

THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA STAFF (OFFICERS AND OTHER EMPLOYEES) REGULATIONS, 2016¹

PREAMBLE

Whereas, it is necessary to amend the service conditions of Officers and Employees and to frame Regulations comprehensively, defining the terms and conditions of service of Officers and other employees of the Insurance Regulatory and Development Authority of India, the Authority, in exercise of the powers conferred by clause (c) of sub-section (2) Section 26 read with Section 12 (2) of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), and in consultation with the Insurance Advisory Committee, hereby makes the following Regulations.

CHAPTER I PRELIMINARY

1. Short title and commencement.—(1) These Regulations shall be called the Insurance Regulatory and Development Authority of India Staff (Officers and Other Employees) Regulations, 2016.

(2) They shall come into force on the date² of their publication in the Official Gazette.

2. Application.—These Regulations shall apply to every employee of the Authority (IRDAI) unless otherwise provided by the terms of any contract, agreement or letter of appointment:

Provided that they shall not apply, except as otherwise provided in these Regulations or to such extent as may be otherwise specifically or generally decided by the Chairperson, to persons employed temporarily or on short term contracts;

Provided, that in the case of officers and other employees holding posts in the Authority at the time of the commencement of the Insurance Regulatory and Development Authority (Conditions of Service of Officers and other Employees) Regulations, 2000, they were deemed to have been appointed/absorbed to such posts and scales of pay as determined and that the salary, allowances and other benefits of such officers and other employees deemed to have been appointed/absorbed shall not be varied to their disadvantage;

Provided that the salary, allowances and other benefits of officers and other employees absorbed into the service of the Authority by virtue of redeployment or appointed otherwise shall not be varied to their disadvantage.

(2) On and from the date of commencement of these Regulations, the terms and conditions of service of existing officers and other employees of the Authority shall stand modified in accordance with the provisions of these Regulations.

1. Vide Notification F. No. IRDAI/Reg./21/133/2016, dated 28th July, 2016, published in the Gazette of India, Extra., Pt. III, Sec. 4, No. 310, dated 1st August, 2016.

2. Came into force on 1-8-2016.

(3) The Insurance Regulatory and Development Authority (Conditions of Service of Officers and other Employees) Regulations, 2000 and the amendments thereto hereby stand repealed.

Notwithstanding such repeal, anything done or any action taken under the Insurance Regulatory and Development Authority (Conditions of Service of Officers and other Employees) Regulations, 2000 shall remain valid.

3. Definitions.—(1) In these Regulations, unless the subject or context otherwise requires—

- (a) "Act" means the Insurance Regulatory and Development Authority Act, 1999, as amended from time to time;
- (b) "Authority" means the Insurance Regulatory and Development Authority of India established under sub-section (1) of Section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), as amended;
- (c) "Appellate Authority" means the authority specified in Schedule X of these Regulations;
- (d) "Absorbed employee" means an employee of the Insurance Regulatory Authority, and/or an employee who was on deputation to the Insurance Regulatory Authority, and/or an employee on deputation from any other organization and absorbed in the services of the Authority or redeployed from the erstwhile Tariff Advisory Committee (TAC) with effect from 27-04-2011;
- (e) "Appointment" means appointment to any of the posts of a grade within the sanctioned strength by means of
 - i. Direct recruitment (or)
 - ii. On promotion (or)
 - iii. On contract
- (f) "Appointing Authority" means the Authority specified in Schedule X of these Regulations;
- (g) "Chairperson" means the person appointed by the Central Government under Section 4 of the IRDA Act, 1999; also referred to as Chairman;
- (h) "Competent Authority" means,—
 - i. in relation to matters under column 2 of Schedule X, the authorities specified under column 3 of Schedule X,
 - ii. in relation to other matters, the Chairperson;
- (i) "Dependent" means a person as mentioned in 3 (p) below, subject to fulfilling the following conditions:
 - i. The income limit for dependency of the family members (other than spouse) shall be as per instructions issued from time to time. "Income" includes salary income, pension, interest on bank deposits, investment, earnings from house, land holdings, etc. but excludes non-recurring lump sum payments like PF, gratuity, insurance benefits.
 - ii. If income of one of the parents exceeds limits mentioned therein, the other parent is not treated as dependent on the employee.

Note: It is the responsibility of the employee to notify any change in the status of dependents.

- (j) "Deputation" means the act of appointing a person or persons to the ex-cadre post if considered under Deputation – inward or allowing an employee to be considered for appointment to an ex-cadre post in other organizations under Deputation – outward;
- (k) "Direct recruit" means a person
- i. recruited through written examination and/or group discussion and/or interview on an all India basis by open competition, or
 - ii. recruited through group discussion and/or interview on an all India basis otherwise than by open competition, or
 - iii. both;
- (l) "Dies-non" means a day, which cannot be treated as duty for any purpose. The period of absence treated as 'dies-non' does not qualify as service for salary, allowances and any benefits provided under these Regulations or such other benefits as applicable including increments;
- (m) "Duty" includes—
- i. service as a probationer;
 - ii. period during which an employee is on joining time or training, administratively authorised;
 - iii. period spent on leave, duly authorized by the Competent Authority;
- (n) "Employee" means Class I Officers and Class III and IV employees to whom these Regulations apply;
- (o) "Employee on deputation" means an employee who is on transfer on deputation from Central/State Government, public sector insurance organizations, financial regulatory bodies having knowledge and experience in insurance related matters;
- (p) "Family" comprises the following members:
- (i) Spouse,
 - (ii) Two surviving children including legally adopted children or step-children subject to the following conditions:
 - (a) Unmarried son - Till he starts earning, or attains the age of 25 years, whichever is earlier
 - (b) Son suffering from permanent disability of any kind (physical or mental) - No age limit
 - (c) Daughter - Till she starts earning, or gets married whichever is earlier, irrespective of age limit
 - (d) The restriction to only two surviving children or step children shall not be applicable in respect of (i) those employees who already have more than two children prior to the coming into force of this restriction on 20.10.1998; (ii) where the number

of children exceeds two as a result of second child birth resulting in multiple births.

- (iii) Parents/parents-in-laws - A female employee shall have the option to declare either her parents or parents-in-law as her dependents. This option can be changed only once during the service period;

Note 1: Any modifications to the above shall be as per instructions issued from time to time.

Note 2: It is the responsibility of the employee to notify any change in the status of dependents.

- (q) "Grade" means any of the grades in each class of employees to whom these Regulations apply;
- (r) "Inquiry Officer" means an officer appointed by the Competent Authority in disciplinary proceedings to conduct inquiry against a charge sheeted employee;
- (s) "Leave pay" means the monthly pay which an employee would have drawn while on duty but before proceeding on leave. Pay during leave shall be drawn at full, half or appropriate rate of leave pay, according to the kind of leave availed of by an employee, with no pay being admissible during extraordinary leave;
- (t) "Leave year" means calendar year;
- (u) "Lien" means the title an employee holds on a permanent post to which he has been appointed substantively, either immediately or on termination of a period or periods of absence, or held in a permanent capacity;
- (v) "Merit" in relation to any promotion of an employee means the performance of an employee assessed by means of
- i. performance in any examination, if conducted for the purpose and/or
 - ii. review by the Competent Authority of the confidential reports in the previous grade and/or
 - iii. performance in the interview for the grade and/or
 - iv. any other measure of performance so prescribed by the Authority;
- (w) "Officer" means Class I Officer referred to in these Regulations;
- (x) "Other employee" means other than Class I Officer;
- (y) "Pay" means the amount drawn by an employee as
- i. basic pay which is sanctioned for a post held by him substantively to which he is entitled by reason of his position in a grade;
 - ii. special allowance and personal allowance;
 - iii. grade allowance;

Note: Pay as defined above shall qualify for dearness allowance, PF and superannuation benefits.

- (z) "Permanent employee" means a person who has been appointed to a permanent post substantively or held in a permanent capacity;

- (aa) "Personal pay" means an additional pay granted to an employee to save him from a loss of substantive pay in respect of a permanent post due to revision of pay or to any reduction of such substantive pay otherwise than as a disciplinary measure; or in exceptional circumstances, on other personal considerations;
- (bb) "Presenting Officer" means an officer appointed by the Competent Authority to present the case in support of the article/s of charge against a charge sheeted employee on behalf of the Competent Authority before an Inquiry Officer;
- (cc) "Post" in relation to any grade of the service means a grade post held by an employee on a substantive basis;
- (dd) "Public servant" means the Chairperson, Members and employees of the Authority as defined under Section 21 of the IRDA Act, 1999 with provisions thereunder applicable;
- (ee) "Qualification allowance" means the allowance granted to an employee for acquiring Actuarial and other professional qualifications approved by the Competent Authority from time to time and such allowance shall not count for any other allowance such as DA, HRA, CCA, etc., or for superannuation benefits such as PF, Gratuity, Superannuation fund or encashment of leave and for fixation of pay on promotion;
- (ff) "Recruitment" means appointment by way of direct recruitment, promotion and contract;
- (gg) "Regular vacancy" means in relation to a grade, includes vacancy arising out of death, retirement, promotion, resignation, or transfer on outward deputation or long leave of 180 days and above of incumbents and includes an unfilled vacancy;
- (hh) "Salary" means basic pay, special pay, stagnation increment, special functional allowance, dearness allowance, house allowance, local allowance (CCA), family allowance, grade allowance, special allowance, special compensatory allowance, deputation allowance, if any, and allowance for passing examinations and any other allowance specifically intended for payment as decided from time to time but excludes all other allowances and overtime payments;
- (ii) "Sanctioned strength" means in relation to any grade, the strength of posts or number of posts in that grade, against which appointments are made;
- (jj) "Scale of pay" means the scale of pay attached to different grades of service as per rules made by the Chairperson from time to time;
- (kk) "Schedule" means schedule annexed to these Regulations;
- (ll) "Select list" in relation to a grade means the select list prepared in order of merit;
- (mm) "Seniority list" means the seniority list of employees serving in the Authority in each grade as on the appointed day in that grade and revised annually as on 1st January;
- (nn) "Service" includes the period during which an employee is on duty as well as on leave duly authorized by the Competent Authority, but

does not include any period during which an employee is absent from duty without permission or overstays his leave, unless specifically permitted or condoned by the Competent Authority;

- (oo) "Special allowance" means an addition, in the nature of an allowance, to the emoluments attached to a post of an employee;
- (pp) "Special pay" means an addition, in the nature of pay, to the emoluments attached to the post of an employee;
- (qq) "Substantive pay" means the pay to which an employee is entitled to on account of a post to which he is appointed substantively or by reasons of his substantive position in a grade;
- (rr) "Staff" means Officers and other employees as mentioned in Section 12 and Section 26 (2)(c) of IRDA Act, 1999, and includes officers on deputation;
- (ss) "Staff Regulations" means Insurance Regulatory and Development Authority of India Staff (Officers and Other Employees) Regulations, 2016, also called as IRDAI Staff (Officers and Other Employees) Regulations, 2016, notified by the Authority;
- (tt) "Suitability" in relation to any promotion of an employee, means an employee meeting the eligibility criteria as per Schedule VI;
- (uu) "Transfer" means transfer of an employee from one department or station to another department or station as per provisions detailed in Schedule VII – Sensitive posts and Transfers;
- (vv) "Whole-time Members and Part-time Members" mean those persons appointed by the Central Government under Section 4 of the IRDA Act, 1999;
- (ww) "Year" means a continuous period of twelve months commencing from the 1st day of January of a year and ending with the 31st day of December of the year concerned.

(2) All words and expressions used herein and not defined in these Regulations but defined in the Insurance Act, 1938 (4 of 1938), the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Lokpal and Lokayuktas Act, 2013 and any other Act that may be applicable shall have the meanings respectively assigned to them in those Acts unless otherwise provided in the contracts of service.

(3) For the purposes of these Regulations, the terms 'he' and 'his' shall also refer to 'him', 'she' and 'her' wherever circumstances warrant and singular will also include plural. Further, the word 'may' used in these Regulations does not imply an option of 'may not'.

CHAPTER II

CLASSIFICATION OF EMPLOYEES, RECRUITMENT, PROBATION SECTION 1 – CLASSIFICATION OF EMPLOYEES, DEPARTMENTS AND HIERARCHY

4. Classification of employees

(1) The employees of the Authority shall be classified as follows:—

- (a) Class I Officer;

- (b) Class III Assistant, Senior Assistant, Receptionist-cum-Telephone Operator and Secretarial Staff;
- (c) Class IV Record keeper, Driver, Sub-staff.

(2) No. of grades: The Authority shall specify from time to time the number of grades in each class, and shall grant approval for sanction of grade-wise staff strength.

The class-wise, grade-wise list of designations is given in Schedule II - Composition of service - Class, Grade and Designations along with the equated structure of existing designations.

(3) Classification of departments - (a) Employees of the Authority shall be organized into various departments for carrying out its functions.

- (b) The Chairperson, with the previous approval of the Authority shall, by notification/administrative order, depending on need, requirement and necessity for the functioning of the Authority, may create new departments or merge some departments into others for administrative convenience.

(4) Hierarchy and activities - (a) In the hierarchy of the organization with classification of departments, middle level functionaries shall guide the functionaries at the bottom and together shall assist the top level functionaries in decision-making.

- (b) Chief General Manager/General Manager shall be the Head of the Department (HOD). The hierarchy for control and levels of activity shall be as per Schedule III - Hierarchy and activities.

SECTION 2 - RECRUITMENT

5. Recruitment

(1) All recruitments shall be made against vacancies in sanctioned posts within the sanctioned strength as approved by the Authority and the Competent Authority may appoint such persons as are necessary for the efficient discharge of its duties. All appointments through direct recruitment made during the previous year shall be through a defined process and shall be informed to the Authority in their first meeting in the financial year.

(2) The age limit, education and other qualifications, method of recruitment, composition of interview/screening committee, method and criteria for selection for recruitment to each grade, syllabus and marks for examination, and period of probation, shall be such as determined by the Competent Authority from time to time.

(3) Direct recruitment to different grades shall be made as per criteria laid down for such recruitment.

(4) Training: There shall be an induction training program followed by on the job practical training to all new recruits as per guidelines issued from time to time.

(5) Sanctioned strength:

- (a) Sanctioned strength, in relation to any grade is the number of posts in that grade, against which regular appointments are made. The sanctioned strength shall be determined by the Authority from time

to time on the basis of assessment of workload and expansion needs of each department and/or Organization as a whole.

- (b) Further, depending on office exigencies and necessities, there shall be a separate deputation reserve of not exceeding 18% and leave reserve of 2% together not exceeding 20% by way of an addition to and over and above the sanctioned strength in Class I.
 - (c) The need to ensure availability of skilled, competent, independent and experienced persons like actuaries, accountants and auditors, whose work complies with transparent technical and ethical standards set and enforced by official or professional bodies in line with international standards subject to appropriate control mechanism, shall be addressed by the Authority while deciding the staff strength.
 - (d) To ensure best regulatory practices, the need for identifying existing skills, experience and projected requirements over short to medium term, review and implementing measures such as hiring and promotion policies, schemes for secondment of staff to industry and other supervisory authorities (National or International) shall be addressed periodically by the Authority to bridge any gaps in numbers and/or skill-sets.
- (6) Method of recruitment and Appointing Authority
- (a) Qualifications for direct recruitment: The qualifications required for recruiting employees to serve in different departments are described in Schedule IV – Qualifications, age and experience required for recruitment to various posts - direct recruitment.
 - (b) Minimum experience for direct recruitment: No person shall be eligible for appointment by direct recruitment to grade/s above entry level in each class to which he is being recruited unless he has experience in relevant functional area/s mentioned in Schedule IV – Qualifications, age and experience for recruitment to various posts - direct recruitment.
 - (c) Cut-off date for direct recruitment: The cut-off date for deciding eligibility criteria shall be reckoned in accordance with the last date for receipt of applications.
 - (d) Quota of vacancies: Subject to other provisions in these Regulations, the method of appointment to different classes and grades within shall be as per Schedule V – Quota of vacancies -Direct recruitment.
 - (e) Written examination/Interview: The Competent Authority for the purpose of recruitment to different grades shall on its own hold an objective test and/or descriptive written examination and/or group discussion, or entrust the same to be conducted by an outside agency and conduct interviews for the final selection of candidates.
 - (f) Appointments: All appointments through direct recruitment in any grade shall be made by the Competent Authority and no person shall have a right to demand to be appointed to any particular grade.
 - (g) Appointing Authority: The Competent Authority shall be the Appointing Authority as prescribed in Schedule X – Competent Authorities and Appellate Authorities.

(7) **Screening/Interview Committee:** The Chairperson, as part of recruitment process may appoint a Screening/Interview Committee consisting of at least three members of whom one member shall be an outside expert. The extant instructions and provisions issued by Government of India on composition of the committee for interview by inclusion of different categories of members shall be followed.

(8) **Reservations:** The Authority provides that Government of India orders on reservation of different categories like SC, ST, OBC, persons with disabilities, ex-servicemen in direct recruitment and reservation and rule of relaxations in promotions shall be complied as applicable while undertaking such recruitments:

Provided, reservations shall be as applicable to the direct recruitment by open competition on an All India basis or otherwise than by open competition.

Explanation 1: Nothing in these Regulations shall affect reservations, relaxation and other concessions required to be provided as per Government of India orders for Scheduled Castes, Scheduled Tribes, OBCs and other special categories of persons.

Explanation 2: The extant orders of Govt. of India on reservations to different categories in promotions shall be complied under each category, as applicable while undertaking such promotions.

(9) **Transfers:** The transfer/s of employees shall be determined as per criteria laid down for transfers. All employees irrespective of their initial posting based on qualifications or experience are liable for interdepartmental and inter-office transfers as per needs and provisions under Schedule VII – Sensitive posts and Transfers.

The services of every employee shall be at the disposal of the Authority and he shall serve the Authority in performing its duties in such capacity and at such place or places as he may, from time to time, be directed.

6. Employment on contractual basis, Advisors/Consultants

(1) **Employment on contractual basis** -Notwithstanding anything contained in these Regulations, the Chairperson may, for meeting exigencies of work, appoint person/s on contract basis for a period of one year renewable on yearly basis based on performance evaluation; however, the total period shall not exceed three years.

The terms and conditions of service of employees on contractual basis shall be decided by the Chairperson but in no case shall such terms and conditions be more favourable than those laid down in these Regulations for an appointment carrying equivalent status or responsibility or contrary to general principles followed by PSU Insurers/Financial Regulators/Government in this regard.

(2) **Appointment of Advisors/Consultants** -The Chairperson, as per need, may appoint Advisors/Consultants on suitable terms and conditions decided from time to time.

Note: The provisions of notice period for discontinuance of service with regard to employment on contractual basis, appointment of advisors/consultants will be governed by the terms and conditions of such appointments.

7. Certificate of health

No person shall be appointed to the service of the Authority unless he is certified by a qualified medical practitioner, approved by the Chairperson, to be of sound mind and body constitution and medically fit to discharge his duties.

8. Appointments to be made on minimum pay

All first appointments shall be made on the minimum basic pay of the grade to which the appointments are made.

SECTION 3-PROBATION**9. Probation on first appointment**

(1) An employee directly appointed to any of the grades in Class I, Class III and Class IV shall, on first appointment in the Authority's service, be required to be on probation for a period of one year from the date of his appointment.

(2) The Competent Authority may extend probation of any employee before the expiry of the period of probation citing reasons.

(3) Subject to the provisions of any law for the time being in force, the Competent Authority may extend the period of probation, but in no case shall the total period of probation exceed two years.

Provided that the period of training, if any, shall be reckoned as period of probation of an employee.

(4) Completion of probation for confirmation in the recruited grade cannot be automatic and depends on performance evaluation of the job during probation. If on evaluation, it is found that an employee is not suitable for the job, the Competent Authority may exercise the option of discharging him during probation without notice.

(5) Further, on successful completion of probation period of one year, an employee shall be deemed to have been confirmed in the grade to which he has been appointed unless probation period is extended and informed to him in writing.

(6) During the period of probation, a directly recruited employee shall be liable to be discharged immediately without assigning any reason and without notice.

CHAPTER III**COMMENCEMENT OF DUTY, TERMINATION, RETIREMENT****SECTION 1 - COMMENCEMENT OF DUTY****10. Commencement of duty**

The service of an employee in any appointment made under these Regulations shall be deemed to commence from the working day on which he reports for duty at the place and time intimated to him by the Competent Authority:

Provided that, if he reports in the afternoon, his service shall commence from the following working day.

SECTION 2 - TERMINATION**11. Discontinuing/leaving service, termination due to disciplinary proceedings**

(1) An employee including an employee on probation shall not leave or discontinue his service in the Authority without giving notice in writing to the Competent Authority of his intention to leave or discontinue the service.

(2) The period of notice required shall be:

- (a) in the case of an employee on probation, one month.
- (b) in the case of a permanent employee, three months.

The expression "month" used in this Regulation shall be reckoned according to the English calendar and shall commence from the day following that on which notice is received by the Competent Authority.

A notice given by an employee under sub-regulation (1) above shall be deemed to be proper only if he remains on duty during the period of notice, and an employee shall not be entitled to set off any leave earned and not availed of by him against the period of such notice:

Provided that such notice may be waived in part or in full by the Competent Authority at his discretion.

(3) In the case of failure by an employee to give notice in accordance with sub-regulation (2), he shall be liable to pay to the Authority a sum equal to his salary for the period of notice required under these Regulations:

Provided that such payment may, for reasons to be recorded in writing, be reduced or waived by the Competent Authority.

(4) Notwithstanding anything contained in sub-regulation (1), the resignation of an employee shall not be effective unless it is accepted by the Competent Authority and relief shall be from such date approved by the Competent Authority.

(5) Nothing contained in this Regulation shall affect the right of the Competent Authority in public interest to retire, discharge, remove or dismiss an employee without notice or salary in lieu thereof in accordance with the provisions of Regulation 12 (1).

(6) The Competent Authority may refuse to accept resignation from an employee, if,

- (a) disciplinary proceedings have been instituted against him or are proposed to be instituted against him;
- (b) he is under an obligation to serve the Authority for a specified period which has not expired;
- (c) he owes the Authority any sum/s of money;
- (d) for any other grounds to be recorded in writing.

Explanation 1- For the purposes of this Regulation, disciplinary proceedings shall be deemed to be instituted against an employee,—

- (a) if he has been placed under suspension under these Regulations; or
- (b) any notice has been issued to him asking him to show cause why disciplinary proceedings should not be instituted against him; or
- (c) any charge sheet has been issued to him under these Regulations shall be deemed to be pending till final orders thereon are passed by the Competent Authority.

Explanation 2 - A notice by an employee under sub-regulation (1) shall be proper notice if he remains on duty during the period of notice.

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(7) Exit interview: The Competent Authority, before considering the request of an employee for accepting his resignation, may direct him to appear for an interview.

(8) Re-employment in the Authority:

- (a) An employee who has ceased to be in the service of the Authority, except by way of removal or dismissal or compulsory retirement, may be re-employed with the specific sanction of, and on such terms and conditions as may be laid down by the Authority.
- (b) Except as otherwise provided by the Authority at the time of re-employment, these Regulations shall apply to a person who is re-employed in the Authority, as if he had entered the service for the first time in the service in the lowest of grade on the date of his re-employment.

SECTION 3 - RETIREMENT

12. Retirement

(1) Except as otherwise provided in this Regulation, every employee shall retire from service in the afternoon of the last day of the month in which he attains the age of sixty years:

Provided that an employee whose date of birth is the first of a month shall retire from service in the afternoon of the last day of the preceding month on attaining the age of sixty years;

Provided further that the Competent Authority, if he is of the opinion that it is in the interests of the Authority or in public interest so to do, for reasons to be recorded in writing, direct an employee to retire on completion of fifty years of age or at any time thereafter or twenty years of total service whichever is earlier, on giving him notice of three months or salary in lieu thereof;

Provided further that an employee shall be permitted upon request made in advance of three months to retire before the date age of retirement mentioned in this sub-regulation either

- (a) on completion of twenty five years of service;
- (b) on completion of twenty years of service and he has attained fifty years of age;
- (c) on completion of fifteen years of service, if he is incapacitated for further active service;
- (d) on completion of fifty-five years of age and at the time of recruitment his age was more than forty years;

Provided that it shall be open to the Competent Authority to withhold permission to an employee under suspension who seeks to retire under this sub-regulation;

Explanation.— where an employee is directed by the Competent Authority to retire as aforesaid, it shall not be deemed to be a penalty under these Regulations.

Provided further that the Competent Authority may refuse to accept the notice of retirement from an employee, if,—

- (a) disciplinary proceedings have been instituted against him or are proposed to be instituted against him;
- (b) he is under an obligation to serve the Authority for a specified period which has not expired;
- (c) he owes the Authority any sum/s of money;
- (d) for any other grounds to be recorded in writing.

Explanation 1.— For the purposes of this Regulation, disciplinary proceedings shall be deemed to be instituted against an employee,—

- (a) if he has been placed under suspension under these Regulations; or
- (b) any notice has been issued to him asking him to show cause why disciplinary proceedings should not be instituted against him; or
- (c) any charge sheet has been issued to him under the Regulations and shall be deemed to be pending till final orders thereon are passed by the Competent Authority;

Explanation 2.— A notice by an employee shall be proper notice if he remains on duty during the period of notice.

Provided further that the Competent Authority may make periodic reviews before retirement of the employee concerned.

(2) No employee shall be granted extension in service beyond the age of retirement of sixty.

(3) If on a review of the case on a representation from the employee retired under second proviso of Regulation 12 (1), it is decided to reinstate the employee in service, the Competent Authority ordering reinstatement may regulate the intervening period between the date of premature retirement and the date of reinstatement by grant of leave of the kind due and admissible, including extraordinary leave, or by treating it as dies-non depending upon the facts and circumstances of the case:

Provided that the intervening period shall be treated as a period spent on duty for all purposes including pay and allowances, if it is specifically held by the Competent Authority ordering reinstatement that the premature retirement was itself not justified in the circumstances of the case, or, if the order of premature retirement is set aside by a court of law.

(4) Where the order of retirement under second proviso of Regulation 12 (1) is set aside by a court of law with specific directions in regard to regulating the period between the date of premature retirement and the date of reinstatement and no further appeal is proposed to be filed, the aforesaid period shall be regulated in accordance with the directions of the court.

(5) An employee referred to in sub-regulation (1) may request in writing to the Competent Authority to accept notice of less than three months giving reasons therefor.

(6) On receipt of a request under sub-regulation (1), the Competent Authority may consider such request for curtailment of the period of notice of three months on merits and if he is satisfied that curtailment of the period of notice shall not cause any administrative inconvenience, the Competent Authority may relax the requirement of notice of three months.

(7) An employee who has elected to retire under this Regulation and has given necessary notice to that effect to the Competent Authority shall be precluded from withdrawing his option subsequently except with the specific approval of such Authority:

Provided that the request for withdrawal shall be within the intended date of his retirement.

CHAPTER IV

RECORD OF SERVICE, SENIORITY, PROMOTION AND REVERSION

13. Maintenance of record of service

A record of service shall be maintained in respect of each employee at such place or places and in such form or manner as determined from time to time by the Chairperson. .

14. Seniority of employees

The seniority of employees shall be determined as given in Schedule VIII – Seniority.

15. Promotion of employees

(1) All promotions of employees shall be against vacancies in sanctioned strength approved by the Authority and shall be based on merit, suitability of the candidate for a particular post.

The merit and suitability may be judged by review of Confidential Reports and/or interview and/or written examinations as decided through administrative orders issued from time to time with the approval of the Authority:

Provided that the minimum marks to be obtained shall be 50% in written examination to become eligible for interview and shall be 50% in interview.

(2) Minimum service for promotion: No employee of the Authority shall be eligible for promotion to the next higher grade unless he has put in minimum years of service as mentioned in Schedule VI – Promotions – method of filling in the grade from which promotion is made.

For all purposes of eligibility, 1st January of the year shall be the cut-off date.

(3) Screening/Interview Committee: The Chairperson as part of promotion process may appoint a Screening/Interview Committee consisting of at least three members of whom one member be an outside expert:

Provided that in the case of promotions to the post of Executive Director, the Committee shall consist of Chairperson and two Whole-time Members of the Authority.

(4) Zone of consideration: All eligible employees who comply with eligibility criteria for promotion as mentioned in para 3 in Schedule VI will be eligible to apply for promotion to the next grade.

(5) Appointments on promotion: All appointments on promotion to any grade shall be made by the Competent Authority and no person shall have a right to demand to be promoted to any particular grade.

(6) An employee promoted to any of the grades in Class I and Class III shall be required to be on probation for a period of one year from the date of such promotion.

(7) Save as otherwise provided in this Regulation, an employee shall be deemed to have been confirmed in the grade to which he has been promoted, on successful completion of probation period of one year unless probation period is extended and informed to the employee in writing before the expiry of the period of probation.

(8) Transfers on promotion: The transfer of employees on promotion shall be as per provisions in Schedule VII – Sensitive posts and transfers. The services of every employee shall be at the disposal of the Authority and every employee shall serve the Authority in such capacity and at such place or places as he may, from time to time, be directed.

(9) Non-acceptance of promotion: No employee shall refuse to accept promotion except under compelling circumstances such as chronic or debilitating ill health, continuous hospitalization or any such other justifiable reason in writing from the employee which shall have the approval by Chairperson. If Chairperson is not satisfied, he may not accept the request of the employee for refusal of promotion and initiate such steps as deemed fit in the circumstances including transfer of the employee concerned.

(10) Supernumerary positions: The Chairperson shall have power to create supernumerary positions arising out of any office exigencies, redefining of staff strength, etc. for a limited period and till such positions are regularized.

16. Reversion of an employee

(1) An employee promoted from one grade to another may be reverted by the Competent Authority during probation period mentioned in Regulation 15 (6) above without any notice after recording reasons therefor.

(2) An employee promoted to a grade may, however, seek reversion to the lower grade from which he is promoted, during probation period and the Competent Authority may approve such request subject to imposition of such terms and conditions pertaining to posting, seniority, etc.

(3) However, the candidature, of such an employee who is reverted under sub regulations (1) and (2) above, shall not be considered in the next one round of promotion irrespective of relative seniority in the grade reverted to and eligibility for promotion in all respects.

CHAPTER V

PAY, ALLOWANCES AND OTHER BENEFITS

17. Admissibility of pay, allowances and other benefits

(1) The Authority shall provide for adequate resources, financial or otherwise, sufficient to enable it to conduct effective regulation and supervision and its staffing provisions shall enable it to attract and retain highly skilled, competent and experienced staff.

Pay, allowances and other benefits shall be determined by the Authority.

The Authority, shall frame such schemes for the welfare of its employees on such terms and conditions as it may determine.

(2) The pay, allowances and other benefits shall cease to accrue to an employee from the date,—

- (a) he ceases to be in service; or
- (b) he is dismissed, removed or compulsorily retired from service; or
- (c) following the date on which he deceases.

(3) Pay and allowances shall only be payable to employees who fulfil the conditions subject to which they are admissible.

(4) Where on an appeal or a representation by an employee, his removal, discharge or suspension from service is revoked after due process, the entitlement to allowances and other benefits shall accrue to him in terms of the order of revocation, passed by the Competent Authority.

18. Increment payable

(1) An increment in a scale of pay shall accrue on completion of service of one year in that scale:

Provided that the benefit of increment shall be admissible from the first day of the month in which it accrues, irrespective of the actual due date;

Provided further that the annual increment may be postponed due to extraordinary leave or dies-non in respect of an employee.

(2) The sanction to draw increments shall be given by the Competent Authority:

Provided that no increment shall be withheld except as a disciplinary measure under these Regulations and each order withholding an increment shall state the period for which it is withheld and also whether it shall have the effect of postponing future increments;

Provided further that if in an incremental scale there is an efficiency bar, an employee shall not draw increments above that bar until he has been cleared to cross the efficiency bar by the Competent Authority;

Provided also that on each occasion on which an employee is allowed to cross an efficiency bar which has previously been enforced against him, he shall be placed in the incremental scale at such stage as the Competent Authority to remove the bar may fix;

Provided also that such stage shall not be higher than that at which he would draw his pay if the bar had not been enforced against him and further that no increment granted on the removal of a bar shall have a retrospective effect.

19. Fixation of pay on promotion

The pay of an employee on appointment on promotion from one grade to another shall be initially fixed at a stage in the higher grade which is next above his substantive pay in the scale as on the date of promotion, if such pay be higher than the pay drawn by him at the time of promotion.

20. Declaration of hometown

(1) Every employee shall on his first appointment declare his hometown in writing in the form prescribed for the purpose.

(2) The hometown so declared may be changed, only once during the service of an employee, for reasons recorded in writing.

CHAPTER VI

WORKING HOURS, HOLIDAYS, LEAVE AND JOINING TIME

The working hours of the Authority shall be from 9.30 am to 5.30 pm; 5 days a week from Monday through Friday with a lunch break of 30 minutes between 1.30 pm and 2 pm.

All employees of the Authority shall be entitled to holidays which are declared by the Chairperson at the beginning of every calendar year.

21. Kinds of leave

Subject to the provisions of these Regulations, the following kinds of leave may be granted to an employee,—

- (a) casual leave;
- (b) earned leave;
- (c) sick leave;
- (d) maternity leave;
- (e) child care leave;
- (f) paternity leave;
- (g) extraordinary leave;
- (h) joining time and special leave in lieu of joining time;
- (i) any other leave considered by the Authority from time to time.

22. Grant of leave – general conditions

- (1) The power to grant leave shall vest in the Competent Authority.
- (2) All applications for grant of leave shall be addressed to the Competent Authority before leave is sought to be availed of.
- (3) Leave shall not be claimed as a matter of right.
- (4) When exigencies of service so require,—
 - (a) the Competent Authority may refuse leave or revoke leave of any kind already granted;
 - (b) an employee already on leave may be recalled to duty by the Competent Authority.
- (5) Lapsation of leave - Leave of an employee lapses on the date on which he ceases to be in service whether it be by discharge, dismissal, resignation or termination for any reason whatsoever.
- (6) An employee shall avail himself of the leave granted, fully, before resuming duty. An employee on leave cannot return to duty before the expiry of such leave except with the permission of the Competent Authority.
- (7) Report for duty after leave - An employee on leave shall, unless otherwise instructed to the contrary, return for duty at the place at which he was last stationed.
- (8) An employee who remains absent after the end of his sanctioned leave is not entitled to leave salary for the period of such absence which will be treated as extraordinary leave by the Competent Authority, if such absence is treated as breach of these Regulations.

(9) Leave may be prefixed and/or suffixed to a holiday subject to provisions of sub-regulation (11).

(10) Leave ordinarily begins after the day on which charge is handed over and ends on the preceding day on which charge is resumed.

(11) Combination of leave- Casual leave cannot be availed of in conjunction with any other kind of leave except any other leave considered under Regulation 31 (2) from time to time. Subject to this condition, any kind of leave under these Regulations can be granted in combination with or in continuation of any other kind of leave.

(12) Pay during leave - Pay during leave shall be drawn at full or half rate of leave pay, according to the kind of leave availed of by an employee, but no pay shall be admissible during extraordinary leave.

(13) Leave address to be intimated - An employee shall, before proceeding on leave, intimate his address while being on leave to the Competent Authority, and shall keep the said authority informed of any change in the address previously furnished.

(14) Production of medical certificate for leave on medical grounds - (a) The Competent Authority may require an employee, who has availed himself of leave on medical grounds to produce a medical certificate of fitness to the satisfaction of the Competent Authority before he resumes duty even though such leave was not initially granted on a medical certificate.

(b) If the medical certificate produced by an employee is not found acceptable by the Competent Authority, he shall refer the case to the doctor approved by him for advice.

(15) Suspension and disciplinary proceedings: Leave will not be granted to an employee under suspension or against whom disciplinary proceedings are pending.

(16) Employees not to be absent from duty without permission or be late in attendance except as per provisions on late attendance / early going issued from time to time:

(a) An employee shall not absent himself from his duties without having obtained prior permission of the Competent Authority, nor shall he absent himself in case of sickness or accident without submitting a medical certificate to the satisfaction of the Competent Authority:

Provided that in case of an unforeseen emergency, an employee may be allowed to avail casual leave without prior sanction, subject to the condition that the Competent Authority is promptly informed of the circumstances in which prior sanction could not be obtained;

Provided further that in case of temporary indisposition, production of a medical certificate may, at the absolute discretion of the Competent Authority, be dispensed with.

(b) An employee who absents himself from duty without leave or overstays his leave shall not be entitled to draw pay and allowances during such absence or overstay, and shall further be liable to such disciplinary measures as the Competent Authority may deem necessary and initiate:

Provided, that the Competent Authority may treat such period of absence or overstay, if not followed by termination of service, as period spent on earned, sick, special or extraordinary leave as may be decided, but the employee shall not be entitled as of right to such treatment;

Provided further that notwithstanding anything contained in Regulation 29, the Competent Authority may treat such absence or overstay as period spent on extraordinary leave irrespective of whether the employee has any other leave to his credit or not.

- (c) An employee who is habitually late in attendance shall, in addition to such other penalty as the Competent Authority may deem fit to impose, have one day of casual leave forfeited for every three days he is late in a month. Where such an employee has no casual leave due to him, the period of leave to be so forfeited may be treated as extraordinary leave.

Explanation: The Competent Authority may, at his discretion, condone late attendance by any employee up to two days in a month, provided the circumstances under which an employee had to attend late were beyond his control and in that case such late attendance will not be taken into consideration for debiting casual leave account.

23. Casual leave

(1) An employee shall be eligible for casual leave up to a maximum of twelve working days in each calendar year:

Provided that no employee shall take casual leave for more than five working days at any one time;

Provided further that public holidays may not be combined with such leave in such a way as to increase the absence at any one time beyond ten days.

(2) Casual leave shall not be suffixed or prefixed to any other kind of leave except any other leave considered under Regulation 31 (2) from time to time.

(3) No casual leave may be availed of, except with the prior permission of the Competent Authority:

Provided that if for any sufficient reason, it is not possible for an employee to obtain such permission in advance, he shall intimate his absence to such Competent Authority within twenty-four hours;

Provided further that, such Competent Authority may condone the delay, if any, in this behalf if he is satisfied that an employee was not in a position to intimate his absence for reasons beyond his control;

Provided further that, where the Competent Authority is not satisfied and does not condone the delay, such absence shall be treated as extraordinary leave on loss of pay.

(4) When an employee joins the service of the Authority at any time during a calendar year, his entitlement to casual leave shall be at the rate of one day per month for the period of service remaining in that calendar year.

24. Earned leave

(1) Every employee shall be entitled to earned leave at the rate of thirty days for every completed year of service.

(2) The leave so earned shall be credited to the leave account of an employee half-yearly in each calendar year at the rate of fifteen days for every six months of service rendered by such an employee.

(3) If an employee renders less than six months of service in any calendar year, he shall be credited with one day for every twelve days of duty and fraction of a day of earned leave shall be taken as full day if amounting to more than half-day only.

(4) No employee, however, shall earn earned leave when he is on leave other than casual leave.

(5) The period of earned leave, which can be taken at one time by an employee shall not be less than five days:

Provided that an employee may take less than five days when he does not have casual leave to his credit.

(6) The maximum period of earned leave, which can be taken at any one time by an employee, is ten months, subject to leave to his credit.

(7) An application for grant of earned leave shall be submitted fifteen days in advance to the Competent Authority. In the event of failure to submit the application with fifteen days advance notice, an employee shall request the Competent Authority for condoning the delay, who may consider the request on merits.

(8) An employee on earned leave shall draw pay equal to leave pay.

(9) Encashment of earned leave –

- (a) An employee is permitted to encash earned leave once in two years for a minimum period of fifteen days and a maximum period of thirty days:

Provided that at the time of such encashment he has to his credit a balance of leave which shall not be less than the leave so encashed;

Provided that for the period of leave encashment the amount payable shall be equivalent to pay plus all allowances that are normally admissible to the employee concerned during earned leave, excepting allowances granted for qualifications as defined in Regulation in 3 (1) (ee).

- (b) Where an employee has to his credit accumulated earned leave on the date of retirement or death, he or his legal heirs be paid a lump sum amount which would be equivalent to pay as defined under these Regulations as on the date of his retirement or death, for the unavailed earned leave subject to a maximum of ten months plus all allowances that shall normally be admissible to the employee concerned during earned leave, excepting allowances granted for qualifications, etc. as defined in Regulation in 3 (1) (ee).

25. Sick leave

(1) During the entire period of his service, an employee is eligible for sick leave on medical grounds for a period or periods not exceeding eighteen months.

Such sick leave shall be credited to the leave account of an employee half-yearly in each calendar year at the rate of ten (10) days for every six months of service rendered by such an employee.

The minimum sick leave that can be availed of by an employee is two days; for sick leave beyond two days, production of a medical certificate and a certificate of fitness is compulsory at the time of resuming duty.

(2) Sick leave shall be on half pay:

Provided that where an employee has served the Authority for at least a period of three years, he may, if he so requests, be permitted to avail himself of sick leave on leave pay subject to availability of sick leave to his credit, however, subject to a maximum period of nine months of sick leave during the entire period of his service, and such leave on leave pay will be entered in his sick leave account at twice the amount of leave taken by him;

Provided further that an employee, during the first three years of service from the date of his appointment in the Authority, may, if he so requests, be permitted to avail himself of sick leave on leave pay subject to availability of sick leave to his credit for the purpose of hospitalization due to sickness or for undergoing surgery upon production of a medical certificate from a qualified surgeon, and such leave on leave pay will be entered in his sick leave account at twice the amount of leave taken by him.

Explanation.— For the purposes of the above provisos, "service" includes probationary service rendered by an employee prior to confirmation.

(3) An employee may be granted sick leave during the first year of his service on pro rata basis at the discretion of the Competent Authority.

26. Maternity leave

(1) Maternity leave, which shall be on leave pay, may be granted to female employees up to a period of one hundred and eighty days for delivery of a child and convalescence.

(2) Maternity leave shall not be more than three hundred and sixty days during the entire period of service.

(3) Female employees undergoing hysterectomy operation may also claim maternity leave for a period not exceeding twenty days (including stay in hospital) within the overall ceiling of three hundred and sixty days.

(4) Leave not exceeding forty-five days may be granted to female employees during their entire service, in case of abortion or miscarriage including medical termination of pregnancy on production of medical certificate within the overall ceiling of three hundred and sixty days.

(5) The Competent Authority may grant leave of any other kind admissible to female employees in combination with or in continuation of maternity leave, if the request for the same is supported by requisite medical certificate.

27. Child care leave

(1) A female employee confirmed in the services of the Authority is eligible for child care leave. Child care leave may also be availed as an extension of maternity leave.

(2) Child care leave shall be admissible for a maximum of 730 days during the entire service. Child care leave may be availed for a minimum period of fifteen days and maximum period of sixty days up to two times a year. The maximum limit includes Child care leave already availed of.

(3) Child care leave can be availed only till the second child completes twelve (12) years of age.

(4) Child care leave shall be with salary as defined in Regulation 3(1) (ii) except conveyance expenses and meal vouchers.

(5) Under no circumstances can a female employee proceed on child care leave without prior approval of the Competent Authority. Application for child care leave shall be submitted by a female employee at least one month before the date from which such leave is to be availed.

(6) Child care leave may be availed irrespective of balance of leaves of any other category, and may be combined with any categories of leave except casual leave, special leave and special leave in lieu of joining time.

28. Paternity leave

(1) Paternity leave up to fifteen days per child may be granted to a male employee (natural father), with less than two surviving children, either fifteen days prior to delivery or up to six months from the date of such delivery.

(2) Paternity leave may also be granted to a male employee (adoptive father), with less than two surviving children, who has adopted a child through legal process, for a period of fifteen days per child within six months from the date of adoption.

(3) Paternity leave will not be granted on more than two occasions.

(4) During the period of paternity leave, an employee shall be paid leave pay.

(5) Paternity leave may be combined with any kind of leave other than casual leave, special leave and special leave in lieu of joining time.

(6) An employee has to avail each spell of paternity leave at one time during the eligible period as mentioned in points (1) and (2) above, as the case may be.

(7) If paternity leave is not availed of within the period mentioned in points (1) and (2), such leave shall lapse.

29. Extraordinary leave

(1) Extraordinary leave may be granted to an employee when no other leave is due to him.

(2) Except in exceptional circumstances, the duration of extraordinary leave shall not exceed ninety days on any one occasion and 365 days during the entire period of an employee's service. If the number of days of extraordinary leave so granted to an employee exceeds 365 days, the Competent Authority may initiate disciplinary proceedings which may conclude in dismissal also.

(3) The Competent Authority may grant extraordinary leave in combination with, or in continuation of leave of any other kind admissible to an employee, and may commute retrospectively the period of absence without leave into extraordinary leave.

(4) No pay and allowances shall be admissible during the period of extraordinary leave and the period spent on such leave shall not count for increments:

Provided that, in cases where the Competent Authority is satisfied that the leave was taken on account of illness or for any other cause beyond an

employee's control, he may direct that the period of extraordinary leave may count for increments.

30. Joining time and special leave in lieu of joining time

(1) Joining time may be granted to an employee on transfer to enable him to join new place of posting.

(2) Joining time shall not be granted when no change in the headquarters of an employee is involved.

(3) Joining time which may be allowed shall not exceed five working days, exclusive of the number of days actually spent on travelling.

(4) In calculating joining time admissible to an employee, the day on which he is relieved from his post shall be excluded.

(5) Joining time cannot be claimed as a matter of right. It may be curtailed at the discretion of the Competent Authority.

(6) Where an employee on transfer from one place to another (not within the same city) does not avail of the joining time or joining time has been curtailed due to exigencies of Authority's service, he may be allowed to avail of special leave to the extent of unavailed joining time subject to a maximum of five days, at any time after the date of reporting at the new place but before completion of a period of six months or such other extended period not exceeding another six months as may be permitted by the Competent Authority provided the employee made a request in writing before expiry of the first six months:

Provided that Saturdays or Sundays or holidays prefixed to special leave in lieu of joining time shall be excluded;

Provided that joining time, if not availed within the permitted period as mentioned above, shall be forfeited and the employee shall not be entitled to any such joining time.

(7) Overstay after joining time: An employee who does not join his post within the joining time allowed to him, except under circumstances beyond his control, shall not be entitled to any pay or leave salary after the end of the joining time. Willful absence from duty after the expiry of joining time may be treated as misconduct in terms of Regulation 32 (13).

31. Any other leave considered from time to time

(1) Notwithstanding anything contained in these Regulations, the Chairperson or the person authorised by him may permit grant of any other leave to an employee in special and deserving circumstances.

(2) In particular and without prejudice to the generality of the foregoing, such leave may provide for all or any of the following:

(a) Quarantine leave:

Quarantine leave for diseases declared as infectious by State Government/s may be granted to an employee subject to a maximum period of 21 days or in exceptional circumstances, 30 days.

Any leave necessary for quarantine purposes in excess of this period shall be treated as extraordinary leave. An employee on quarantine leave is not treated as absent from duty.

When an employee himself is suffering from infectious disease, he shall not be entitled to quarantine leave. He shall be entitled only to earned, sick or extraordinary leave, as the case may be.

- (b) Special leave arising out of an accident in the course of employment;
- (c) Leave where a person is called to duty in national cause;
- (d) For undergoing family planning operation, subject to production of medical certificate by:
 - (i) Female employees:
 - 14 days for tubectomy / laparoscopy
 - 1 day on the day on which the husband undergoes vasectomy
 - 1 day on the day of IUD insertion / reinsertion
 - (ii) Male employees:
 - 6 days for vasectomy operation
 - 7 days when wife undergoes tubectomy / laparoscopy

Provided that special leave sanctioned under this sub-regulation may not be clubbed with any other leave, except casual leave.

Explanation 1: The total period of casual leave and special leave granted under this Regulation in any one calendar year shall in no case exceed 45 days and if the grant of leave under the said Regulation shall result in such total period being extended beyond 45 days, any period of absence in excess of 45 days shall be treated as earned, sick, special or extraordinary leave, as the case may be, on the request and as may be admissible to an employee.

Explanation 2: In computing casual leave under Regulation 23 and special leave under this Regulation, intervening public holidays shall not be reckoned as day of casual leave or special leave, as the case may be.

CHAPTER VII

CONDUCT, DISCIPLINE AND APPEALS

32. Conduct and obligation of employees

The whole time of an employee shall be at the disposal of the Authority and he shall serve the Authority in pursuance of its duties in such capacity and at such place or places as he may, from time to time, be directed, unless specified otherwise.

(1) Every employee shall discharge his duties in a transparent, professional and accountable manner and assist the Authority to add legitimacy and credibility in all its functions. In discharge of such duties, every employee shall endeavour not to create a conflict of interest with the functions of the Authority.

(2) Every employee of the Authority shall at all times maintain absolute integrity, devotion to duty and do nothing which is unbecoming of a public servant. He shall conduct himself at all times in a manner which will enhance the reputation of the Authority.

(3) Every employee shall conform to and abide by these Regulations and shall observe, comply with and obey all orders and directions which may from

time to time be given to him by any person or persons under whose jurisdiction, superintendence or control he may for the time being be placed.

(4) Every employee shall maintain the strictest secrecy regarding the Authority's affairs and shall not divulge, directly or indirectly, any information of a confidential nature coming into his possession while working for the Authority to anyone, unless compelled to do so by judicial or other authority, or unless instructed to do so by his reporting officer or above in the discharge of his duties.

(5) Every employee shall serve the Authority diligently, honestly and faithfully and shall endeavor to promote the interests of the Authority without deviation from the extant framework and shall show courtesy and attention in all transactions and dealings between officers and employees of the Authority and other Organizations.

(6) No employee shall take active part in politics or in any political demonstration, or stand for election as a member of a municipal council, district authority or any other local body or any legislative body while remaining in the service of the Authority.

(7) No employee shall, except in accordance with any general or special order of the 'Competent Authority' 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 other employee or any other person to whom he is not authorised to communicate such document or information.

(8) No employee who is not a "workman" within the meaning of the Industrial Disputes Act, 1947 (14 of 1947), shall resort to, or in any way abet, any form of strike or participate in any violent, unseemly or indecent demonstration in connection with any matter pertaining to his conditions of service or the conditions of service of any other employee of the Authority.

(9) No employee shall contribute to the press or make public or publish any document, paper or information which may come to his knowledge in his official capacity without the prior sanction of the Competent Authority.

(10) No employee shall, except with the previous sanction of the Chairperson, publish or cause to be published any leaflet, book or any similar printed matter of which he is the author or deliver talk or lecture in any public meeting or otherwise:

Provided that no such sanction is, however, required, if such a broadcast or a contribution or a publication made by him either individually or as a member of a professional body is of a purely literary, artistic, scientific, professional, cultural, educational, religious or social character.

(11) No employee shall publish or circulate by print or electronic means any leaflet or printed matter or post any matter in any website or social media which is prejudicial to the interests and image of the Authority or its Chairperson, Members or employees.

(12) Every employee, including those who are on contract/deputation basis shall, before entering upon his duties, make a declaration of fidelity and secrecy in Form B given in Schedule I of these Regulations.

(13) Misconduct

Without prejudice to the generality of the term 'misconduct', the following acts of omission and/or commission by an employee shall be treated as misconduct:

- (a) Theft, fraud or dishonesty in connection with the business or property of the Authority or property of another person within the premises of the Authority.
- (b) Taking or giving bribes or any illegal gratification.
- (c) Possession of pecuniary resources or property disproportionate to the known sources of income by an employee or on his behalf by another person, which the employee cannot satisfactorily account for.
- (d) Furnishing false information or suppressing information regarding name, age, father's name, qualifications and experience in support of any relaxations or any other matter germane to employment at the time of employment or during the course of employment in the Authority or failure to abide by the Staff Regulations.
- (e) Acting in a manner prejudicial to the interests or image of the Authority.
- (f) Willful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of his reporting officer or above.
- (g) Absence without leave or over-stayal of the sanctioned leave for more than four consecutive days without sufficient grounds, or proper or satisfactory explanation or bad leave record.
- (h) Habitual late attendance or habitual absence without taking prior sanction of leave.
- (i) Neglect of work or negligence in the performance of duty including malingering or slowing down of work.
- (j) Willful damage to property of the Authority.
- (k) Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Authority or outside such premises where such behaviour is related to or connected with employment.
- (l) Gambling within the premises of the Authority.
- (m) Smoking within the premises of the Authority where it is prohibited.
- (n) Collection without permission of the Chairperson of any money within the premises of the Authority except as sanctioned by any law of the land for the time being in force or rules of the Authority.
- (o) Commission of any act which amounts to a criminal offence involving moral turpitude.
- (p) Absence from an employee's appointed place of work without permission or sufficient cause.
- (q) Commission of any act subversive of discipline or of good behavior.
- (r) Any act of sexual harassment of women at work place.
- (s) Any lapse on the part of an employee in discharging his duties with regard to any official documents or part thereof of the office or in his custody.

- (t) Unauthorized communication of any official information as referred to in sub regulation 32 (7) above.
- (u) Using defamatory, abusive or offensive language in reference to any employee of the Authority in his presence or otherwise.
- (v) Suppression of any proceedings of criminal nature pending before any law enforcement authority.
- (w) Violation and breach of provisions of information technology, information security and email policies in vogue in the Authority.
- (x) Any breach of any of the provisions of these Regulations or instructions issued by the Authority from time to time or any other statute.
- (y) Abetment of or attempt at abetment of any act which amounts to misconduct.

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

33. Restriction on employment in certain cases

(1) An employee shall, after leaving the service continue to be bound by the duty to behave with integrity and discretion as regards the acceptance of certain appointments or benefits. An employee intending to engage in an occupational activity, whether gainful or not, within one year of leaving the service shall inform the Authority.

(2) No employee shall accept, solicit or seek any outside employment or office, whether stipendiary or honorary, without previous sanction of the Chairperson.

(3) Notwithstanding anything contained in these Regulations, no employee who was holding the post of an officer belonging to the grade of Deputy General Manager and above on the date of retirement from the service of the Authority shall, within a period of one year from the date when he finally ceases to be in the Authority's service, accept or undertake a commercial employment with any entity regulated by the Authority except with the previous sanction in writing of the Chairperson.

Explanation: For the purpose of this Regulation, "commercial employment" means:

- (a) Employment in any capacity including that of an agent under a Company, Cooperative Society, firm or individual engaged in trade, or commercial, industrial or professional business and also includes a directorship of such a company and partnership of such firm but does not include employment under a body corporate wholly or substantially held or controlled by the Authority.
- (b) Setting up a practice, either independently or as partner of a firm, as adviser or consultant in matters in respect of which the retired employee —
 - (i) has no professional qualifications and the matters in respect of which the practice is to be set up or is carried on are relatable to his official knowledge or experience, or

- (ii) the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reason of his previous official position.
- (c) Undertaking work involving liaison or contact with offices of the Authority.

For the purpose of this clause, "employment under a cooperative society" includes holding of any office, whether elective or otherwise such as President, Chairman, Manager, Secretary, Treasurer and the like, by whatever name called in such society.

(4) No employee shall use his position or influence directly or indirectly, to secure an employment with any other entity regulated by the Authority, of any person related, whether by blood or marriage to the employee or his spouse, whether such a person is dependent on the employee or not.

Provided, however, that where such employment of any person related to an employee has been secured before the commencement of employee's employment with the Authority or has been secured by his relative on the strength of his individual merit, then the restriction contained above shall not apply.

(5) Notwithstanding anything contained in sub-regulation (2), no employee of the Authority, including an employee on contract shall within a period of one year from the date that he finally ceases to be in the Authority's service, accept or undertake an employment or be in any manner associated with any entity regulated by the Authority, except with the prior written approval of the Chairperson.

The Chairperson, may by order in writing, on an application by an employee, grant, subject to such conditions, if any, as he may deem necessary, permission, or for reasons to be recorded in the order, refuse permission to such an employee to take up commercial employment mentioned in his application. The decision taken in this regard shall be communicated to the employee concerned.

However, before refusing approval, the Competent Authority shall give a hearing to the employee concerned.

(6) The Competent Authority while granting such approval shall satisfy himself regarding the appropriateness of granting approval, having regard to dealings which an employee may have had with the said entity regulated by the Authority while in the services of the Authority; and may impose such conditions as may be necessary having regard to the circumstances of the case including:

- (a) Prohibiting an employee from representing the entity regulated by the Authority in any manner before the Authority or Securities Appellate Tribunal.
- (b) The approval / refusal by the Competent Authority under this Regulation shall be communicated to the employee within a period of 90 days from the date of receipt of application for approval, failing which approval shall be deemed to have been granted.

Every employee shall report to the Competent Authority in case his son/daughter or any other member of his family accepts employment in any entity regulated by the Authority with which he has official

dealings or in any undertaking having official dealings with the Authority.

(7) All the above provisions are also applicable to employees of the Authority on deputation to other institutions/establishments/organizations/Government.

(8) The provisions under sub-regulations (1), (2) and (3) above shall also be applicable to employees on deputation to the Authority from institutions/establishments/organizations/Government during and after repatriation to their parent department/s.

(9) Prohibition against participation in politics and standing for election

(a) No employee shall take part or contest in an election to any legislature or local authority unless he resigns from the services of the Authority before contesting such election and his resignation is duly accepted by the Competent Authority and communicated to him;

Provided that

(i) an employee qualified to vote at such an election may exercise his right to vote but, where he does so, he shall give no indication of the manner in which he has voted;

(ii) an employee shall not be deemed to have contravened the provisions of this Regulation by reason only that he assists in the conduct of an election in due performance of a duty imposed on him by or under any law for the time being in force.

Explanation: The display by an employee on his personal vehicle or residence of any electoral symbol shall amount to using his influence in connection with an election within the meaning of this subregulation.

(b) It shall be the duty of every employee to endeavour to prevent any member of his family from taking part in, subscribing in aid of or assist in any manner any movement which tends directly or indirectly to be subversive of the Insurance Regulatory and Development Authority of India or of the Government as by law established, and where an employee is unable to prevent a member of his family from taking part in, or subscribing in aid of, or assisting in any manner, any such movement or activity, he shall make a report to that effect to the Authority.

Explanation: For the purpose of Regulations in this chapter, "members of the family" in relation to an employee include

(i) Spouse, child or step-child of an employee whether residing with him/her or not, residing with him/her and dependent on him/her; and

(ii) any other person related, whether by blood or by marriage, to an employee or to an employee's wife or husband and wholly dependent on him; but does not include wife or husband legally separated from an employee, or child or step-child who is no longer in any way dependent upon him or her or of whose custody an employee has been deprived by law.

- (c) If any question arises whether any movement or activity falls within the scope of this Regulation, the decision thereon by the Competent Authority shall be final under these Regulations.

34. Evidence before Committee/s or any other authority

(1) Save as provided in sub-regulation (3), no employee shall, except with the previous approval of the Competent Authority, give evidence in connection with any inquiry conducted by any person, committee or authority.

(2) Where any approval has been accorded under sub-regulation (1), no employee giving such evidence shall criticise the policy or any action of the Central Government, or a State Government or the Authority.

(3) Nothing in this Regulation shall apply to any evidence given,—

- (a) at any inquiry before an Authority appointed by the Central Government, a State Government, Parliament or a State Legislature; or
- (b) in any judicial inquiry; or
- (c) at any departmental inquiry ordered by the Competent Authority.

35. Canvassing of non-official or outside influence

(1) No employee shall bring or attempt to bring any political pressure or outside influence to bear upon the officials of the Authority to further his interests in respect of matters pertaining to his service in the Authority which may include transfers, postings, disciplinary matters, appointments, etc. Any employee found indulging in any of the activities mentioned above shall be liable for disciplinary proceedings under these Regulations.

(2) No appeal, petition or memorial shall be addressed by an employee to the whole-time members of the Authority personally or to any outside authority or any authority not prescribed in these Regulations or in the IRDA Act, 1999 (as amended from time to time).

36. Prohibition of private trade or employment in certain cases

No employee shall undertake any part-time work for a private or public body or a private person, or accept any fee.

37. Absence from station

An employee shall not absent himself from his station overnight without obtaining previous permission of the Competent Authority.

Further, no employee of the Authority shall, except with the previous sanction / approval in writing of the Competent Authority undertake to visit abroad on private business.

38. Acceptance of gifts

(1) An employee shall not solicit or accept any gift or permit any member of his family or any person acting on his behalf to accept any gift from a person having dealings with the Authority or from a subordinate employee.

Explanation.— For the purposes of this Regulation,—

- (a) the expression "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 an employee;

- (b) a casual meal, lift or other social hospitality shall not be deemed to be a gift;
- (c) an employee shall avoid acceptance of lavish or frequent hospitality including accommodation and conveyance from any individual or concern having official dealings with him;
- (d) an employee shall not accept any kind of inducements in any form and in case of such instance, shall immediately report the matter to the CVO of the Authority for registering the complaint.

(2) An employee may accept gifts from his friends having no official dealings with him but he shall make a report to the Competent Authority if the value of such gift exceeds rupees five thousand.

(3) An employee shall not –

- (a) give or take or abet the giving or taking of dowry; and
- (b) demand directly or indirectly from the parents or guardians of a bride or bridegroom, as the case may be, any dowry.

In this Regulation, the term 'dowry' shall have the same meaning as in the Dowry Prohibition Act, 1961.

Note: Any violation of this Regulation shall be treated as criminal misconduct and shall attract disciplinary proceedings under the Regulations.

39. Prohibition on engaging in commercial business, etc.

(1) No employee shall engage in any commercial business or pursuit either on his own account or as an agent for others, or act as an agent for an insurance company or shall he be connected with the formation or management of a joint stock company carrying on insurance or insurance related business.

(2) Canvassing by an employee in support of business of an insurance agency or a commission agency carried on or managed by a member of his family shall be deemed to be a breach of this Regulation.

40. Speculation in stocks, shares, investments, etc.

An employee shall not trade or speculate in stocks, shares or securities of a company engaged in insurance business of any description nor shall he make investments which are likely to embarrass or influence him in the discharge of his official duties.

No employee shall, make or permit any member of his family to speculate in equities in any Indian insurance company or its subsidiaries or any entity regulated by the Authority.

Provided that nothing in the Regulations shall be deemed to prohibit an employee for making a bonafide investment of his own funds in such manner as he may wish in any entity not regulated by the Authority.

41. Lending or borrowing

No employee shall in his individual capacity,—

(1) borrow or permit any member of his family to borrow or otherwise place himself or a member of his family under a pecuniary obligation to a broker or a money-lender or an employee of the Authority or any person, association

of persons, firm, company or institution, whether incorporated or not, having dealings with the Authority:

Provided that any loan/s on mortgage of property or on policies of insurance raised in the ordinary course shall not be prohibited;

(2) indulge in wagering or betting or speculation activities;

(3) guarantee in his private capacity the pecuniary obligations of another person or agree to indemnify in such capacity another person from loss except with the previous permission of the Competent Authority:

Provided that an employee may give to or accept from a relative or personal friend a purely temporary loan of a small amount free of interest, or operate a credit account with a bonafide tradesman or make an advance of pay to his private employee;

Provided further that an employee may obtain a personal loan from a bank or a co-operative credit society of which he is a member or stand as surety in respect of a loan taken by another member from a co-operative credit society of which he is a member.

42. Investment

Any employee who buys or sells movable and/or immovable property worth rupees one lakh or above shall make a declaration to that effect to the Authority and also submit returns as per the provisions of Lokpal and Lokayuktas Act, 2013.

43. Demonstration

No employee shall engage or participate in any demonstration which is prejudicial to the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality, or which involves contempt of court, defamation or incitement to an offence.

44. Joining association prejudicial to the interests of the country

No employee shall join, or continue to be a member of an association or body, the objects or activities of which are prejudicial to the interests of the sovereignty and integrity of India or public order or morality.

45. Subscription

No employee shall, except with the previous sanction of the Chairperson, ask for or accept a contribution to or otherwise associate himself with the raising of any funds or other collections in cash or in kind in pursuance of any objective whatsoever.

46. Consumption of intoxicating drinks and drugs

(1) An employee shall strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be posted for the time being.

(2) It shall be the duty of an employee to ensure that he,—

(a) takes due care that the performance of his duty is not affected in any way by influence of any intoxicating drink or drug;

(b) does not appear in public place in a state of intoxication; and

(c) does not habitually use any intoxicating drink or drug in excess.

Explanation.— For the purpose of this Regulation, the expression 'public place' would include clubs (even exclusively meant for members where it is permissible for the members to invite non-members as guests), bars and restaurants, public conveyances and all other places to which the public have or are permitted to have access, whether on payment or otherwise.

47. Employees in debt

An employee who is in debt shall furnish to the Competent Authority a signed statement of his position half-yearly on the 30th September and 31st March and shall indicate in the statement the steps he is taking to rectify his position. An employee who makes a false statement under this Regulation or who fails to submit the prescribed statement or appears to be unable to liquidate his debts within a reasonable time or applies for the protection to an insolvency court shall be liable for dismissal.

Explanation.—For the purpose of this Regulation,—

- (a) An employee shall be deemed to be in debt if his total liabilities exclusive of those which are fully secured exceed his substantive pay for twenty-four months;
- (b) An employee shall be deemed to be unable to liquidate his debts within a reasonable time if it appears, having regard to his personal resources and unavoidable current expenses that he shall not cease to be in debt within a period of three years.

48. Prohibition of sexual harassment of women at workplace

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

(2) For the purpose of sub-regulation (1), 'Sexual Harassment' shall mean unwelcome sexually determined behavior (whether directly or by implication) as defined in Section 2(n) of The sexual harassment of women at workplace Act, 2013, and includes:-

- (a) physical contact and advances; or
- (b) a demand or request for sexual favours; or
- (c) making sexually coloured remarks; or
- (d) showing pornography; or
- (e) any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.

(3) Any complaint of violation of sub-regulation (1) shall be dealt by an Internal Complaints Committee constituted by the Chairperson, comprising of such number of members and for such term as provided in the Act *ibid*.

(4) The Committee shall abide by the provisions contained in the Act in discharging its duties and functions.

(5) The findings of the Committee shall be in the form of a report, which complies with the requirements of Regulation 57 and such report shall be deemed to be an inquiry report for the purposes of these Regulations.

(6) Nothing contained in this Regulation shall be construed to prejudice the powers of the Internal Complaints Committee to provide counselling or other support services.

49. Submission of returns of movable, immovable and valuable properties

(1) Every employee shall, on his first appointment to a service or post in the Authority, submit a return of his assets and liabilities in such form prescribed by the Authority giving the full 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 or similarly owned, acquired or held by him; and

(d) debts and other liabilities incurred by him directly or indirectly.

(2) Every employee in any grade shall submit an annual return in such prescribed form giving full details regarding 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;

(3) No employee, except with the previous knowledge of the office, acquire or dispose of any immovable property by lease, mortgage, purchase, sale, gift or otherwise either in his own name or in the name of any member of his family:

Provided that the previous sanction of the Chairperson shall be obtained by an employee if any such transaction is with a person or an Indian insurance company with whom he has official dealings.

(4) Where an employee enters into a transaction in respect of movable property either in his own name or in the name of any member of his family, he shall, within sixty days from the date of such transaction report the same to the Chairperson.

50. Restrictions in relation to acquisition and disposal of immovable property outside India and transactions with foreigners, etc.

Notwithstanding anything contained in sub-regulation (3) of Regulation 49, no employee, except with the previous sanction of the Chairperson,—

(1) acquire, by purchase, mortgage, lease, gift or otherwise, either in his own name or in the name of any member of his family, any immovable property situated outside India;

(2) dispose of, by sale, mortgage, gift or otherwise or grant any lease in respect of any immovable property situated outside India which was acquired or is held by him either in his own name or in the name of any member of his family;

(3) enter into any transaction with any foreigner, foreign Government, foreign organisation or concern—

(a) for acquisition, by purchase, mortgage, lease, gift or otherwise, either in his own name or in the name of any member of his family, or any immovable property;

(b) for disposal of, by sale, mortgage, gift or otherwise, or the grant of any lease in respect of any immovable property which was acquired

or is held by him either in his own name or in the name of any member of his family.

51. Restriction regarding marriage

(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 Competent Authority may permit an employee to enter into, or contract, any such marriage as is referred to in sub-regulation (1), if he is satisfied that—

(a) such marriage is permissible under the personal law applicable to such an employee and the 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 of Indian nationality, shall intimate the fact to the Competent Authority.

52. Competent Authority to institute proceedings

The Chairperson or any other authority empowered by him by general or special order may—

(1) institute disciplinary proceedings against an employee;

(2) direct a disciplinary Authority to institute disciplinary proceedings against an employee on whom that authority is competent to impose under these Regulations any of the penalties specified in Regulation 55.

53. Suspension

(1) The Competent Authority or any Authority to whom he is subordinate 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, in the opinion of the aforesaid authority, he has engaged himself in activities prejudicial to the interests of the Authority or interests of holders of insurance policies or insurance industry; or

(c) where a case against him in respect of any criminal offence is under investigation, inquiry or trial.

Provided that where the order of suspension is made by an Authority lower than the Appointing Authority, such Authority shall forthwith report to the Appointing Authority the circumstances under which the order was made.

Note: Chairperson or the Authority as the Appointing Authority has full power to suspend an employee.

(2) An employee shall be deemed to have been placed under suspension by an order of the Competent Authority—

(a) with effect from the date of his detention, if he is detained in police custody, whether on criminal charge or otherwise for a period exceeding forty-eight hours;

- (b) with effect from the date of his conviction, if, in the event of a conviction for an offence, he is sentenced to a term of imprisonment exceeding forty-eight hours and is not forthwith dismissed or removed or compulsorily retired consequent to such conviction.

*Explanation:—*The period of forty-eight hours referred to above shall be computed from the commencement of imprisonment and intermittent periods of imprisonment shall also be counted and taken into account for the purpose.

It shall be the duty of the employee who has been arrested for any reason to intimate promptly, the fact of his arrest and the circumstances connected therewith to his Reporting Officer/Competent Authority even though he might have been released on bail subsequently. Failure on the part of an employee to so inform his Reporting Officer/Competent Authority will be regarded as suppression of material information and will render him liable to disciplinary action on this ground alone, apart from the action that will be taken on the outcome of the police case against him.

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

(4) Where a penalty of dismissal, removal or compulsory retirement 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 Competent Authority, on consideration of the circumstances of the case, decides to hold further inquiry against him on the allegations on which the penalty of dismissal, removal or compulsory retirement was originally imposed, the employee shall be deemed to have been placed under suspension by the Competent Authority from the date of the original order of dismissal, removal or compulsory retirement and shall continue to remain under suspension until further orders:

Provided that no such further inquiry shall be ordered unless it is intended to meet a situation where the court has passed an order purely on technical grounds without going into the merits of the case.

(5)(a) An order of suspension made or deemed to have been made under this Regulation shall continue to remain in force until it is modified or revoked by the Competent Authority.

- (b) Where an employee is suspended or is deemed to have been suspended (whether in connection with any disciplinary proceeding or otherwise), and any other disciplinary proceeding is commenced against him during the period of that suspension, the Competent Authority to place him under suspension may, for reasons to be recorded by him in writing, direct that the employee shall continue to be under suspension until termination of all or any of such proceedings.
- (c) An order of suspension made or deemed to have been made under this Regulation may at any time be modified or revoked by the Competent Authority who had made or is deemed to have made the order.

- (d) During the period of suspension, an employee shall not enter the work-place/office premises except with the written permission of the Competent Authority, nor shall he leave station without the written permission of the Competent Authority. No leave shall be granted during the period of suspension.

(6) Subsistence allowance:

An employee under suspension shall be entitled to draw subsistence allowance equal to 50 per cent of his basic pay provided the Competent 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 and any other compensatory allowance of which he was in receipt on the date of suspension provided the Competent Authority is satisfied that the employee continues to meet the expenditure for which the allowance was granted.

Where the period of suspension exceeds six months, the Competent Authority who had 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 and dearness allowance and any other compensatory allowance of which he was in receipt on the date of suspension if, in the opinion of the said Competent 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 and dearness allowance and any other compensatory allowance of which he was in receipt on the date of suspension if, in the opinion of the said Competent Authority, the period of suspension has been prolonged due to reasons directly attributed to the employee under suspension.

Before making any payment to a suspended employee, he would be required to furnish to the Competent Authority a certificate every month that he is not engaged in any other employment or business or profession or vocation.

(7) Effecting recoveries from subsistence allowance

The following normal deductions shall be made from subsistence allowance:

- (a) Income Tax (provided the employee's yearly income, calculated with reference to the subsistence allowance, is taxable);
- (b) Repayment of loans and advances taken from the Authority at such rate as may be fixed by the Competent Authority;
- (c) Subscription to Provident Fund or any other employee benefit fund (contributory).

(8) Treatment of period of suspension

When an order placing an employee under suspension is revoked or would have been revoked but for his retirement (including premature retirement) while under suspension, the Authority competent to order revocation shall consider and make specific orders—

- (a) Regarding pay and dearness allowance and any other compensatory allowance of which he was in receipt on the date of suspension to be paid to the employee for the period of suspension ending with revocation of suspension or date of his retirement (including premature retirement) as the case may be; and
- (b) Whether or not the said period shall be treated as a period spent on duty.

Notwithstanding anything contained in the above Regulation, where an employee under suspension dies before the disciplinary proceedings or proceedings before a court of law or any other law enforcement authorities instituted against him are concluded, the period between the date of suspension and the date of death shall be treated as on duty for all purposes and his family shall be paid full pay and allowances for that period to which he would have been entitled had he not been suspended, subject to adjustment in respect of subsistence allowance already paid.

Where the Appellate Authority is of the opinion that the suspension was wholly unjustified, the employee shall, subject to sub-regulation below, be paid full pay and allowances to which he would have been entitled had he not been suspended.

Provided that where such authority is of the opinion that the termination of proceedings against an employee had been delayed due to reasons directly attributable to an employee, it may after giving him an opportunity to make his representation within thirty days from the date on which the communication in this regard is served on him and after considering the representation, if any, submitted by him, direct, for reasons to be recorded in writing, that the employee shall be paid for the period of such delay only such amount (not being the whole) of such pay and allowances as it may determine. The pay and allowances so determined shall not be less than the subsistence allowance already paid to the employee.

Where a penalty of dismissal, removal or compulsory retirement from service imposed upon an employee under suspension is set aside in appeal or review under these Regulations, the period of suspension shall be treated as a period spent on duty for all purposes.

In cases other than those falling under sub-regulation (2) and (3), the employee shall, subject to the provisions of sub-regulation (7) and (8), be paid such amount (not being the whole) of pay and allowances to which he would have been entitled had he not been suspended, as the Competent Authority may determine, after observing the procedure of issuing show cause notice and consideration of representation, if any, submitted by the employee. The amount so determined shall not be less than the subsistence allowance already paid to the employee.

Where suspension is revoked pending finalization of disciplinary or court proceedings, any order passed under sub-regulation (1) before conclusion of proceedings against the employee, shall be reviewed on its own motion after conclusion of proceedings by the authority mentioned in sub-regulation (1) who shall make an order according to the provisions of sub-regulation (3), (4) or (5), as may be applicable.

In a case falling under sub-regulation (5), the period of suspension shall not be treated as a period spent on duty unless the Competent Authority specifically directs that it shall be so treated for any specific purpose.

Provided that if the employee so desires, such Authority may order that the period of suspension shall be converted into leave of any kind due and admissible to the employee.

54. Imposition of penalties

(1) The Chairperson may impose any of the penalties specified in Regulation 55 on any employee.

(2) Without prejudice to the provisions of sub-regulation (1), any of the penalties specified in Regulation 55 may be imposed on an employee by the Competent Authority or any authority to whom he is subordinate.

55. Penalties

The following penalties may, for good and sufficient reasons and as hereinafter provided, be imposed on an employee, namely:—

(1) Minor penalties being—

- (a) censure;
- (b) withholding of promotion;
- (c) recovery from his pay of the whole or part of any pecuniary loss caused by him to the Authority by negligence or breach of orders;
- (d) reduction to a lower stage in the scale of pay for a period not exceeding three years, without cumulative effect and not adversely affecting his superannuation benefits;
- (e) withholding of increments of pay.

(2) Major penalties being—

- (a) save as provided for in clause (d) of sub-regulation (1) above, reduction to a lower stage in the scale of pay for a specified period, with further directions as to whether or not an employee shall earn increments of pay during the period of such reduction and whether on the expiry of such period, the reduction shall or shall not have the effect of postponing future increments of his pay;
- (b) reduction to lower scale of pay, grade, or service which shall ordinarily be a bar to the promotion of the employee to the scale of pay, grade, or service from which he was reduced, with or without further directions regarding conditions of restoration to the grade or service from which the employee was reduced and his seniority and pay on such restoration to that grade, or service;
- (c) compulsory retirement;
- (d) removal from service which shall not be a disqualification for future employment;
- (e) dismissal from service.

Provided that, in every case in which the charge of acceptance from any person of any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act is established, the penalty mentioned in clause (d) or (e) of sub-regulation (2) above 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 Regulation:—

- (i) withholding of increment of an employee for his failure to pass any departmental examination in accordance with the Regulations or orders governing the service to which he belongs or grade which he holds or the terms of his appointment;
- (ii) stoppage of an employee at the efficiency bar in the scale of pay on the ground of his unfitness to cross the bar;
- (iii) non-promotion of an employee to a higher grade to which he is eligible;
- (iv) reversion of an employee who is considered to be unsuitable for such higher service, grade on any administrative ground unconnected with his conduct;
- (v) reversion of an employee appointed on probation to any other service grade or post, to his permanent service, grade or post during or at the end of the period of probation in accordance with the terms of his appointment or the Regulations and orders governing such probation;
- (vi) replacement of the services of an employee, whose services had been borrowed from any organisation, Government, etc. at the end of the term of deputation;
- (vii) compulsory retirement of an employee in accordance with the provisions of Regulation 12(1);
- (viii) termination of services:
 - (a) of an employee appointed on probation, during or at the end of the period of his probation, in accordance with the terms of his appointment or the Regulations and orders governing such probation, or
 - (b) of an employee on contractual basis, employed under an agreement, in accordance with the terms of such agreement.

56. Procedure for imposing penalties

(1) Subject to the provisions of sub-regulation (5) of Regulation 58, no order imposing on an employee any of the penalties specified in Regulation 55 shall be made except after—

- (a) informing the employee in writing of the proposal to take action against him and of the imputations of misconduct or misbehaviour on which it is proposed to be taken, and giving him reasonable opportunity of making such representation as he may wish to make against the proposal;
- (b) holding an inquiry in the manner laid down in these sub-regulations (3) to (23) of Regulation 56 and Regulation 57, in every case in which the Competent Authority is of the opinion that such an inquiry is necessary;

(c) taking the representation, if any, submitted by the employee under clause (a) and the record of inquiry, if any held under clause (b) into consideration;

(d) recording a finding on each imputation of misconduct or misbehaviour.

(2) No order imposing any of the penalties specified in Regulation 55(2) shall be made except after an inquiry held in the manner provided in this Regulation.

(3) Whenever the Competent Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, he may himself inquire into, or appoint under this Regulation, an authority to inquire into the truth thereof.

Explanation.—Where the Competent Authority himself holds the inquiry, any reference in Regulation 56 to 69 to the Inquiry Officer shall be construed as a reference to the Competent Authority.

(4) Where it is proposed to hold an inquiry against an employee under this Regulation, the Competent Authority shall draw up or cause a case to be drawn up containing—

(i) the substance of the imputations of misconduct or misbehaviour into definite and distinct articles of charge;

(ii) a statement of the imputations of misconduct or misbehaviour in support of each article of charge, which shall contain—

(a) a statement of all relevant facts including any admission or confession made by the employee;

(b) a list of documents by which, and a list of witnesses by whom, the articles of charge are proposed to be sustained.

(5) The Competent Authority shall deliver or cause to be delivered to the employee a copy of the articles of charge, the statement of the imputations of misconduct or misbehaviour and a list of documents and witnesses by which each article of charge is proposed to be sustained and shall require the employee to submit, within such time as may be permitted, a written statement of his defense.

(6) (a) On receipt of the written statement of defense, the Competent Authority may himself inquire into such of the articles of charge as are not admitted, or, if he considers it necessary to do so, appoint under sub-regulation (3), an Inquiry Officer for the purpose, and where all the articles of charge have been admitted by the employee in his written statement of defense, the Competent Authority shall record his findings on each charge after taking such evidence as he may think fit and shall act in the manner laid down in Regulation 58.

(b) If no written statement of defense is submitted by the employee, the Competent Authority may himself inquire into the articles of charge, or may, if he considers it necessary to do so, appoint, under sub-regulation (3) above, an Inquiry Officer for the purpose.

(c) Where the Competent Authority himself inquires into any article of charge or appoints an Inquiry Officer for holding any inquiry into such charge, it may, by an order, appoint an officer of the authority, to be known as the Presenting Officer to present on his behalf the case in support of the articles of charge.

(7) The Competent Authority shall, where he is not the Inquiry Officer, forward to the Inquiry Officer—

- (a) a copy of the articles of charge and the statement of the imputations of misconduct or misbehaviour;
- (b) a copy of the written statement of the defense, if any, submitted by the employee;
- (c) a copy of the statement of witnesses, if any, referred to in sub-regulation (4) above;
- (d) evidence proving the delivery of the documents referred to in sub-regulation (4) above, to the employee; and
- (e) a copy of the order appointing the Presenting Officer.

(8) The employee shall appear in person before the Inquiry Officer on such day and at such time within ten working days from the date of receipt by the Inquiry Officer of the articles of charge and the statement of the imputations of misconduct or misbehaviour, as the Inquiry Officer may, by notice in writing, specify, in this behalf, or within such further time, not exceeding ten days, as the Inquiry Officer may allow.

(9) (a) The employee may take the assistance of any other employee posted in any office either at his headquarters or at the place where the inquiry is held, to present the case on his behalf, but may not engage a legal practitioner for the purpose.

Provided that the employee may take the assistance of any other employee posted at any other station, if the Inquiry Officer, having regard to the circumstances of the case, and for reasons to be recorded in writing, so permits.

- (b) The employee may also take the assistance of a retired employee of the Authority to present the case on his behalf, subject to such conditions as may be laid down by the Competent Authority from time to time by general or special order in this behalf.

(10) If the employee, who has not admitted any of the articles of charge in his written statement of defense or has not submitted any written statement of defense, appears before the Inquiry Officer, such authority shall ask him whether he is guilty or has any defense to make and if he pleads guilty of any of the articles of charge, the Inquiry Officer shall record the plea, sign the record and obtain the signature of the employee thereon.

(11) The Inquiry Officer shall return a finding of guilt in respect of those articles of charge to which the employee pleads guilty.

(12) The Inquiry Officer shall, if the employee fails to appear within the specified time or refuses or omits to plead, require the Presenting Officer to produce the evidence by which he proposes to prove the articles of charge, and 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 defense —

- (a) inspect within five days of the order or within such further time not exceeding five days as the Inquiry Officer may allow, the documents mentioned in the list referred to in sub-regulation (4);
- (b) submit a list of witnesses to be examined on his behalf;
- (c) give a notice within ten days of the order or within such further time not exceeding ten days as the Inquiry Officer may allow, for

the discovery or production of any documents which are in the possession of the authority but not mentioned in the list referred to in sub-regulation (4).

(13) The Inquiry Officer shall, on receipt of the notice for the discovery or production of documents, forward such notice or copies thereof to the authority in whose custody or possession the documents are kept, with a requisition for the production of documents by such date mentioned in such requisition:

Provided that the Inquiry Officer may, for reasons to be recorded in writing, refuse to requisition such of the documents as are, in his opinion, not relevant to the case.

(14) On receipt of the requisition referred to in sub-regulation (13), every official having the custody or possession of the requisitioned documents shall produce the same before the Inquiry Officer:

Provided that if the official having the custody or possession of the requisitioned documents is satisfied for reasons to be recorded in writing that the production of all or any of such documents would be against public interest or security of the State, he shall inform the Inquiry Officer accordingly and the Inquiry Officer shall, on being so informed, communicate the information to the employee and withdraw the requisition made by him for the production or discovery of documents.

(15) On the date fixed for the inquiry, (a) 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 Competent Authority; (b) 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; (c) the Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on any new matter, without the leave of the Inquiry Officer; (d) the Inquiry Officer may also put such questions to the witnesses as he thinks fit.

(16) (a) If it shall appear necessary before the close of the case on behalf of the Competent Authority, the Inquiry Officer may, in his discretion, allow the Presenting Officer to produce evidence not included in the list given to the employee or may himself call for new evidence or recall and re-examine any witness and in such case the employee shall be entitled to have, if he demands it, a copy of the list of further evidence proposed to be produced and an adjournment of the inquiry for three clear days before production of such new evidence, exclusive of the day of adjournment and the day to which the inquiry is adjourned.

(b) The Inquiry Officer shall give the employee an opportunity of inspecting such documents before they are taken on record.

(c) The Inquiry Officer may also allow the employee to produce new evidence, if it is of the opinion that the production of such evidence is necessary in the interests of justice.

(17) (a) When the presentation and defense in support of the imputations of misconduct or misbehaviour for the Competent Authority are completed, the employee shall be required to state his defense, orally or in writing, as he may prefer.

(b) If the defense is made orally, it shall be recorded in writing and the employee shall be required to sign the record.

- (c) In either case, a copy of the statement of defense shall be given to the Presenting Officer, if any, appointed.
- (18)(a) The evidence on behalf of the employee shall then be produced.
- (b) The employee may examine himself on his own behalf if he so prefers.
- (c) The witnesses produced by the employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the Inquiry Officer according to the provisions applicable to the witnesses for the Competent Authority.
- (19) The Inquiry Officer 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.
- (20) The Inquiry Officer may, after the completion of the production of evidence, hear the Presenting Officer, if any, appointed and the employee, or permit them to file written briefs of their respective case, if they so desire, within 15 days by the Presenting Officer and within 7 days by the employee.
- (21) If the employee to whom a copy of articles of charge has been delivered, does not submit the written statement of defense on or before the date specified for the purpose or does not appear in person before the Inquiry Officer or otherwise fails or refuses to comply with the provisions of this Regulation, the Inquiry Officer may hold the inquiry including *ex-parte* enquiry.
- (22) Where the Competent Authority competent to impose any of the penalties has himself inquired into or caused to be inquired into articles of any charge and that authority, having regard to his own findings or having regard to his decision on any of the findings of any Inquiry Officer appointed by it, is of the opinion that the penalties specified in the Regulation should be imposed on the employee, that authority shall make an order imposing penalty.
- (23) Whenever an Inquiry Officer, 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 Inquiry Officer who has, and who exercises, such jurisdiction, the Inquiry Officer so succeeding may act on the evidence recorded by his predecessor, or partly recorded by his predecessor and partly recorded by himself:
- Provided that if the succeeding Inquiry Officer is of the opinion that further examination of any of the witnesses whose evidence has already been recorded is necessary in the interests of justice, he may recall, examine, cross-examine and re-examine any such witnesses as hereinbefore provided.

57. Inquiry report

- (1) After conclusion of the inquiry, a report shall be prepared and it shall contain—
- the articles of charge and the statement of imputations of misconduct or misbehaviour;
 - the defense of the employee in respect of each article of charge;
 - an assessment of the evidence in respect of each article of charge;

(d) the findings on each article of charge and reasons therefor.

Explanation.—If in the opinion of the Inquiry Officer the proceedings of the inquiry establish any article of charge different from the original articles of 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.

(2) The Inquiry Officer, where he is not himself the Competent Authority, shall forward to the Competent Authority the records of inquiry which shall include—

- (a) the report prepared by him under sub-regulation (1) above;
- (b) the written statement of defense, if any, submitted by the employee;
- (c) the oral and documentary evidence produced in the course of inquiry;
- (d) written briefs, if any, filed by the Presenting Officer or the employee or both during the course of inquiry; and
- (e) the orders, if any, made by the Competent Authority and the Inquiry Officer in regard to the inquiry.

58. Action on inquiry report

(1) The Competent Authority, if he is not himself the Inquiry Officer may, for reasons to be recorded by him in writing, remit the case to the Inquiry Officer for further inquiry and report and the Inquiry Officer shall thereupon proceed to hold further inquiry according to the provisions of Regulation 56.

(2) The Competent Authority shall forward or cause to be forwarded a copy of the report of the inquiry, if any, held by the Competent Authority or where the Competent Authority is not the Inquiry Officer a copy of the report of the Inquiry Officer to the employee who shall be required to submit, if he so desires, his written representation of submission to the Competent Authority within fifteen days, irrespective of whether the report is favourable or not to the employee.

(3) The Competent Authority shall consider the representation, if any, submitted by the employee before proceeding further in the manner laid down in sub-regulations (4) to (6).

(4) The Competent Authority shall, if he disagrees with the findings of the Inquiry Officer on any article of charge, record his reasons for such disagreement and record his own findings on such charge if the evidence on record is sufficient for the purpose.

(5) If the Competent Authority, having regard to his findings on all or any of the articles of charge, is of the opinion that any of the penalties in Regulation 55 should be imposed on the employee, he shall, notwithstanding anything contained in Regulation 59, make an order imposing such penalty.

(6) If the Competent Authority having regard to his findings on all or any of the articles of charge and on the basis of the evidence adduced during the inquiry is of the opinion that any of the penalties specified in Regulation 55 should be imposed on the employee, he shall make an order imposing such penalty.

59. Communication of orders

Orders made by the Competent Authority shall be communicated to the employee who shall also be supplied with a copy of Competent Authority's

finding on each article of charge, or where the Competent Authority is not the Inquiry Officer, a statement of the findings of the Competent Authority together with brief reasons for his disagreement, if any, with the findings of the Inquiry Officer and reasons for non-acceptance.

60. Common proceedings

(1) Where two or more employees are concerned in any case, the Chairperson or any other authority competent to impose the penalty of dismissal from service as per delegated authority may make an order directing that disciplinary action against all of them may be taken in a common proceeding.

(2) Subject to the provisions of Regulation 54, any such order shall specify—

- (a) the Authority which may function as the Competent Authority for the purpose of such common proceedings;
- (b) the penalties specified in Regulation 55 which such Competent Authority shall be competent to impose;
- (c) whether the procedure laid down in Regulations 56, 57 and 58 shall be followed in the proceeding.

61. Special procedure in certain cases

Notwithstanding anything contained in Regulations 56 to 60—

(1) where any penalty is imposed on an employee on the ground of misconduct which has led to his conviction on a criminal charge; or

(2) where the Competent Authority is satisfied for reasons to be recorded by him in writing that it is not reasonably practicable to hold an inquiry in the manner provided in these Regulations; or

(3) where the Chairperson is satisfied that in the interests of security of the State, it is not expedient to hold any inquiry in the manner provided in these Regulations, the Competent Authority may consider the circumstances of the case and make such orders thereon as he deems fit:

Provided that the employee may be given an opportunity of making representation on the penalty proposed to be imposed before any order is made in a case under clause (1).

62. Vigilance cases

Notwithstanding anything contained in Regulations 55 to 61 or any other Regulation, an employee shall be deemed to be guilty of corrupt practices if he has committed an act of criminal misconduct as defined in Section 13 of the Prevention of Corruption Act, 1988 or he has acted for an improper purpose or in a corrupt manner or had exercised or refrained from exercising his powers with an improper or corrupt motive.

63. Orders against which appeal lies

An employee may prefer an appeal against all or any of the following orders:—

- (1) an order of suspension made or deemed to have been made under Regulation 53;
- (2) an order imposing any of the penalties specified in Regulation 55 whether made by the Competent Authority or by the Appellate Authority;
- (3) an order enhancing any penalty, imposed under Regulation 55;
- (4) an order which—

- (a) denies or varies to his disadvantage his pay, allowances, or other conditions of service; or
- (b) interprets to his disadvantage the provisions of any such Regulation or agreement; or
- (5) an order—
 - (a) stopping him at the efficiency bar in the scale of pay on the ground of his unfitness to cross the bar;
 - (b) reverting him otherwise than as a penalty;
 - (c) determining the subsistence and other allowances to be paid to him for the period of suspension or for the period during which he is deemed to be under suspension or for any portion thereof;
 - (d) determining his pay and allowances—
 - (i) for the period of suspension, or
 - (ii) for the period from the date of his dismissal, removal or compulsory retirement from service, or from the date of his reduction to a lower service, grade, scale or stage in the scale of pay, to the date of his reinstatement or restoration to his service, grade; or
 - (e) determining whether or not the period from the date of his suspension or from the date of his dismissal, removal, compulsory retirement or reduction to a lower service, grade, scale or pay or stage in a scale of pay to the date of his reinstatement or restoration to his service, grade shall be treated as a period spent on duty for any purpose.

Explanation.—In this Regulation, the expression "employee" includes a person who has ceased to be in the service of the Authority.

64. Appellate Authority

(1) An employee, including a person who has ceased to be in the service of the Authority, may prefer an appeal against all or any of the orders under Regulation 63 to the Appellate Authority in this behalf in Schedule X.

(2) Notwithstanding anything contained in sub-regulation (1)—

- (a) An appeal against an order in a common proceeding held under Regulation 60 shall lie to the Authority to whom the Authority functioning as the Competent Authority for the purpose of that proceeding is immediately subordinate:

Provided that where such authority is subordinate to the Chairperson in respect of an employee for whom the Chairperson is the Appellate Authority the appeal shall lie with the Authority.

- (b) Where the person who made the order appealed against becomes, by virtue of his subsequent appointment or otherwise, the Appellate Authority in respect of such order, an appeal against such order shall lie to the Authority to whom such person is immediately subordinate.

(3) An employee may prefer an appeal against an order imposing any of the penalties under Regulation 55 to the Chairperson, where no such appeal lies to him under sub-regulation (1) or sub-regulation (2), if such penalty is imposed by any authority other than the Chairperson, on such employee in respect of his

activities connected with his work as an office-bearer of an association, federation or union.

65. Period of limitation of appeals

No appeal preferred under this part shall be entertained unless such appeal is preferred within a period of forty-five days from the date on which a copy of the order appealed against is delivered to the appellant:

Provided that the Appellate Authority may consider the appeal after the expiry of the said period, if he is satisfied that the appellant had sufficient cause for not preferring the appeal in time.

66. Form and contents of appeal

(1) Every person preferring an appeal shall do so separately and in his own name.

(2) The appeal shall be presented to the Authority to whom the appeal lies, a copy being forwarded by the appellant to the Competent Authority which made the order appealed against. It shall contain all material statements and arguments on which the appellant relies, shall not contain any disrespectful or improper language, and shall be complete in itself.

(3) The Appellate Authority shall, on receipt of the appeal, forward the same together with enclosures, if any, to the Competent Authority without delay.

67. Consideration of appeal

(1) In the case of an appeal against an order of suspension, the Appellate Authority shall consider whether in the light of the provisions of Regulation 53 and having regard to the circumstances of the case, the order of suspension is justified or not and confirm or revoke the order accordingly.

(2) In the case of an appeal against an order imposing any of the penalties specified in Regulation 55 or enhancing any penalty imposed under the said Regulations, the Appellate Authority shall consider—

- (a) whether the procedure laid down in these Regulations has been complied with or has resulted in the failure of justice;
- (b) whether the findings of the Competent Authority are warranted by the evidence on the record; and
- (c) whether the penalty or the enhanced penalty imposed is adequate, inadequate or severe and pass orders—
 - (i) confirming, enhancing, reducing, or setting aside the penalty; or
 - (ii) remitting the case to the authority who imposed or enhanced the penalty or to any other authority with such direction as he may deem fit in the circumstances of the case:

Provided that—

- (i) if such enhanced penalty which the Appellate Authority proposes to impose is one of the penalties specified in Regulation 55 and an inquiry under Regulation 56 has not already been held in the case, the Appellate Authority shall himself hold such inquiry or direct that such inquiry be held in accordance with the provisions of Regulation 56 and thereafter, on a consideration of the proceedings of such inquiry and make such orders as he may deem fit;

- (ii) if the enhanced penalty which the Appellate Authority proposes to impose is one of the penalties specified in Regulation 55 and an enquiry under Regulation 56 has been held in the case, the Appellate Authority shall make such orders as he may deem fit after the appellant has been given a reasonable opportunity of making a representation against the proposed penalty; and
- (iii) no order imposing an enhanced penalty shall be made in any other case unless the appellant has been given a reasonable opportunity, as far as may be in accordance with the provisions of Regulation 58, of making a representation against such enhanced penalty.

(3) In an appeal against any other order mentioned in Regulation 63, the Appellate Authority shall consider all the circumstances of the case and make such order as he may deem just and equitable.

68. Implementation of orders in appeal

The authority who made the order appealed against shall give effect to the orders passed by the Appellate Authority.

69. Revision

(1) Notwithstanding anything contained in these Regulations, the Chairperson, or the Appellate Authority, within six months of the date of the order may, at any time, either on his or his own motion or otherwise call for the records of any inquiry and revise any order made under these Regulations, and may—

- (a) confirm, modify or set aside the order; or
- (b) confirm, reduce, enhance or set aside the penalty imposed by the order, or impose any penalty where no penalty has been imposed; or
- (c) remit the case to the authority which made the order or to any other authority directing such authority to make such further enquiry as he may consider proper in the circumstances of the case; or
- (d) pass such other orders as he may deem fit:

Provided that no order imposing or enhancing any penalty shall be made by the authority revising the order unless the employee concerned has been given a reasonable opportunity of making a representation against the penalty proposed and where it is proposed to impose any of the penalties specified in Regulation 55 or to enhance the penalty imposed by the order sought to be revised to any of the penalties specified therein, and if an inquiry under Regulation 56 has not already been held in the case, no such penalty shall be imposed except after an inquiry in the manner laid down in Regulation 56;

Provided further that no power of revision shall be exercised unless—

- (a) the authority which made the order in appeal, or
- (b) the authority to whom an appeal would lie, where no appeal has been preferred, is subordinate to him.

(2) No proceeding for revision shall be commenced until and after

- (a) the expiry of the period of limitation for an appeal, or
- (b) the disposal of the appeal, where any such appeal has been preferred.

(3) An application for revision shall be dealt with in the same manner as if it were an appeal under these Regulations.

70. Review

The Authority mentioned in Regulation 69(1) may, at any time, either on his own motion or otherwise review any order passed under these Regulations, when any new material or evidence which could not be produced or was not available at the time of passing the order under review and which has the effect of changing the nature of the case, has come, or has been brought to his notice:

Provided that no order imposing or enhancing any penalty shall be made by the Authority unless the employee concerned has been given a reasonable opportunity of making a representation against the penalty proposed or where it is proposed to impose any of the penalties specified in Regulation 55 or to enhance the penalty imposed by the order sought to be reviewed to any of the penalties and if an enquiry under Regulation 56 has not already been held in the case, no such penalty shall be imposed except after inquiring in the manner laid down in Regulation 56.

71. Service of orders and notices.

Every order and notice made or issued under these Regulations shall be served in person on the employee concerned or communicated to him by registered post.

CHAPTER VIII**72. Deputation**

(1) The Competent Authority may, due to exigencies of work and to have interaction of experience, work culture and practices of different organizations, appoint Officers on deputation from other financial regulators, Government departments and PSU Insurers to notified post(s) for a limited period not exceeding three years. A deputation reserve of 18% and leave reserve of 2% together not exceeding 20% of overall sanctioned strength will be kept for the purpose.

The appointment and conditions of service of such officers on deputation shall be governed as per provisions in Schedule IX A – Deputation – Inward. The terms and conditions of deputation of officers from Government shall be as per extant instructions of DOPT, Government of India.

No person shall be eligible for appointment by deputation to the grade to which he is being considered unless he has qualifications and experience in relevant area/s of work as mentioned in Schedule IX B – Qualifications, Age and Experience required for various posts by way of deputation.

(2) Where the Competent Authority considers necessary in the interests of the Authority, he may send officers on deputation to other organizations including regulated entities for skilling purposes and/or in response to public notification issued by such organizations, however, for a period not exceeding three years subject to the following:

- (a) No employee of IRDAI may be deputed to serve under any other employer without the approval of the Chairperson who shall determine the duration of such deputation and the terms and conditions on which the deputation shall take effect.
- (b) Transfer on deputation shall ordinarily not be granted unless

- (i) the duties to be performed are such that they should necessarily be performed by an employee of IRDAI or involves such technical knowledge, expertise in which persons are not readily available from other sources;
- (ii) the employee holds a permanent post in IRDAI;
- (iii) the terms granted are not so greatly in excess of remuneration which an employee would receive in the service of the IRDAI as to render deputation appreciably more attractive than IRDAI's service.

The appointment and conditions of service of such officers on deputation shall be governed as per provisions in Schedule IX - C - Deputation - Outward.

CHAPTER IX MISCELLANEOUS

73. Medical facilities

Medical facilities to employees of the Authority shall be in accordance with circulars or guidelines issued by Chairperson from time to time.

74. Travelling/halting allowances, other allowances and perquisites

Travelling/halting allowances, other allowances and perquisites shall be paid to employees of the Authority according to such rates and on such terms and conditions as may be approved by the Chairperson from time to time.

75. Criticism of the Authority or Government

No employee shall, in any radio broadcast, telecast through any electronic media or any document published in his own name or anonymously, pseudonymously or in the name of any other person or in any communication to the press or in any public utterance, make any statement of fact or opinion which has the effect of an adverse criticism of any current or recent policy or action of the Authority or Government.

No employee shall circulate any information through letters/circulars/emails/electronic media such as text messages, MMS, SMS, or through any other social media with an intention to defame the Authority, Chairperson, Members or other employees of the Authority. Such acts shall be treated as 'misconduct' under these Regulations.

Provided that nothing in this Regulation shall apply to any statements made or views expressed by an employee in his official capacity or in due performance of duties assigned to him.

76. Provident fund

Every employee of the Authority shall become a member of a provident fund trust established by the Authority.

77. Insurance scheme or fund

It shall be required of every employee bound by these Regulations to subscribe to any insurance scheme or fund that may be instituted by the Authority for the benefit of its employees and their families and to be bound by the terms and conditions of the said scheme or fund.

Provided that nothing contained in this Regulation shall serve to curtail any superannuation benefits which may otherwise be admissible to an employee by virtue of his own contribution.

78. Grievance redressal and welfare

(1) The Chairperson shall constitute a Grievance Redressal Committee comprising any of the Whole-time Members/Part-time Members of the Authority to look into grievances, if any, of its employees with one of such members designated as Chairman of the Committee.

(2) The Committee shall provide reasonable opportunity of hearing the aggrieved person and submit a report to the Chairperson for necessary action and the decision of the Chairperson on the grievance shall be final.

(3) The Authority shall take such steps as it considers necessary for the welfare and development of its employees.

79. Declarations to be signed by an employee

Every employee to whom these Regulations apply shall subscribe to declarations in Forms given in Schedule I.

80. Residuary powers

(1) In regard to matters not specifically covered by these Regulations and without prejudice to these Regulations, the Chairperson may make administrative orders and issue instructions there under to deal with such matters and where such orders are made by the Chairperson, they shall be placed before the Authority.

(2) The Chairperson may delegate to the Whole-time Member of the Authority or Committee of Wholetime Members or Executive Director or Committee of Executive Directors or any Officer subject to such conditions as he thinks fit to impose, all or any of the powers conferred upon him by these Regulations.

(3) The powers exercisable by an authority under these Regulations shall also be exercisable by any authority superior to such authority.

81. Power to relax

The Authority may dispense with or relax the requirement in any of the policies, rules or instructions issued under these Regulations to such extent or relax the strict application of any the provisions of these Regulations in exceptional cases for reasons to be recorded in writing and subject to such conditions as it may consider necessary.

82. Interpretation and implementation

Where any doubt arises as to the interpretation of any of the Regulations, policies or orders or instructions made there under, the matter shall be placed before the Chairperson whose decision thereon shall be final.

The power to implement these Regulations vests in the Chairperson who is also empowered to issue such administrative instructions as are necessary to give effect to and carry out for the purposes of these Regulations or otherwise to secure effective control of employees and the decision of the Chairperson shall be final and binding on employees.

- (d) During the period of suspension, an employee shall not enter the work-place/office premises except with the written permission of the Competent Authority, nor shall he leave station without the written permission of the Competent Authority. No leave shall be granted during the period of suspension.

(6) Subsistence allowance:

An employee under suspension shall be entitled to draw subsistence allowance equal to 50 per cent of his basic pay provided the Competent 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 and any other compensatory allowance of which he was in receipt on the date of suspension provided the Competent Authority is satisfied that the employee continues to meet the expenditure for which the allowance was granted.

Where the period of suspension exceeds six months, the Competent Authority who had 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 and dearness allowance and any other compensatory allowance of which he was in receipt on the date of suspension if, in the opinion of the said Competent 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 and dearness allowance and any other compensatory allowance of which he was in receipt on the date of suspension if, in the opinion of the said Competent Authority, the period of suspension has been prolonged due to reasons directly attributed to the employee under suspension.

Before making any payment to a suspended employee, he would be required to furnish to the Competent Authority a certificate every month that he is not engaged in any other employment or business or profession or vocation.

(7) Effecting recoveries from subsistence allowance

The following normal deductions shall be made from subsistence allowance:

- (a) Income Tax (provided the employee's yearly income, calculated with reference to the subsistence allowance, is taxable);
- (b) Repayment of loans and advances taken from the Authority at such rate as may be fixed by the Competent Authority;
- (c) Subscription to Provident Fund or any other employee benefit fund (contributory).

(8) Treatment of period of suspension

When an order placing an employee under suspension is revoked or would have been revoked but for his retirement (including premature retirement) while under suspension, the Authority competent to order revocation shall consider and make specific orders —

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- (a) Regarding pay and dearness allowance and any other compensatory allowance of which he was in receipt on the date of suspension to be paid to the employee for the period of suspension ending with revocation of suspension or date of his retirement (including premature retirement) as the case may be; and
- (b) Whether or not the said period shall be treated as a period spent on duty.

Notwithstanding anything contained in the above Regulation, where an employee under suspension dies before the disciplinary proceedings or proceedings before a court of law or any other law enforcement authorities instituted against him are concluded, the period between the date of suspension and the date of death shall be treated as on duty for all purposes and his family shall be paid full pay and allowances for that period to which he would have been entitled had he not been suspended, subject to adjustment in respect of subsistence allowance already paid.

Where the Appellate Authority is of the opinion that the suspension was wholly unjustified, the employee shall, subject to sub-regulation below, be paid full pay and allowances to which he would have been entitled had he not been suspended.

Provided that where such authority is of the opinion that the termination of proceedings against an employee had been delayed due to reasons directly attributable to an employee, it may after giving him an opportunity to make his representation within thirty days from the date on which the communication in this regard is served on him and after considering the representation, if any, submitted by him, direct, for reasons to be recorded in writing, that the employee shall be paid for the period of such delay only such amount (not being the whole) of such pay and allowances as it may determine. The pay and allowances so determined shall not be less than the subsistence allowance already paid to the employee.

Where a penalty of dismissal, removal or compulsory retirement from service imposed upon an employee under suspension is set aside in appeal or review under these Regulations, the period of suspension shall be treated as a period spent on duty for all purposes.

In cases other than those falling under sub-regulation (2) and (3), the employee shall, subject to the provisions of sub-regulation (7) and (8), be paid such amount (not being the whole) of pay and allowances to which he would have been entitled had he not been suspended, as the Competent Authority may determine, after observing the procedure of issuing show cause notice and consideration of representation, if any, submitted by the employee. The amount so determined shall not be less than the subsistence allowance already paid to the employee.

Where suspension is revoked pending finalization of disciplinary or court proceedings, any order passed under sub-regulation (1) before conclusion of proceedings against the employee, shall be reviewed on its own motion after conclusion of proceedings by the authority mentioned in sub-regulation (1) who shall make an order according to the provisions of sub-regulation (3), (4) or (5), as may be applicable.

In a case falling under sub-regulation (5), the period of suspension shall not be treated as a period spent on duty unless the Competent Authority specifically directs that it shall be so treated for any specific purpose.

Provided that if the employee so desires, such Authority may order that the period of suspension shall be converted into leave of any kind due and admissible to the employee.

54. Imposition of penalties

(1) The Chairperson may impose any of the penalties specified in Regulation 55 on any employee.

(2) Without prejudice to the provisions of sub-regulation (1), any of the penalties specified in Regulation 55 may be imposed on an employee by the Competent Authority or any authority to whom he is subordinate.

55. Penalties

The following penalties may, for good and sufficient reasons and as hereinafter provided, be imposed on an employee, namely:—

(1) Minor penalties being —

- (a) censure;
- (b) withholding of promotion;
- (c) recovery from his pay of the whole or part of any pecuniary loss caused by him to the Authority by negligence or breach of orders;
- (d) reduction to a lower stage in the scale of pay for a period not exceeding three years, without cumulative effect and not adversely affecting his superannuation benefits;
- (e) withholding of increments of pay.

(2) Major penalties being —

- (a) save as provided for in clause (d) of sub-regulation (1) above, reduction to a lower stage in the scale of pay for a specified period, with further directions as to whether or not an employee shall earn increments of pay during the period of such reduction and whether on the expiry of such period, the reduction shall or shall not have the effect of postponing future increments of his pay;
- (b) reduction to lower scale of pay, grade, or service which shall ordinarily be a bar to the promotion of the employee to the scale of pay, grade, or service from which he was reduced, with or without further directions regarding conditions of restoration to the grade or service from which the employee was reduced and his seniority and pay on such restoration to that grade, or service;
- (c) compulsory retirement;
- (d) removal from service which shall not be a disqualification for future employment;
- (e) dismissal from service.

Provided that, in every case in which the charge of acceptance from any person of any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act is established, the penalty mentioned in clause (d) or (e) of sub-regulation (2) above 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 Regulation:—

- (i) withholding of increment of an employee for his failure to pass any departmental examination in accordance with the Regulations or orders governing the service to which he belongs or grade which he holds or the terms of his appointment;
- (ii) stoppage of an employee at the efficiency bar in the scale of pay on the ground of his unfitness to cross the bar;
- (iii) non-promotion of an employee to a higher grade to which he is eligible;
- (iv) reversion of an employee who is considered to be unsuitable for such higher service, grade on any administrative ground unconnected with his conduct;
- (v) reversion of an employee appointed on probation to any other service, grade or post, to his permanent service, grade or post during or at the end of the period of probation in accordance with the terms of his appointment or the Regulations and orders governing such probation;
- (vi) replacement of the services of an employee, whose services had been borrowed from any organisation, Government, etc. at the end of the term of deputation;
- (vii) compulsory retirement of an employee in accordance with the provisions of Regulation 12 (1);
- (viii) termination of services:
 - (a) of an employee appointed on probation, during or at the end of the period of his probation, in accordance with the terms of his appointment or the Regulations and orders governing such probation, or
 - (b) of an employee on contractual basis, employed under an agreement, in accordance with the terms of such agreement.

56. Procedure for imposing penalties

(1) Subject to the provisions of sub-regulation (5) of Regulation 58, no order imposing on an employee any of the penalties specified in Regulation 55 shall be made except after —

- (a) informing the employee in writing of the proposal to take action against him and of the imputations of misconduct or misbehaviour on which it is proposed to be taken, and giving him reasonable opportunity of making such representation as he may wish to make against the proposal;
- (b) holding an inquiry in the manner laid down in these sub-regulations (3) to (23) of Regulation 56 and Regulation 57, in every case in which the Competent Authority is of the opinion that such an inquiry is necessary;

- (c) taking the representation, if any, submitted by the employee under clause (a) and the record of inquiry, if any held under clause (b) into consideration;

- (d) recording a finding on each imputation of misconduct or misbehaviour.

(2) No order imposing any of the penalties specified in Regulation 55 (2) shall be made except after an inquiry held in the manner provided in this Regulation.

(3) Whenever the Competent Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, he may himself inquire into, or appoint under this Regulation, an authority to inquire into the truth thereof.

Explanation.—Where the Competent Authority himself holds the inquiry, any reference in Regulation 56 to 69 to the Inquiry Officer shall be construed as a reference to the Competent Authority.

(4) Where it is proposed to hold an inquiry against an employee under this Regulation, the Competent Authority shall draw up or cause a case to be drawn up containing -

- (i) the substance of the imputations of misconduct or misbehavior into definite and distinct articles of charge;
- (ii) a statement of the imputations of misconduct or misbehavior in support of each article of charge, which shall contain —
 - (a) a statement of all relevant facts including any admission or confession made by the employee;
 - (b) a list of documents by which, and a list of witnesses by whom, the articles of charge are proposed to be sustained.

(5) The Competent 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 of charge is proposed to be sustained and shall require the employee to submit, within such time as may be permitted, a written statement of his defense.

(6) (a) On receipt of the written statement of defense, the Competent Authority may himself inquire into such of the articles of charge as are not admitted, or, if he considers it necessary to do so, appoint under sub-regulation (3), an Inquiry Officer for the purpose, and where all the articles of charge have been admitted by the employee in his written statement of defense, the Competent Authority shall record his findings on each charge after taking such evidence as he may think fit and shall act in the manner laid down in Regulation 58.

(b) If no written statement of defense is submitted by the employee, the Competent Authority may himself inquire into the articles of charge, or may, if he considers it necessary to do so, appoint, under sub-regulation (3) above, an Inquiry Officer for the purpose.

(c) Where the Competent Authority himself inquires into any article of charge or appoints an Inquiry Officer for holding any inquiry into such charge, it may, by an order, appoint an officer of the authority, to be known as the Presenting Officer to present on his behalf the case in support of the articles of charge.

(7) The Competent Authority shall, where he is not the Inquiry Officer, forward to the Inquiry Officer —

- (a) a copy of the articles of charge and the statement of the imputations of misconduct or misbehaviour;
- (b) a copy of the written statement of the defense, if any, submitted by the employee;
- (c) a copy of the statement of witnesses, if any, referred to in sub-regulation (4) above;
- (d) evidence proving the delivery of the documents referred to in sub-regulation (4) above, to the employee; and
- (e) a copy of the order appointing the Presenting Officer.

(8) The employee shall appear in person before the Inquiry Officer on such day and at such time within ten working days from the date of receipt by the Inquiry Officer of the articles of charge and the statement of the imputations of misconduct or misbehaviour, as the Inquiry Officer may, by notice in writing, specify, in this behalf, or within such further time, not exceeding ten days, as the Inquiry Officer may allow.

(9) (a) The employee may take the assistance of any other employee posted in any office either at his headquarters or at the place where the inquiry is held, to present the case on his behalf, but may not engage a legal practitioner for the purpose.

Provided that the employee may take the assistance of any other employee posted at any other station, if the Inquiry Officer, having regard to the circumstances of the case, and for reasons to be recorded in writing, so permits.

(b) The employee may also take the assistance of a retired employee of the Authority to present the case on his behalf, subject to such conditions as may be laid down by the Competent Authority from time to time by general or special order in this behalf.

(10) If the employee, who has not admitted any of the articles of charge in his written statement of defense or has not submitted any written statement of defense, appears before the Inquiry Officer, such authority shall ask him whether he is guilty or has any defense to make and if he pleads guilty of any of the articles of charge, the Inquiry Officer shall record the plea, sign the record and obtain the signature of the employee thereon.

(11) The Inquiry Officer shall return a finding of guilt in respect of those articles of charge to which the employee pleads guilty.

(12) The Inquiry Officer shall, if the employee fails to appear within the specified time or refuses or omits to plead, require the Presenting Officer to produce the evidence by which he proposes to prove the articles of charge, and 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 defense —

- (a) inspect within five days of the order or within such further time not exceeding five days as the Inquiry Officer may allow, the documents mentioned in the list referred to in sub-regulation (4);
- (b) submit a list of witnesses to be examined on his behalf;
- (c) give a notice within ten days of the order or within such further time not exceeding ten days as the Inquiry Officer may allow, for

the discovery or production of any documents which are in the possession of the authority but not mentioned in the list referred to in sub-regulation (4).

(13) The Inquiry Officer shall, on receipt of the notice for the discovery or production of documents, forward such notice or copies thereof to the authority in whose custody or possession the documents are kept, with a requisition for the production of documents by such date mentioned in such requisition:

Provided that the Inquiry Officer may, for reasons to be recorded in writing, refuse to requisition such of the documents as are, in his opinion, not relevant to the case.

(14) On receipt of the requisition referred to in sub-regulation (13), every official having the custody or possession of the requisitioned documents shall produce the same before the Inquiry Officer:

Provided that if the official having the custody or possession of the requisitioned documents is satisfied for reasons to be recorded in writing that the production of all or any of such documents would be against public interest or security of the State, he shall inform the Inquiry Officer accordingly and the Inquiry Officer shall, on being so informed, communicate the information to the employee and withdraw the requisition made by him for the production or discovery of documents.

(15) On the date fixed for the inquiry, (a) 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 Competent Authority; (b) 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; (c) the Presenting Officer shall be entitled to re-examine the witnesses on any points on which they have been cross-examined, but not on any new matter, without the leave of the Inquiry Officer; (d) the Inquiry Officer may also put such questions to the witnesses as he thinks fit.

(16) (a) If it shall appear necessary before the close of the case on behalf of the Competent Authority, the Inquiry Officer may, in his discretion, allow the Presenting Officer to produce evidence not included in the list given to the employee or may himself call for new evidence or recall and re-examine any witness and in such case the employee shall be entitled to have, if he demands it, a copy of the list of further evidence proposed to be produced and an adjournment of the inquiry for three clear days before production of such new evidence, exclusive of the day of adjournment and the day to which the inquiry is adjourned.

(b) The Inquiry Officer shall give the employee an opportunity of inspecting such documents before they are taken on record.

(c) The Inquiry Officer may also allow the employee to produce new evidence, if it is of the opinion that the production of such evidence is necessary in the interests of justice.

(17) (a) When the presentation and defense in support of the imputations of misconduct or misbehavior for the Competent Authority are completed, the employee shall be required to state his defense, orally or in writing, as he may prefer.

(b) If the defense is made orally, it shall be recorded in writing and the employee shall be required to sign the record.

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- (c) In either case, a copy of the statement of defense shall be given to the Presenting Officer, if any, appointed.
- (18)(a) The evidence on behalf of the employee shall then be produced.
- (b) The employee may examine himself on his own behalf if he so prefers.
- (c) The witnesses produced by the employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the Inquiry Officer according to the provisions applicable to the witnesses for the Competent Authority.
- (19) The Inquiry Officer 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.

(20) The Inquiry Officer may, after the completion of the production of evidence, hear the Presenting Officer, if any, appointed and the employee, or permit them to file written briefs of their respective case, if they so desire, within 15 days by the Presenting Officer and within 7 days by the employee.

(21) If the employee to whom a copy of articles of charge has been delivered, does not submit the written statement of defense on or before the date specified for the purpose or does not appear in person before the Inquiry Officer or otherwise fails or refuses to comply with the provisions of this Regulation, the Inquiry Officer may hold the inquiry including ex-parte enquiry.

(22) Where the Competent Authority competent to impose any of the penalties has himself inquired into or caused to be inquired into articles of any charge and that authority, having regard to his own findings or having regard to his decision on any of the findings of any Inquiry Officer appointed by it, is of the opinion that the penalties specified in the Regulation should be imposed on the employee, that authority shall make an order imposing penalty.

(23) Whenever an Inquiry Officer, 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 Inquiry Officer who has, and who exercises, such jurisdiction, the Inquiry Officer so succeeding may act on the evidence recorded by his predecessor, or partly recorded by his predecessor and partly recorded by himself:

Provided that if the succeeding Inquiry Officer is of the opinion that further examination of any of the witnesses whose evidence has already been recorded is necessary in the interests of justice, he may recall, examine, cross-examine and re-examine any such witnesses as hereinbefore provided.

57. Inquiry report

(1) After conclusion of the inquiry, a report shall be prepared and it shall contain —

- (a) the articles of charge and the statement of imputations of misconduct or misbehaviour;
- (b) the defense 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 reasons therefor.

Explanation.— If in the opinion of the Inquiry Officer the proceedings of the inquiry establish any article of charge different from the original articles of 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.

(2) The Inquiry Officer, where he is not himself the Competent Authority, shall forward to the Competent Authority the records of inquiry which shall include —

- (a) the report prepared by him under sub-regulation (1) above;
- (b) the written statement of defense, if any, submitted by the employee;
- (c) the oral and documentary evidence produced in the course of inquiry;
- (d) written briefs, if any, filed by the Presenting Officer or the employee or both during the course of inquiry; and
- (e) the orders, if any, made by the Competent Authority and the Inquiry Officer in regard to the inquiry.

58. Action on inquiry report

(1) The Competent Authority, if he is not himself the Inquiry Officer may, for reasons to be recorded by him in writing, remit the case to the Inquiry Officer for further inquiry and report and the Inquiry Officer shall thereupon proceed to hold further inquiry according to the provisions of Regulation 56.

(2) The Competent Authority shall forward or cause to be forwarded a copy of the report of the inquiry, if any, held by the Competent Authority or where the Competent Authority is not the Inquiry Officer a copy of the report of the Inquiry Officer to the employee who shall be required to submit, if he so desires, his written representation of submission to the Competent Authority within fifteen days, irrespective of whether the report is favourable or not to the employee.

(3) The Competent Authority shall consider the representation, if any, submitted by the employee before proceeding further in the manner laid down in sub-regulations (4) to (6).

(4) The Competent Authority shall, if he disagrees with the findings of the Inquiry Officer on any article of charge, record his reasons for such disagreement and record his own findings on such charge if the evidence on record is sufficient for the purpose.

(5) If the Competent Authority, having regard to his findings on all or any of the articles of charge, is of the opinion that any of the penalties in Regulation 55 should be imposed on the employee, he shall, notwithstanding anything contained in Regulation 59, make an order imposing such penalty.

(6) If the Competent Authority having regard to his findings on all or any of the articles of charge and on the basis of the evidence adduced during the inquiry is of the opinion that any of the penalties specified in Regulation 55 should be imposed on the employee, he shall make an order imposing such penalty.

59. Communication of orders

Orders made by the Competent Authority shall be communicated to the employee who shall also be supplied with a copy of Competent Authority's

finding on each article of charge, or where the Competent Authority is not the Inquiry Officer, a statement of the findings of the Competent Authority together with brief reasons for his disagreement, if any, with the findings of the Inquiry Officer and reasons for non-acceptance.

60. Common proceedings

(1) Where two or more employees are concerned in any case, the Chairperson or any other authority competent to impose the penalty of dismissal from service as per delegated authority may make an order directing that disciplinary action against all of them may be taken in a common proceeding.

(2) Subject to the provisions of Regulation 54, any such order shall specify—

- (a) the Authority which may function as the Competent Authority for the purpose of such common proceedings;
- (b) the penalties specified in Regulation 55 which such Competent Authority shall be competent to impose;
- (c) whether the procedure laid down in Regulation 56, 57 and 58 shall be followed in the proceeding.

61. Special procedure in certain cases

Notwithstanding anything contained in Regulations 56 to 60 —

(1) where any penalty is imposed on an employee on the ground of misconduct which has led to his conviction on a criminal charge; or

(2) where the Competent Authority is satisfied for reasons to be recorded by him in writing that it is not reasonably practicable to hold an inquiry in the manner provided in these Regulations; or

(3) where the Chairperson is satisfied that in the interests of security of the State, it is not expedient to hold any inquiry in the manner provided in these Regulations, the Competent Authority may consider the circumstances of the case and make such orders thereon as he deems fit:

Provided that the employee may be given an opportunity of making representation on the penalty proposed to be imposed before any order is made in a case under clause (1).

62. Vigilance cases

Notwithstanding anything contained in Regulations 55 to 61 or any other Regulation, an employee shall be deemed to be guilty of corrupt practices if he has committed an act of criminal misconduct as defined in Section 13 of the Prevention of Corruption Act, 1988 or he has acted for an improper purpose or in a corrupt manner or had exercised or refrained from exercising his powers with an improper or corrupt motive.

63. Orders against which appeal lies

An employee may prefer an appeal against all or any of the following orders :—

- (1) an order of suspension made or deemed to have been made under Regulation 53;
- (2) an order imposing any of the penalties specified in Regulation 55 whether made by the Competent Authority or by the Appellate Authority;
- (3) an order enhancing any penalty, imposed under Regulation 55;
- (4) an order which —

- (a) denies or varies to his disadvantage his pay, allowances, or other conditions of service; or
 - (b) interprets to his disadvantage the provisions of any such Regulation or agreement; or
- (5) an order—
- (a) stopping him at the efficiency bar in the scale of pay on the ground of his unfitness to cross the bar;
 - (b) reverting him otherwise than as a penalty;
 - (c) determining the subsistence and other allowances to be paid to him for the period of suspension or for the period during which he is deemed to be under suspension or for any portion thereof;
 - (d) determining his pay and allowances —
 - (i) for the period of suspension, or
 - (ii) for the period from the date of his dismissal, removal or compulsory retirement from service, or from the date of his reduction to a lower service, grade, scale or stage in the scale of pay, to the date of his reinstatement or restoration to his service, grade; or
 - (e) determining whether or not the period from the date of his suspension or from the date of his dismissal, removal, compulsory retirement or reduction to a lower service, grade, scale or pay or stage in a scale of pay to the date of his reinstatement or restoration to his service, grade shall be treated as a period spent on duty for any purpose.

Explanation.- In this Regulation, the expression "employee" includes a person who has ceased to be in the service of the Authority.

64. Appellate Authority

(1) An employee, including a person who has ceased to be in the service of the Authority, may prefer an appeal against all or any of the orders under Regulation 63 to the Appellate Authority in this behalf in Schedule X.

(2) Notwithstanding anything contained in sub-regulation (1) —

- (a) An appeal against an order in a common proceeding held under Regulation 60 shall lie to the Authority to whom the Authority functioning as the Competent Authority for the purpose of that proceeding is immediately subordinate:

Provided that where such authority is subordinate to the Chairperson in respect of an employee for whom the Chairperson is the Appellate Authority the appeal shall lie with the Authority.

- (b) Where the person who made the order appealed against becomes, by virtue of his subsequent appointment or otherwise, the Appellate Authority in respect of such order, an appeal against such order shall lie to the Authority to whom such person is immediately subordinate.

(3) An employee may prefer an appeal against an order imposing any of the penalties under Regulation 55 to the Chairperson, where no such appeal lies to him under sub-regulation (1) or sub-regulation (2), if such penalty is imposed by any authority other than the Chairperson, on such employee in respect of his

activities connected with his work as an office-bearer of an association, federation or union.

65. Period of limitation of appeals

No appeal preferred under this part shall be entertained unless such appeal is preferred within a period of forty-five days from the date on which a copy of the order appealed against is delivered to the appellant:

Provided that the Appellate Authority may consider the appeal after the expiry of the said period, if he is satisfied that the appellant had sufficient cause for not preferring the appeal in time.

66. Form and contents of appeal

(1) Every person preferring an appeal shall do so separately and in his own name.

(2) The appeal shall be presented to the Authority to whom the appeal lies, a copy being forwarded by the appellant to the Competent Authority which made the order appealed against. It shall contain all material statements and arguments on which the appellant relies, shall not contain any disrespectful or improper language, and shall be complete in itself.

(3) The Appellate Authority shall, on receipt of the appeal, forward the same together with enclosures, if any, to the Competent Authority without delay.

67. Consideration of appeal

(1) In the case of an appeal against an order of suspension, the Appellate Authority shall consider whether in the light of the provisions of Regulation 53 and having regard to the circumstances of the case, the order of suspension is justified or not and confirm or revoke the order accordingly.

(2) In the case of an appeal against an order imposing any of the penalties specified in Regulation 55 or enhancing any penalty imposed under the said Regulations, the Appellate Authority shall consider —

- (a) whether the procedure laid down in these Regulations has been complied with or has resulted in the failure of justice;
- (b) whether the findings of the Competent Authority are warranted by the evidence on the record; and
- (c) whether the penalty or the enhanced penalty imposed is adequate, inadequate or severe and pass orders -
 - (i) confirming, enhancing, reducing, or setting aside the penalty; or
 - (ii) remitting the case to the authority who imposed or enhanced the penalty or to any other authority with such direction as he may deem fit in the circumstances of the case:

Provided that —

- (i) if such enhanced penalty which the Appellate Authority proposes to impose is one of the penalties specified in Regulation 55 and an inquiry under Regulation 56 has not already been held in the case, the Appellate Authority shall himself hold such inquiry or direct that such inquiry be held in accordance with the provisions of Regulation 56 and thereafter, on a consideration of the proceedings of such inquiry and make such orders as he may deem fit;

- (ii) if the enhanced penalty which the Appellate Authority proposes to impose is one of the penalties specified in Regulation 55 and an enquiry under Regulation 56 has been held in the case, the Appellate Authority shall make such orders as he may deem fit after the appellant has been given a reasonable opportunity of making a representation against the proposed penalty; and
- (iii) no order imposing an enhanced penalty shall be made in any other case unless the appellant has been given a reasonable opportunity, as far as may be in accordance with the provisions of Regulation 58, of making a representation against such enhanced penalty.

(3) In an appeal against any other order mentioned in Regulation 63, the Appellate Authority shall consider all the circumstances of the case and make such order as he may deem just and equitable.

68. Implementation of orders in appeal

The authority who made the order appealed against shall give effect to the orders passed by the Appellate Authority.

69. Revision

(1) Notwithstanding anything contained in these Regulations, the Chairperson, or the Appellate Authority, within six months of the date of the order may, at any time, either on his or his own motion or otherwise call for the records of any inquiry and revise any order made under these Regulations, and may —

- (a) confirm, modify or set aside the order; or
- (b) confirm, reduce, enhance or set aside the penalty imposed by the order, or impose any penalty where no penalty has been imposed; or
- (c) remit the case to the authority which made the order or to any other authority directing such authority to make such further enquiry as he may consider proper in the circumstances of the case; or
- (d) pass such other orders as he may deem fit :

Provided that no order imposing or enhancing any penalty shall be made by the authority revising the order unless the employee concerned has been given a reasonable opportunity of making a representation against the penalty proposed and where it is proposed to impose any of the penalties specified in Regulation 55 or to enhance the penalty imposed by the order sought to be revised to any of the penalties specified therein, and if an inquiry under Regulation 56 has not already been held in the case, no such penalty shall be imposed except after an inquiry in the manner laid down in Regulation 56;

Provided further that no power of revision shall be exercised unless —

- (a) the authority which made the order in appeal, or
- (b) the authority to whom an appeal would lie, where no appeal has been preferred, is subordinate to him.

(2) No proceeding for revision shall be commenced until and after

- (a) the expiry of the period of limitation for an appeal, or
- (b) the disposal of the appeal, where any such appeal has been preferred.

(3) An application for revision shall be dealt with in the same manner as if it were an appeal under these Regulations.

70. Review

The Authority mentioned in Regulation 69 (1) may, at any time, either on his own motion or otherwise review any order passed under these Regulations, when any new material or evidence which could not be produced or was not available at the time of passing the order under review and which has the effect of changing the nature of the case, has come, or has been brought to his notice:

Provided that no order imposing or enhancing any penalty shall be made by the Authority unless the employee concerned has been given a reasonable opportunity of making a representation against the penalty proposed or where it is proposed to impose any of the penalties specified in Regulation 55 or to enhance the penalty imposed by the order sought to be reviewed to any of the penalties and if an enquiry under Regulation 56 has not already been held in the case, no such penalty shall be imposed except after inquiring in the manner laid down in Regulation 56.

71. Service of orders and notices.

Every order and notice made or issued under these Regulations shall be served in person on the employee concerned or communicated to him by registered post.

CHAPTER VIII**72. Deputation**

(1) The Competent Authority may, due to exigencies of work and to have interaction of experience, work culture and practices of different organizations, appoint Officers on deputation from other financial regulators, Government departments and PSU Insurers to notified post(s) for a limited period not exceeding three years. A deputation reserve of 18% and leave reserve of 2% together not exceeding 20% of overall sanctioned strength will be kept for the purpose.

The appointment and conditions of service of such officers on deputation shall be governed as per provisions in Schedule IX A – Deputation – Inward. The terms and conditions of deputation of officers from Government shall be as per extant instructions of DOPT, Government of India.

No person shall be eligible for appointment by deputation to the grade to which he is being considered unless he has qualifications and experience in relevant area/s of work as mentioned in Schedule IX B – Qualifications, Age and Experience required for various posts by way of deputation.

(2) Where the Competent Authority considers necessary in the interests of the Authority, he may send officers on deputation to other organizations including regulated entities for skilling purposes and/or in response to public notification issued by such organizations, however, for a period not exceeding three years subject to the following:

- (a) No employee of IRDAI may be deputed to serve under any other employer without the approval of the Chairperson who shall determine the duration of such deputation and the terms and conditions on which the deputation shall take effect.
- (b) Transfer on deputation shall ordinarily not be granted unless

- (i) the duties to be performed are such that they should necessarily be performed by an employee of IRDAI or involves such technical knowledge, expertise in which persons are not readily available from other sources;
- (ii) the employee holds a permanent post in IRDAI;
- (iii) the terms granted are not so greatly in excess of remuneration which an employee would receive in the service of the IRDAI as to render deputation appreciably more attractive than IRDAI's service.

The appointment and conditions of service of such officers on deputation shall be governed as per provisions in Schedule IX - C - Deputation - Outward.

CHAPTER IX MISCELLANEOUS

73. Medical facilities

Medical facilities to employees of the Authority shall be in accordance with circulars or guidelines issued by Chairperson from time to time.

74. **Travelling/halting allowances, other allowances and perquisites**
Travelling/halting allowances, other allowances and perquisites shall be paid to employees of the Authority according to such rates and on such terms and conditions as may be approved by the Chairperson from time to time.

75. Criticism of the Authority or Government

No employee shall, in any radio broadcast, telecast through any electronic media or any document published in his own name or anonymously, pseudonymously or in the name of any other person or in any communication to the press or in any public utterance, make any statement of fact or opinion which has the effect of an adverse criticism of any current or recent policy or action of the Authority or Government.

No employee shall circulate any information through letters/circulars/emails/electronic media such as text messages, MMS, SMS, or through any other social media with an intention to defame the Authority, Chairperson, Members or other employees of the Authority. Such acts shall be treated as 'misconduct' under these Regulations.

Provided that nothing in this Regulation shall apply to any statements made or views expressed by an employee in his official capacity or in due performance of duties assigned to him.

76. Provident fund

Every employee of the Authority shall become a member of a provident fund trust established by the Authority.

77. Insurance scheme or fund

It shall be required of every employee bound by these Regulations to subscribe to any insurance scheme or fund that may be instituted by the Authority for the benefit of its employees and their families and to be bound by the terms and conditions of the said scheme or fund.

Provided that nothing contained in this Regulation shall serve to curtail any superannuation benefits which may otherwise be admissible to an employee by virtue of his own contribution.

78. Grievance redressal and welfare

(1) The Chairperson shall constitute a Grievance Redressal Committee comprising any of the Whole-time Members/Part-time Members of the Authority to look into grievances, if any, of its employees with one of such members designated as Chairman of the Committee.

(2) The Committee shall provide reasonable opportunity of hearing the aggrieved person and submit a report to the Chairperson for necessary action and the decision of the Chairperson on the grievance shall be final.

(3) The Authority shall take such steps as it considers necessary for the welfare and development of its employees.

79. Declarations to be signed by an employee

Every employee to whom these Regulations apply shall subscribe to declarations in Forms given in Schedule I.

80. Residuary powers

(1) In regard to matters not specifically covered by these Regulations and without prejudice to these Regulations, the Chairperson may make administrative orders and issue instructions there under to deal with such matters and where such orders are made by the Chairperson, they shall be placed before the Authority.

(2) The Chairperson may delegate to the Whole-time Member of the Authority or Committee of Wholetime Members or Executive Director or Committee of Executive Directors or any Officer subject to such conditions as he thinks fit to impose, all or any of the powers conferred upon him by these Regulations.

(3) The powers exercisable by an authority under these Regulations shall also be exercisable by any authority superior to such authority.

81. Power to relax

The Authority may dispense with or relax the requirement in any of the policies, rules or instructions issued under these Regulations to such extent or relax the strict application of any the provisions of these Regulations in exceptional cases for reasons to be recorded in writing and subject to such conditions as it may consider necessary.

82. Interpretation and implementation

Where any doubt arises as to the interpretation of any of the Regulations, policies or orders or instructions made there under, the matter shall be placed before the Chairperson whose decision thereon shall be final.

The power to implement these Regulations vests in the Chairperson who is also empowered to issue such administrative instructions as are necessary to give effect to and carry out for the purposes of these Regulations or otherwise to secure effective control of employees and the decision of the Chairperson shall be final and binding on employees.

For Table of Schedules and FORMS

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