

GROUP: PERSONNEL & ADMINISTRATION	POLICY - 01
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1.0.0. SCOPE

This Policy details MFL Employees (Conduct, Discipline and Appeal) Rules 1977 and Service Rules.

PART - A MFL EMPLOYEES (CONDUCT, DISCIPLINE AND APPEAL) RULES 1977

2.0.0 GENERAL

2.1.0 APPLICATION OF RULE

These rules shall apply and be binding on all employees except –

2.1.1 Employees covered by MFL Standing Orders under the Industrial Employment Standing Orders Act, 1946:

2.1.2 Personnel on contract employment and

2.1.3 Personnel on deputation to MFL

2.2.0 POWER TO INTERPRET AND AMEND

The Company reserves the right to interpret or amend, modify, alter or revoke any or all of these rules.

2.3.0 DELEGATION OF POWER

The Company may direct that any power exercisable by it under these Rules (except the powers under Rule 2.3.0) and this Rule shall, subject to such conditions as may be specified in the order, be exercisable also by Competent Authority, as per Policy No. P-14.

2.4.0 DEFINITIONS

In these Rules, unless the context otherwise requires –

- 2.4.1 **“COMPANY”** means Madras Fertilizers Limited
- 2.4.2 **“CHAIRMAN AND MANAGING DIRECTOR”** means the person appointed as Chairman and Managing Director, who is the Chief Executive of the Company or any other person authorized to act as Chairman and Managing Director for and on his behalf for the time being.
- 2.4.3 **“COMPETENT AUTHORITY”**, with reference to the exercise of a power under these Rules, means the person to whom the power is delegated by the Chairman and Managing Director from time to time.
- 2.4.4 **“APPOINTING AUTHORITY”** in relation to “Employee” means the Authority empowered under the Delegation of Powers in force from time to time to make appointment to the grade in which the employee is for the time being included or the post which the employee for the time being holds.
- 2.4.5 **“APPELLATE AUTHORITY”** means Chairman and Managing Director of the Company and in cases where the Disciplinary Authority is the Chairman and Managing Director, the Board of Directors.
- 2.4.6 **“EMPLOYEE”** means a person who holds a permanent post under the Company and includes persons –
- a) Who are on deputation to any State/Central Government or any other industrial undertaking and;
 - b) Who are on contract with the Company subject to these Rules and does not include –
 - i) Persons employed on Temporary / Casual basis
 - ii) Probationers
 - iii) Trainees and Apprentices
- 2.4.7 **“PERMANENT EMPLOYEE”** means an employee who has been confirmed in writing against permanent post after satisfactory completion of his probation.
- 2.4.8 **“TEMPORARY EMPLOYEE”** means an employee who has been appointed for a specified period or against a casual vacancy.
- 2.4.9 **“PROBATIONER”** means an employee who is employed provisionally against a permanent post and has not been confirmed against that post.

- 2.4.10 **"TRAINEE"** or **"APPRENTICE"** means a person who is engaged to undergo apprenticeship or training in the Company in pursuance of a contract of apprenticeship or otherwise.
- 2.4.11 **"SUPERVISORY EMPLOYEE"** means an employee in Grade E1 and above.
- 2.4.12 **"NON-SUPERVISORY EMPLOYEE"** means an employee other than supervisory employees (Grade I to V).
- 2.4.13 **"BOARD"** means the Board of Directors of the Company constituted and filled up by Directors in accordance with Article 75 thru Article 78 of Articles of Association of the Company.
- 2.4.14 **"DUTY"** includes -
- a) Service as a probationer or trainee or apprentice or as a permanent or a temporary employee.
 - b) Joining time admissible when an employee is on transfer from one station to another.
 - c) Period spent on a course of instruction or study or training in or out of India, with the approval of the Competent Authority.
 - d) Period on official tour.
 - e) Any other period of like nature, which in the opinion of the Competent Authority should be regarded as "DUTY".
- 2.4.15 **"PUBLIC SERVANT"** means and includes a person as mentioned in Section 21 of the Indian Penal Code and as amended from time to time.
- 2.4.16 **"REVIEWING AUTHORITY"** for the purpose of these Rules will be Board of Directors.
- 2.4.17 **"WORKMAN"** means a person defined as such in the Industrial Disputes Act, 1947 as amended from time to time and to whom the provisions of these Rules shall not apply.
- 2.4.18 **"DISCIPLINARY AUTHORITY"** means the Competent Authority or any other Authority to whom the power to impose penalty is vested or delegated.

2.4.19 **“ENQUIRY AUTHORITY”** means any officer or officers appointed by the Disciplinary Authority or by Chairman and Managing Director for a specific purpose of conducting an enquiry.

2.4.20 **PRESENTING OFFICER”** is a Public Servant or a Legal Practitioner other than an Officer of the Company, appointed by the Disciplinary Authority for the purpose of presenting the case on behalf of the Company in support of the articles of charge.

2.4.21 **“MISCONDUCT”** or **“INDISCIPLINE”** means any one or all of the following acts of omission / commission.

- a) Breach of Company Rules / Standing Orders
- b) Display of Negligence, inefficiency, indolence, any act detrimental to the interests of the Company.
- c) Guilty of any act of misconduct.
- d) Acts of infraction.

2.4.22 **“MINOR PENALTIES”** include

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

2.4.23 **“MAJOR PENALTIES”** include

- a) Save as provided in Clause (e) of Clause 2.4.22, reduction to a lower stage in the time scale of pay for a specified period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period, the reduction will or will not have the effect of postponing the future increment of pay.

- b) Reduction to a lower time scale of pay grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time-scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to that grade or post.
- c) Compulsory retirement
- d) Removal from service which shall not be a disqualification for future employment under the Government or the Corporation / Company owned or controlled by the Government.
- e) Dismissal from service which shall ordinarily be a disqualification for future employment under the Government or the Corporation / Company owned or controlled by the Government.

Provided that, in every case in which the charge of possession of assets disproportionate to known sources of income or the charge of acceptance from any person of any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act is established, the penalty mentioned in clause (d) or (e) shall be imposed.

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

2.4.24 "FAMILY" in relation to an employee includes

- a) The wife or husband as the case may be of the employee, whether residing with the employee or not, but does not include a wife or husband separated from the employee by a decree or order of a competent court.
- b) Sons or daughters or step-sons or step-daughters of the employee and wholly dependent on him but does not include a child or step-child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived of by or under any law.
- c) Any other person related, whether by blood or marriage to the employee or to the employee's wife or husband as the case may be and wholly dependent on the employee.

2.4.25 “FOREIGN SERVICE” means the temporary service in the Company of a Government servant or an employee of other Public Sector Undertakings on deputation on mutually accepted terms and conditions.

2.5 MASCULINE INCLUDES FEMININE

The words used in these Rules denoting Masculine gender also include Feminine gender.

2.6 SINGULAR IMPLIES PLURAL

The words used in these Rules denoting Singular Number shall imply the Plural Number where relevant and vice versa.

3.0.0 CONDUCT

3.1.0 MOVABLE, IMMOVABLE AND VALUABLE PROPERTY

3.1.1 Every employee on his first appointment in the Company shall submit a return of assets and liabilities in the prescribed form giving particulars 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 or in the name of any other person.

3.1.2 All employees are required to submit an annual return in the prescribed form giving full particulars 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 or in the name of any other person.

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

3.1.4 Where an employee enters into a transaction in respect of movable property either in his own name or in the name of the member of his family, he shall within one month from the date of such transaction, report the same to the competent authority, if the value of such property exceeds “two months’ basic pay of the employee”.

EXPLANATION:

The expression movable property includes

- a) Jewellery, insurance policies (the annual premium of which exceeds “two months” basic pay of the employee), shares, securities and debentures:

- b) All loans, whether secured or not, advanced or taken by the employee;
- c) Motor cars, motor cycles or any other means of conveyance; and
- d) Refrigerators, music systems, television sets, washing machines, air-conditioners, personal computers, VCRs/VCPs, video cameras, etc.

3.1.5 The competent authority may, at any time, by general or special order, require an employee to submit, within a period specified in the order a full and complete statement of immovable property held or acquired by him or on his behalf or by any member of his family as may be specified in the order. Such statement shall include details of means by which or the source from which such property was acquired.

3.2.0 EMPLOYMENT OF NEAR RELATIVES OF THE EMPLOYEES OF THE COMPANY IN PRIVATE UNDERTAKING ENJOYING PATRONAGE OF THE COMPANY

3.2.1 No employee shall use his position or influence directly or indirectly to secure employment for any person related, whether by blood or marriage, to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.

3.2.2 No employee shall, except with the previous sanction of the Competent Authority, permit his son, daughter or any member of the family to accept employment with any firm with which he has official dealings, or with any firm, having official dealings with the Company. Provided that where the acceptance of the employment cannot await the prior permission of the Competent Authority, the employment may be accepted provisionally subject to the permission of the Competent Authority, to whom the matter shall be reported forthwith.

3.2.3 No employee shall in the discharge of his official duties deal with any matter concerning or give or sanction any contract to any firm or any other person if any member of his family is employed in that firm or under that person or if he or any member of his family is interested in such matter or contract in any other manner and the employee shall refer every such matter or the contract to his official superior and the matter of the contract shall thereafter be disposed according to the instructions of the Authority to whom the reference is made.

3.3.0 SECRECY

- 3.3.1 No employee shall divulge in any manner, any “MFL strictly private” or “MFL internal data” or classified information of Government or other Authorities, which he may come to possess or know by virtue of his being a Company employee. Every employee shall abide by the procedures framed for handling confidential and secret materials – Policy No.P-13.
- 3.3.2 No employee for the Company shall, except with the previous sanction of the Competent Authority or in the bonafide discharge of his duties, participate in a Radio/Television broadcast/programme or contribute any article or write any letter/report/statement either in his own name or anonymously pseudonymously or in the name of any other person to any Newspaper, Journal or periodical unless such broadcast/programme of such contribution is purely literary, artistic, technical, scientific or social in character.
- 3.3.3 No employee shall make any statement, publish any document, make utterances either in Radio, Television, Press or in Public:
- a) Which has the effect of adverse publicity of any policy or action of the Government or of the Company, and
 - b) Which is capable of embarrassing the relations between the Company and the Public provided that nothing in these Rules shall apply to any statement made or views expressed by an employee of purely factual nature, which are not considered to be of a confidential nature in his official capacity.
- 3.3.4 No employee shall, except otherwise authorized by the Competent Authority, communicate, directly or indirectly any official document or any part thereof or information to any officer or any other person or employee to whom he is not authorized to communicate such document or information.

3.4.0 HANDLING OF COMPANY’S ASSETS

Every employee shall truly and faithfully account for and pay over or deliver to the Company or as it may direct, all monies, stores, goods or other property of the Company or of any concern for whom the employee may be acting for the time being on the instructions of the Company that may from time to time be entrusted to him or may come in his hands or be under his charge and make and keep or cause to be made or kept proper entries in the books according to the directions of the Company in regard thereto (P-16)

An employee shall execute Service Bond, Security Bond or Indemnity Bond, etc., as may be found expedient and necessary by the Competent Authority.

Employee not complying with the above shall be liable for Disciplinary action and any monies due from the employee will be recovered from him.

3.5.0 PARTICIPATION IN POLITICS/ELECTION/DEMONSTRATIONS

3.5.1 No employee shall be a member or be associated with any Political party nor shall be a member or be associated with any Organization, which is contrary to Company's interests.

3.5.2 No employee shall canvass or use his influence or take part in, any election to any Legislature or Local Authority detrimental to his duties in the Company or the Company's interests.

3.5.3 No employee shall -

- a) Engage himself or participate in any determination, which is prejudicial to the interest 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.
- b) Resort to or in any way abet any form of strike in connection with any matter pertaining to his relation with the Company or any other employee of the Company except through due process of law.
- c) Hold the post of Office Bearers / Executive Committee Members / Advisor, etc., of any Trade Union / Association, registered under Trade Union Act, 1926, or under any other similar enactment concerning the Trade Union activities, other than the Union / Association in which he/she is a member

3.6.0 PRIVATE TRADE OR EMPLOYMENT

3.6.1 No employee shall engage himself in any commercial business or pursuit, either on his own or as agent for others in any business similar to that carried on by the Company.

3.6.2 No employee shall except with the previous sanction of the Competent Authority, engage himself in any trade or business competing or similar to that of the business of the Company. No employee shall except with the sanction of the Competent Authority undertake any other employment.

- 3.6.3 No employee shall in the discharge of his official duties deal with any matter or give or approve any contract to any firm or any other person if any member of his family is employed in that firm or under that person or if he or any member of his family is interested in such matter or contract not authorized to communicate such document or information.

3.7.0 GIFTS

- 3.7.1 No employee shall accept, or permit any member of his/her family or any other person acting on his/her behalf to accept any gift from any person(s) connected with Company's business.

EXPLANATION

The expression gift shall include, free transport, board, lodging or other service or any other pecuniary advantage provided by any person other than a near relative or personal friend having no official dealings with the employee, but does not include a casual meal, casual lift or other social hospitality.

- 3.7.2 On occasions such as weddings, anniversaries, funerals or religious functions when the making of gift is in conformity with the prevailing religious and social practice, an employee may accept gift from his near relatives or from his personal friends having no official dealings with him/her, but shall make a report to the Company if the value of such gift exceeds Rs.5,000/- in the case of an employee holding the post of the rank of Chief Manager and above and Rs.3,000/- in the case of an employee holding the post below the rank of Chief Manager.
- 3.7.3 In any other case an employee shall not accept any gift without the sanction of the Competent Authority if the value exceeds Rs.1,000/- in the case of an employee holding the post of the rank of Chief Manager and above, and Rs.500/- in the case of an employee holding the post below the rank of Chief Manager.
- 3.7.4 An employee shall not accept any gift from any foreign firm which is either contracting with the company or is one with which the employee had, has or is likely to have official dealings.
- 3.7.5 Every employee shall avoid accepting lavish hospitality or frequent hospitality from individuals having official dealings with him/her or commercial firms or other organizations.

3.8.0 EXTERNAL INFLUENCE

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

3.9.0 MARRIAGE

3.9.1 No employee shall enter into, or contract a marriage with a person having a spouse living; and

3.9.2 No employee having a spouse living, shall enter into, or contract, a marriage with any person: Provided that the Board may permit an employee to enter into, or contract, any such marriage as is referred to in clause (a) or clause (b) if it is satisfied that:

- a) Such marriage is permissible under the personal law applicable to such employee and the other party to the marriage: and
- b) There are other grounds for so doing.

3.9.3 The employee who has married or marries a person other than of Indian Nationality shall forthwith intimate the fact to his employer.

3.10.0 EVIDENCE BEFORE EXTERNAL AGENCIES/AUTHORITIES:

3.10.1 No employee of the Company shall, except with the previous sanction of the Competent Authority, give evidence in connection with any enquiry conducted by any person, Committee or Authority.

3.10.2 Where any sanction has been accorded, no employee giving such evidence shall criticize the policy or any action of the Central Government or of a State Government, or of the Corporation /Company.

3.10.3 Nothing in this Rule shall apply to -

- a) Evidence given at any enquiry before an Authority appointed by the Government, Parliament or a State Legislature or any Corporation/Company.
- b) Evidence given in any judicial enquiry: or
- c) Evidence given at any Departmental enquiry ordered by Authorities subordinate to the Government.

3.11.0 INVESTMENT, LENDING AND BORROWING

No employee shall, save in the ordinary course of business with a bank, the Life Insurance Corporation or a firm of standing, borrow money from or lend money to or otherwise place himself under pecuniary obligation to any person with whom he has or is likely to have official dealings or permit any such borrowing, lending or pecuniary obligation in his name or for his benefit for the benefit of any member of his family.

3.12.0 ACTS OF INFRACTION

Any breach of these Rules shall be deemed to constitute "misconduct" which is punishable without prejudice to the generality of the term "misconduct", the following items are illustrative but not exhaustive:

- 3.12.1 Willful insubordination or disobedience, whether or not in combination with others or any lawful and reasonable order of his superior or commission of any act subversive of discipline or of good behaviour.
- 3.12.2 Participation in an illegal strike or abetting, inciting, instigating or acting in furtherance thereof.
- 3.12.3 Willful slowing down in performance of work, malingering or abetment or instigation thereof, or interference with the work of other employees.
- 3.12.4 Theft, fraud or dishonesty in connection with the business or property of the Company or Fellow Employees on Company's premises.
- 3.12.5 Taking or giving bribes or any illegal gratification.
- 3.12.6 Absence without leave or overstaying the sanctioned leave without sufficient ground or proper or satisfactory explanation of absence from the employee's appointed place of work without permission or sufficient cause.
- 3.12.7 Habitual late attendance.
- 3.12.8 Breach of any Rules, regulations or orders applicable to the establishments.
- 3.12.9 Collection or canvassing for collection without the permission of Company of any money in accordance with the Rules of the Company for the time being in force.
- 3.12.10 Engaging in any employment, business or trade detrimental to Company's work of interest.

- 3.12.11 Drunkenness, Riotous, Disorderly or Indecent behaviour, Gambling, Extortion or committing Nuisance on the premises of the establishment.
- 3.12.12 Habitual negligence or neglect of work or indiscipline.
- 3.12.13 Willful damage to work in process or to any property of the Company.
- 3.12.14 Interference with any safety devices installed or any actions which jeopardise safety of equipment or personnel in or about the establishment.
- 3.12.15 Holding meetings prejudicial to the Company inside the premises of the establishment without previous permission of the Company.
- 3.12.16 Distribution or exhibition of any newspapers, handbills, pamphlets or posters without the previous sanction of the Company.
- 3.12.17 Disclosure to any unauthorized person of information relating to the Company's business or to Defence of Security measures or communicating directly or indirectly to any outside party any documents or information which he has secured knowledge in the course of his official duties, unless expressly permitted by the Company.
- 3.12.18 Smoking within the premises of the establishment where smoking is prohibited.
- 3.12.19 Conviction in any court of law for any criminal offence involving moral turpitude.
- 3.12.20 Unauthorized removal or defacement of notices on the Company's Notice Boards.
- 3.12.21 Possession or use of any narcotics or drugs, which in any way in the judgment of the Company may affect the performance of an employee on the job.
- 3.12.22 Possession or use of alcoholic beverage.
- 3.12.23 Selling, trading or bartering of any kind on Company property except in performance of normal job duties.
- 3.12.24 Abetment of or attempt to commit any of the above acts of misconduct.
- 3.12.25 Conduct, which violates common decency or morality of the community.

- 3.12.26 Possession of weapons, fire-arms, hand-grenades, etc., on the company premises/property, except as authorized by the Company in writing.
- 3.12.27 Habitual indebtedness resulting in reference or action required to be taken by the Company consequent to orders of the Court/Governmental Authorities or other organizations/institutions or applies to be or is adjudged or declared insolvent.
- 3.12.28 Giving or taking or abetting the giving or taking of dowry or demanding, directly or indirectly, from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.
- 3.12.29 Possession of pecuniary resources or property disproportionate to the known sources of income by the employee or on his behalf by another person, which the employee satisfactorily accounts for.
- 3.12.30 Furnishing false information regarding name, age, father's name, qualification, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.
- 3.12.31 Sleeping while on duty.
- 3.12.32 Purchasing properties, machinery, stores, etc. from or selling properties, machinery, stores etc. to the Company without express permission in writing from the Competent Authority.
- 3.12.33 Acting in a manner intended to bring discredit to the Company or its Management.
- 3.12.34 Pursuance of conduct unbecoming of an employee of his/her status or a public servant.
- 3.12.35 Damage / Destruction / Tampering with Official records.
- 3.12.36 Submitting false claims, misuse of Company amount for purposes other than what it is intended for and undue delay in settlement of advances.
- 4.0.0 HANDLING OF MISCONDUCT AND INDISCIPLINE OF EMPLOYEES**

Infraction of the Rules and Regulations of the Company as may be issued shall be dealt with as follows:

Without prejudice to the provisions of the Rules, an employee when commits breach of the Rules of the Company or who displays negligence in efficiency or indolence or who knowingly does anything detrimental to the interest of the Company or who commits a breach of discipline or is guilty of the any act of misconduct shall be liable to any of the following penalties:

i) **“MINOR PENALTIES”** include

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

ii) **“MAJOR PENALTIES”** include

- a) Save as provided in Clause (e) of Clause 4.0.0 (i), reduction to a lower stage in the time scale of pay for a specified period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period, the reduction will or will not have the effect of postponing the future increment of pay.
- b) Reduction to a lower time scale of pay grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time-scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to that grade or post.
- c) Compulsory retirement
- d) Removal from service which shall not be a disqualification for future employment under the Government or the Corporation / Company owned or controlled by the Government.

- e) Dismissal from service which shall ordinarily be a disqualification for future employment under the Government or the Corporation / Company owned or controlled by the Government.

Provided that, in every case in which the charge of possession of assets disproportionate to known sources of income or the charge of acceptance from any person of any gratification, other than legal remuneration, as a motive or reward for doing or forbearing to do any official act is established, the penalty mentioned in clause (d) or (e) shall be imposed.

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

4.1.0 PROCEDURE ON IMPOSING MINOR PENALTIES:

- 4.1.1 Charge(s) shall be leveled against an employee by the Competent Authority.
- 4.1.2 Charge (s) shall be framed in writing and given to employee concerned to enable him to have reasonable opportunity to answer them in writing.
- 4.1.3 The Competent Authority shall have immediate supervisor or a Committee appointed by him to initially inquire into the charge (s) and the explanation of the employees.
- 4.1.4 The findings of the enquiry shall be referred to the Disciplinary Authority who shall pass orders in writing based on the findings or other related papers.
- 4.1.5 An employee aggrieved by an order imposing any one of the minor penalties as referred, shall have the right of one appeal addressed to CMD through Competent Authority.
- 4.1.6 The appeal shall be reviewed by the CMD and such orders as passed by CMD shall be final and binding.

4.2.0 PROCEDURE ON IMPOSING MAJOR PENALTIES

- 4.2.1 No order imposing any of the major penalties specified in Clause 4.0.0 (ii) shall be made except an enquiry is held in accordance with this Procedure.

- 4.2.2 Disciplinary Authority shall frame definite charges on the basis of allegations against the employee.
- 4.2.3 The charges together with the statement of the allegations on which they are based, a list of documents by which and a list of witnesses by whom, the articles of charge are proposed to be sustained shall be communicated in writing to the employee.
- 4.2.4 The employee shall be required to submit within a specified time by the Disciplinary Authority (not exceeding 15 days) a written statement on the admissibility or otherwise of the articles of charge.
- 4.2.5 It will not be necessary to show the documents listed with the charge sheet or any other document to the employee at this stage.
- 4.2.6 Holding an enquiry may not be necessary if the charges are admitted by the employee in his written statement. However, the Disciplinary Authority shall record its findings on each such charge.
- 4.2.7 Enquiry may be held either by Disciplinary Authority and Enquiry Authority on receipt of the written statement, or if no such statement is received within the time specified.
- 4.2.8 If considered necessary, by an order of Disciplinary Authority, Presenting Officer can present the case in support of the articles of charge on behalf of the Company.
- 4.2.9 The employee may take the assistance of a co-employee but shall not engage a Legal Practitioner for the purpose, provided the co-employee is free from any pending Disciplinary cases in which he has to function as co-employee.
- 4.2.10 The employee shall appear before the Enquiry Authority at the time, place and date specified in the notice.
- 4.2.11 Enquiring Authority shall ask the employee whether he pleads guilty or has any defense to make and if he pleads guilty of any of the articles of charge, Enquiring Authority shall record the plea, sign the record and obtain the signature of the employee concerned thereon. The Enquiry Authority shall return a finding of guilty in respect of those articles of charge to which the employee concerned pleads guilty.

4.2.12 If the employee does not plead guilty, the Enquiring Authority shall adjourn the case to a later date not exceeding 30 days after recording an order that the employee may, for the purpose of preparing his defence.

- a) Inspect the documents listed with the charge sheet.
- b) Submit a list of additional documents and witnesses that he wants to examine: and
- c) Be supplied with the copies of the statements of witnesses, if any listed in the charge sheet.

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

4.2.13 Before the close of the prosecution case, the Enquiring Authority may, in its discretion, allow the Presenting Officer to produce evidence not included in the Charge Sheet or may itself call for new evidence or recall or re-examine any witness. In such case the employee shall be given opportunity to inspect the documentary evidence before it is taken on record or to cross-examine a witness who has been so summoned.

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

4.2.15 The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf if he so prefers. The witnesses produced by the employee shall then be examined and shall be liable to cross-examination, re-examination and examination by the Enquiring Authority according to the provision applicable to the witnesses for the Disciplinary Authority.

4.2.16 The Enquiring Authority may, after the employee closes his case and shall if the employee has not examined himself generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.

4.2.17 The Enquiring Authority may after 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 cases, if they so desire.

4.2.18 If the employee does not submit the written statement of defence referred to in 4.2.4 on or before the date specified for the purpose or does not appear in person, or through the assisting officer or otherwise fails or refuses to comply with any of the provisions of these Rules the Enquiring Authority may hold the enquiry ex-parte.

4.2.19 Whenever any Enquiring Authority after having heard and recorded the whole or any part of evidence in an enquiry ceases to exercise jurisdiction therein and is succeeded by another Enquiry Authority which has and which exercises such jurisdiction the Enquiring Authority so succeeding may act on the evidence so recorded by its predecessor, or partly recorded by its predecessor and partly recorded by itself.

Provided that if the succeeding Enquiring Authority is of the opinion that further examination of any of the witnesses whose evidence has already been recorded is necessary in the interest of justice it may recall, examine, cross-examine and re-examine any such witness as hereinbefore provided.

4.2.20 After the conclusion of the Enquiry, report shall be prepared and it shall contain:

- a) A list of the articles of charge and the statement of the imputations of misconduct or misbehaviour.
- b) A list of the defence of the employee in respect of each article of charge.
- c) An assessment of the evidence in respect of each article of charge.
- d) The findings on each article of charge and the reasons thereof.

EXPLANATION: If in the opinion of the Enquiring Authority the proceedings of the enquiry establish any articles 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.

The Enquiring Authority, where it is not itself the Disciplinary Authority, shall forward to the Disciplinary Authority the records of enquiry which shall include:

- a) The report of the enquiry prepared by it under sub-clause 4.2.21 above.
- b) The written statement of defence, if any, submitted by the employee referred to in sub-rule 4.2.4
- c) The oral and documentary evidence produced in the course of the enquiry:
- d) Written briefs referred to in sub-rule 4.2.18 if any, and
- e) The orders, if any, made by the Disciplinary Authority and the Enquiring Authority and the Enquiring Authority in regard to the enquiry.

4.3.0 ACTION ON THE ENQUIRY REPORT

4.3.1 The Disciplinary Authority, if it is not itself the Enquiry Authority may for reasons to be recorded by it in writing remit the case to the Enquiring Authority for fresh or further enquiry and report and the Enquiring Authority shall thereupon proceed to hold the further enquiry according to the provisions of Rule 4.2.0 as far as may be.

4.3.2 The Disciplinary Authority shall, if it disagrees with the findings of the Enquiring Authority on any article of charge, record its reasons for such disagreement and record its own findings on such, charge, if the evidence on record is sufficient for the purpose.

4.3.3 If the Disciplinary Authority having regard to its findings on all or any of the articles of charge is of the opinion that any of the penalties specified in Rule 2.4.22/2.4.23/4.0.0 should be imposed on the employee it shall notwithstanding anything contained in Rule 4.13.0 make an order imposing such penalty.

4.3.4 If the Disciplinary Authority having regard to its findings on all or any of the articles of charge is of the opinion that no penalty is called for it may pass an order exonerating the employee concerned.

4.4.0 SUSPENSION

4.4.1 The Appointing Authority or any Authority to which it is subordinate or the Disciplinary Authority or any other Authority empowered in that behalf by the Management by general or special order may place an employee under suspension.

- a) Where a Disciplinary Proceeding against him is contemplated or is pending: or
- b) Where a case against him in respect of any Criminal Offence is under investigation or trial.

4.4.2 An employee who is detained in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours shall be deemed to have been suspended with effect from the date of detention, by an order of the Appointing Authority and shall remain under suspension until further orders.

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

4.4.4 An order of suspension made or deemed to have been made under this Rule may at any time be revoked by the Authority, which made or is deemed to have made the order or by any Authority to which that Authority is subordinate.

4.5.0 SUBSISTENCE ALLOWANCE

4.5.1 An employee under suspension shall be entitled to draw Subsistence Allowance equal to 50% of his Basic Pay and 50% of Dearness Allowance admissible to him provided the Disciplinary Authority is satisfied that the employee is not engaged in any other employment or business or profession or vocation. In addition he shall be entitled to any other Compensatory Allowance in full of which he was in receipt on the date of suspension provided the suspending Authority is satisfied that the employee continues to meet the expenditure for which the Allowances was granted.

4.5.2 Where the period of suspension exceeds six months, the Authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of Subsistence Allowance for any period subsequent to the period of the first six months as follows :-

- a) The amount of Subsistence Allowance may be increased to 75% of Basic Pay and Allowances thereon if in the opinion of the said Authority, the period of suspension has been prolonged for reasons to be recorded in writing not directly attributable to the employee under suspension:

- b) The amount of Subsistence Allowance may be reduced to 25% of Basic Pay and Allowances thereon if in the opinion of the said Authority the period of suspension has been prolonged due to the reasons to be recorded in writing directly attributable to the employee under suspension.

4.5.3 If an employee is arrested by the Police on a criminal charge and bail is not granted, no Subsistence Allowance is payable. On grant of bail, if the Competent Authority decides to continue the suspension, the employee shall be entitled to Subsistence Allowance from the date he is granted bail.

4.6.0 TREATMENT OF THE PERIOD OF SUSPENSION

4.6.1 When the employee under suspension is reinstated, the Competent Authority may grant to him the following Pay and Allowances for the period of suspension:

- i) If the employee is exonerated and not awarded any of the penalties mentioned in Rule 4.0.0 the full Pay and Allowances which he would have been entitled to if he had not been suspended, less the Subsistence Allowance already paid to him and
- ii) If otherwise such proportion of Pay and Allowances as the Competent Authority may decide.

4.6.2 In a case falling under sub-clause (i) the period of absence from duty will be treated as a period spent on duty. In case falling under sub-clause (ii) it will not be treated as a period spent on duty unless the Competent Authority so directs.

4.7.0 COMMUNICATION OF ORDERS

Orders made by the Disciplinary Authority under this Policy shall be communicated in writing to the employee concerned, who shall also be supplied with a copy of the report of Enquiry if any.

4.8.0 COMMON PROCEEDINGS

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

4.9.0 SPECIAL PROCEDURE IN CERTAIN CASES

Notwithstanding anything contained in this Policy the Disciplinary Authority may impose any of the penalties specified under this Policy in any of the following circumstances:

- 4.9.1 The employee has been convicted on a criminal charge or on the strength of facts or conclusions arrived at by a judicial trial: or
- 4.9.2 Where the Disciplinary Authority is satisfied for reasons to be recorded by it in writing that it is not reasonably practicable to hold an enquiry in the manner provided in these Rules: or
- 4.9.3 Where the Board is satisfied that in the interest of the Security of the Company, it is not expedient to hold any Enquiry in the manner provided in these Rules.

EXPLANATION: An employee shall be reprimanded in writing by the Departmental Head depending upon the seriousness of the infraction and consequences thereof or in the event of continued repetition of a minor infracting or Anonymously / Pseudonymously or in the name of any other person to any Newspaper, Journal or periodical unless such broadcast/programme or such contribution is purely Literary, Artistic, Technical, Scientific or Social in character.

4.10.0 APPEAL

An appeal shall be preferred within one month from the date of communication of the order appealed against. The appeal shall be addressed to the Appellate Authority and submitted through the Authority whose order is appealed against. The Authority whose order is appealed against shall forward the appeal together with its comments and the records of the case to the Appellate Authority within 15 days. The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders within three months of the date of appeal. The Appellate Authority may pass order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the Authority which imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case.

4.11.0 DISCHARGE

Notwithstanding anything contained in this Policy, in cases

- 4.11.1 Where a penalty is imposed on an employee on the grounds of conduct, which has led to his conviction on a criminal charge involving moral turpitude in a Court of Law.
- 4.11.2 Where an employee is absconding or where the Competent Authority is satisfied that it is not reasonable practicably to follow the procedures laid down in the above said rules.
- 4.11.3 Where reasons of security so warrant, and
- 4.11.4 Where an employee is declared medically unfit or becomes medically incapable of working

The Competent Authority may remove or dismiss an employee without following the procedure laid down in this Policy.

4.12.0 **REPEAL**

Subject to the foregoing provisions, all previous Rules, Orders on subjects covered by these Rules, in the event of any inconsistency or repugnancy, will stand automatically superseded by the provisions of these Rules.

4.13.0 **GRIEVANCE HANDLING:**

- 4.13.1 In the event that the dispute occurs between the Company and one or more of the employees regarding grievances, the following steps of settlement shall be followed:

a) Step 1:

The employee or employees concerned shall first seek to settle the dispute in discussion with the immediate supervisor. The immediate supervisor shall record the contents of discussions and result for file.

Step 2:

If the dispute is not resolved satisfactorily in step 1, it then becomes a grievance. The grievance shall then be reduced to writing and submitted to the Head of the Department within 15 days of the date of failure of resolve the dispute through discussion. The Head of the Department will make known his decision to the employee or employees concerned within 15 days of the receipt of the grievance.

Step 3:

If the decision of the Head of Department is unsatisfactory to the employee(s) concerned, he shall then submit the grievance to the Chief

Executive within 30 days of the decision in Step 2. The Chief Executive shall make known his decision within 30 days of the receipt of the grievance. The order of the Chief Executive shall be final and binding.

4.13.2 In the event that either party (i.e., the employee(s) or the Head of Department/Chief Executive fails to process the grievance within the time stipulated above, that party shall be deemed to have conceded the grievance in favour of the other party, unless extension of time is agreed to by and between the parties.

4.14.0 DIRECT REPRESENTATION TO GOVT/EXTERNAL AGENCIES

4.14.1 No employee of the Company as an individual or as Representative of unrecognized representative Body of Employees shall represent through letter or personally directly to Government Authorities, either Central or State, or any External Agencies on matters relating to his personal grievances or on matters relating to affairs of the Company without prior approval/permission of the Competent Authority.

4.15.0 DISCIPLINARY PROVISION FOR RETIRED EMPLOYEES

4.15.1 The disciplinary proceedings already initiated against an employee for the acts of infraction / misconduct committed by him/her while in service, but not concluded at the time of separation by superannuation/voluntary retirement/resignation/termination, will continue even after superannuation/voluntary retirement/resignation/termination.

4.15.2 Disciplinary proceedings will be initiated against an employee, after his/her superannuation / voluntary retirement in respect of grave misconduct in respect of any event which took place not more than four years earlier to his/her separation by superannuation / Voluntary retirement / Resignation / Termination.

PART - B**SERVICE RULES - EMPLOYMENT****5.0.0 EMPLOYMENT RULES****5.1.0 APPOINTMENT AND DEPUTATION**

5.1.1 Every person selected for employment in the Company shall at the Company's discretion, pass a medical examination conducted by the Medical Officer nominated by the Company for this purpose. The decision in regard to medical fitness given by the Medical Officer of the Company or by the Medical Officer designated by the Company shall be final and binding.

5.1.2 The Company may conduct such verification regarding the antecedents of a person seeking employment in the Company, as it may consider necessary.

5.1.3 Every person to be appointed in the Company will receive a letter of appointment stating his monthly Basic Pay, Grade and other emoluments, if any, along with the conditions of service.

5.1.4 Every person to whom a letter of appointment has been issued and who has accepted the employment as per his letter of acceptance, shall report for duty at the place and time specified and submit his joining report.

5.1.5 Persons on deputation to the Company on Foreign Service or on contract basis will be governed by mutually accepted terms and conditions of employment.

5.1.6 A Trainee or Apprentice will be governed by terms and conditions under which he has been engaged to undergo apprenticeship/training in the Company.

5.2.0 INVENTIONS AND PATENTS

5.2.1 An employee shall on taking up his employment in the Company, furnish to the Company -

- a) A list of all patents developed, taken out or applied for by him either jointly with any other person or individually in India or Abroad.
- b) Titles and details of any invention in possession of the employee prior to his joining the Company.

Such information shall be treated as confidential for the purpose of the Patent Act and more particularly in regard to Section 38 of the India Patents and Drugs Act, 1911.

5.2.2

- a) Any discovery, invention or improvement, whatsoever, made by an employee while in the service of the Company or within one year thereafter, relating to any process or method or any appliance or plant used in the Company's manufacturing process or experimented upon by the Company or its licenses or any firm or business concern in which the Company has any interest shall forthwith be communicated to the Company with full details and shall also furnish any information or clarification that the Company may require in regard thereto from time to time. The Company shall have the right to apply for all letters of patent and rights in India or elsewhere as it may consider deem fit.
- b) The employee shall assign to the Company the invention or secret process or the patent, exclusive privilege or like protection, as the case may be and sign all such deeds, assurances, applications, documents and papers, as required by the Company, to obtain the full benefit or the rights to the Company.
- c) The Company shall have, at all times, full and unqualified right to adopt and use the said invention or secret process or the patent. If MFL makes use of the same only, the employee will be entitled to a reasonable compensation from the Company.

5.3.0 HOURS OF WORK

- 5.3.1 The working hours in various departments and sections of the Company will be as may be specified by the Company from time to time.
- 5.3.2 Subject to the provisions of the Law of the Land for the twice being in force, the company reserves the right to require all or any member of its employees to work beyond working hours on working day and also on weekly holidays or on public holidays.
- 5.3.3 Unless otherwise provided, the whole time of an employee shall be at the disposal of the Company and he shall serve the Company in its business in such capacity and at such places and times as he may be directed by the Competent Authority.
- 5.3.4 An employee shall not absent himself from duty without having obtained the permission of the Competent Authority.

- 5.3.5 At the discretion of Competent Authority an employee may be permitted to perform outside services without detriment to his official duties and responsibilities and to receive remuneration therefor.

5.4.0 HOLIDAYS

An employee shall be entitled to holidays in accordance with the list of holidays declared by the Company at the beginning of each calendar year.

5.5.0 LIABILITY TO ABIDE BY THE RULES

- 5.5.1 Every employee of the Company shall at all times conform to and abide by these and every Rules of the Company and shall observe, comply with and obey all lawful orders and directions which may, from time to time, be given to him in the course of his official duties by any person or persons under whose jurisdiction, superintendence or control he may, for the time being, be placed.

- 5.5.2 Every employee of the Company shall at all times.

- i) Maintain absolute integrity
- ii) Maintain devotion to duty, and
- iii) Do nothing, which is unbecoming of an employee of his/her status.

- 5.5.3 Every employee shall serve the Company honestly and faithfully and shall use his utmost endeavour to promote the interests of the Company and shall show courtesy and attention in all transactions relating to Company's business.

5.6.0 PAY AND OTHER BENEFITS

5.6.1

- a) All employees shall be entitled to Basic Pay, as may be mentioned in the letter of appointment and to any change as may be regulated by order of the Competent Authority.
- b) In addition, all employees will be entitled to Dearness Allowance, House Rent Allowance, City Compensatory Allowance and other Allowances, if any at the rates fixed and subject to such rules regulating them, as may be laid down by the Company from time to time.

- 5.6.2 The Pay and Allowances of temporary employees will be governed by the terms of their appointment.

Every employee will be provided with Medical benefits as per Company's Medical Policy No.P-05.

5.6.3 Employees shall subscribe to MFL employees Contributory Provident Fund in accord with the Policy No.06 relating to the said Fund.

5.6.4 Every employee shall be entitled to leave in accord with Company's Leave Policy No.P-03.

5.6.5 Every employee shall be entitled to Superannuation, Gratuity and Group Accident Insurance as per Policy of the Company.

5.7.0 **PAY INCREMENTS**

Normally an employee shall be considered for salary increase in accord with the Policy and Procedure established by the Company (Refer Policy No.P-12 and Procedure No.4.0008).

The term 'Service' qualifying for increment will include -

- a) All duty in a post, as permanent employee including service as a probationer.
- b) All leave as per Policy.
- c) Period of suspension, when the employee is completely exonerated.

5.8.0 **PROMOTIONS**

Promotions to higher post or grade will be based on practices, guidelines, procedures or policies that may be followed, adopted, framed or introduced from time to time by the Company. Such basis need not necessarily be the same for whole of the Company. Company shall reserve the right and will be free to have different basis for different Group/Department/Section/Category as considered necessary.

5.9.0 **RECORD OF ATTENDANCE AND TRANSFERS**

5.9.1 **ATTENDANCE**

Employees' attendance record shall be maintained as per the Company procedure.

5.9.2 TRANSFERS

- a) An employee shall be bound, if and when required by the Competent Authority, to go to any place in connection with the business of the Company. In the performance of such journeys the employee shall be allowed traveling expenses as per the Travelling Allowance Rules of the Company. (Refer Policy No.P-04).
- b) The Company shall have the right to transfer any employee from one Job, Section or Department or Group to another job, section or Department or Group or place in or out of India.
- c) An employee transferred from one station to another will be entitled to joining time and other Allowances as provided in Company's Travelling Allowance rules. An employee on such transfer may be granted earned or casual leave with the approval of the Competent Authority under whose administrative control he has been transferred to work with. Such leave may be combined with joining time.
- d) During joining time, an employee shall draw Pay and Allowances of the post from which he has been transferred.

5.10.0 TERMINATION

- 5.10.1 A permanent employee may be terminated at 90 days notice in writing by the Company or by paying 90 days Pay plus DA in lieu of notice. A permanent employee desiring to resign shall do so by giving 30 days notice to the Company. Alternatively, the Competent Authority may deduct 30 days Pay plus DA from the monies due to the employee, who leaves the employment without giving required notice.
- 5.10.2 The services of a Probationer may be terminated (without assigning any reason) at 30 days notice in writing on either side or by paying 30 days Pay plus DA in lieu of notice.
- 5.10.3 The services of a Temporary employee may be terminated at any time without assigning any reason during the period of his employment.

5.11.0 RETIREMENT

5.11.1 Every employee shall retire from the employment of the company at the end of the calendar month in which he reaches the age of 58 years.

However, in respect of employees whose date of birth is the first of the month shall retire from Service on the last day of the preceding month on attaining the age of 58 years. There will be no extension of service beyond the age of superannuation i.e. 58 years of age.

5.11.2 An employee may apply for Voluntary retirement under the terms established by MFL Policy No.P-40 in that behalf. If the application is accepted, he shall retire voluntarily and shall be entitled to the benefits specified in the relevant MFL Policy No.P-40, as amended from time to time.

5.11.3 An employee shall be retired prematurely after attaining the age of 50 years if he/she is considered to be Medically unfit, Inefficient or of Doubtful Integrity as per procedure established by the Company from time to time.

5.12.0 CONTRACT

The terms and conditions of service as set out in the rules and regulations of the Company or in these rules together with the letter of appointment shall be construed to effect as a contract made in India and in accordance with the laws in India and the Company and employee shall submit in respect of any cause of action arising out of or in connection with an employee's service with the Company to the jurisdiction of the High Court where the registered office of the Company is situated for the time being.

(All amendments duly approved by Board / Committee /
CMD are incorporated)
