 Section
 Department

1. Further to the charge-sheet No. dated issued to you and receipt of your explanation dated, an enquiry was held into the charge(s) levelled against you.
2. The undersigned finds from the proceedings of the enquiry that reasonable opportunity was provided to you for conducting your defence at the enquiry by cross-examining management witnesses and producing your defence.
3. The undersigned has carefully gone through the records of the enquiry, the connected papers, documents and findings of the Enquiry Officer/Committee* and based on the findings at the enquiry,* it is found that the following charge(s) levelled against you has/have been sufficiently proved/established*.
4. Not only your previous record is not good/unsatisfactory* and there are no extenuating circumstances, your present acts of misconduct are serious and by themselves warrant severe disciplinary action.
5. In the circumstances, it has been decided to punish you by way of suspension from duty for day(s) w.e.f. (date). Accordingly you will remain suspended from duty from to (date). You are to report back for your duties on (date).
6. Please note that you will not be entitled for any wages for the aforesaid period of your suspension.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Concerned HR Executive.
3. Concerned File.

* Omit whichever is not applicable.

ANNEXURE M: Punishment Order – Stoppage of Increment

Ref. No. :

Date:

Name

Employee No.

Designation

Section

Department

1. Further to the charge-sheet No. dated issued to you and receipt of your explanation dated, an enquiry was held into the charge(s) levelled against you.
2. The undersigned finds from the proceedings of the enquiry that reasonable opportunity was provided to you for conducting your defence at the enquiry by cross-examining management witnesses and producing your defence.
3. The undersigned has carefully gone through the records of the enquiry, the connected papers, documents and findings of the Enquiry Officer/Committee* and based on the findings at the enquiry, it is found that the following charge(s) levelled against you has/have been sufficiently proved/established*.
4. Not only your previous record is not good/unsatisfactory* and there are no extenuating circumstances, your present acts of misconduct are serious and by themselves warrant severe disciplinary action.
5. In the circumstances, it has been decided to punish you by with-holding/stopping your next annual increment(s) with / without* cumulative effect.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Pay & Accounts Section
3. Concerned HR Executive
4. Concerned File.

* Omit whichever is not applicable.

ANNEXURE N: Punishment Order – Reduction in Pay/Rank

Ref. No. :

Date :

Name

Employee No.

Designation

Section

Department

1. Further to the charge-sheet No. dated issued to you and receipt of your explanation dated, an enquiry was held into the charge(s) levelled against you.
2. The undersigned finds the proceedings of the enquiry that reasonable opportunity was provided to you for conducting your defence at the enquiry by cross-examining management witnesses and producing your defence.
3. The undersigned has carefully gone through the records of the enquiry, the connected papers, documents and findings of the Enquiry Officer/Committee* and based on the findings at the enquiry, it is found that the following charge(s) levelled against you has/have been sufficiently proved/established*.
4. Not only your previous record is not good/unsatisfactory* and there are no extenuating circumstances, your present acts of misconduct are serious and by themselves warrant severe disciplinary action.
- 5*. In the circumstances, it has been decided to reduce your pay from Rs. to Rs. in the scale of Rs. (present scale of pay) with effect from (date).
- 5*. In the circumstances, it has been decided to reduce you to the lower post of (lower designation) and you will draw a basic pay of Rs. in the scale of Rs. (lower scale of pay) with effect from (date) for a period of (months/years). On the expiry of the aforesaid period, you will be restored to the position of (present designation) in the scale of Rs. (present scale of pay) and you will draw a basic pay of Rs. in the scale of Rs. (present scale of pay).
- 5*. In the circumstances, it has been decided to reduce you to the post of (lower designation) in the scale of Rs. (lower scale of pay) and you will draw a basic pay of Rs. in the scale of Rs. (lower scale of pay) with effect from (date).
- 6*. You are posted to (Section)..... (Department)

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Pay & Accounts Section
3. Concerned HR Executive
4. Concerned File.

* Omit whichever is not applicable.

ANNEXURE O: Punishment Order – Removal/Dismissal

Ref. No. :

Date :

Name

Employee No.

Designation

Section

Department

1. Further to the charge-sheet No. dated issued to you and receipt of your explanation dated, an enquiry was held into the charge (s) levelled against you.
2. I find from the proceedings of the enquiry that reasonable opportunity was provided to you for conducting your defence at the enquiry by way of examination of the documents/materials produced by the prosecution side and/or cross-examination of prosecution witnesses and production of your own documents/materials and examination of your own witnesses including yourself.
3. I have very carefully gone through the records of the enquiry, the connected papers, documents and findings of the Enquiry Officer/Committee* and fully agree with the findings that on the evidence at the enquiry, the following charge(s) levelled against you has/have been established beyond doubt.
4. On due consideration of the gravity of your misconduct/your previous record*, I find that the charges levelled against you are of grave nature and warrant severe punishment. *Moreover, there is no extenuating or aggravating circumstances.
5. In the circumstances, I hereby remove/dismiss you from the services of the Company with effect from (date)/immediate effect*.
6. Since you are a workman concerned in an/the* industrial dispute pending before (name of the authority), you are being paid wages for one month amounting to Rs. /wages for one month amounting to Rs. is being remitted to you by money order* and simultaneously an application is being made to the (name of the authority before which the proceeding is pending) for approval of the action taken against you under Section 33 (2) (b) of the Industrial Disputes Act, 1947.
7. You should surrender the token/identification card*, medical card, bus pass and all other properties of the Company issued to you/in your possession.
8. You are also required to vacate the Company's quarters/accommodation, if any, in your occupation/possession by (date).
9. Final payment will be made to you subject to receipt of 'No Demand Certificate' from all and adjustment of outstanding dues, if any.

Signature of the Disciplinary Authority

Name :

Designation :

Copy to :

1. Concerned Controlling Officer He is requested to hand-over this letter to the above name employee after obtaining his dated signature/left hand thumb impression on the duplicate copy enclosed and return the same for record.
2. Pay & Accounts Section
3. Concerned HR Executive
4. Concerned File.

N.B. This order is not to be made by an authority lower than the appointing authority of the employee concerned, notwithstanding the fact that the appointing authority might have subsequently delegated the power of appointment of employees of the category/rank to which the employee belongs, to such lower authority.

* Omit whichever is not applicable.

GUIDELINES FOR DISCIPLINARY PROCEDURE

CHAPTER-1: Discipline and Indiscipline

- 1.1 **Discipline means orderly behaviour** - It means voluntary and willing compliance of rules and regulations and instructions and also development of right habits of conduct in work with others at the work-place.
- 1.2 **Why do we want Discipline?**
- (a) Disciplinary is essential in any organisation for improving the employee morale as well as to increase the productivity which is the ultimate goal of any organisation.
 - (b) Discipline is of utmost importance for harmonious working with a view to achieve Company's objectives.
 - (c) It is moral responsibility of the employer not to allow the minority of employees who are indisciplined to affect the life of majority.
- 1.3 **How does Indiscipline arise?**
- In most of the cases, indiscipline of a worker is the expression of his reaction to his environment. Usually the causes of indiscipline are:
- (a) Lack of awareness of Company's rules and regulations;
 - (b) False promises made by superiors;
 - (c) Absence of any procedure to handle grievances;
 - (d) No action taken when required;
 - (e) Personal frustrations and misunderstandings.
- There could be many other different reasons for indiscipline depending upon individual differences.
- 1.4 **Corrective and Punitive action**
- Since any case of indiscipline is basically a behavioural problem, it is necessary that before taking any punitive action, all efforts should be made to improve the behaviour of the employee by correcting him through education, counselling, persuasion and cautioning. However, if all the efforts to improve the employee fail, the Supervisor/Manager should never hesitate to reprimand the employee and, if the misconduct is serious or has been repeated, to report the matter to the superiors for appropriate disciplinary action.

CHAPTER-2: Acts of Misconduct

2.1 Misconduct means improper conduct or wrongful behaviour. However, while we are dealing with employees in an organisation, the term misconduct has to be seen with reference to the rules and regulations applicable to the various categories of employees working in the organisation.

2.2 In POWER GRID CORPORATION, to decide whether a particular act of misconduct or not, we have to keep in mind, the following three documents:

- (a) Conduct, Discipline & Appeal Rules
- (b) Service Rules
- (c) Contract/Agreement of Appointment or Appointment letter.

2.3 **Conduct, Discipline & Appeal Rules**

These are the rules framed by POWERGRID which are applicable to all employees including deputationists. The acts of misconduct as per Conduct, Discipline & Appeal Rules are listed in Rule 5 of the CDA Rules.

2.4 **Service Rules**

These are the rules framed by POWERGRID, defining the terms and conditions of employment and also prescribing the obligations of the employees. These are applicable to all the employees of POWERGRID except the deputationists unless the terms of deputation otherwise stipulate.

Any act committed by an employee in breach of Service Rules to the extent they are applicable to him, will be considered an act of misconduct. Hence, referring to Service Rules is relevant in this context.

2.5 **Contract of Appointment**

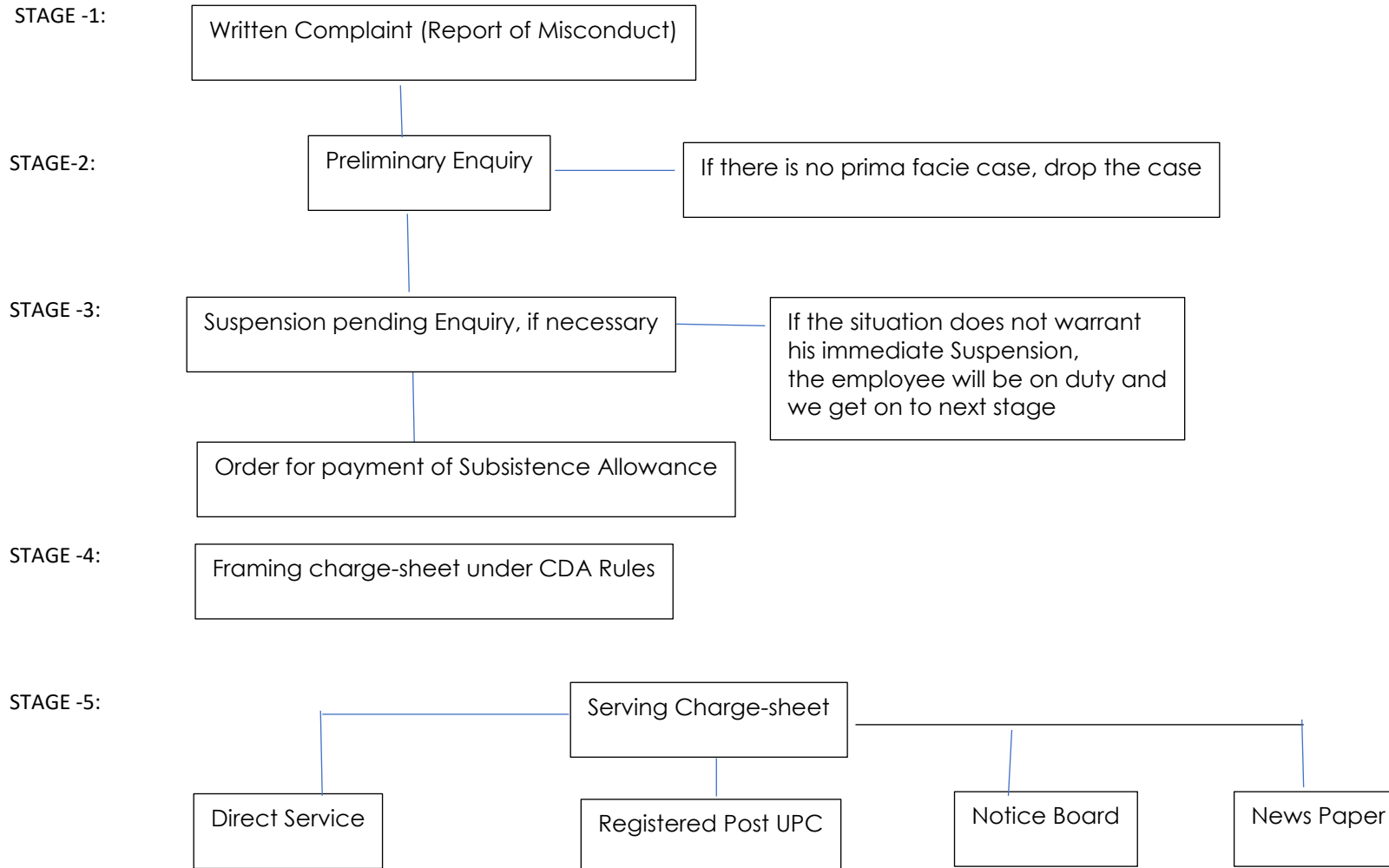
Basically, the appointment letter issued to an employee governs his employment with the organisation. Hence, while taking a disciplinary action against any employee for an act of misconduct committed by him, the management has to keep in mind the terms and conditions stipulated in the offer of appointment given to the concerned employee, over and above which only the other rules and regulations will become applicable to the employee concerned.

CHAPTER-3: Report of Misconduct

- 3.1 Complaint is the starting point of any disciplinary action. For taking disciplinary action against any employee for having committed an act of misconduct, the management should invariably get a specific written complaint. Complaint is nothing but a clear, sequential narration of the facts of incidence of indiscipline by the complainant, in the form of a report to his superior.
- 3.2 Since any disciplinary action may go hay-way if the complaint is not proper, every complainant should bear in mind the following:
- (a) Do not rely on memory. Reduce to writing whatever has happened, immediately.
 - (b) Submit your complaint in the shape of report of misconduct without any delay to superiors.
 - (c) Avoid dictating the complaint to somebody else.
 - (d) Avoid type-writing the complaint, if possible. It is advisable to send it in hand writing.
 - (e) Do not add your impressions or guesses but narrate the actual facts.
 - (f) Take written statements of all whoever has any facts relating to the complaint or witnessed the incident.
- 3.3 The Report of misconduct should invariably give the following details:
- (a) Full name of the person who committed the act of misconduct;
 - (b) Designation;
 - (c) Punch Card No./Employee No.;
 - (d) Section/Deptt./Region;
 - (e) Shift or Relay in which the employee was working;
 - (f) Date and time of incident;
 - (g) Place of occurrence;
 - (h) Details of misconduct;
 - (i) Names of witnesses, if any;
 - (j) Recorded Statements, if any.

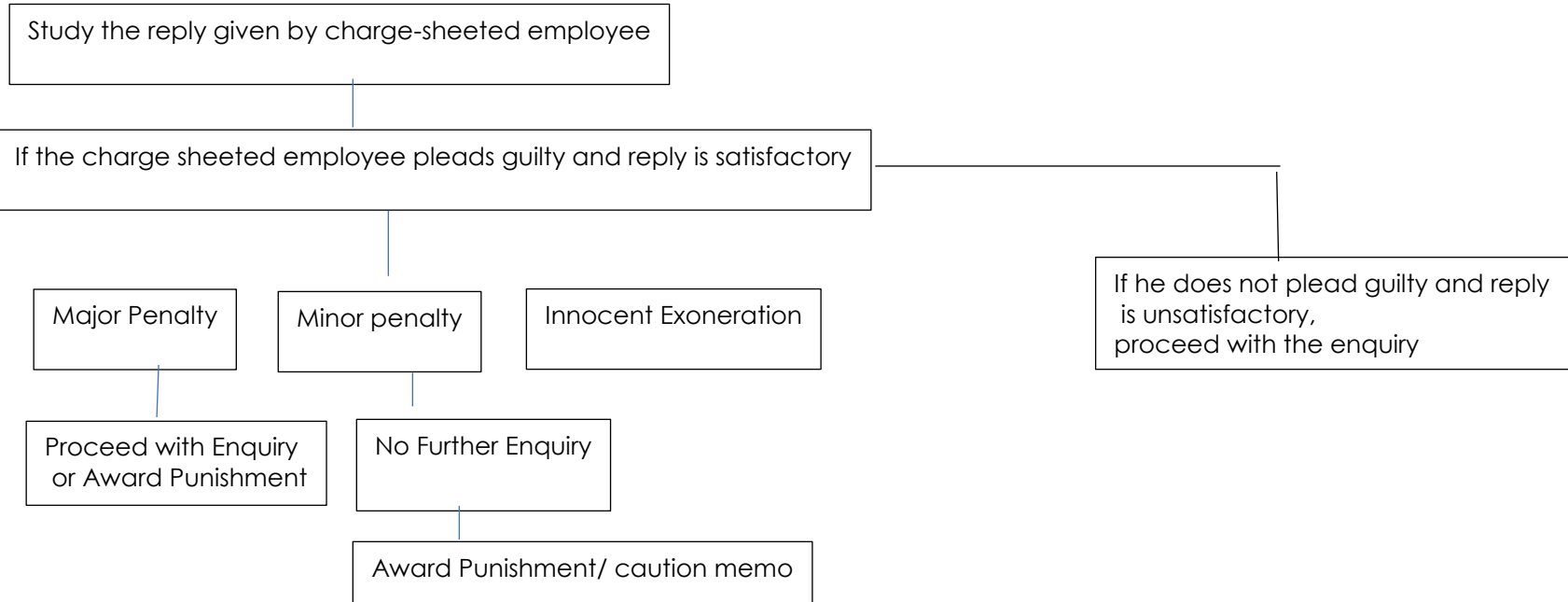
For Report of misconduct, the guidelines suggested in Annexure-A might be followed.

CHAPTER-4: Flow- Chart of Disciplinary Proceedings

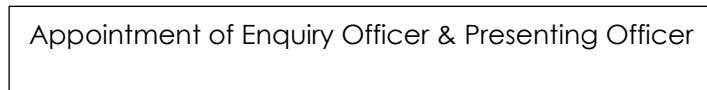


Guidelines for Disciplinary Procedure

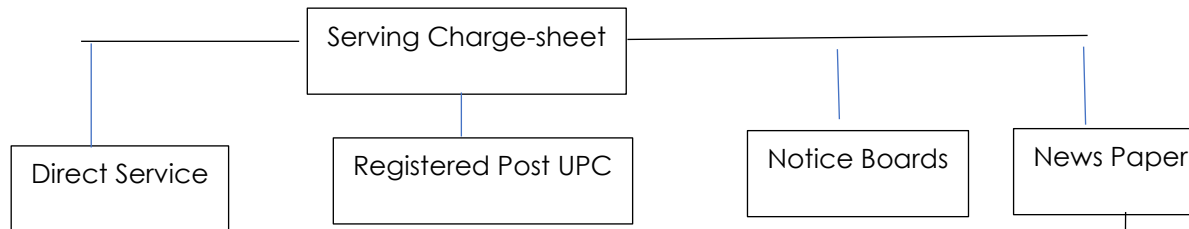
STAGE-6:



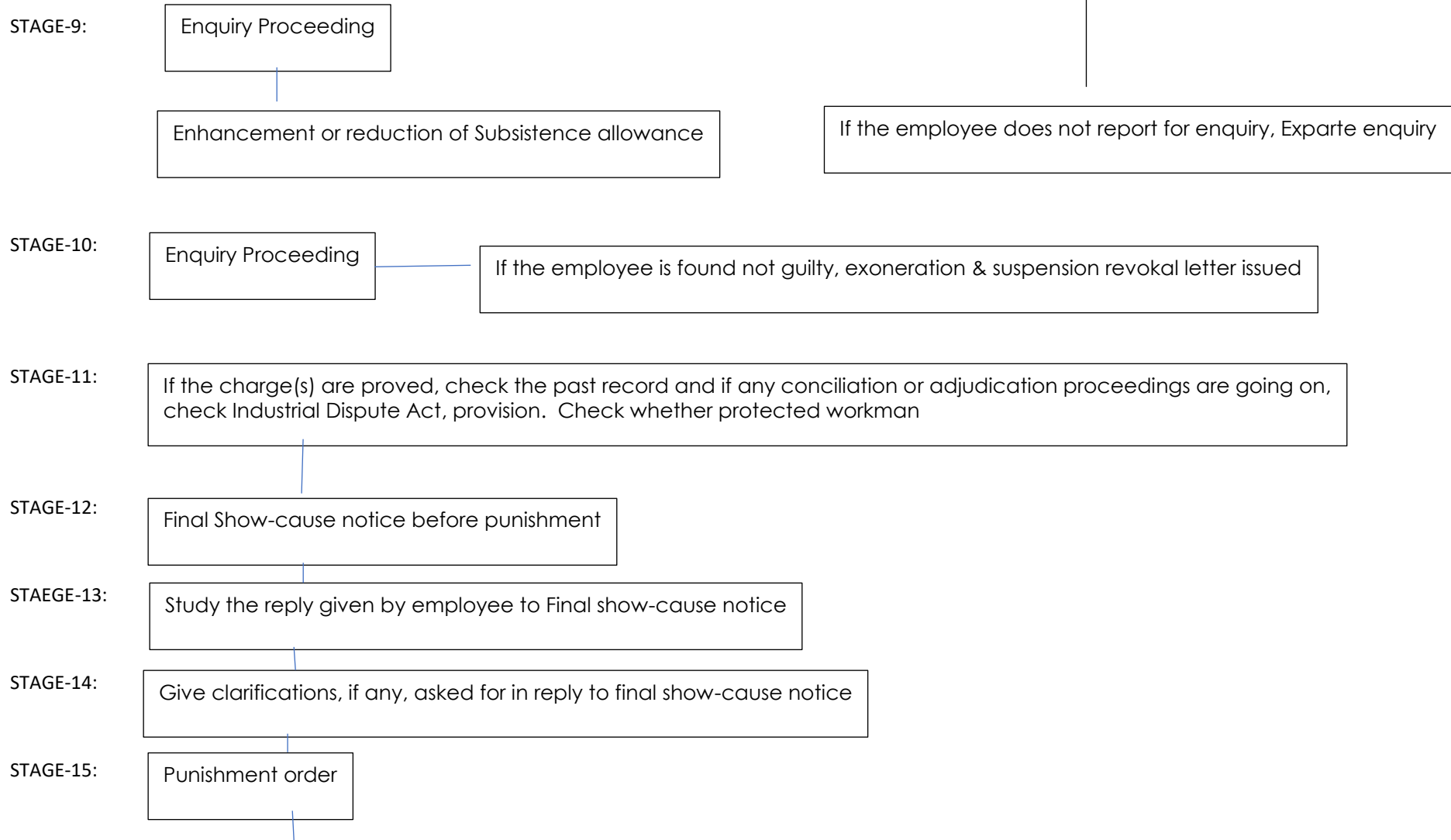
STAGE-7:



STAGE-8:



Guidelines for Disciplinary Procedure



Guidelines for Disciplinary Procedure

STAGE-16:

Appeal by the accused employee

STAGE-17:

Reply to appeal and final Punishment Order/ Disposal of Appeal

STAGE-18:

Implementation of punishment order and closing the file

STAGE-19:

Contest the case if referred to conciliation/ adjudication

CHAPTER-5:Preliminary Enquiry

- 5.1 As soon as a a complaint is received, we should see whether it is worth dealing with in an elaborate manner by charge-sheeting the employee and conducting a domestic enquiry or not. This is determined by the gravity of the misconduct committed by the employee.
- 5.2 When an act of misconduct has been committed and the disciplinary authority receives a complaint, he should conduct a preliminary enquiry either himself or get it done by another Officer (Officer other than the one who has made the complaint or who is a witness to the incident). Preliminary enquiry is done with a view to decide whether there is adequate material for proceeding with a domestic enquiry. Domestic enquiry starts the moment a charge-sheet is issued and preliminary enquiry ends with the issue of charge-sheet. In all cases, preliminary enquiry is not essential. If the matter is obvious enough, the domestic enquiry can start with the issue of charge-sheet.
- 5.3 The following are the differences between domestic enquiry and preliminary enquiry.
- a) Preliminary enquiry is not an essential step while domestic enquiry is a must for taking disciplinary action for major penalty cases.
 - b) Domestic enquiry aims at determining whether charges are established or not while preliminary enquiry is conducted for finding out whether a prima-facie case has been made out.
 - c) Conclusions of preliminary enquiry lead to framing of charge-sheet while the report of domestic enquiry forms the basis for awarding punishment.
 - d) Preliminary enquiry is not subject to any rules while conduct of domestic enquiry is subject to principles of natural justice.

CHAPTER-6: Principles of Natural Justice

- 6.1 The procedure for taking disciplinary action against any delinquent employee must be based on principles of "natural justice" – which again are in conformity with the principles of a Welfare State.
- 6.2 To hold an enquiry in conformity with the principles of natural justice, the following conditions are to be met :
- a) the employee proceeded against has been informed clearly of the charges levelled against him.
 - b) the witnesses are examined ordinarily in the presence of the employee in respect of the Charges;
 - c) the employee is given a fair opportunity to cross-examine the witnesses;
 - d) the employee is given a fair opportunity to examine his own witnesses, including himself in his defence, if he so wishes;
 - e) the enquiry officer records his findings with reasons for the same in his report.

CHAPTER-7: Charge-Sheet

7.1 If on the basis of preliminary enquiry or otherwise, the disciplinary authority is satisfied that a prima-facie case exists and decides to take disciplinary action against the employee concerned, the first thing to be done is to issue a charge-sheet to delinquent employee.

7.2 Charge-sheet is a memorandum of charges or allegation levelled against the employee which are acts of misconduct as per the Conduct, Discipline and Appeal Rules.

7.3 Check-List for preparation of Charge-Sheet

While framing a Charge-sheet, the following items may be kept in mind so that nothing relevant would be missing from the Charge -sheet :

- a) Date of charge sheet.
- b) Correct Name and Card No./Employee No. of delinquent employee.
- c) Specify date of incident.
- d) Description of incident.
- e) Reproduce the language in verbatim if there are words of abuse, defamation or threat.
- f) Give reference of relevant rules as Conduct, Discipline and Appeal Rules.
- g) Specify within how much time and to whom the reply should be submitted.
- h) Check the authority competent to issue the Charge-Sheet (See Conduct, Discipline and Appeal Rules or Delegation of Powers, as the case may be).
- i) Decide whether employee is to be kept under suspension or not.
- j) Decide whom to send the copies of Charge-sheet.

7.4 Guidelines for preparing Charge-Sheet

- a) The Charge-Sheet should be specific and must spell out all the relevant particulars of the misconduct.
- b) As far as possible, it should be precisely mentioned in the Charge-sheet as to under which rule or clause, the charges constitute acts of misconduct so as to enable the employee as to which rules are applicable to him in this context.
- c) The Charge-sheet must be signed by the competent authority so as to avoid facing a situation where the Charge-sheet is made invalid because it is signed by incompetent authority. (Refer to schedule of Conduct, Discipline and Appeal Rules or Delegation of Powers, as the case may be).
- d) Avoid loose usage of words such as 'Habitual and 'Wilful' in the Charge-sheet. Do not use such qualifying words unless the charges are really so.
- e) If the charge is of abusing or threatening, reproduce the exact words used in the Charge-sheet.
- f) Avoid using abbreviations such as "etc." and also phrases such as "such other things".
- g) If the previous record of the employee is referred to, then sufficient particulars of the previous record should be given in the Charge-sheet.

7.5 Time for reply to Charge-sheet

A reasonable period of time should be given to the employee to submit his reply to the Charge Sheet. Time as stipulated in the Conduct, Discipline & Appeal Rules, but not less than 48 hours from the receipt of the Charge-sheet by the employee should be allowed for submission of his reply. If the Charge-sheeted employee requests for extension of time, such request(s) may be considered on its own merits.

7.6 Who signs Charge-sheet

Unless it is delegated otherwise, Disciplinary Authority is the Competent Authority to sign Charge-sheet. (See Annexure-B).

From the Annexure, it may be seen that for major penalties, the Disciplinary Authorities are different from those for minor penalties. At the stage of issuing the Charge-Sheet it may always not be very clear whether the offence is such that a major penalty may be imposed ultimately or the decision would be only in favour of a minor penalty. Except for very simple cases where beyond doubt the offence may lead to imposition of only a minor penalty, it will be desirable to have the Charge-sheet issued under the signature of Disciplinary Authorities empowered to impose major penalty.

7.7 **Service of Charge-sheet**

Serving the Charge-sheet on the delinquent employee plays a very important role in disciplinary proceedings. Hence, all efforts should be made by the employer to see that the Charge-sheet is served on the delinquent employee. The Charge-Sheet may be handed over to the employee and his signature or thumb-impression of his having received the same obtained on the office copy.

- In case he refuses to accept the Charge-sheet, an endorsement to the effect should be made on the office copy in the presence of at least two witnesses whose signatures should be obtained.
- In case the concerned employee receives the Charge-sheet but refuses to sign or give his thumb-impression on the office copy, an endorsement to the effect should be made on the office copy and signatures of at least two witnesses may be taken.
- If the employee concerned asks for the Charge-sheet being made out in the language which he knows, the same should be done.
- If the employee either refuses to accept or give acknowledgement of the Charge-sheet or is not present within the organisation due to suspension or any other reason, the Charge-sheet should be sent to his last known and recorded address (both local as well as permanent) by Registered Post with acknowledgments due.
- If the employee concerned refuses to accept the registered letter carrying the Charge-sheet and there is an endorsement by the Postal Authorities to that effect on the envelope, the same may be treated as adequate service. The returned postal envelope in that case should be retained, without opening, in record.
- In case of absence or refusal of the employee to take the Charge-sheet or refusal to give acknowledgement of its receipt, a copy of the same should also be displayed on Notice Board.
- If all efforts to serve the Charge-sheet on the employee fail, the Charge-sheet may be published in some local/regional newspaper with a wide circulation.

7.8 While preparing a Charge-Sheet, the format suggested in [Annexure C](#) may be followed.

CHAPTER-8: Suspension**8.1 What is Suspension?**

Suspension from duty means keeping an employee away from work-place temporarily for reasons of discipline. Suspension does not mean removal from service. If a person is suspended, he continues to be in service, but is in a state, as it were of suspended animation.

8.2 When to Suspend?

The suspension of an employee from duty often arises under the following three different types of situations :

a) Suspension Pending Domestic Enquiry

If an employee has committed serious acts of misconduct such as assault, sabotage etc. and his presence inside the work premises poses a threat to the safety of the men and material, he may be kept under suspension immediately, pending investigations. This is called Suspension Pending Domestic Enquiry. At this stage, a suspension cannot be called a punishment. It is desirable to issue the order of suspension along with charge-sheet but if it is not possible, the charge-sheet must follow within 7 days of issue of suspension order (See [Annexure 'D-1'](#)).

b) Suspension Pending Court's Order

The disciplinary authority has the right to keep an employee under suspension, if he is accused in a court of law for any criminal offence, until the disposal of the trial. (See [Annexure 'D-2'](#)).

c) Suspension as Punishment

Even though an employee is not suspended pending enquiry, if it is decided to punish him by way of suspension for the acts of misconduct committed by him, the disciplinary authority may do so after the conclusion of enquiry in which case the suspended employee will not be entitled to any payment for the period of suspension since it is a punishment imposed on him. (See [Annexure 'K'](#)).

8.3 Status of Suspended Employee

- a) During the period of suspension, the suspended employee shall not enter the work-premises without the permission of the disciplinary authority or any other authority competent to do so.
- b) The suspended employee shall not leave the station without the written permission of the competent authority.
- c) The employee suspended pending enquiry shall be paid subsistence allowance as admissible to him under CDA Rules, which will increase/decrease depending upon the merits of the case if the period of suspension gets prolonged.
- d) No leave shall be granted to a suspended employee during the period of suspension.
- e) The suspended employee will not be paid subsistence allowance if he is engaged in any other employment, business, profession or vocation.
- f) If it is decided after the conclusion of enquiry not to remove the suspended employee from service, he will be simply allotted the job treating the period of suspension as on duty or leave as decided by the disciplinary authority.
- g) If an employee suspended pending enquiry submits resignation, it is normally not accepted unless it is in the company interest.

8.4 Subsistence Allowance

Subsistence allowance is the payment made to an employee who is kept under suspension pending enquiry/court's order only, as per Rules 21 and 22 of the CDA Rules.

CHAPTER-9: Domestic Enquiry

9.1 If the explanation submitted by the delinquent employee in reply to the charge-sheet is not found satisfactory, the Disciplinary Authority may institute domestic enquiry by appointing an Enquiry Officer (or Enquiry Committee consisting of more than one person) and Presenting Officer and inform the charge-sheeted employee about the same as shown in **Annexures ('E' & 'F')**. The Enquiry Officer would send a Notice of Enquiry as shown in **Annexure 'G'** giving him sufficient time to attend the enquiry.

9.2 Role of Participants in Domestic Enquiry

The persons concerned with domestic enquiry and who participate in any domestic enquiry are:

- a) **Enquiry Officer:** The Enquiry Officer is the officer appointed by the disciplinary authority to conduct an enquiry into the allegations levelled against the charge-sheeted employee. The Enquiry Officer's job is to listen to and record the statements of both the parties i.e., the accused employee and the management representative; allow both the parties to submit to him the relevant documents in support of their contentions; allow both the parties to examine their witnesses as well as cross-examine the other's witnesses; allow both the parties to submit arguments and counter arguments in respect of the charges and evidence adduced in the enquiry; and finally submit his enquiry report to the disciplinary authority.
- b) **Presenting Officer:** Presenting Officer is the officer appointed to present the case of the management before the Enquiry Officer relating to the charges levelled against the accused employee. The Presenting Officer will produce in the enquiry, all the relevant documents relating to charges levelled against the employee and also examine the witnesses of the Company as well as cross-examine the witnesses of the charge-sheeted employee. In other words, he plays the role of the Prosecutor. In cases where felt appropriate, complainant may also be appointed as Presenting Officer.
- c) **Charge-sheeted Employee:** It is necessary that the enquiry should be held in the presence of the accused. If, however, the employee failed to report for the enquiry at the appointed place, date and time, the Enquiry Officer may proceed with the enquiry ex-parte, provided the charge-sheet or the enquiry notice included a provision to that effect.
- d) **Defence Assistant of the Accused Employee:** If the accused employee wishes another employee of his choice to assist him at the enquiry in the conduct of his defence, it should be allowed, if a request is made for a non-employee union office-bearer, he may be allowed if there is a provision to that effect under the Conduct, Discipline and Appeal Rules.
- e) **Interpreter:** The presence of an interpreter, from amongst the employees, would be desirable in case the accused employee is not familiar with the language in which the enquiry is conducted.
- f) **Management Witnesses:** These are the persons who appear in the enquiry to give their statements in support of the charges levelled against the charge-sheeted employee.
- g) **Charge-sheeted Employee's Witnesses:** These are the persons who appear in the enquiry to give their statements in defence of the charge-sheeted employee.

9.3 Who should be Enquiry Officer

- a) If a person is the witness in the case, he should not be Enquiry Officer.
- b) Enquiry Officer should not be appointed by an Officer who is a witness in the case.
- c) Enquiry Officer can be any Officer of the Company. In exceptional cases, if it is felt desirable, any public servant or retired honest public servant may be appointed as Enquiry Officer>(*Subject to the provisions of Rules).
- d) A person to be Enquiry Officer must be a responsible Officer commanding respect from the employee. He should not be a judge in his own case.
- e) A person to be Enquiry Officer should be open-minded and unbiased.

9.4 Documents to be forwarded to Enquiry Officer

The disciplinary authority shall forward to the Enquiry Officer:

- a) A copy of the charge-sheet;
 - b) A copy of the reply, if submitted by the charge-sheeted employee;
 - c)* List of witnesses, if available;
 - d)* List of documents to be produced in enquiry, if available;
 - d) Copy of order appointing the Presenting Officer.
- (* Not mandatory at this stage).

9.5 Procedure of Domestic Enquiry

- a) At the commencement of the enquiry, the charges should be read out and explained to the charge-sheeted employee and he should be asked whether he pleads guilty to the charges or not. If the employee admits his guilt it will be open to the Enquiry Officer to examine the employee himself even in the first instance, so as to enable him to offer any explanation for his conduct, or to place before the Enquiry Officer any circumstances which may go to mitigate the gravity of the offence. If, after the examination of the employee, the Presenting Officer chooses to examine any witness, the employee must be given a reasonable opportunity to cross-examine those witnesses and also to adduce any other evidence that he may choose including his own further statement. If, on the other hand, the employee denies the charge, the burden of proving the truth of the charge and the allegations will be on the management and the witnesses for establishing the same should be examined first.
- b) At the conclusion of the statement given by each witness in support of the charges, the same should be read over and explained to the charge-sheeted employee in the language understood by him and he must be given a chance to cross-examine the witness. An endorsement to this effect should be made at the bottom of the statement. The Enquiry Officer may, as well as, put certain questions to the witness to elicit certain details/clarifications from him but the Enquiry Officer should not cross-examine the witnesses by putting leading questions or making suggestions. If the Enquiry Officer puts certain questions to the witnesses after the cross-examination of the said witnesses by the employee is over, the latter may again be given a chance to cross-examine on the basis of the supplementary statement given by the witness. Similar facility may as well be afforded to the Presenting Officer, after the Enquiry Officer asks some questions to a defence witness.
- c) After the examination and cross-examination of all the witnesses in support of the charge are completed, the charge-sheeted employee should be asked to adduce his defence. He may offer himself to be examined as a witness and also produce witnesses in his defence. The charge-sheeted employee may, if he so likes, submit his defence statement in writing, which should be accepted by the Enquiry Officer as part of the proceedings. The burden of bringing the defence witnesses before the Enquiry Officer is

on the charge-sheeted employee. But if the charge-sheeted employee requests for time to adduce his defence such request should duly and liberally be considered by the Enquiry Officer. If the employee refuses to examine any witness the same should be recorded by the Enquiry Officer. After the examination of the defence witness is over, the employee should be asked whether he desires to make any further statement. Any statement which he may make should be taken down and questions may be put to him and asking him to clarify any particular point or circumstance. It is advisable for the Enquiry Officer to put the following question to the charge-sheeted employee before concluding the enquiry – “Have you anything further to state”? and record his answer thereto.

9.6 Recording of the Proceedings

Proceedings of the enquiry must be recorded elaborately. The statement of the witness and subsequent examination/cross-examination should be recorded. The statement should be recorded in a narrative form. However, on crucial and vital points the actual question put and answer given may, if necessary, be recorded. But as far as practicable question-answer form of recording should be avoided.

9.7 Leading Questions

Leading questions i.e. questions suggesting the desired answer and suggestions, positive or negative, should be disallowed except in cross-examination. Some examples of Leading questions are given below:

- 1 X is charge-sheeted for assaulting Y in the latter's office at 10.30 a.m. on 1.1.1991. The Presenting Officer puts the following question to the witness for the charge.
Q. Did not Mr. X enter the office of Y at 10.30 a.m., on 1.1.91 and slap Y on his face?
2. In another case X is charge-sheeted for theft of Company's property. The Presenting Officer puts the following question to the witness for the charge.
Q. “Was not x going out through the gate with a red packet concealed in his umbrella?”

9.8 All documents and records relied upon by the Presenting Officer and produced at the enquiry for establishing the charge should be produced in the presence of the charge-sheeted employee and he should be explained the contents thereof relevant for the purpose.

9.9 The charge-sheeted employee and/or his co-employee should be allowed to inspect all such documents and records produced as evidence during the enquiry and his signature obtained on the documents and records which will show that he had inspected the same. Such documents and records should be marked as exhibits for the charge. Similarly documents and records produced by the charge-sheeted employee in his defence should also be marked as exhibits in defence.

9.10 If the charge-sheeted employee declines to cross-examine any witness examined in support of the charge, the fact of his having declined to do so should be recorded and the signature of the charge-sheeted employee and his co-employee obtained thereon. The statements at each page should be signed by the witness, the Enquiry Officer, the charge-sheeted employee and the co-employee. If the charge-sheeted employee does not know the language in which the statement is recorded, the Enquiry Officer should read it over and explain the statement in the language understood by him/them and, if necessary, may take the help of an interpreter. The Enquiry Officer then should record at the conclusion of the statement of each witness to the effect that the statement was recorded in presence of the employee and was explained to the witness

and the employee in the language understood by them, as the case may be and then ask the witness to put his signature at the end and on each page and so also the employee be asked to sign on each page and at the end. The co-employee, if any, should similarly be asked to sign on each page and at the end. If any of the (above referred) persons refuses to sign as required, the same should be recorded by the Enquiry Officer and attested by any witness present.

9.11 Ex-parte Enquiry

9.12 When the enquiry is fixed at a particular time, place and date and the charge-sheeted employee does not turn up and seeks a postponement on genuine grounds, the same may be granted. If the charge-sheeted employee makes further attempts for adjournment and the Enquiry Officer is convinced that it is being done with a view to deliberately delay the proceedings, the Enquiry Officer may proceed with the enquiry ex-parte. Every adjourned proceedings of the ex-parte enquiry should be duly notified to the charge-sheeted employee. If he presents himself and desires to participate, he should be allowed to do so. In no case the Enquiry Officer should proceed ex-parte on the first date of enquiry. One ex-parte hearing does not preclude giving notice for subsequent hearings. Where an ex-parte enquiry is held, it should not be presumed that the misconduct as mentioned in the charge-sheet stands proved. The Enquiry Officer still should hold the enquiry and the Presenting Officer prove the charge against the charge-sheeted employee and adduce adequate evidence to that effect. If the Presenting Officer fails to prove the charge, the Enquiry Officer should give his findings accordingly, holding the delinquent not guilty.

9.13 Partly Heard Enquiry

If an Enquiry Officer, after having heard and recorded the whole or any part of the evidence in an enquiry, ceases to function as Enquiry Officer for any reason and a new Officer is appointed as Enquiry Officer for conducting the enquiry, the new enquiry officer may proceed with the enquiry from the stage left over by the predecessor and act on the evidence already recorded by his predecessor.

9.14 Joint Enquiry

Where two or more persons are charge-sheeted in connection with the same incident or transaction, the authority competent to take disciplinary action for all of them may direct a joint enquiry to be held against them. If the authorities competent to impose the penalty are different, an order for joint proceedings may be made by the highest of such authorities.

9.15 De-Novo Enquiry

If the charge-sheeted employee makes a request for re-conducting the enquiry or the Disciplinary Authority feels on the merits of the case that the enquiry has to be re-opened and conducted again in the interest of justice, the enquiry may be re-opened and conducted again as per the orders of the Disciplinary Authority. This is called De-Novo Enquiry.

9.16 Examination-in-Chief/Cross-examination/Re-examination

Examination of a witness by the party who calls him is called as examination-in-chief. The witness here may give his statement by himself or reply to the questions put by the party who has called him. The questions cannot be leading questions. The examination-in-chief of a witness is followed by cross-examination, by the opposite party. If after the cross examination, the party who has called the witness to further examination which is called

re-examination. After such re-examination the witness should be allowed to be further cross-examined.

9.17 Report of the Enquiry Officer

After the conclusion of the recording of evidence, the Enquiry Officer should prepare and submit his report. The Enquiry Officer should record clearly and precisely his findings and indicate the reasons for arriving at such findings in respect of each charge. The findings must be based on the evidence on record. He should not import his personal knowledge or any material which is not on record. The oral evidence and the documents and records marked as exhibits at the enquiry should alone form the basis for arriving at the findings in respect of each charge. The Enquiry Officer need not write a very long or elaborate report, but he must discuss the evidence and state his reasons for accepting or rejecting the same. Even in a case where the Enquiry Officer himself is the ultimate disciplinary authority, he must state his reasons for finding the employee concerned guilty, or otherwise of the charges levelled against him.

9.18 The Enquiry Officer should clearly bear in mind that his task is to hold an enquiry into the charges and to record, in respect of each charge, whether it is established or not. He should not recommend any punishment to be imposed on the charge-sheeted employee. Facts or documents which have been adduced or produced as evidence before the committee in the presence of the charge-sheeted employee only should be taken into consideration while recording the findings unless the proceedings are ex-parte.

- i) After conclusion of the enquiry, a report shall be prepared by the Enquiry Officer and it shall contain:
 - a) the articles of charges and the statement of the allegations of misconduct or misbehaviour;
 - b) the defence of the employee in respect of each article of charge;
 - c) an assessment of the evidence in respect of each article of charge;
 - d) the findings on each article of charge and the reasons therefore.
- ii) The Enquiry Officer, where he is not himself the disciplinary authority, shall forward to the disciplinary authority the records of enquiry which shall include:
 - a) the report prepared by it under clause 9 i) above;
 - b) the written statement of defence submitted by the employee;
 - c) the oral and documentary evidence produced in the course of the enquiry;
 - d) the orders, if any, made by the disciplinary authority and the enquiry authority in regard to the enquiry.
- iii) The disciplinary authority shall consider the records of the enquiry, record his conclusions on each charge and pass appropriate order.

9.19 Supplying Copy of the Proceedings to the Employee

In case, during the proceedings of the enquiry, the charge-sheeted employee asks for copies of statement for the purpose of cross-examinations, he should be supplied with the same provided that he is unable to read and understand the deposition.

9.20 Order by the Disciplinary Authority

The disciplinary authority has to finally decide the matter. He may accept the findings of the Enquiry Officer and decide the penalty or otherwise. While so deciding he has to take into consideration the gravity of the misconduct and the past records of the

charge-sheeted employee and any other extenuating and/or aggravating circumstances that may exist. If he agrees with the findings, he should take a decision regarding the penalty to be imposed. If, on the other hand, he does not agree with the findings he should record his own findings based on the evidence on record. In case the Enquiry Officer finds a charge-sheeted employee not guilty and the disciplinary authority, disagreeing with the findings of the Enquiry Officer records his own findings of guilt, he should afford another opportunity to the charge-sheeted employee to show-cause against the findings of guilt and take into consideration the causes, if any, shown before awarding any penalty. The quantum of penalty imposed on the charge-sheeted employee should not be disproportionate to the seriousness of the misconduct established, and should be one which any other reasonable employer, under similar circumstances would have awarded.

9.21 **Check List for Disciplinary Authority**

The disciplinary authority before passing final orders should check up if the following aspects have been taken care of:

- a) Whether definite and specific charges were framed;
- b) Whether the charge-sheet was properly served;
- c) Whether the charge-sheeted employee was given sufficient time to submit his explanation, as required under the rules. Whether the explanation, if any, submitted was duly considered;
- d) Whether the person charged was allowed to cross examine the witness produced in support of the charges, to give evidence in person and to call witness on his behalf;
- e) Whether the findings are based on evidence on record, and whether the penalty is proportionate to the gravity of the offence established;
- f) The disciplinary authority should also look into the past records of the employee and extenuating and aggravating circumstances, if any, while deciding the penalty to be imposed.
- g) The disciplinary authority should also see if permission or approval is to be taken from the appropriate authority under Industrial Disputes Act because some dispute is pending with conciliation etc. or the employee is a Protected Workman.
- h) The disciplinary authority should also check-up if any final show-cause notice is to be given to the charge-sheeted employee before passing the punishment order.

9.21 **Communication of Order to the Charge-sheeted Employee**

After the disciplinary authority decides to impose a major penalty it should be communicated to the employee as early as possible in the specimen form as in Annexures. The orders should be unambiguous and must relate to the charge. It should be signed by the authority competent to sign the order and in no case by any subordinate officer as "for and on behalf of" the Disciplinary Authority.

9.22 **Employee on deputation from the Central Govt. or the State Government etc.**

Where an order of suspension is made, or disciplinary proceedings is taken against an employee, who is on deputation to the Company from the Central or a State Government, or another public undertaking, or a local authority, the authority lending his services (here-in-after referred to as the "lending authority") shall forthwith be informed of the circumstances leading to the order of his suspension, or the commencement of the disciplinary proceedings, as the case may be.

9.23 **In the Light of the findings in the Disciplinary Proceeding taken against the Employee**

Guidelines for Disciplinary Procedure

- a) If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him, it may pass such orders on the case as it deems necessary after consultation with the Lending Authority; provided that in the event of a difference of opinion between the disciplinary authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.
 - b) If the disciplinary authority is of the opinion that any of the major penalties should be imposed on him, it should replace his services at the disposal of the Lending Authority and transmit to it the proceedings of the enquiry for such action as it deems necessary.
- 9.23.1 If the employee submits an appeal against an order imposing a minor penalty on him under sub-rule (a), it will be disposed of after consultation with the Lending Authority; provided that if there is a difference of opinion between the Appellate Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority and the proceedings of the case shall be transmitted to that authority for such action as it deems necessary.

CHAPTER – 10: Penalties

10.1 On the basis of the conclusions arrived at in the domestic enquiry, if it is found that the charges levelled against the employee are not proved, he may be exonerated and a letter to that effect may be issued (See [Annexure H](#)). If any of the charges or all the charges are proved, then the appropriate penalty may be imposed on the employee by referring to the penalties provided under the Rules.

10.2 Form of Penalties

For Employees governed by Conduct, Discipline and Appeal Rules:

Minor Penalties

- a) Censure;
- b) Withholding of increments of pay with or without cumulative effect;
- c) Withholding of Promotion;
- d) Recovery from pay or such other amount as may be due to him, of the whole or part of any pecuniary loss, caused to the Company by negligence or breach of orders.
- e) ⁶Reduction to a lower stage in the time scale of pay for a period not exceeding 3 years without cumulative effect and not adversely affecting his terminal benefits.

Major Penalties

- f) Save as provided in clause (e), reduction to a lower stage in the time scale of pay for a specified period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period, the reduction will or will not have the effect of postponing the future increment of pay.
- g) Reduction to a lower time scale of pay, grade post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to that grade or post.
- h) Compulsory retirement.
- i) Removal from service which shall not be a disqualification for future employment under the Govt. or the Corporation/Company owned or controlled by the Govt.
- j) Dismissal from service which ordinarily be a disqualification for future employment under the Govt. or the Corporation/Company owned or controlled by the Govt.

10.3 Action not considered “Penalty”

The following shall not amount to a penalty:

- i) Issue of warning;
- ii) Withholding of increment of an employee on account of his work being found unsatisfactory or failure to pass a prescribed test or examination;
- iii) Stoppage of an employee at the efficiency bar/test in a time-scale on the ground of his unfitness to cross the efficiency bar/test.
- iv) Non-promotion, whether in an officiating capacity or otherwise, of an employee to a higher post for which he may be eligible, but for which he is found unsuitable;

⁶ Cir No. 197 dated 02.03.2006

- v) Revision to a lower scale, grade or post of an employee officiating in a higher class, grade or post on the ground that he is considered, after trial, to be unsuitable for such higher class, grade post, or on administrative grounds unconnected with his conduct;
- vi) Reversion to the previous class, grade or post of an employee, appointed on probation or another class, grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment or probation;
- vii) Termination of service:
 - of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment;
 - of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiry of the period for which he was appointed earlier in accordance with the terms of his appointment;
 - of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
 - of an employee on reduction of establishment.

10.4 **Penalties and their Imposition**

The penalty proposed should normally be commensurate with the gravity of the 'misconduct'. Though it is the management's discretion to award a lesser penalty than stipulated under the rules, major penalty for a minor misconduct cannot be awarded. The management has the discretion to decide the appropriate penalty for a particular misconduct, subject to the obvious qualification that the penalty should not be unduly excessive. The penalty must be imposed for good and sufficient reasons.

10.5 **Warning**

Warning may be oral or written. When it is in writing, it forms a part of one's record of service and reflects on the conduct and efficiency of the employee.

It can also be used in awarding severe punishment in future in case of habitual repetition of the same offence.

Issue of warning does not affect wages of the employee nor does it have any bearing on the status or future increment of the employee. It merely amounts to a displeasure by the management that such an act of the employee is not looked in with favour by the management and is just to inspire awe in the mind of the employee to be a bit more vigilant, careful and responsible and make it clear to him that if he persists in that action it is likely to bring him into trouble. Warning letter may be issued in the lines of the draft suggested, in [Annexure-I](#).

10.6 **Censure**

Censure is a minor penalty that can be imposed as formal punishment. The conditions for imposing this penalty are:

- (i) that the employee has been held guilty of some blame-worthy act or omission;
- (ii) that it is imposed for good and sufficient reason;
- (iii) that his explanation is received in writing and is found unsatisfactory, or his explanation has not been received.

Censure should be recorded in the service document of the employee. Letter awarding the punishment of Censure may be issued in the proforma as in [Annexure-'J'](#).

10.7 **Fine**

Fine may be defined as sum of money fixed as penalty for an act of misconduct. It is a deduction made from the wages of an employee as a punishment. Payment of Wages Act provides that the total amount of fine which may be imposed in any one wage period on an employee shall not exceed an amount equal to three paise in a rupee of the wages payable to him in respect of that wage period.

No fine so imposed shall be recovered from an employee by installments or after expiry of 60 days from the day on which it was imposed.

Every fine shall be deemed to have been imposed on the day of act or omission in respect of which it was imposed.

Letter imposing the penalty of fine may be issued in the proforma as shown at [Annexure- 'K'](#).

All fines and all realizations thereof shall be recorded in a register, and all such realizations shall be applied only to such purpose beneficial to the persons employed in the factory or establishment as are approved by the prescribed authority.

10.8 **Suspension**

Suspension may be ordered as a punishment. It is different from suspension pending enquiry. Suspension as a penalty can be inflicted on an employee after the completion of the formalities of the disciplinary proceedings. Suspension letter may be issued on the lines of the draft suggested in [Annexure- 'L'](#).

10.9 **Withholding of Increments**

Employees in time-scale of pay get annual increment in normal course, subject to passing of the efficiency bar or test, if any, prescribed. Withholding of increment of an employee either on account of his work being found unsatisfactory or for failure to pass the prescribed test/examination is different from withholding of increment as a penalty. While the former is only an administrative action taken by the management against an employee for his inefficiency, the latter is a result of disciplinary action.

As a penalty, the increment can be withheld after following the procedure prescribed. A letter to this effect may be issued on the lines of the draft suggested in [Annexure- 'M'](#).

10.10 **Reduction to a Lower Grade or Post Stage**

The expression 'reduction to a lower grade or post' means a transfer from a higher position to a lower position at a lower rate of salary.

Reduction in rank may be either by way of punishment or it may be on administrative grounds. When an employee is reverted from a higher post in which he does not hold a lien, it cannot be considered either a punishment or forfeiture of emoluments.

While ordering the punishment of reduction to a lower grade or post, the disciplinary authority shall state the period for which it shall be effective and whether on restoration, the period of reduction shall operate to postpone his future increment, if so, to what extent.

Every order passed by a disciplinary authority imposing the penalty of reduction to a lower stage in a time-scale. ([Annexure N](#)) should indicate:

- i) the stage in the time-scale (in terms of rupees) to which the employee is reduced; and

- ii) the date from which it will take effect.

It is a major penalty and the acts of misconduct for which reduction in rank/grade may be awarded are almost the same as those for which the penalty of removal or dismissal can be awarded.

10.11 **Removal and Dismissal**

The Dictionary meaning of the word removal means 'to discharge', 'to get rid of', 'to dismiss'. The word dismissal means 'to let go', 'to relieve from duty'. In the ordinary parlance, both these words mean the termination of an employee's service. However, there is slight distinction between the two in the sense that the removal from service does not disqualify an employee from re-employment in the Company whereas dismissal from service does disqualify him from such re-employment and thus, dismissal is the severest of all the penalties. Removal or dismissal is due to gross misconduct on the part of an employee and is resorted to generally for:

- a) Such conduct on the part of the employee as may be deemed to be inconsistent or incompatible for discharge of his duties; and
b) Such immorality on his part as may bring the employer in disrepute.

No order of removal or dismissal from service shall be made by an authority lower than the appointing authority of the employee concerned, notwithstanding the fact that the appointing authority might have subsequently delegated the power of appointment of employees of the category/rank to which the employee belongs to such lower authority.

A removal or dismissal letter may be made on the lines of the draft suggested in [Annexure-'O'](#).

Names of the dismissed employees shall be communicated to the different units/offices in order to prevent their re-employment in the Company.

CHAPTER-11: Appeal and Review

11.1 An employee on whom any of the penalties is imposed shall have the right of appeal to the authority notified in this behalf.

11.2 Provisions under Conduct, Discipline & Appeal Rules

11.2.1 An employee governed by Conduct, Discipline & Appeal Rules may also prefer an appeal against an order of suspension to the Appellate Authority as shown in [Annexure 'B'](#).

11.2.2 The appeal shall be addressed to the appellate authority and submitted to the authority whose order is appealed against. The latter authority 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 imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case.

Provided that if the enhanced penalty which the appellate authority proposes to impose is a major penalty and an enquiry as provided under rules has not already been held in the case, the appellate authority shall direct that such an enquiry be held in accordance with the provisions of the rules and thereafter consider the record of the enquiry and pass such orders as it may deem proper. If the appellate authority decides to enhance the punishment but an enquiry has already been held as provided in rules, the appellate authority shall give a show-cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The appellate authority shall pass a final order after into account the representation, if any, submitted by the employee.

11.3 Review

11.3.1 For employees governed by Conduct, Discipline & appeal Rules, the reviewing authority may either in its own motion or on the application of the employee concerned, call for the record of the case within 6 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 reviewing authority proposes to impose any enhanced penalty, in the nature of a major penalty, the reviewing authority shall deal with the case in the same manner as indicated in the provision to para 11.2.2.