



THE TELANGANA STATE DAIRY DEVELOPMENT CO-OPERATIVE FEDERATION LIMITED

CONDUCT, DISCIPLINE AND APPEAL RULES, 2016

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THE TELANGANA STATE DAIRY DEVELOPMENT COOPERATIVE FEDERATION LTD  
CONDUCT, DISCIPLINE AND APPEAL RULES, 2016

**RULE 1      SHORT TITLE AND COMMENCEMENT :**

- 1) These rules may be called “The Telangana State Dairy Development Co-operative Federation Limited Conduct, Discipline and Appeal Rules, 2016.
- 2) They shall come into force with effect from 16-12-2016.

**RULE 2      APPLICATION:**

They shall apply to all employees of the Federation of Grade-II Manager and above categories including those on deputation / Foreign Service, contract service but excludes:

- a) Work charged and casual employees.
- b) Workmen as defined in the Industrial Employment (Standing Orders) Act, 1946.
- c) For the rest of the categories below Grade II Manager, the Certified Standing Orders shall be applicable

**RULE 3      DEFINITIONS:**

In these rules, unless the context other-wise requires:

- a) “Employee” means a person in the employment of the Federation including a trainee and a person on deputation / foreign service, contract service and retired employees (for the purpose of initiating / continuation of disciplinary proceedings) but does not include work charged / casual employees and workmen as defined in the Industrial Employment (Standing Orders) Act, 1946.
- b) “Federation” means The Telangana State Dairy Development Co-operative Federation Limited and includes projects, units and establishments under its control.
- c) “Board” means the Board of Directors for the time being of the Telangana State Dairy Development Co-operative Federation Limited.
- d) “Managing Director” means the Managing Director of the Federation.
- e) “Disciplinary Authority” means the authority specified in the **Annexure-II** appended to these rules and competent to award any of the penalties specified in these Rules”.
- f) “Competent Authority” in relation to the exercise of any power conferred by these Rules means the Federation or any other authority authorized in that behalf by Rules or by a Resolution of the Federation”.
- g) “Government” means the ‘Government of Telangana’
- h) “Appellate Authority” means the authority specified as such which may be notified by the Board from time to time.



- i) "Reviewing Authority" means the authority specified as such which may be from time to time by the Board.
- j) "Member of the family" in relation to an employee includes :
  - I. The wife or husband, as the case may be, of the employee whether residing with him or not but does not include a wife or husband, as the case may be, separated from the employee by a decree or order of a competent court;
  - II. Children, step-children and legally adopted children wholly dependant on the employee, but does not include a child or a step-child who is no longer in any way dependant on the employee or of whose custody the employee has been deprived of by or under any law;
  - III. and other person related, whether by blood or marriage to the employee or to such employee's wife or husband and wholly dependant on such employee and residing with him;
- k) "Public Servant" means a person as defined in Section 21 of Indian Penal Code as amended from time to time.

**RULE 4      GENERAL :**

- 1) Every employee shall at all times :
  - a) maintain absolute integrity ;
  - b) maintain devotion to duty ; and
  - c) do nothing which is unbecoming of an employee and conduct himself at all times in such a manner which will enhance the reputation of the Federation and use his utmost endeavour to promote the interests of the Federation.
- 2) Every employee of the Federation holding a supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all employees under his control and authority.

**RULE 5      MISCONDUCT :**

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

- 1) Theft, fraud or dishonesty in connection with the business or property of the Federation or the property of another person within the premises of the Federation.
- 2) Taking or giving bribes or any illegal gratification.
- 3) Possession of pecuniary resources or property disproportionate to the known sources of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for.
- 4) Furnishing false information regarding name, age, father's name, qualifications or previous employment or any other matter germane to the employment at the time of employment or during the course of employment.
- 5) Acting in a manner prejudicial to the interests of the Federation.

- 6) Willful insubordination or disobedience, whether or not in combination with others, of any lawful and reasonable order of his superiors.
- 7) Absence without authorized leave or over staying the sanctioned leave for more than four consecutive days without sufficient grounds or proper or satisfactory explanation.
- 8) Habitual late or irregular attendance or willful absence from duty.
- 9) Neglect of work or negligence in the performance of duty including malingering or slowing down of work.
- 10) Damage to any property of the Federation.
- 11) Interference or tampering with any safety devices installed in or around the premises of the Federation.
- 12) Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Federation or outside the premises where such behaviour is related to or connected with the employment.
- 13) Gambling within the premises of the Federation.
- 14) Smoking within the premises of the Federation where it is prohibited.
- 15) Collection without permission of the competent authority of any money within the premises of the Federation except as permissible by any law of the Land in force or rules of the Federation.
- 16) Sleeping while on duty.
- 17) Commission of any act which amounts to a criminal offence involving moral turpitude.
- 18) Absence from the employee's appointed place of work without permission or sufficient cause.
- 19) Purchasing properties, machinery, stores etc., from or selling properties, machinery, stores etc., to the Federation without express permission in writing from the competent authority.
- 20) Commission of any act subversive of discipline or of good behaviour.
- 21) Abetment of or attempt at abetment of any act which amounts to misconduct.
- 22) Unauthorized use or occupation of the Federation's quarters, land or other property.
- 23) Assaulting or intimidating any employee of the Federation.
- 24) Striking work or inciting others to strike work in contravention of the provisions of any law or rules having the force of law.
- 25) Breach of any law applicable to the works or of the conduct rules and any other rules or orders issued by the Federation from time to time.

- 26) Writing of anonymous letters, etc, addressing appeals or representations to an authority other than the appellate or the appropriate authority and forwarding advance copies of appeals or representations to any authority.
- 27) Distribution or exhibition in the Federation's premises or its precincts handbills, pamphlets, posters or causing to be displayed by means or signs or writing or other visible representations, any matter without previous sanction of the competent authority.
- 28) Refusal to work on holidays or on Sundays or extra hours when notified to do so in the exigencies of Federation's work.
- 29) Surrounding or forcibly detaining any of the Federation employee(s).
- 30) Taking any active part in a meeting or demonstration organized by a political party.
- 31) Applying for outside employment, award of fellowships etc, without prior approval of the competent authority.
- 32) Refusal to accept order of transfer from one job to another or from one department or section or branch to another.
- 33) Falsification of Federation's records, impersonation or forgery.
- 34) Spreading or encouraging casteism, regionalism or communalism.
- 35) Deliberately making false statements before a superior knowing it to be false.
- 36) Misappropriation of funds or properties.
- 37) Lack of supervision.
- 38) Negligence or neglect of duties and / or disobedience of the instructions / orders issued by the management.
- 39) Any breach of Conduct, Discipline and Appeal rules.
- 40) Absence from Headquarters without prior written approval of the competent authority.
- 41) Abetment or attempt to commit any of the above acts or misconduct.
- 42) Membership or participation in any Trade Union of Workmen of the Federation or Association registered under Trade Union Act, 1926 or registerable under the said Act, or hold any office in such a Trade Union / Association.
- 43) Sexual harassment of women employees (including such un-welcome sexually determined behaviour whether directly or by implication) as physically contact and advances, demand and request for sexual favours, sexually colored remarks, showing pornography and any other unwelcome (physical, verbal and non verbal) conduct of sexual nature at work place.

**NOTE :** The above instances of Misconduct are illustrative in nature and not exhaustive.



**RULE 6 EMPLOYMENT OF NEAR RELATIVES IN ANY ORGANIZATION ENJOYING PATRONAGE OF THE FEDERATION :**

- 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 dependant on the employee or not.
- 2) No employee shall, except with the prior sanction of the competent authority, permit any member of his family to accept employment in any organization with which he or she has official dealings or with any other organization having official dealings with Federation ; provided that where the acceptance of the employment cannot await the prior permission of the competent authority, the employment may be accepted provisionally, subject to the permission of the competent authority, to whom the matter shall be reported forthwith.
- 3) No employee shall in the discharge of his official duties deal with any matter or give or sanction any contract to any company or firm or any other person if any member of his family is employed in that company or firm or under that person or if he or any member of his family is interested in such matter and the employee shall refer every such matter or contract to his official superior and the matter or the contract shall thereafter be disposed of according to the instructions of the authority to whom the reference is made.

**RULE 7 TAKING PART IN POLITICS AND ELECTIONS :**

- 1) The display by an employee on his person, vehicle or residence of any election symbol shall amount to using his influence in connection with an election.
- 2) Except in so far as may otherwise be specifically authorized by any law, no employee shall be a member of, or be otherwise associated with any political party or any organization which takes part in politics or assist any political movement or activity or stand for election as a member of the local authority or a legislative body without the permission of the Federation. Any employee shall not be deemed to have contravened the provisions of this rule by reason only that he assists in the conduct of an election in the due performance of duty imposed on him by or under any law in force.

**RULE 8 TAKING PART IN DEMONSTRATIONS:**

No Employee shall engage himself or participate in any demonstration / rally which is prejudicial to the interests of the Federation, public order, decency or morality which involves incitement to an offence.

**RULE 9 JOINING OF ASSOCIATION :**

No employee shall join, or continue to be a member of associations, the objectives or activities of which are prejudicial to the interest of sovereignty, integrity of India, public order or morality.

**RULE 10 CONNECTION WITH PRESS, RADIO OR TV :**

- 1) No employee shall own wholly or in part or conduct or participate in the editing or management of any newspaper / periodical publication.
- 2) No employee shall, except with the prior sanction of the competent authority or in the bonafide discharge of his duties participate in a radio / TV broadcast, directly or indirectly connected with the Federation or write or publish a book or contribute an article or write a letter either in his own name or anonymously, pseudonymously, or in the name of any other person to a newspaper or periodical; provided that no such permission shall be required if such broadcast or such contribution is of a purely literary, artistic or scientific character.

**RULE 11 ESSENTIAL SERVICES :**

Essential services, as may be declared by the Government / Federation, from time to time, will be maintained by the respective employees working in the respective departments in spite of and during strikes, lockouts, etc.

**RULE 12 CRITICISM OF THE POLICY OR ACTION OF THE FEDERATION OR OF GOVERNMENT :**

No employee shall, through Radio, TV, Internet or in any document published under his name or under any pen-name or pseudonym or in any communication to the press or in any public utterances, make any statement:

- a) which has the effect of adverse criticism of any policy or action of the Central / State Government or of the Federation; or
- b) which is capable of embarrassing the relations between the Federation and the public or between the Federation and Government.

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

**RULE 13 EVIDENCE BEFORE COMMITTEES OR ANY OTHER AUTHORITY :**

- 1) Save as provided in sub-rule (3), no employee shall except with the previous sanction of the competent authority, give evidence in connection with any enquiry conducted by any person, committee or authority.
- 2) Where sanction has been accorded under sub-rule (1), no employee giving such evidence shall criticize the policy or any action of any Government or of the Federation.
- 3) Nothing in this rule shall apply to :
  - a) Evidence given before an authority appointed by the Government, Parliament, or a State Legislature or the Federation.
  - b) Evidence given before judicial enquiry : or
  - c) Evidence given before departmental enquiry ordered by authorities subordinate to the Government / Federation.
  - d) Evidence given at any departmental enquiry ordered by any public sector undertaking.

**RULE 14 UNAUTHORISED COMMUNICATION OF OFFICIAL DOCUMENTS AND INFORMATION :**

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

**RULE 15 GIFTS :**

- 1) Save as otherwise provided in this rule, no employee shall accept or permit any member of his family or any person acting on his behalf, to accept any gift.

**EXPLANATION :**

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

**NOTE :**

- I. a casual meal, lift or other social hospitality shall not be deemed to be a gift.
  - II. an employee shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with him.
- 2) On occasions such as weddings, anniversaries, funerals, or religious functions, when the making of a gift is in conformity with the prevailing religious or social customs, an employee or the Federation may accept gifts from his near relatives but he shall make a report to the competent authority, if the value of the gift exceeds Rs.5000/-.
  - 3) On such occasions as are specified in sub-rule (2), an employee may accept gifts from his personal friends having no official dealings with him, but he shall make a report to the competent authority if the value of the gift exceeds Rs.2500/-.
  - 4) In any other case, an employee shall not accept any gift (s) without the sanction of the competent authority if the value thereof exceeds Rs.2500/- provided that when more than one gift has been received from the same person / firm within a period of 12 months, the matter shall be reported to the competent authority if the aggregate value of such gift (s) exceeds Rs.2500/-.

**RULE 16 RETURN OF FEDERATION'S PROPERTY :**

- 1) Every employee shall before leaving the service, return any property or equipment or tools belonging to the Federation issued or lent to him in connection with his employment in the Federation.
- 2) The cost of such property, equipment or tools not so returned, shall be deducted from his pay or the amount due to him or in any other manner as deemed fit.

**RULE 17 PRIVATE TRADE OR EMPLOYEMENT :**

- 1) No employee shall, except with the previous sanction of the competent authority, engage directly or indirectly in any trade or business or undertake any other employment or negotiate for securing an employment; provided that an employee may, without such sanction, undertake honorary work of a social or charitable nature or occasional work of a literary, artistic or scientific character and accept payment of honorarium within prescribed limits without detriment to his official duties and responsibilities and shall discontinue such work if so directed by the competent authority.
- 2) Every employee shall report to the competent authority if any member of his family is engaged in any trade or business or owns or manages an insurance agency or commission agency.
- 3) No employee shall, without prior sanction of the competent authority, except in the discharge of his official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Indian Companies Act or any other law in force or any co-operative society for commercial purposes;

Provided that an employee of the Federation may take part in the registration, promotion or management of a Consumer / House Building Co-operative society, substantially for the benefit of employees of the Federation registered under the Co-operative Societies Act or any other law in force, or of a literary, scientific or charitable society registered under the Societies Registration Act or any corresponding law in force.

- 4) No employee may accept any fee or any remuneration or any pecuniary advantage for any work done by him for any public body or any private person without the sanction of the competent authority.

**RULE 18 LENDING AND BORROWING :**

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

**RULE 19 INSOLVENCY OR HABITUAL INDEBTEDNESS :**

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

**RULE 20     MOVABLE, IMMOVABLE AND VALUABLE PROPERTY :**

- 1) No employee shall, except with the previous knowledge of the competent authority, enquire or dispose off any immovable property by lease, mortgage, purchase, sale gift or otherwise, either in his own name or in the name of any member of his family.
- 2) No employee shall, except with the prior sanction of the competent authority, enter into any transaction concerning any immovable or movable property with a person or firm having official dealings with the employee or his subordinates.

**EXPLANATION :**

In these sub-rules the expression 'Movable property' includes inter alia the following :

- a. Jewellery, insurance policies the annual premia of which exceeds Rs.10,000/- or one sixth of the total annual emoluments received from the Federation which ever is less. Eg: Shares, Securities and debentures.
  - b. Loans advanced by such employees whether secured or not :
  - c. Motor cars, motor cycles, horses or any other means of conveyance, and
- 3) Every employee shall within one month report to the competent authority every transaction concerning movable property owned or held by him in his own name or in the name of a member of his family, if the value of such property exceeds Rs.1,00,000/-.
  - 4) Every employee shall, on first appointment to the service and thereafter such times as may be specified, submit to the competent authority a declaration in the prescribed form, given in the annexure-I consisting of 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 or his family or in the name of any other person :
    - b) Shares, debentures and cash including bank deposits inherited by him or similarly owned, acquired or held by him :
    - c) Other movable property inherited by him if similarly owned acquired or held by him, if the value of such property exceeds Rs.1,00,000/-.
    - d) Debts and other liabilities incurred by him directly or indirectly.
  - 5) The Federation or any authority empowered by it in this behalf may, at any time, by a general or special order require an employee to submit within a period specified in the order, a full and complete statement of such movable or immovable property held or acquired by him or by any member of his family, as may be specified in the order. Such statement shall if so required by the Federation or by the authority so empowered, include details of the means by which or the source from which such property was acquired.

**RULE 21 INFLUENCING SUPERIOR AUTHORITIES FOR FURTHERANCE OF INTERESTS:**

No employee shall bring or attempt to bring any political or other influence for the furtherance of his interests in respect of matters pertaining to his service in the Federation.

**RULE 22 BIGAMOUS MARRIAGES :**

- 1) No employee shall enter into, or contract, a marriage with a person having a spouse living, and
- 2) No employee, having a spouse living, shall enter into or contract a marriage with any person; provided that the competent authority may permit an employee to enter into or contract any such marriage as is referred to in clause (1) or clause (2) if he is satisfied that :
  - a) Such marriage is permissible under the law applicable to such employee and the other party to the marriage : and
  - b) There are other grounds for so doing.
- 3) An employee, who has married or marries person other than an Indian national, shall forthwith intimate the fact to the competent authority.

**RULE 23 CONSUMPTION OF INTOXICATING DRINKS AND DRUGS :**

Every employee shall

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

**RULE 24 (A) SUSPENSION :**

- a. The Appointing Authority or any authority to which it is subordinate or the disciplinary authority or any other authority empowered in that behalf by the Board or the Managing Director 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.

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 in which the order of suspension was made.

- b. 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 and shall remain under suspension until further orders.
- c. 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 in force on and from the date of the original order of dismissal or removal and shall remain in force until further orders.
- 4) Where a penalty of dismissal or removal from service imposed upon an employee is set aside or declared or void in consequence of or by a decision of a court of law and the disciplinary authority, on consideration of the circumstances of the case, decides to hold a further inquiry against him on the allegations on which penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension by the appointing authority from the date of the original order of dismissal or removal and shall continue to remain under suspension until further orders.
- 5) An order 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.
- 6) The suspended employee shall not leave the station without the written permission of the Federation.

**RULE 24 (B) EXTENSION OF THE PERIOD OF SUSPENSION :**

Where an employee has been placed under suspension or is deemed to have been suspended under Rule 24 (A) and final orders in the disciplinary or criminal proceedings pending against him have not been / could not be passed within a period of twelve months from the date of such order, the case shall be reported to the 'competent Authority' who shall pass such orders thereon, periodically, as he may deem fit.

**RULE 25 SUBSISTENCE ALLOWANCE :**

An employee who is placed under suspension under Rule 24 shall, during the period of suspension be paid a subsistence allowance at the following rates, namely:

- 1) Where the disciplinary proceedings contemplated or pending is departmental, the subsistence allowance shall, for the first ninety days from the date of suspension be equal to one half of the basic wages, dearness allowance and other compensatory allowance to which the employee would have been entitled, if he were on leave with wages. If the departmental proceedings gets prolonged and

the employee continues to be under suspension for a period exceeding ninety days, the subsistence allowance shall for the period exceeding ninety days be equal to three fourths of such basic wages, dearness allowance and other compensatory allowances :

Provided that where such proceeding is prolonged beyond a period of ninety days for reasons directly attributable to the employee, the subsistence allowance shall for the period exceeding ninety days be reduced to one fourth of such basic wages, dearness allowance and other compensatory allowances.

- 2) Where the disciplinary proceedings is by the Police or by any Court of law or where criminal proceedings against the employee are under investigation or trial, the subsistence allowance shall, for the first one hundred and eighty days from the date of suspension, be equal to one half of his basic wages, dearness allowance and other compensatory allowance to which the employee would have been entitled to, if he were on leave. If such disciplinary proceeding or criminal proceeding gets prolonged and the employee continues to be under suspension for a period exceeding one hundred and eighty days, the subsistence allowance shall, for the period exceeding one hundred and eighty days be equal to three fourths of such wages :

Provided that where such disciplinary proceeding or criminal proceeding is prolonged beyond a period of one hundred and eighty days for reasons directly attributable to the employee, the subsistence allowance shall for the period exceeding one hundred and eighty days, be reduced to one fourth of such wages.

#### **RULE 26     TREATMENT OF THE PERIOD OF SUSPENSION :**

- 1) If on the conclusion of the disciplinary proceeding or as the case may be of the criminal proceedings, the employee has been found guilty of the charges framed against him and it is considered after giving him a reasonable opportunity of making representation on the proposed penalty that an order of dismissal or suspension or fine or stoppage of annual increment or reduction in rank would meet the ends of justice, the employer shall pass an order accordingly.

Provided that when an order of dismissal is passed under this clauses, the employee shall be deemed to have been absent from duty during the period of suspension and shall not be entitled to any remuneration for such period and the subsistence allowance already paid to him shall not be recovered.

Provided further that where the period between the date on which the employee was suspended from duty pending the proceeding or investigation or trial and the date on which an order of suspension was passed under this clause exceeds four days, the employee shall be deemed to have been suspended only for four days or for such shorter period as is specified in the said order of suspension and for the remaining period he shall be entitled to the same wages as he would have received if he had not been placed under suspension after deducting the subsistence allowance paid to him for such period.



Provided also that:

- a) Where an order imposing warning, censure, suspension, fine or stoppage of annual grade increment (s) without cumulative effect is passed under this clause, the period of suspension shall not be treated as a period of spent on duty unless the disciplinary authority specifically directs that it shall be so treated.
- b) Where an order of imposing stoppage of annual grade increment (s) with cumulative effect or reversion to a lower stage in a time scale, the employee shall be deemed to be not on duty during the period of suspension and the suspension period will be treated as leave for which the suspended employee is eligible.

**NOTE:**

- i. In case suspension period is treated as leave, subsistence allowance paid during the period of suspension will be recovered in lumpsum (or) in installments depending upon the amount to be recovered :
  - ii. In case suspension period is treated as extra-ordinary leave (EOL), subsistence allowance paid during the suspension period will be recovered from the subsequent salaries drawn.
- 2 If on the conclusion of the disciplinary proceeding or, as the case may be, of the criminal proceedings, the employee has been found to be not guilty of any of the charges framed against him, he shall be deemed to have been on duty during the period of suspension and shall be entitled to the same wages as he would have received if he had not been placed under suspension, after deducting the subsistence allowance already paid to him for such period.
  - 3 The payment of subsistence allowance under this rule shall be subject to the employee concerned not taking up any employment during the period of suspension.

**RULE 27 (1) PENALTIES :**

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

**MINOR PENALTIES**

- a) Warning
  - b) Censure
  - c) Fine, consistently with the provisions of the Payment of Wages Act or any other Act applicable to the establishment.
  - d) Suspension without wage for a period of 4 days.
  - e) (1) Recovery from wages or such other amount as may be due to the employee of the whole or part of any pecuniary loss caused to the Federation by an employee's misconduct in addition to any other penalty in respect of the same act constituting the misconduct; or / and
- (2) Recovery from terminal benefits, including pension, gratuity, Earned leave encashment, or such other amounts as may be due to the employee who has retired / resigned / left the organization etc., of the whole or part of any pecuniary loss caused due to his negligence or otherwise, in addition to any other penalty.

- f) Stoppage of annual grade increments without cumulative effect not exceeding three (3) years if due under graded scale of pay wherever applicable.

**MAJOR PENALTIES**

- g) Stoppage of annual grade increments with cumulative effect not exceeding three (3) years if due under graded scale of pay wherever applicable.
- h) Reversion to a lower grade or post or to a lower stage in a time scale.
- i) Removal from service, which shall not be a disqualification for future employment.
- j) Dismissal.

**(2) INITIATION OF DISCIPLINARY PROCEEDINGS :**

- a) The appointment Authority or any authority to which it is sub-ordinate or any other authority authorized in that behalf by the Federation by a resolution, shall initiate disciplinary proceedings against an employee in a case calling for disciplinary action under these Rules.
- b) The Competent Authority under clause (a) above may itself conduct enquiry in accordance with the provisions of Rules 29 or subject to the order of the Managing Director or any other authority superior in rank to the employee charged, to conduct an enquiry.
- c) 'Provided that' where a Standing Enquiry Officer, either departmental or outsider is existed, or a nominee of the Government, or a person having judicial background, authorized by the Competent Authority under clause (a) above, for any particular case, may conduct the enquiry.

**EXPLANATION :**

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

- I. Without holding of increment of an employee on account of his work being found un-satisfactory or not being of the required Standard, or for failure to pass a prescribed test or examination.
- II. Stoppage of an employee at the efficiency bar in a time scale, on the ground of his unfitness to cross the bar:
- III. Non-promotion, whether in an officiating capacity or otherwise of an employee, to a higher post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case.
- IV. Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered after trial, to be unsuitable for such higher grade or post or on administrative grounds unconnected with his conduct :
- V. Reversion to his previous grade or post of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment :

## VI. Termination of service :

- a) of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment :
- b) of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment ;
- c) or an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement : and
- d) of any employee on reduction of establishment.

**(3) CONTINUATION OF DISCIPLINARY PROCEEDINGS AGAINST RETIRED & EX-EMPLOYEES**

The Disciplinary proceedings, if initiated while the employee was in service and subsequently retired / VRS/resigned / left the organization etc. pending disciplinary action, the Disciplinary Authority shall continue the disciplinary proceedings in accordance with the procedure / Rules applicable to Departmental proceedings in respect of such category of employees, as applicable to the employees in service and pass appropriate orders; and also order for recovery of the amounts misappropriated, loss caused due to his negligence while in service or other dues from his terminal benefits.

**(4) INITIATION OF DISCIPLINARY PROCEEDINGS AGAINST RETIRED & EX-EMPLOYEES.**

The Departmental proceedings, if not instituted while the employee was in service, whether before his retirement or during the re-employment:

- (i) Shall be instituted by the Disciplinary Authority, the Appointing Authority or any other authority to which it is subordinate or any other authority authorized in that behalf by the Federation shall initiate disciplinary proceedings against an employees who has retired / resigned / left the organization in accordance with the procedure / Rules applicable to departmental proceedings in respect of such category of employees, as applicable to the employees in service, and pass appropriate orders, and order for recovery of amounts misappropriated, loss caused due to his negligence while in service or other dues from his terminal benefits:
- (ii) Shall not be in respect of any event which took place more than four years before such institution.
- (iii) Shall be conducted by such authority as specified in sub-clause (i) above and in such place as the authority may direct as deemed fit and in accordance with the procedure applicable to departmental proceedings.

**RULE 28 DISCIPLINARY AUTHORITY :**

The Disciplinary Authority, as specified in the Annexure-II, or any authority superior to such authority, as notified from time to time, may impose any of the penalties specified in Rule 27 (1) on any employee.

**RULE 29    IMPOSITION OF MAJOR PENALTIES :**

- a) No order of major penalties specified in clauses (g), (h), (i) and (j) of Rule 27 shall be made except after holding an enquiry against the employee concerned in respect of the alleged misconduct in the manner set forth in sub-rule (2).
- b) An employee against whom an enquiry has to be held shall be given a charge sheet clearly setting forth the circumstances appearing against him and requiring explanation. He shall be given an opportunity to answer the charge and permitted to secure during enquiry the assistance of a co-employee but no outsider will be allowed for the purpose. No postponement of proceedings may be given at any stage of enquiry on the ground merely on non-availability of the person whose assistance is sought, except for reasons to be recorded in writing by the Inquiring Authority. The employee shall be permitted to produce witness for his defence and cross-examine any witness on whose evidence the charge rests and the employee's plea shall be recorded. A copy of the record of enquiry may be given if asked after the enquiry.

Note: The Managing Director is authorized to permit the employees to take assistance of an Advocate in relaxation of Rule 29 (2) of CDA Rules and to engage the Legal Advisor of the Federation in all such cases to act as Management Representative and fix remuneration for each case.

- c) If in the opinion of the Inquiry Authority the proceedings of the enquiry reveal any other irregularity (s), omission / commissions, etc., different from those originally framed, it can record the same in the Report.
- d) In awarding punishment under this rule, the employer shall take into account the gravity of the misconduct, the previous record, if any, of the employee and any other extenuating or aggravating circumstances that may exist.

**RULE 30    PROCEDURE FOR IMPOSITION OF MINOR PENALTIES :**

- 1) Where it is proposed to impose any of the minor penalties specified in clauses (a) to (f) of Rule 27 the employee concerned shall be informed in writing of the imputations of misconduct or misbehavior against him and given an opportunity to submit his written statement of defence within a specified period not exceeding 7 days. The defence statement, if any, submitted by the employee shall be taken into consideration by the disciplinary authority before passing orders.
- 2) The record of the proceedings shall include :
  - I. a copy of the statement of the imputations of misconduct or misbehavior delivered to the employee :
  - II. his defence statement, if any, and
  - III. the orders of the disciplinary authority together with the reasons therefor.
- 3) Minor penalties can be imposed after following the procedure set forth in Rule 30, and an inquiry need not be held for imposition of minor penalties.

**RULE 31      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 or them may be taken in a common proceedings and the specified authority may function as the Disciplinary Authority for the purpose of such common proceedings.

**RULE 32      SPECIAL PROCEDURE IN CERTAIN CASES :**

Notwithstanding anything contained in Rule 29 and 30, the disciplinary authority may impose any of the penalties specified in Rule 27 in any of the following circumstances.

- I. the employee has been convicted on a criminal charge, or on the strength of facts or conclusions arrived at by a judicial trail : or
- II. where the disciplinary authority is satisfied for reasons to be recorded by it in writing that it is not reasonably practicable to hold an enquiry in the manner provided in these Rules, or
- III. where the Board is satisfied that in the interest of the security of the Federation, it is not expedient to hold any inquiry in the manner provided in these Rules.

**RULE 33      EMPLOYEES ON DEPUTATION :**

- 1) Where an order of suspension is made or disciplinary proceedings are initiated against an employee, who is on deputation to the Federation from the Central or State Government or another public undertaking or a local authority etc., the authority lending his services (hereinafter referred to as the "Lending Authority") shall forthwith be informed of the circumstances leading to the order of his suspension, or the commencement of the disciplinary proceedings, as the case may be.
- 2) In the light of the findings in the disciplinary proceedings taken against the employee :
  - a) If the Disciplinary authority is of the opinion that any of the minor penalties should be imposed on him, it may pass such orders on the case as it deems necessary after consultation with the Lending Authority, provided that in the event of a difference of opinion between the Disciplinary and Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority.
  - b) If the Disciplinary Authority is of the opinion that any of the major penalties should be imposed on him, it should replace his service at the disposal of the Lending Authority and transmit to it the proceedings of the enquiry for such action as it deems necessary.
- 3) If the employee submits an appeal against an order imposing a minor penalty on him under sub-Rule (2)(a), it will be disposed of after consultation with the Lending Authority, provided that if there is a difference of opinion between the Appellate Authority and the Lending Authority, the services of the employee shall be placed at the disposal of the Lending Authority, and the proceedings of the case shall be transmitted to that authority for such action as it deems necessary :

**RULE 34 PROVISIONS REGARDING EMPLOYEES LENT TO OTHER ORGANISATION:**

- 1) Where the service of an employee are lent to the Government or to any other public undertaking etc., (herein after referred to as the Borrowing Authority) the Borrowing Authority shall have the powers of the Appointing Authority for the purpose of placing such an employee under suspension and of the Disciplinary Authority for the purpose of conducting disciplinary proceedings against him,

provided that the Borrowing Authority shall forthwith inform Telangana State Dairy Development Co-operative Federation Limited, (hereinafter referred to as the 'Lending Authority') of the circumstances leading to the order of suspension of an employee of the commencement of the disciplinary proceedings, as the case may be.

- 2) In the light of the findings of the Inquiring Authority against the employee :

- i) If the borrowing authority is of the opinion that any of the penalties specified in clauses (a), (b), (c), (d), (e) or (f) of Rule 27 (Minor Penalties) should be imposed on the employee, it may, after consultation with the Federation, make such orders in the case as it deems necessary.

Provided that in the event of a difference of opinion between the Borrowing Authority and the Lending Authority, the services of the employee shall be replaced at the disposal of the Federation.

- ii) If the Borrowing Authority is of the opinion that any of the penalties specified in clauses (g), (h), (i) or (j) of Rule 27 (Major Penalties) should be imposed on the employee, it shall replace his service at the disposal of the Federation and transmit to it the proceedings of the inquiry for such action as deemed necessary.

**EXPLANATION :**

The Disciplinary Authority may make an order under this clause on the record of inquiry transmitted to it by the Borrowing Authority or by holding such further inquiries as it may deem necessary, as far as may be in accordance with these rules.

**RULE 35 APPEALS :**

- 1) An employee may appeal against an order imposing upon him any of the penalties specified in Rule 27 or against the order of suspension referred to in Rule 24. (The appeal shall lie to the authority specified in the Annexure – II).
- 2) An appeal shall be preferred within one month from the date of communication of the order appealed against. The appeal shall be addressed to the Appellate Authority specified in the annexure-II and submitted to the authority whose order is appealed against. The authority whose order is appealed against shall forward the appeal with the relevant records of the case of the Appellate Authority within 30 days. The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders within three months of the date of appeal.

The appellate authority may pass order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority which imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case, provided that if the enhanced penalty which the Appellate Authority proposes to impose is a major penalty specified in clauses (g) (h) (i) or (j) of Rule 27 and an inquiry as provided in Rule 29 has not already been held in the case, the Appellate Authority shall direct that such enquiry be held in accordance with the

provisions of Rule 29 and thereafter consider the record of the enquiry and pass such orders as it may deem proper. If the Appellate Authority decided to enhance the punishment but an enquiry has already been held as provided in these rules, the Appellate Authority shall give a show cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The Appellate Authority shall pass final order after taking into account the representations, if any, submitted by the employee.

**RULE 36     REVIEW :**

Notwithstanding anything contained in these rules, the (Reviewing Authority as specified in the Annexure-II) may either on its own motion or on the application of the employee concerned call for the record of the case within six months of the date of the final order and after reviewing the case pass such orders thereon as it may deem fit, provided that if the enhanced penalty, which the Reviewing Authority proposes to impose, is a major penalty specified in clauses (g) (h) (i) or (j) of Rule 27 and inquiry as provided under Rule 29 has not already been held, in the case, the Reviewing Authority shall direct that such an enquiry be held in accordance with the provisions of rule 29 and thereafter consider he record of the enquiry and pass such orders as it may deem proper. If the Reviewing Authority decided to enhance the punishment but an enquiry has already been held in accordance with the provisions of these rules, the Reviewing Authority shall give show cause notice to the employee as to why the enhanced penalty should not be imposed upon him. The Reviewing Authority shall pass final order after taking into account the representation, if any, submitted by the employee.

**RULE 37     SERVICE OF NOTICES, ORDERS ETC :**

Any order, notice, communication, letter or other document or process made or issued under these Rules to be served on an employee shall be served on such employee ;

- a) by delivering it to that employee : or
- b) If it cannot be so delivered or tendered, by affixing a copy on the outer door or some other conspicuous part of the house in which that employee ordinarily resides and the serving officer shall then return the original to the authority from which it was issued with a report endorsed thereon or annexed thereto stating that the has affixed the copy and the name and address of the person (if any) in whose presence the copy was so affixed : or

- c) by forwarding it by registered post addressed to employee at the place where he ordinarily resides :
- d) an endorsement by the serving officer that the employee refused to accept service or an endorsement by a postal employee that the employee refused to take delivery or that he could not be found or that he was absent shall be deemed to be prima facie proof of such service.

**RULE 38      POWER TO RELAX TIME LIMIT AND TO CONDONE DELAY :**

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

**RULE 39      VINDICATION OF ACTS AND CHARACTER OF FEDERATION EMPLOYEES:**

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

**RULE 40      TRANSFER OF DISCIPLINARY JURISDICTION :**

The proceedings pending against the employees of the erstwhile corporation/Federation at the time of transfer of their services to the Federation shall be continued and disposed of by the Federation, in accordance with the provisions of these Rules, as if such proceedings were proceedings under these Rules within the disciplinary jurisdiction of the Federation.

**RULE 41      SAVINGS :**

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



**RULE 42    INTERPRETATION :**

Where doubt arises as to the interpretation of the any of these rules, the matter shall be referred to the Managing Director whose decision shall be final and binding.

**RULE 43    AMENDMENTS :**

The Board may amend, modify, rescind or add to these rules, from time to time and shall such amendments, modifications or additions shall take effect from the date stated therein.

**RULE 44    RESIDUAL POWER :**

Every case which is not covered by these rules or which required relaxation of all or any of the provisions of these regulations shall be referred to the Board for decision.

**RULE 45    REPEAL :**

Any rules corresponding to these rules in force immediately before the commencement of the Federation to whom these rules apply, are hereby repealed.

Provided that any order made or action taken under the rules so replaced shall be deemed to have been made or taken under the corresponding provision of these rules.

Provided further that such repeal shall not affect the previous operation of the rules so repealed and a contravention of any of the said rules shall be punishable as it if was a contravention of these rules.

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**ANNEXURE – I (A)**

Statement of **IMMOVABLE PROPERTY** possessed, acquired and disposed of by Sri  
.....or any other person on his behalf or any member of his family during year ending  
.....

Nature of paid / Property Obtained	Situation of property Source of (Survey / Municipal payment No. with extent).	Whether infor- Municipal sanction obtained (with ref.No.& date)	Held in Whose mation given or name	Annual from property	Date and mode of acquisition / income Disposal	Price
(1)	(2)	(6)	(3)	(7)	(4)	(5)
					(8)	

1. House
2. Flat
3. Shop
4. House Plot
5. Agril. Land (dry or wet)
6. Any other immovable property.

**Note:** Details of acquisition of properties standing in the name of Hindu undivided family or partnership in which the officer holds a claim or share should be separately shown in the statement.

**ANNEXURE – I (B)**

Statement of **MOVABLE PROPERTY** possessed, acquired and disposed of by Sri .....or any other person on his behalf or any member of his family during year ending .....

Nature of Property	Held in Price paid / Whose Name obtained.	Date & mode Source of payment of acquisition / disposal	Name and address of Person from whom acquired / to whom disposed of	whether transaction done within the limits of jurisdiction.
(1)	(2)	(3)	(4)	(5)
(6)	(7)			

Movables (whose value exceeds Rs.50,000/-)

1. Vehicles:

Motor Car  
Motor Cycle / Scooter  
Any other vehicle.

2. Electrical Goods:

Air Conditioner  
Any other goods.

3. Jewellery:

Ornaments etc.

4. Investments & Cash

Bank deposits / Debentures/  
Shares / Bank Balances etc.

5. Live Stock

Any other goods

**Note:** Details of acquisition of properties standing in the name of Hindu undivided family or partnership in which the officer holds a claim or share should be separately shown in the statement.

**ANNEXURE - II**

Sl. No (1)	Category of Employees (2)	Nature of Penalty (3)	Disciplinary Authority (4)	Appellate Authority (5)	Review Authority (6)
1.	All categories of employees in the pay scale upto and inclusive of Rs. 16400-49870(RPS 2015) (i.e. upto Junior Assistant scale)	All Minor penalties as per Rule 27	Full powers to Deputy Directors, Milk sheds. Head Office concurrence shall be obtained before inflicting the final punishment.	Managing Director	Board of Directors
2.	All categories of Employees in the pay scale of Rs. 21230-63010(RPS 2015) and below (i.e. Senior.Asst./UD Acct scale) working within the jurisdiction of the General Managers concerned	All Minor penalties as per Rule 27	General Managers	Managing Director	Board of Directors
Note:- The Managing Director shall have full powers in respect of all the matters delegated above.					
3.	All categories of employees in the pay scale of Rs. 25140-73270(RPS 2015) and below (i.e. Junior Manager/ Accounts Supdt.)	All penalties as per Rule 27	Managing Director	Board of Directors	Board of Directors
4.	All categories of employees in the pay scale of Rs. 29760-80930(RPS 2015) and above(i.e. Manager Grade-II)	All penalties as per Rule 27	Managing Director / Board of Directors	Board of Directors	Board of Directors
<p>Note:-</p> <p>1. The Managing Director is vested with full powers for suspension pending enquiry, initiation of disciplinary proceedings, framing of charges and imposition of penalties in respect of all categories of posts below the cadre of Managing Director, provided, however, the imposition of major penalties like reduction in rank, removal and dismissal shall be done by the respective appointing authorities. Appeals on penalties imposed by the Managing Director shall lie to the Board.</p> <p>2. The powers exercisable by any authority may be exercised by an authority superior to such authority.</p>					