



आचार, अनुशासन  
और अपील नियमावली, 1978  
Conduct, Discipline  
and Appeal Rules, 1978



हिन्दुस्तान स्टीलवर्क्स कंस्ट्रक्शन लिमिटेड  
Hindustan Steelworks Construction Limited  
(A Govt. of India Undertaking)  
Regd. Office : 1, Shakespeare Sarani (8th floor)  
Calcutta-700 071

**REVISED CONDUCT,  
DISCIPLINE AND APPEAL  
RULES  
FOR HSCL EMPLOYEES**

1. The Board of Directors in their 97th Meeting held on 24th October, 1977 have approved adoption of the revised Conduct, Discipline and Appeal Rules, as enclosed, for HSCL employees.
2. These rules shall be in place of the existing rules on the Subject.

# HINDUSTAN STEELWORKS CONSTRUCTION LIMITED

## CONDUCT, DISCIPLINE AND APPEAL RULES, 1978.

### Rule 1 Short title and commencement :

- (i) These rules may be called Hindustan Steelworks Construction Limited Conduct, Discipline and Appeal Rules, 1978.
- (ii) They shall come into force w.e.f. 1st January, 1978.

### Rule 2 Application :

These rules shall apply to all employees.

### Rule 3 Definitions :

In these rules, unless the context otherwise requires

- (a) Employee means—
  - (i) a person in the employment of the Company including employees whose services are temporarily placed at the disposal of Government or a subsidiary or any public undertaking but does not include casual employee, work-charged or contingent staff or workman as defined in the Industrial Employment (Standing Orders) Act, 1946 ; and
  - (ii) persons on deputation to the Company from Government or a Subsidiary or any other Public Undertaking :

- (b) Company means the Hindustan Steel-works Construction Limited ;
- (c) Board means the Board of Directors for the time being of H S C L and includes, in relation to the exercise of powers, any committee of the Board/Management or any office of the Company to whom the Board delegates any of its powers ;
- (d) Chairman means the Chairman for the time being of the Board of Directors ;
- (e) Disciplinary Authority means the authority specified in the Schedule appended to these Rules and Competent to impose specified penalties enumerated in Rule 23 ;
- (f) Competent Authority means the authority specified in the Schedule appended to these rules ;
- (g) Government means the Government of India or the Government of a State, as the case may be ;
- (h) Appellate Authority means the authority specified in the Schedule appended to these Rules ;
- (i) Reviewing Authority means the authority specified in the Schedule appended to these Rules ;
- (j) Family in relation to an employee includes :—

- i) the wife or husband, as the case may be of the employee, whether residing with him or not but does not include a wife or husband, as the case may be, separated from the employee by a decree or order of a competent court ;
- ii) son or daughter or step-son or step-daughter of the employee and wholly dependent on him, but does not include a child or step-child who is no longer in anyway 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 wife or husband and wholly dependent on such employee ;

(k) Public Servant shall mean and include a person as mentioned in Section 21 of Indian Penal Code as amended from time to time ;

(l) Schedule means the Schedule appended to these Rules and includes any amendment made by M. D. from time to time.

**Rule 4 General :**

- (1) Every employee of the Company shall at all times—
  - i) maintain absolute integrity ;
  - ii) maintain devotion to duty ; and
  - iii) conduct himself at all times in a manner which will enhance the reputation of the Company.
- (2) Every employee of the Company holding a Supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all employees for the time being under his control and authority.

**Rule 5 Misconduct :**

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

- (1) Theft, fraud or dishonesty in connection with the business or property of the Company or of a subsidiary or of property of another person within the premises of the Company.
- (2) Taking or giving bribes or any illegal gratification.
- (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, qualifications, 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) Wilful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of his superiors.
- (7) Absence without leave or over-staying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
- (8) Habitual late or irregular attendance or wilful absence from duty.
- (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 of the establishment.

- (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., of the Company without express permission in writing from the competent authority.
- (20) Commission of any act subversive of discipline or of good behaviour.
- (21) Abetment of or attempt at abetment of any act which amounts to misconduct.
- (22) Unauthorised use or occupation of the Company's quarters, land or other property.
- (23) Assaulting or intimidating any employee of the Company.
- (24) Striking work or inciting others to strike work in contravention of the provision of any law or rule having the force of law.

- (25) Breach of any law applicable to the works, or of the conduct rules and any other rules or orders issued by the Company from time to time.
- (26) Writing of anonymous letters etc., addressing appeals or representations to an authority other than the appellate or the appropriate authority and forwarding advance copies of appeals or representations to any authority.
- (27) Distributing or exhibiting in the Company's premises or its precincts handbills, pamphlets, posters or causing to be displayed by means of signs or writing or other visible representations, any matter without previous sanction of the authority.
- (28) Refusal to work on holidays or on Sundays when notified to do so in the exigencies of Company's work.
- (29) Surrounding or forcibly detaining Management or any of the Company's officer.

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

**Rule 6 EMPLOYMENT OF NEAR RELATIVES OF THE EMPLOYEES OF THE COMPANY IN PRIVATE UNDERTAKINGS ENJOYING PATRONAGE OF THE COMPANY**

- (1) 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 any member of his family to accept employment with any private firm with which he or she 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 official duties deal with any matter or give or sanction any contract to any firm or any other person if any of his relative is employed in that firm or under that person or if he or any of his relative 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 or the contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

(N.B. : For purposes of this clause, relative will be as defined in Indian Companies Act).

**Rule 7 (a) Taking part in politics and elections :**

Except in so far as may otherwise be specifically authorised by any law, no employee

shall be a member of, or be otherwise associated with, any political party or any organisation which takes part in politics, or assist any political movement or activity, or stand for election, without the permission of the Company, as a member of a local authority or a legislative body.

**(b) Taking part in demonstrations :**

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

**Rule 8 Connection with Press or Radio :**

- (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 in the bona fide discharge of his duties, participate in a radio broadcast or write or publish a book or contribute an article or write a letter either in his own name or anonymously, pseudonymously or in the name of any other person to a 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.

**Rule 9 Criticism of Government and the Company :**

No employee shall, in any radio broadcast or in any document published under his name or under

any pen-name or pseudonym 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 Government or of the Company ; or
- (b) which is capable of embarrassing the relations between the Company and the Public or between the Company and the Government.

Provided that nothing in this rule shall apply to any statement made or views expressed by an employee, of a 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 rule shall apply to bonafide expression of views by him as an office-bearer of a recognised trade union, the purpose of safeguarding the conditions 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 criticise the policy or any action of the 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 a State Legislature or the Company.
- (b) evidence given in any judicial enquiry ;  
or
- (c) evidence given at any departmental enquiry, ordered by authorities subordinate to the Government ;
- (d) evidence given at any departmental enquiry ordered by any Public Sector Undertaking.

**Rule 11 Unauthorised communication of information :**

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

**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 person acting on his behalf, to accept any gift.

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

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

(ii) An employee 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 a gift is in conformity with the prevailing religious or social practice, an employee of the Company may accept gifts from his near relatives but he shall make a report to the competent authority if the value of the gift exceeds —i) Rs. 500/- in the case of Executives and ii) Rs. 250/- in the case of Non-Executives.

(3) On such occasions as are specified in sub-rule (2), an employee of the Company may accept gifts from his personal friends having no official dealings with him, but he shall make a report to the competent authority if the value of any such gift exceeds Rs. 250/-.

(4) In any other case, an employee of the Company shall not accept any gifts without the sanction of the competent authority if the value thereof exceeds Rs. 250/-.

Provided that when more than one gifts has been received from the same person/ firm within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of the gifts exceeds Rs. 250/-.

**Rule 12A Giving or taking dowry :**

No employee of the Company shall—

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

**Explanation :**

For the purpose of this rule, 'dowry' has the same meaning as in the Dowry Prohibition Act, 1961 (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 or negotiate for taking an employment.

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

(2) Every employee of the Company shall report to the competent authority if any member

of his family is engaged in any 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, 1956 (1 of 1956) or any other law for the time being in force or any co-operative society for commercial purposes ;

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

(4) No employee of the Company may accept any fee or any remuneration 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.

**Rule 14 Investment, lending and 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.

**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 the 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, acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or otherwise, either in his own name or in the name of any member of his family.

(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 subordinate.

**Explanation :**

For the purpose of these sub-rules the expression "movable property" includes inter alia the following :—

(a) Jewellery, insurance policies the annual premia of which exceeds Rs. 1,000/- or one sixth of the total annual emoluments received from the Company whichever is less, shares, securities and debentures ;

(b) loans advanced by such employees whether secured or not ;

(c) motor cars, motor cycles, horses, or any other means of conveyance ; and

(d) refrigerators, radios, radiograms and television sets.

(3) Every employee of the Company shall within one month report to the competent authority every transaction concerning movable property owned or held by him in his own name or in the name of a member of his family, if the value of such property exceeds—

(i) Rs. 2,500/- in the case of Executives ; and

(ii) Rs. 1,000/- in the case of Non-Executives.

(4) Every employee shall, on first appointment in the Corporation/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 or held by him on lease or mortgage, either in his own name or in the name of any member of his family or in the name of any other person ;

(b) shares, debentures, and cash including bank deposits inherited by him or similarly owned, acquired or held by him ;

- (c) other movable property inherited by him if similarly owned, acquired or held by him, if the value of such property exceeds—
  - (i) Rs. 2,500/- in the case of Executives ;  
and
  - (ii) Rs. 1,000/- in the case of Non-Executives ;
- (d) debts and other liabilities incurred by him directly or indirectly ;
- (e) every employee shall, beginning 1st January submit a return of immovable property inherited/owned/acquired every year.
- (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 or on his behalf or by any member of his family, as may be specified in the order. Such statement shall, if so required by the competent authority, include details of the means by which, or the source from which such property was acquired.

**Rule 17                    Canvassing of non-official or other influence :**

No employee shall bring or attempt to bring any outside influence to further his interests in respect of matters pertaining to his service in the Company.

**Rule 18    Bigamous marriages :**

- (1) No employee shall enter into, or contract, a marriage with a person having a spouse living ;  
and

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

Provided that the Board may permit an employee to enter into, or contract, any such marriage as is referred to in clause (1) or clause (2), if it is satisfied that—

(a) such marriage is permissible under the personal law applicable to such employee and the other party to the marriage ; and

(b) there are other grounds for so doing.

(3) An employee, who has married or marries a person other than an Indian National, he shall forthwith intimate the fact to the Competent Authority.

**Rule 19 Consumption of intoxicating drinks and 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 duties and shall also take due care that the performance of his duties at any time is not affected in any way by the influence of such drink or drug ;

(c) refrain from consuming any intoxicating drink or drug in a public place ;

- (d) not appear in a public place in a state of intoxication.
- (e) not use any intoxicating drink or drug to excess.

**Explanation :**

For the purposes of this rule, 'Public Place' means any place or premises including clubs even exclusively meant for members where it is permissible for the members to invite non-members as guests, bars and restaurants, conveyance to which the public have or are permitted to have access, whether on payment or otherwise.'

**Note :** Amended as approved by Board of Director in their 104th meeting held on 7.8.78.

**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 Board by general or special order 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.

(2) An employee who is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours shall be deemed to have been suspended with effect from the date of detention, by an order of the appointing

authority, and shall remain under suspension until further orders.

(3) Where a penalty of dismissal or removal from service imposed upon an employee under suspension is set aside on appeal or on review under these rules and the case is remitted for further inquiry or action or with any other directions, the order of his suspension shall be deemed to have continued in force on and from the date of the original order of dismissal or removal and shall remain in force until further orders.

(4) Where a penalty of dismissal or removal from service imposed upon an employee is set aside or declared or rendered void in consequence of or by a decision of a court of law and the disciplinary authority, on consideration of the circumstances of the case, decides to hold a further inquiry against him on the allegations on which the penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension by the appointing authority from the date of the original order of dismissal or removal and shall continue to remain under suspension until further orders.

(5) An order or suspension made or deemed to have been made under this rule may at any time be revoked by the authority which made or is deemed to have made the order or by any authority to which that authority is subordinate.

**Rule 21 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 and any other compensatory allowance admissible on such subsistence allowance of which he was in receipt on the date of suspension provided the suspending authority is satisfied that the employee continue 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 :—

- (i) The amount of subsistence allowance may be increased to 75 per cent of basic pay and allowances thereof if, in the opinion of the said authority, the period of suspension has been prolonged for reasons to be recorded in writing not directly attributable to the employee under suspension ;
- (ii) the amount of subsistence allowance may be reduced to 25 per cent of basic pay and allowances thereon if in the opinion of the said authority, the period of suspension has been prolonged due to the reasons to be recorded in writing, directly attributable to the employee under suspension.

(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 he is granted bail.

**Rule 22 Treatment of the period of suspension :**

(1) When the employee under suspension is re-instated, the competent authority may grant to him the following pay and allowances for the period of suspension :—

- (a) if the employee is exonerated and not awarded any of the penalties mentioned in Rule 23, the full Pay and allowances which he would have been entitled to if he had not been suspended, less the subsistence allowance already paid to him ; and
- (b) if otherwise, such proportion of pay and allowances as the competent authority may prescribe.

(2) In a 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 and sufficient reasons.

**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.

**Major Penalties :**

- (e) reduction to a lower grade or post, or to a lower stage in a time scale ;
- (f) removal from service which shall not be a disqualification for future employment ;
- (g) dismissal.

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

- (i) withholding of increment of an employee for his failure to pass a prescribed test or examination ;
- (ii) stoppage of an employee at the efficiency bar in the time scale, on the ground of his unfitness to cross the bar ;
- (iii) 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 ;

(iv) 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 ;

(v) 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.

(vi) **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 in a temporary capacity other-wise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment ;

(c) of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement ; and

(d) of any employee on reduction of establishment.

**Rule 24 Disciplinary Authority :**

The Board or the Disciplinary Authority, as specified in the schedule, may impose any of the penalties specified in Rule 23 on any employee.

**Rule 25 Procedure for imposing major penalties :**

(1) No order imposing any of the major penalties specified in Clauses (e), (f) and (g) of Rule 23 shall be made except after an inquiry is held in accordance with this rule.

(2) Whenever the disciplinary authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, it may itself enquire into, or appoint any Executive of Hindustan Steelworks Construction Limited or any public servant (hereinafter called the Inquiring Authority) to inquire into the truth thereof.

(3) Where it is proposed to hold an inquiry, the disciplinary authority shall frame definite charges on the basis of the imputations of misconduct or misbehaviour against the employee. The charges, together with a statement of the imputations of misconduct or misbehaviour on which they are based, a list of documents by which and a list of witnesses by whom, the articles of charge are proposed to be sustained, shall be communicated in writing to the employee, who shall be required to submit within such time as may be specified by the Disciplinary Authority (not exceeding 15 days), a written statement whether he admits or denies any of or all the Articles of 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 the employee, or if no such statement is received within the time specified, an enquiry may be held by the Disciplinary Authority itself, or by any other public servant appointed as an Inquiring Authority under sub-clause (2) after taking such evidence as it may deem fit.

Provided that it may not be necessary to hold an inquiry in respect of the charges admitted by the employee in the written statement. The disciplinary authority shall, however, record its findings on each such charge after taking such evidence as it may think fit.

(5) Where the disciplinary authority itself inquires or appoints an inquiring authority for holding an inquiry, it may, by an order appoint a public servant to be known as the "Presenting Officer" to present on its behalf the case in support of the articles of charge.

(6) The employee may take the assistance of any other public servant to present the case on his behalf but may not engage a legal practitioner for the purpose.

**Note :** The employee shall not take the assistance of any other public servant who has two pending disciplinary cases on hand in which he has to give assistance.

(7) On the date fixed by the inquiring authority, the employee shall appear before the inquiring Authority at the time, date and place speci-

fied in the notice. The inquiring authority shall ask the employee whether he pleads guilty or has any defence to make and if he 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 employee concerned pleads guilty.

(8) If the employee does not plead guilty, the inquiring authority shall adjourn the case to a later date not exceeding thirty days, after recording an order that the employee may, for the purpose of preparing his defence :—

- (i) inspect the documents listed with the charge-sheet ;
- (ii) submit a list of additional documents and witnesses that he wants to examine ; and
- (iii) be supplied with the copies of the statements of witnesses, if any, listed in the charge-sheet.

**Note :** Relevancy of the additional documents 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 may 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 on such date as may be specified.

(10) The authority in whose custody or possession the requisitioned documents are, shall arrange to produce the same before the inquiring authority on the date, 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 that event, it shall inform the inquiring authority accordingly. The Inquiring Authority shall, on being so informed, communicate the information to the employee concerned.

(11) On the date fixed for the inquiry, the oral and documentary evidence by which the articles of charge are proposed to be proved shall be produced by or on behalf of the disciplinary authority. The witnesses shall be examined by or on behalf of the Presenting Officer and may be cross-examined by or on behalf of the employee. The Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on a new matter, without the leave of the Inquiring Authority. The Inquiring Authority may also put such questions to the witnesses as it thinks fit.

(12) Before the close of the prosecution case, the inquiring authority may, in its discretion, allow the Presenting Officer to produce evidence not included in the articles of charge or may itself call for new evidence or recall or re-examine any witness. In such case the employee shall be given an opportunity to inspect the documentary evidence before it is taken on record ; or to

cross-examine a witness, who has been so summoned.

(13) When the case for the disciplinary authority is closed, the employee may be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case a copy of the statement of defence shall be given to the Presenting Officer, if any, appointed.

(14) The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf if he so prefers. The witness produced by the 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 employee closes his case, and shall, if the employee has not examined himself, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.

(16) After the completion of the production of the evidence, the 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 the employee does not submit the written statement of defence referred to in sub-rule (3) on or before the date specified for the purpose or does not appear in person, or through

the 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 hereinbefore 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 misbehaviour ;
- (b) a gist of the defence of the employee in respect of each article of charge ;
- (c) an assessment of the evidence in respect of each article of charge ;
- (d) the findings on each article of charge and the reasons therefore.

**Explanation :** If in the opinion of the Inquiring Authority the proceedings of the inquiry establish any article of charge different from the original articles of the charge, it may record its findings on such article of charge ;

Provided that the findings on such article of charge shall not be recorded unless the employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

(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.

**Rule 26 Action on the inquiry report :**

(1) The disciplinary authority, if it is not itself the inquiring authority may, for reasons to be recorded by it in writing remit the case to the same or another inquiring authority for fresh or further inquiry and report and the inquiring authority shall thereupon proceed to hold the further inquiry according to the provisions of rule 25 as far as may be.

(2) The disciplinary authority shall, if it disagrees with the findings of the inquiring authority on any articles of charge, record its reasons for such disagreement and record its own findings on such charge, if the evidence on record is sufficient for the purpose.

(3) If the disciplinary authority having regard to its findings on all or any of the articles of charge is of the opinion that any of the penalties specified in rule 23 should be imposed on the employee, it shall notwithstanding anything contained in rule 27, make an order imposing such penalty.

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

**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-

- (i) a copy of the statement of imputations of misconduct or misbehaviour delivered to the employee ;
- (ii) his defence statement, if any ; and
- (iii) the orders of the disciplinary authority together with the reasons therefore,

**Rule 28 Communication of orders :**

Orders made by the Disciplinary Authority under Rule 26 or Rule 27 shall be communicated to the employee concerned, who shall also be supplied with a copy of the report of inquiry, if any as also reasons for disagreement, if any, with the Inquiring Authority.

**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 Board/M.D. is satisfied that in the interest of the security of the Company, it is not expedient to hold any inquiry in the manner provided in these rules.

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

- (i) Where an order of suspension is made or disciplinary proceeding is taken against an employee, who is on deputation to the Company from the Central or State Government or a Subsidiary 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 the light of the findings in the disciplinary proceeding taken against the employee—

- (a) If the Disciplinary Authority is of the opinion that any of the minor penalties should be imposed on him, it may pass such orders on the case as it deems necessary after consultation with the Lending Authority ;

Provided that in the event of a difference of opinion between the Disciplinary 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 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.

- (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 of after consultation with the Lending Authority.

Provided that if there is a difference of opinion between the Appellate Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority, and the proceedings of the case shall be transmitted to that authority for such action as it deems necessary.

**Rule 32 Provision regarding employees lent to Government Subsidiary or other Public Undertaking, etc :**

(1) Where the services of an employee are lent to the Government or any authority subordinate thereto or to a Subsidiary or to any other public undertaking (hereinafter referred to as the "borrowing authority") the borrowing authority shall have the powers of the appointing authority for the purpose of placing such an employee under suspension and of the disciplinary authority for the purpose of conducting disciplinary proceedings against him.

Provided that the borrowing authority shall forthwith inform Hindustan Steelworks Construction Limited (hereinafter referred to as the Lending Authority) of the circumstances leading to the order of suspension of an employee or the commencement of the disciplinary proceedings, as the case may be.

(2) In the light of the findings of the inquiring authority against the employee :—

(i) If the borrowing authority is of the opinion that any of the penalties specified in clauses a), b), c) or d) or Rule 23 (minor penalties) should be imposed on the employee, it may, after consultation, with the lending authority, make such orders in the case, as it deems necessary.

Provided that in the event of a difference of opinion between the borrowing authority and the lending authority, the services of the employee shall be replaced at the disposal of the lending authority ;

(ii) If the borrowing authority is of the opinion that any of the penalties specified in clauses e), f), g) of Rule 23 (major penalties) should be imposed on the

employee, it shall replace his services at the disposal of the lending authority and transmit to it the proceedings of the enquiry for such action as deemed necessary.

**Explanation :** The disciplinary authority may make an order under this clause on the record of inquiry transmitted to it by the borrowing authority or by holding such further enquiries, as it may deem necessary, as far as may be, in accordance with Rules 25, 26 or 27.

### **Rule 33 Appeals :**

- (i) 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 schedule.
- (ii) An appeal shall be preferred within one month from the date of communication of the order appealed against. The appeal shall be addressed to the Appellate Authority specified in the schedule and submitted to the authority whose order is appealed against, The authority whose order is appealed against shall forward the appeal together with its comments and the records of the case to the appellate authority within 15 days. The appellate authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders within three months of the date of appeal. The appellate authority may pass order confirming, enhancing, reducing or setting aside

the penalty or remitting the case to the authority which imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case. Provided that if the enhanced penalty which the appellate authority proposes to impose is a major penalty specified in clauses (e), (f) and (g) of Rule 23 and an enquiry as provided in Rule 25 has not already been held in the case, the appellate authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the inquiry and pass such orders as it may deem proper. If the appellate authority decides to enhance the punishment but an enquiry has already been held as provided in Rule 25 the appellate authority shall give a show-cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The appellate authority shall pass final order after taking into account the representation, if any, submitted by the employee.

#### **Rule 34 Review :**

Notwithstanding anything contained in those rules, the reviewing authority as specified in the schedule may call for the record of the case within six months of the date of the final order and after reviewing the case pass such orders thereon as it may deem fit.

Provided that if the enhanced penalty, which the reviewing authority proposes to impose, is a major penalty specified in clauses (e), (f) or (g) of Rule 23 and an enquiry as provided under Rule 25 has not already

been held in the case, the reviewing authority shall direct that such an enquiry be held in accordance with the provisions of Rule 25 and thereafter consider the record of the enquiry and pass such orders as it may deem proper. If the reviewing 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.

**Rule 35 Service of orders, notices, 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 him by registered post at his last known address.

**Rule 36 Power to relax time-limit and to condone delay :**

**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 37 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 the rules shall be continued and disposed as far as may be, in accordance with the provisions of these rules, as if such proceedings were 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 a misconduct under these rules.

**Rule 38 Removal of doubts :**

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

**Rule 39 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.

## CONDUCT, DISCIPLINE & APPEAL RULES SCHEDULE

See Rules 3(c), (f), (h) & (i) and Rule 23.

Sl. No.	Description of Posts	Disciplinary Authority/ Competent Authority	Penalties	Appellate Authority	Revising Authority
1.	Post to which appointments are made by the Board of Directors	Board	All	Board	Board
2.	Executive Posts in the grade of Rs. 1300—1700/- & above (other than those covered by 1 above)	Managing Director	All	Board	Board
3.	Executive Posts in the grade of Rs. 700—1300/- & Rs. 1100—1600/-	General Manager/ Project Manager	All	Managing Director	Board
4.	Non-executive posts in the grade of Rs. 425—700/- & above	Empowered Authority*	All	General Manager	Managing Director
5.	Other Non-executive posts not covered in 4 above including posts in worker's categories	Empowered Authority	All	General Manager	General Manager

\*Empowered Authority denotes the authority to whom powers may be delegated from time to time.