## अण्डमान एवं निकोबार प्रशासन ANDAMAN AND NICOBAR ADMINISTRATION

# सचिव (सहकारिता)—व—पंजीकार सहकारी समितियों का कार्यालय

# OFFICE OF THE SECRETARY (COOPERATION)-CUM-RCS

वी.आई.पी रोड / V.I.P Road, जंगलीघाट पोसट / Junglighat P.O. पोर्ट ब्लेयर / PORT BLAIR - 744 103

~~~~~~~~

Dated the November 2016

# **NOTIFICATION**

No........ F. No RCS/26-5/2016. In exercise of the powers conferred on me under sub section (1) of Section 86 of the Andaman & Nicobar Islands Cooperative Societies Regulation, 1973, read with A & N Administration Notification No: 267 F.No. RCS/26-5/2009 dated 21.02.2011 and in supersession of all previous Notification and Orders issued in respect of the Qualification and Service Condition of the Employees of Cooperative Societies in A & N Islands, the Lieutenant Governor (Administrator), Andaman and Nicobar Islands hereby proposes to make the following Rules Prescribing the Qualification and Service Condition of the persons employed by the Cooperative Societies in A & N Islands.

The following rules are hereby published for inviting objections/suggestions as required under sub-section (1) of Section 86 of the said Regulation for information of the General Public. Any objection or suggestion received from the general public within 30 days from the date of publication of this notification in the official Website of the A & N Administration shall be considered before final publication of the Draft Amendment Rules. Such objection / suggestion may be addressed to the Registrar of Cooperative Societies, Andaman and Nicobar Administration, Port Blair.

# The Andaman and Nicobar Islands Cooperative Societies Employees Service (Qualifications and Conditions of

Service) Rules"

(Under Rules 32(1) APPENDIX-"M" Part -I-General

# 1 1. Short Title, Application & Commencement: -

- (i) These Rules shall be called "Andaman and Nicobar Islands Cooperative Societies Employees Service (Qualifications and Conditions of Service) Rules"
- (ii) These service rules shall apply to the Cooperative Societies functioning in the Union Territory of Andaman and Nicobar Islands.
- (iii) These service rules shall take effect from the date of publication in the official Gazette.

2

<u>**Definitions**</u>:- In These service rules unless there is anything repugnant in the subject or context:-

(i) Regulation' means the A & N Islands Cooperative Societies

- Regulations, 1973 (3 of 1973) as amended from time to time;
- (ii) Rules" means the A & N Islands Cooperative Societies Rules, 1974 and amended from time to time;
- (iii) 'Average Pay' means the average monthly salary earned during the ten complete months immediately preceding the month in which occurs the event which necessitates the calculation of average pay;
- (iv) 'Appointing Authority' means 'Committee of Management' or any other authority which is empowered under the Regulation, Rules or the bye-laws of the society concerned to make appointment;
- (v) 'Bye-laws' means the registered bye-laws of the Cooperative society concerned for the time being in force and as amended from time to time:
- (vi) Cadre' means the strength of a service maintained by a society or part of a service sanctioned as a separate unit;
- (vii) Chairman' means the Chairman/President of the Cooperative society concerned;
- **(viii)** 'Continuous service' means uninterrupted service but includes service which may have been interrupted due to any authorized leave or any other absence from duty condonable under any law for the time being in force;
- (ix) Cooperative society' means a Cooperative society registered or deemed to have been registered under the A & N Islands Cooperative Societies Regulations, 1973 (No.8 of 1973);
- (x) Service' means employment / service in the Cooperative Societies;
- (xi) 'Employee' means a person in whole time service of a Cooperative society but does not include a casual worker employed on daily wages or a person in part time service of a society;
- (xii) 'Managing Committee' means the governing body of a Cooperative society by whatever name called , to which the management of the affairs of the society is entrusted;
- (xiii) 'Pay' means the monthly pay exclusively of all allowances
- (xiv) Registrar' means the person appointed as 'Registrar of Cooperative Societies' under Andaman & Nicobar Islands Cooperative Societies Regulation, 1973 (No.3 of 1973).
- (xv) 'Retrenchment' means termination by a Cooperative society of the services of its employees for any reason whatsoever otherwise than as punishment inflicted by way of disciplinary action, but does not include termination of services due to retirement or resignation;
- (xvi) 'Secretary' means the Secretary of the Cooperative society concerned;
- (xvii) Time-scale' means scale on which pay, subject to any conditions prescribed, increases by periodical increments from a minimum towards a maximum;
- (xviii) 'Travelling Allowances' means an allowance granted to an employee towards the expenses which he incurs in the interest of the

employer Cooperative society

- (xix) 'Disciplinary Authority' means the authority competent under these service rules to enforce on a servant of the Cooperative society.
- (xx) 'Penalties' means any of the penalties specified in rule 56 of these service rules;
- (xxi) "Managing Director" means a person exclusively appointed to the post but does not include any other category of employees.

#### .Note:-

- Save as otherwise provided by or under the "Andaman and Nicobar Islands Cooperative Societies Employees Service (Qualifications and Conditions of Service) Rules" shall apply to person(s) appointed to service of a Cooperative society and posts in connection with the affairs of the Cooperative Society.
- All words and expressions used in these service rules and not defined above, but defined in the A & N Islands Cooperative Societies Regulations, 1973 (3 of 1973) and the Rules framed there under shall have the same meanings as assigned to them in the said Regulation and Rules.
- 3 Strength of staff, grade, recruitment/appointment, status of service, commencement of service, probation, confirmation, transfer and training.
  - **I.** Subject to the provisions in its budget and the requirements of its business, a Cooperative society shall maintain one or more categories of employees as may be necessary.
  - II. subject to creation/availability of the post in the respective Cooperative society which has already revised pay scale/structure of its employees based on the 5th Central Government Employees Pay Commission structure, may opt /choose the following Pay band plus Grade Pay of the 6th Central Government Employees Pay Commission structure with reference to the corresponding pre-revised pay scale in the existing post. The Management shall have the liberty to opt/choose such structure of pay scale and payment of other allowances if any as may be decided by the Management subject to the fund availability and within the budgetary provision.

|   | Pre-revised Pay<br>Scale                                                                | Revised<br>pay scale<br>as per 6 <sup>th</sup><br>CPC | Grade Pay                                   | Pay<br>Band              | Pay Level As per 7 <sup>th</sup> Pay Commission |
|---|-----------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------|--------------------------|-------------------------------------------------|
| D | All the pay scale<br>from Rs.2550-55-<br>2660-60-3200 to<br>Rs.2610-60-3150-<br>65-3540 |                                                       | Rs.1300,<br>Rs.1400,<br>Rs.1600,<br>Rs.1650 | -1S<br>-1S<br>-1S<br>-1S | Level:1                                         |
| С | 1                                                                                       | Rs. 5200-<br>20200                                    | Rs.1800                                     | PB-I                     | Level:1                                         |
|   | Rs.3050-70-3800-<br>75-4400<br>Rs.3200-85-4900                                          | Rs.5200-<br>20200<br>Rs.5200-<br>20200                | Rs.1900<br>Rs.2000                          | PB 1                     | Level :2<br>Level :3                            |

|   | Rs. 4000-100-          |                     | Rs.2400  | PB 1 | Level :4  |
|---|------------------------|---------------------|----------|------|-----------|
|   | 6000                   | 20200               | D 0000   | DD 4 |           |
|   | Rs. 4500-125-<br>7000  | 20200               | Rs.2800  | PB 1 | Level :5  |
|   | Rs. 5000-150-<br>8000  | Rs. 9300-<br>34800  | Rs.4200  | PB 2 | Level :6  |
| В | Rs.5500-175-<br>9000   | Rs. 9300-<br>34800  | Rs.4200  | PB 2 | Level :6  |
| D | Rs.6500-200-<br>9000   | Rs. 9300-<br>34800  | Rs.4200  | PB 2 | Level :6  |
|   | Rs.6500-200-<br>10500  | Rs. 9300-<br>34800  | Rs.4200  | PB 2 | Level :6  |
|   | Rs. 7450-225-<br>11500 |                     | Rs.4600  | PB 2 | Level :6  |
|   | Rs.7500-250-<br>12000  | Rs. 9300-<br>34800  | Rs.4800  | PB 2 | Level :7  |
|   | Rs.8000-275-<br>13500  | Rs. 9300-<br>34800  | Rs.4800  | PB 2 | Level :7  |
|   | Rs.8000-275-<br>13500  | Rs. 9300-<br>34800  | Rs.5400  | PB 2 | Level :9  |
|   | Rs.8000-275-<br>13500  | Rs. 15600-<br>39100 | Rs.5400  | PB 3 | Level :9  |
|   | Rs.9000-275-<br>9550   | Rs. 15600-<br>39100 | Rs.5400  | PB 3 | Level :9  |
| A | Rs.10000-325-<br>15200 | Rs. 15600-<br>39100 | Rs.6600  | PB 3 | Level:11  |
|   | Rs.10650-325-<br>13580 | Rs. 15600-<br>39100 | Rs.6600  | PB 3 | Level:11  |
|   | Rs.12000-375-<br>16500 |                     | Rs.7600  | PB 3 | Level :12 |
|   | Rs.12750-375-<br>16500 | Rs. 15600-<br>39100 | Rs.7600  | PB 3 | Level :12 |
|   | Rs.12000-375-<br>18000 | Rs. 15600-<br>39100 | Rs.7600  | PB 3 | Level :12 |
|   | Rs.14300-400-<br>18300 | Rs. 37400-<br>67000 | Rs.8700  | PB 4 | Level:13  |
|   | Rs.16400-450-<br>20000 | Rs. 37400-<br>67000 | Rs.8900  | PB 4 | Level :13 |
|   | Rs.16400-450-<br>20900 | Rs. 37400-<br>67000 | Rs.8900  | PB 4 | Level :13 |
|   | Rs.14300-450-<br>22400 | Rs. 37400-<br>67000 | Rs.10000 | PB 4 | Level :14 |
|   | Rs.18400-500-<br>22400 | Rs. 37400-<br>67000 | Rs.10000 | PB 4 | Level:14  |

III. Every Cooperative society with a working capital of Rs.50.00 lakhs and above shall with the previous approval of the Registrar, categorize its staff in categories A, B and C (till the posts are upgraded) keeping in view the emoluments, duties and functions of the employees.

**IV.** The employees of Cooperative societies with a working capital of Rs.50.00 lakhs and more shall be graded as follows:-

|   | Posts carrying the following Grade Pay                                                                              | <u>Grade</u> | Level as                |
|---|---------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|
|   |                                                                                                                     |              | Per 7 <sup>th</sup> CPC |
| 1 | Rs.5400 in the Pay Bands of Rs.<br>15600-39100 to Rs.10000 in the<br>Pay Bands of Rs. 37400-67000<br>(PB-3 & PB-4). | Group A      | Level:9                 |

| 2    | Rs.4200, Rs.4600, Rs.4800 and Rs.5400 in the Pay Bands of Rs. 9300-34800 (PB-2 & PB-3). | Group B          | Level:6,7,8,9  |
|------|-----------------------------------------------------------------------------------------|------------------|----------------|
| 3(i) | Rs.1900, Rs.2000, Rs.2400 and Rs.2800 in the Pay Band of Rs. 5200-20200 (PB -2).        | Group C<br>(MTS) | Level: 2,3,4,5 |
| (ii) | Rs.1800 in the Pay Band of Rs. 5200-<br>20200(PB -2) for MTS                            |                  | Level:1        |

Provided in respect of the Cooperative societies in which working capital is less than Rs.50.00 lakhs, the Managing committee of the respective societies is competent to prescribe the grades and classification and scale of pay of employees of their respective Cooperative society with the approval of the Registrar of Cooperative Societies.

# 4 Reservation for Scheduled Tribes:

Reservation in direct recruitment for scheduled tribes, disabled military personnel and physically handicapped persons shall be in accordance with the orders issued by the Central Government in this behalf as applicable to the Andaman & Nicobar Union Territory.

# 5 Recruitment / Appointment

- i) Recruitment for appointments in a Cooperative society shall be made by the managing committee whether the recruitment is-
- a. direct, or
- **b.** by promotion from employees already in the service of the society, or
- **c.** by taking on deputation from Govt Autonomous body or from other cooperative society or otherwise a person who is already in the service of any other society registered or deemed to have been registered under the regulation .
- ii) Notwithstanding anything in sub-rule (i) of service rule 5, no reference to the committee is necessary (a) when it is proposed to fill with the concurrence of the Registrar any posts by means of deputation of a Govt. Servant or (b) when officiating promotion is made by appointing authority from a lower rank to the next higher rank for a period not exceeding six months.
- **iii)** The Managing Committee may empower its Chairman/President to make casual appointments for period not exceeding 90 days.

#### 6 Status of the employees in the services of a Cooperative society:-

The status of the employees shall be classified as follows:-

- (a) Permanent (b) Contractual; (b) Probationer; (c) Temporary and
- A **'Permanent employee'** means an employee who shall be engaged on a permanent basis after satisfactory completion of probationary period.
- A '**Probationer**' means an employee appointed to fill a permanent vacancy of a post and has not completed the probationary period specified in the letter of appointment or the further extended period.

A probationer shall ordinarily be on probation for two years. He may thereafter, be confirmed in the post if his work and conduct are found satisfactory. The probationary period may be extended by another year at the discretion of the appointing authority. A **'Contractual'** means an employee who shall be engaged on contract basis for a specific period of time or for a specific job on as and when required basis.

A **'Temporary employee'** means an employee who has been engaged temporarily for a work which is essentially of a temporary character or who is temporarily employed in connection with a temporary increase in work of a permanent nature or who is temporarily appointed in a leave vacancy upto period of 03 months or in case of urgency.

# 7 Qualification for Recruitment/Appointment in the Employment of a Cooperative Society.

The essential qualifications of persons for direct appointment to the various categories of posts in a Cooperative society shall be as follows:-

- In case of a Cooperative society with a working capital of more than Rs. 50.00 lakhs and above for Group A & B posts,
  - (a) a Master's Degree in Economics or Commerce or Post Graduate Diploma in Business Management/ Business Administration/ Banking Management from any recognized University, and
  - (b) a pass certificate in Intermediate level Cooperative training course conducted by the National Council for Cooperative Training (NCCT), New Delhi, through its colleges or equivalent thereto.
- ii) not less than 10(ten) years experience in case of Group A posts and 5 (five) years for Group-B posts in the respective field.
- **iii)** Essential qualification for persons for appointment to Group-'C'(MTS)of Cooperative societies shall be tenth pass with Computer knowledge or Computer Education.

Provided the conditions as to basic qualification prescribed above for the various categories will not, however, apply to permanent employees already on the rolls of the societies.

Provided further the basic qualification prescribed above will not apply in the case of any existing person appointed on regular basis with a view to permanent appointment.

Whereas in the case of existing employees of any Cooperative society the minimum professional qualification/ training service of such society subject to his successful completion within 03 (Three) years from the date of these service rules coming into force of a suitable training course in any Cooperative institution as may be determined by the Registrar.

Provided further that the above qualifications shall not be applicable to persons taken on deputation from the Administration.

No person shall be promoted from a post in lower grade to a higher grade unless he has acquired the professional qualification/training prescribed for that period or atleast minimum of 05 (Five) years of experience in the lower grade.

#### 8 Prohibition of appointment:

No person shall be appointed to perform or to be entrusted with the duty of:-

- **a)** Joint signatures with another person on cheques or other negotiable instruments in a society, or
- **b)** Holding keys under double lock with another person, where such persons are near relations of one another.

Persons who have been dismissed from Government service or from service of a society registered or deemed to be registered under the Regulation or of a corporate body shall not be eligible for appointment in a Cooperative society.

# 10 Pay, Allowances and other Concessions

- i) The scale of pay of the employees shall be such as may be:
  - **a.** In force on the date of notification of these service rules.
  - **b.** Revised by the Managing Committee subject to provision of rule 4 (II) of this service rules,
  - **c.** in the case of newly registered society, determined by the managing Committee;

Provided that prior approval of the Registrar shall be necessary if the society is enjoying or has applied for State aid under Section 40 of the Regulation.

Provided also that no downward revision of any pay or allowances in respect of any category of employees shall be made without the prior approval of the Registrar.

ii) Employees on deputation shall be allowed the pay and other emoluments according to the terms and conditions of deputation agreed upon between the Cooperative society and the authority from whom the employee has been taken on deputation.

Provided, that such terms and conditions shall not be inconsistent with any instructions which the Registrar may issue in this behalf.

- **iii)** Where any Cooperative society has incurred loss in the previous year or has accumulated losses in its account the managing committee shall not increase the scale of pay or any allowance in respect of any category of its employees without the prior approval of the Registrar.
- **iv)** Unless anything is otherwise provided in the terms of the appointment of a person on first appointment to any post under the society shall draw the initial pay of the post in the time scale of pay.
- v) If any employees is promoted from a post to a higher post or he is appointed to officiate in a higher post for a period exceeding one month purely on a temporary basis, his/her initial pay in the higher post shall be fixed at the stage in the new pay scale next above the stage in the pay scale of the lower post from which he is promoted.
- **vi)** The annual increment in the pay scale shall accrue normally to an employee after he has completed one year's service at a stage in the pay scale, unless it has been previously withheld for reasons of unsatisfactory work, conduct or any other reasons.
- vii) The Managing Committee may in special case, allow any employee to draw the initial pay at a higher stage than normally admissible for reason of higher qualification or better experience of the employee and may grant advance increments not exceeding two at a time in a year (to an employee by way of encouragement for meritorious services rendered by him/her).
- **viii)** Travelling allowance admissible to all categories of employees of the societies for journeys and halts on duty as also on transfer shall be guided by the Service Rules of the society concerned.

- All categories of employees of the societies shall be entitled to the benefits of Employees Provident Fund/contributory Provident Fund as provided in the rules.
- **x)** The employees of a Cooperative society shall be entitled to bonus if admissible under the provisions of the payment of Bonus Act, 1965 (Act 21 of 1965).
- No person shall be appointed to the service of a Cooperative society if he/she is below 18 years of age or is exceeds 33 years in the case of Male candidate and 38 years for Female Candidate. In the case of schedule tribes candidates, disabled military personnel and physically handicapped persons the maximum age relaxation shall be 5 yrs and Other Backward class candidates the maximum age relaxation shall be 3 (three) yrs.

Provided that the foregoing restriction of maximum age shall not apply to:-

- a) Govt. servant taken on deputation
- **b)** A Govt. servant on deputation with the appointing Cooperative society opting finally for the service of the society at the age exceeding 30 years.
- c) A retrenched employee of a Cooperative society,
- **d)** A retired Govt. servant having experience relevant for the job and seeking appointment with the prior approval of the Registrar.
- **e)** All appointment by direct recruitment excepting the Group "C" and deputation shall be made on the basis of result of a written examination and interview.
- f) Appointment in Group 'C' (MTS) shall be made by selection in such manner as the Board of Management may decide.
- **g)** Appointment by promotion shall be made on the basis of seniority cum fitness or in such manner as the Board of Management may decide.
- **h)** All posts shall be filled up by the Cooperative societies by preference being given to local candidates and persons of the locality where they are to be appointed.
- i) In case of direct recruitment the Cooperative Society shall publish the vacancy in the local leading Newspaper

Provided in case of tribal cooperatives appointment to the various categories of staff to the societies shall be mainly from the tribals. Where however, in the opinion of the Managing Committee suitable tribal candidates are not available, non-tribal candidates may be appointed. The appointment of non-tribals shall be subject to their obtaining tribal pass under the Andaman and Nicobar Islands Tribals Regulation.

Every person before entering the service of a Cooperative society shall declare his date of birth which shall not differ from that entered in his High School Certificate and in its absence, of any other document considered equally valid for the purposes of age. In case of literate staff, the declared date of birth shall be entered in the service record of the employees, in his own handwriting. In case of illiterate staff, the declared date of birth shall

be recorded by the Secretary of the Cooperative society concerned and witnessed by another officer or employee of the same society. The Secretary shall issue a true copy of the declaration to the concerned employee under acknowledgement.

- Every person selected for appointment, shall before joining duty, be required to furnish:
  - a) A medical certificate of fitness from a registered Medical Practitioner.

Provided that such a certificate shall not be necessary to obtain from a person who is taken on deputation or is selected by promotion and has already given a certificate of fitness on his former appointment.

- **b)** Certificates of good character from two Gazetted Officers or responsible persons viz Member of Parliament or Pradhans of Panchayat or Municipal Councillors,
- c) A declaration by the candidate to the effect that he is either bachelor, or if married, has not more than one wife living.

The offer of appointment shall contain condition to this effect

- 1. The Secretary of the Cooperative society concerned may get the character of an employee verified through police authorities also or marriage declaration verified through a Magistrate.
- **2.** The expenses incurred by the selected candidate for getting him/her medically examined shall be reimbursed to him/her by the society on his/her joining the post.

# 14 Commencement of service and seniority

(a) Service shall be deemed to commence from the working day on which a person reports for duty in the forenoon. If he reports in the afternoon the service shall be deemed to commence from the working day next morning.

Seniority in a particular post of the employees who are already in service of the society on the date on which these service rules come into force shall be determined according to the date of joining the post. If in case of any two or more employees, the date of joining is the same their inter-se-seniority shall be determined according to the age, the older being the senior and if in the case of such employees the date of birth of any two or more employees is also the same the inter-se-seniority shall be decided by the Managing Committee, whose decision shall be final.

- **(b)** Seniority of the employees joined after the commencement of these service rules in each category of posts shall be determined in the manner as follows:-
- i) In case of employees appointed or promoted to a post in one batch, the seniority shall be determined in accordance with the orders of seniority specified by the appointing authority on the results of the test taken at the time of making the appointment or promotion.
- ii) In other cases, seniority shall be determined with reference to date of appointment. But if one or more promotees and one or more direct recruits join on the same date the promotees shall be placed above the direct recruits.

# 15 Transfer and Training:

Every employee shall be liable to be transferred from one post to another in the same scale of pay and /or from one station to another in the interest of the business of Cooperative society. Every employee shall also be liable to join any training course as may be decided by the management and will be entitled to full pay and allowances during the training period including period of journey to and fro from the training center. Any delinquency on the part of an employee in carrying out such order of transfer or posting or training will be treated as an act of insubordination which may culminate in the dismissal of such an employee from the service of the society.

On transfer from one station to another or for joining a training center or return there from every employee shall be entitled to ten days joining time, in addition to the time required for the journey. A competent authority of the society, however, in special cases may not allow or extend the joining time.

# 16 Appointment

- a) Appointments of employees to Grade A, B and C in a Cooperative society shall be made by the Board of Management or any other authority which is empowered under the Regulation, Rules or the bye-laws of the society concerned in accordance with the Recruitment Rules framed under "Andaman and Nicobar Islands Cooperative Societies Employees Service (Qualifications and Conditions of Service) Rules" subject to the approval of the Lt. Governor, A & N Islands.
- b) The letter of appointment shall be issued by the authorized officer of the respective society which shall contain the name of the post, scale of pay, nature of appointment such as regular or temporary, period of probation, place of posting, security if any and the date by which he has to join.
- All first appointment shall be made on the minimum pay of the grade to which the appointment is made except in case where the appointment is made on deputation:

Provided that with previous approval of the Registrar, higher start may be given to a person having special qualifications for the post.

# 18 Probation: -

i) All persons on appointment against regular vacancies shall be placed on probation for a period of two years.

Provided that the appointing authority may, in individual case, extend the period of probation in writing by such further period not exceeding one year, as it may deem fit.

Provided also that a post made regular after the period of 3 years, it will be deemed to have been existed on regular basis from the date of its creation.

# **Explanation**:

No post shall be deemed as regular unless it has been in existence continuously for the last three years.

ii) If it appears at any time before or at the end of the period of probation or extended period of probation that a person has not availed the opportunity offered to him for picking up the work or has otherwise failed to give satisfaction, he may, if directly recruited, be removed from the service or if promoted by selection, be reverted to the post from which he was promoted.

**iii)** A person removed from service during or at the end of the period of probation or extended period of probation under sub-rule (ii) of service rule 11 shall not be given any compensation unless he is, under mandatory provision of any law applicable to his case, entitled for.

#### 19 Confirmation:

- i) Confirmation of an employee shall, on the satisfactory conclusion of the probationary period, be made by the appointing authority, if the post is regular one in terms of the preceding rules of these service rules.
- **ii)** Where a person holding a post not being a regular one, has not been treated as on probation in terms of sub-rule 11 (i), the question of confirmation shall not arise.

# Explanation:

If doubt arises whether a particular post in a particular Cooperative society is "regular" or not and the matter is not sub-judice, it shall be referred to the Registrar whose decision shall be final.

**iii)** Where the number of posts on which confirmation has to be made are less than the persons eligible for the same, confirmation shall be made on the basis of seniority subject to rejection of the unfit.

# 20 Termination:

Service of an employee shall be terminable:-

a) In case of a temporary employee, on one month's notice in writing on either side, or in lieu thereof by payment of one month's salary by the party which gives notice:

Provided that in case of direct appointments made for a specific period, it shall not be necessary to give any notice or any pay in lieu thereof.

**Explanation:** 'Specific period' means stated period of less than six months.

**b)** By three months' notice in writing on either side in case of a confirmed employee.

#### **Explanation:**

1.) A notice given by an employee under rule 14 (VIII) above shall be deemed to be proper only if he /she remains on duty during the period of the notice.

Provided that the employee may be allowed on request to avail such portion of earned leave as may be due to him which shall however not exceed the notice period.

- 2.) The expression 'month' used in these service rules shall be a period of thirty days commencing on the date immediately following the date on which the notice is received by the employee or the appointing authority, as the case may be.
- Where an employee who has been served with a notice because of retrenchment of his post accepts a lower post offered to him the services rendered by him on the higher post shall count towards fixation of his pay and seniority on the lower post.
- Notice of termination of service on behalf of the employer society shall be given by the appointing authority.

- Where an employee has been certified by the Civil Surgeon to be incapacitated or disabled for discharge of duty due to any physical injury caused to him arising out of and in the course of his/her employment the society shall, without prejudice to the payment of any other sums which may be due to him on account of his/her salary or other earnings or allowances etc terminate his /her services and pay such compensation as may be admissible to such employee under the provisions of the Workmen's Compensation act, 1923.
- When a Cooperative society, the financial position of which has deteriorated to the extent that it is in the opinion of the Registrar, unable to bear the cost of salary and other emoluments of a post any longer, the society may with the approval of the Registrar either reduce the rank of such post or convert that post from a whole time post into a part time one or abolish it altogether.

Provided that:-

- a) In case of conversion, the incumbent of the post shall, by one month's notice in writing in case of a temporary employee and three month's notice in writing in case of a confirmed employee, be offered the opportunity to hold the post on reduced rank or part time post on such emoluments as may be determined by the managing committee of the society;
- **b)** In case of abolition, the services of the employee may be dispensed with after giving notice according to the provisions of these service rules.

In case of abolition of post, an incumbent to the post if he /she is direct recruit shall be offered the option to appoint in a lower rank and if he/she agrees and is otherwise his/her work and character found satisfactory shall be appointed to the post by creating it as necessary by dominating or retrenching the former post .

#### 25 Retirement: -

i) The age of retirement of an employee of a Cooperative society shall be 60 years irrespective of their grade.

Provided that if an employee of the society is a retired Govt. servant employed by the society:

- a) is specially qualified for his/her post and is also physically fit to perform their duties;
- **b)** the managing committee passes a resolution for his/her retention; and
- c) There is no objection from the Registrar against such extension pending satisfaction on the date of the proposed extension.
- ii) If before coming into operation of these service rules, the society had entered into any contract with an employee on the date of his/her employment whereby he/she is entitled to continue beyond 60 years, the rule of retirement at the age of 60 years as contained in sub rule VII (i) of rule 14 of these service rules shall not apply and the age of retirement shall be governed by the contract.

# 26 2. Record of service, seniority, promotion, reversion, retrenchment, resignation, retirement & termination.

- **A.** <u>Service Record</u>: i) Every Cooperative society shall maintain the following service records in respect of its employees:
  - a) Personal file of every employee containing copy of their appointment order, certificates required under rule 5 (v) of these service rules, copies of warnings, leave orders, orders allowing or disallowing efficiency bars, orders of punishment, if any, and other service matters;
  - **b)** Service Book (on form as per Appendix at'A' to be maintained at the Head Office of the society;
  - c) Character Roll (on form as per Appendix at 'B').
- ii) Character Roll in respect of Chief Executive shall be recorded by the Chairman and in respect of other staff by the Chief Executive or any other officer authorized by the Chief Executive for the purpose.

Provided that character roll entry of an employee shall be recorded only by his superior.

Provided further that the actual assessment of work of every staff according to the norms to be prescribed by the society shall be made by the authorities prescribed for this purpose and shall be kept alongwith the character rolls. The assessment of employees when considered found below satisfactory level shall be communicated to the employees concerned for his/her information with specific instructions to prove good within the specified period. A reassessment of his work shall be made at the end of that period and kept in record. Such reassessment shall be made only once during a year.

# B. Seniority: -

- **1**. (i) Seniority of an employee in a grade shall be determined according to the date of his regular appointment in that grade;
  - ii) Until confirmation
  - a) The inter-se-seniority of promoted employees in a particular grade or rank shall be determined by their respective seniority in the next below rank or grade;
  - b) The inter-se-seniority of directly recruited candidates shall be according to the order in the merit list drawn up by the Managing Committee;
  - c) The seniority of promoted employee's vis-à-vis direct recruits to a particular grade or rank shall be determined with reference to the date of their regular appointment in the post.
- 2) If the case does not fall clearly under any of the provisions of the foregoing sub-rule (i) and (ii) and there is consequently any doubt or dispute on the issue, the matter shall be referred to the Registrar, whose decision shall be final.
- 3) The inter-se-seniority of an employee as already determined in a Cooperative society on the date immediately preceding the date of commencement of the order shall however not be affected by the application of the provisions of sub-rule (1) of rule 14 (II) of these service rules.

# C. Promotion

i) No direct recruitment on regular basis shall be made in any society to any grade till the cases of the existing employees are considered for regular appointments under these service rules. Out of the vacancies that come under any cadre, at least 75% shall be filled up by promotion from among the eligible employees. The vacancies in any grade shall be filled up by promotion of eligible employees from the lower grade. Where however, sufficient number of eligible employees are not available for promotion, direct recruitment upto 25% of the posts may be made.

Provided further where there are not sufficient number of employees fully qualified and eligible for promotion to fill up the limit of 75%, employees on the lower grade may be promoted on temporary basis.

Subject to the provisions of sub-rule (i) above, promotions shall be made on the basis of seniority-cum-fitness which includes temporary appointments also.

ii) Promotion to higher posts shall be made on the basis of senioritycum-fitness and subject to his/her acquiring professional qualification/training:

Provided that no employee shall, unless he/she has put in three years of service to his credit, be entitled for promotion to higher post.

#### D. Reversion:-

- i) An employee holding on promotion a higher post shall, unless confirmed on that post, be liable to reversion from that post in case:
- a) His/her work and performance are not considered satisfactory after giving an opportunity to explain his position; or
- **b)** The vacancy in the higher post on which he was officiating has ceased to exist for any reason in which case no prior notice need to be given to the employee.
- (ii) Orders for reversion shall be passed by the appointing authority.

Provided that if the reversion is covered under sub-rule IV (i) (a) of rule 14 of these service rules, no orders shall be passed without the concurrence of the Registrar.

## E. Retrenchment:-

i) A Cooperative society may, subject to the approval of the Registrar, retrench its employees if the business of the society has either shrunk or the concerned post or posts are to be reduced to effect economy.

Provided that compensation where required under the Industrial Disputes Act, 1947 is paid to the employees.

ii) In making retrenchment the policy shall be to retrench the junior-most employee of the grade.

## F. Resignation:

i) An employee of a Cooperative society may resign from the service of the Cooperative society concerned by giving notice as provided under rule 14 (VIII) of the these service rules, unless the appointing authority dispenses with the period of notice in special circumstances.

- ii) Resignation shall take effect from the date of acceptance.
- **iii)**The employee shall however be entitled to the pay for the period specified in the order of acceptance of resignation for handing over charge of records, books and property of the society in his/her custody, but if he makes delay in handing over complete charge, he shall not be entitled to the pay for the excess period.
- **iv)** If any records, books or property of the society are found to have been detained by the employee, he/she shall continue to be liable for the same inspite of the acceptance of his/her resignation.

# G. Termination for Employment:

- i) For terminating employment of a permanent employee, notice in writing shall be given either by the employer or the employee; one month's notice in the case of monthly-rated employee and two weeks notice in the case of other employees, one month's or two weeks pay, as the case may be paid in lieu of notice.
- ii) No temporary employee whether monthly-rated, weekly-rated or piece-rated and no probationer shall be entitled to any notice or pay in lieu thereof if his/her services are terminated, but the services of a temporary employee shall not be terminated as a punishment unless he has been given an opportunity of explaining the charges of misconduct alleged against him.
- **iii)** Where the employment of any employee is terminated the wages earned by him/her and other dues, if any, shall be paid before the expiry of the second working day from the day on which his/her employment is terminated.
- Pay and allowances shall accrue from the date of commencement of the service of any employee in a Cooperative society and shall become payable at the end of the month in which service was performed.
- i) No employee shall be allowed any accelerated increments in the time scale.
  - ii) Salary shall not be payable to an employee for the notice period if he leaves or discontinues his service without due notice as provided in rule 14 (VIII) of these service rules unless such notice has been waived by the appointing authority under rule 14 (VI) (1) of these service rules
- Salary shall cease to accrue as soon as the employee ceases to be in the service of the Cooperative society. In case of an employee who is dismissed or removed from service of the Cooperative society, the salary shall cease from the date of his dismissal, removal, as the case may be.

**Note:** - In case of death, salary for the day of death shall be payable (if due), irrespective of the time of death.

- Any employee who has been reverted to lower post or grade as a penalty shall have his/her pay fixed in the scale applicable to the lower post at a stage which he would have reached had he continued to work in the lower post during the period he held the higher post.
- An employee shall commence to draw the salary of the post to which he is appointed from the date on which he assumes the duties of the post, if the charge is taken over in the forenoon of that date and from the following working day if the charge is taken over in the afternoon of that date.

- Where an employee is transferred from one post to another in the same society, he/she shall, during any interval of duty between the date of his/her handing over charge of the old post, and the date of his taking over charge of the new post, draw the salary of the old or new post, whichever is lower.
- Subject to the prior written approval of Registrar and the provision in the budget, the Managing Committee of a Cooperative society may from time to time fix special allowance for such posts that may involve special responsibility and risk in the discharge of duties.
- Allowance referred to in sub rule 11 above of rule 15 of these service rules shall be payable only to an employee who is actually at the time fulfilling the conditions and performing the duties for which such allowance is admissible.

<u>Explanation:</u> For the purpose of these service rules, absence on casual leave shall not be treated as period of non performance of duty

# 35 Fixation of pay on higher post: -

The initial pay of an employee on appointment to a higher post either in substantive or officiating capacity shall be fixed at the stage next above the pay arrived at by notionally increasing his/her pay in respect of the lower post by one increment at the stage at which such pay has accrued.

Provided that in no case the employees shall get less than the minimum of the higher post.

#### **Dual appointments: -**

(i) the appointing authority may in the interest of the society appoint an employee to hold or to officiate on two posts as a temporary measure. In such case his/her pay shall be the pay of the higher post to which he would be entitled in accordance with the foreign rule 16 and in addition to one-fifth of the pay of his/her old post:

Provided that this provision shall not apply where:

- **a)** The employee is not formally appointed by an order in writing to hold two post.
- **b)** Full duties of both the posts are not entrusted.
- c) The arrangement of dual appointment in terms of the foregoing provisions exceeds three months.
- **Technical Allowance:** An employee on acquiring such technical or special qualifications, as would prove beneficial in improving the working of the Cooperative society, may be allowed to draw technical allowance, at the rate fixed by the society with the approval of Registrar.

# 37 Dearness/Compensatory or House Rent Allowance:

The Dearness/Compensatory and House Rent Allowance will be admissible to an employee of the Cooperative societies at such rates and under such conditions as may be determined by the committee management from time to time.

**Other Allowances:** - A Cooperative society may, subject to the provisions of these service rules and general or special permission of the Registrar give any other allowance or pecuniary concessions to its employees.

Provided that payment of traveling and daily allowance shall be governed by the provisions of rule 21 of these service rules.

The Employees of Cooperative Societies shall be entitled to bonus if admissible under the provisions of the Payment of Bonus Act, 165(2) of 1965).

# 39 Traveling and Daily allowance for Touring:

An employee undertaking touring for the purpose and business of the society shall be entitled to the traveling and daily allowances as may be fixed by the society subject to the provision of rules:

Provided that an employee while on tour staying at a particular station continuously for more than ten days shall be allowed traveling allowance at full rate for the first ten days and at  $2/3^{\rm rd}$  thereafter subject to a maximum of 21 days after which the station of halt shall be treated as his/her temporary head quarters.

- **40 Increments:** Annual increment in the given time scale shall usually be allowed to the employee:
  - i) An employee shall be allowed to increment when due after proper consideration of the report of his work and worth from his/her superior officer and character roll entries and on the sanction of the appointing authority;

Provided that no arrears shall be allowed.

- ii) A special increment in the form of personal pay shall be granted to the employee subject to the fulfillment of the following conditions:-
- i) At the time of sterilization operation, the employee should have atleast 1(one) surviving child and not more than 3(three) (four if twin are born to an employee who already has two living children). A male employee's age should not be over 50 and his wife should be within 20 to 45 years of age and in the case of female employee she must not be above 45 years and her husband must not be over 50 years age
- ii) The employee or his/her spouse may have the sterilize operation
- **iii)**The said operation should be conducted in and the certificate in the prescribed form issued by a state Govt./CGHS Hospital/Clinic or any other approved Institution recognized by the Govt. for the purpose.
- **iv)** If the operation is done in a private hospital/Nursing Home, the certificate should be duly countersigned by Civil Surgeon/DMO/Medical Officer of CGHS/Central Govt. Hospital.
- v) Personal Pay to be sanctioned by the management would be equal to the amount of next increment due, or the increment last drawn from/those drawing the maximum, at the time of operation and will remain fixed during the entire service and will not be absorbed in the future increase in pay either in the same or higher post. When both husband and wife are employees, the personal pay may, at their discretion be drawn by the one getting the higher rate of increment.

When the pay scale of any post is revised, the existing incumbent of that post shall be allowed an option to retain his/her old pay scale or to opt the new pay scale and option once exercised shall be final.

# 42 Joining Time & Leave Joining time:

- i) Joining time may be granted to an employee to enable him to join a new post to which he is appointed while on duty on his old post or to join a new post on return from earned leave of not more than 90 days duration;
- **ii)** Joining time shall not be granted to an employee when the transfer to new post does not involve change of his /her head quarters.
- 43 In case where transfer involves change of station, six days may be allowed for preparation and one journey day;

Provided that where distance to be travelled exceeds 400 kilometers one additional journey day may be allowed for every additional 400 kilometers or part thereof:

Provided further that if the joining time so allowed expires on a holiday observed by the office to which the employee has been posted, he /she shall join duty on the date immediately following such holiday.

- Joining time cannot be combined with any leave nor can it be claimed as a matter of right. It may be curtailed at the discretion of the authority empowered to transfer the employee.
- An employee who does not join his/her post on the expiry of the joining time allowed to him/her shall render himself /herself liable to disciplinary action in the event of unsatisfactory explanation for over stay.

#### 46 Leave: -

- i) The following kinds of leave may be granted to an employee:
  - a) Casual leave;
  - b) Earned Leave;
  - c) Extra- Ordinary Leave;
  - d) Medical Leave/ Half Pay Leave;
  - e) Study leave;
  - f) Maternity leave;
  - g) Paternity leave
  - h) Leave not due
- ii) Leave will ordinarily be granted on previous written application.
- An employee shall be eligible for casual leave to the extent of not more than 08 days in a calendar year. Not more than three days casual leave will be granted at a time to an employee. Casual leave shall not be combined with any other leave. Un-availed casual leave shall lapse at the end of the calendar year.
- **i)** Every employee shall earn Earned Leave at the rate of two and half days each completed calendar month of service .
  - **ii)** The maximum period of earned leave which can be accumulated shall be 300 days. But an employee shall not be allowed to take earned leave for more than 90 days at a time. For a special reason, the board of management may sanction earned leave upto 120 days.
  - **iii)** An employee on earned leave will draw leave salary equal to his/her average monthly pay drawn during the preceding ten months besides dearness allowance and other allowances, if any, admissible

to him.

iv) An employee shall have the discretion to encash the leave to his credit beyond 60 days. For calculating the salary to be paid for the leave en-cashed at the rate equal to the daily average of his /her total full time earnings for the day on which (he/she actually worked) during the month immediately proceeding his/her leave.

Provided that in case of an employee who has not worked on any day during the calendar month immediately proceeding his/her leave, he /she shall be paid at rate equal to the daily average of his/her total full time earnings for the day on which he actually worked during the last calendar month proceeding his/her leave.

# 49 Extraordinary leave: -

i) An employee may be allowed extra-ordinary leave which shall normally not exceed 90 days on one occasion and 12 months during the entire period of his /her service.

Provided that three years extraordinary leave may be allowed to an employee who is suffering from a disease requiring long term treatment such as TB if his/her leave application is accompanied by a certificate from a medical authority deemed competent for the purpose by the managing committee of the Cooperative society and the employee has exhausted all his/her earned medical leave before he/she is allowed extra ordinary leave.

**ii)** No pay and allowance shall be admissible during the period of extra ordinary leave and the period spent on such leave shall not count for increment.

An employee may be allowed medical leave on average pay 20 days per calendar year as Commuted Leave subject to a maximum of 600 days (half) (300 full days) in his/her entire service period in a cooperative society.

Provided that if the employee has exhausted his/her earned leave and accrued medical leave as well as he/she may be allowed further medical leave not exceeding three months on half average pay:

Provided further that an employee of less than three years, standing in the service of a Cooperative society shall not be allowed more than three weeks medical leave on half-average pay.

# 51 Study Leave:-

- i) Study leave may be granted to an employee for the study of scientific, technical or similar problems, or in order to undertake special course of instruction subject to the condition that the study or course is to have definite advantage of the society in which he /she is appointed.
- **ii)** For the purpose of study, extra leave on half average pay may be granted either in or outside India and shall not extend beyond a period of 12 months.
- **iii)**Study leave shall not be granted to an employee of less than 5 (five) years standing in the service of a Cooperative society or who has crossed the age of 50 years.
- iv) An employee granted study leave shall himself/herself meet the entire cost of the study/course including passage in the case of

foreign travel, railway fare and fees paid for the courses of study.

- **v)** In conjunction with the study leave extra ordinary leave may be taken within the limit prescribed under rule 38 of these service rules.
- **vi)** When considering an application for study leave it shall also be kept in view whether the applicant is in a position to meet the consequent expenses.
- vii) An employee applying for study leave shall sign an agreement to the effect that he undertakes to serve the Cooperative society for a period of atleast three years from the date of his/her return to duty and in the event of a breach of this agreement to repay to the society the amount of salary paid to him during study leave.

# Explanation: -

The provisions of study leave contained in the fore-going sub rule shall, however, not apply to in-service training organized by Reserve Bank of India or any National or State Level Cooperative Institutions or any state authority to which an employee is deputed by his employer in which case the employee shall be treated as on duty and will be allowed travelling allowance at ordinary rates, but no daily allowance.

## 52 Maternity Leave :

\_\_\_A female employee shall be entitled to maternity leave on average pay. The maternity leave entitlement shall be limited to 135 days of which the leave after the date of confinement shall be not less than 45 days.

Provided that in the total service of a female employee maternity leave shall not be granted more than 2 (two) surviving children in the entire service.

However, the maternity leave not exceeding six week may be granted to a female employee in case of miscarriage including abortion on production of medical certificate subject to two surviving children.

i. **Paternity Leave:** - A male employee with less than 2 (two) surviving children may be granted Paternity leave for a period of 15 days during the confinement of his wife. during the period of such leave, he shall be paid leave salary equal to the pay drawn immediately before proceeding on leave. It may not be normally refused under any circumstances.

#### ii. Leave Not Due

Leave not due may be granted to a permanent employee with no half pay leave at credit.

Temporary employee with minimum of one years service and suffering from T.B., Leprosy, Cancer or mental illness may also be granted LND if the post from which the employees proceeds on leave is likely to last till his return.

It is granted on medical certificate (Exemption) below) if the leave sanctioning authority is satisfied that there is a reasonable prospect of the employee returning to duty on its expiry.

It may be granted without medical certificate-

a) In continuation of Maternity Leave

- **b)** To a female employee with less than 02 (two) living children on adoption of a child less than a year old.
- c) The amount of leave should be limited to the half pay leave that the employee is likely to earn subsequently,
- **d)** LND during entire service is entitle to a maximum of 360 days.
- e) LND will be debited against the half pay leave that the employee earns subsequently.
- f) It can not be granted in the case of "Leave Preparatory to Retirement)
- **g)** When an employee granted leave not due resigns from service or is permitted to retire voluntarily without returning to duty, the Leave Not Due should be cancelled. The resignation or retirement will take effect from the date on which such leave had commissioned and the leave salary should be recovered.
- **h)** Where an employee, who having availed himself of Leave Not Due, returns to duty but resigns or retires from service before he has earned such leave, he shall be liable to refund the leave or extent of the leave has not been earned subsequently.
- i) In case of (ix) above, leave salary will not be recovered if the retirement is due to ill health, incapacitating the employee for further service or in the event of death or is retired prematurely.

It can be granted to an employee whose leave account shows a debit balance in consequence of the grant of LND on a previous occasion.

- The power to grant leave shall vest in such person or authority as may be specified by the appointing authority from time to time.
- **i.** No leave other than maternity leave or leaves on medical grounds can be claimed as a matter of right.
  - **ii.** In case of maternity leave or medical leave proper medical certificate shall be called for before grant of such leave:

Provided that in case of medical leave not exceeding 7 days such certificate may be dispensed with at the discretion of the leave granting authority.

- **iii.** When the exigencies of service so require, leave of any kind other than medical or maternity leave may be refused or revoked and the employee already availing such a leave may be recalled to duty on such revocation in which case he will be entitled to travelling allowance at ordinary rates.
- iv. An employee whose continuous leave on medical grounds exceeds one month may be asked to produce a medical certificate from a Medical Practitioner or to have the medical certificate of his/her attendant counter signed by the registered medical practitioner.
- Unless otherwise provided in any law applicable to Cooperative societies for the time being in force all leave to the credit of an employee shall lapse on the date on which he ceases to be in the service of a Cooperative society.
- An employee shall mention in his/her leave application his/her address while on leave and shall keep the said authority informed of any change in the address previously furnished. An employee on leave shall, unless

otherwise instructed to the contrary, return to duty on the post he held on the eve of his leave.

An employee who was on leave on medical grounds shall before resumption of duty be required to produce certificate of fitness from his medical attendant.

# 58 Publication of working time: -

The periods and hours of works for all classes of employees in each shift shall be exhibited in English/Hindi and in the principal languages of the employees in the establishment on notice boards maintained at or near the main entrance of the establishment and at the time keeper's office, if any.

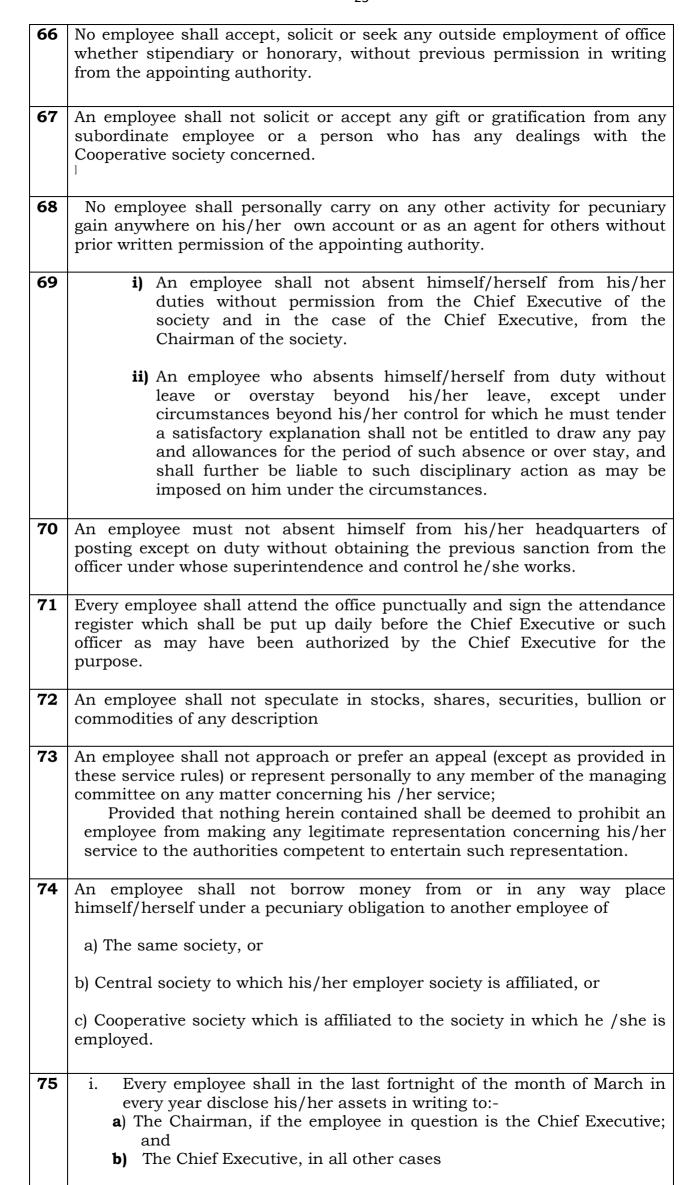
# 59 Conduct and Discipline

Every employee of a Cooperative society shall abide by the provisions of the Regulation, Rules and the bye-laws and the orders issued from time to time by the competent authority there under.

No employee shall divulge to any person the business secret of the society or reveal the business information of a confidential nature which during the course of his employment has come to his possession or knowledge or has been collected by him.

Provided that with the permission of his/her superior officer he /she may communicate only that much of information which is needed by a competent authority for disposal of dispute or conduct of enquiry, inspection, investigation or audit or where such information is required to be produced before a Court of Law.

- Every employee shall have to give an undertaking that he/she shall keep and maintain secrecy as laid down in rule 53 (ii) of these service rules failing which he/she shall be liable for disciplinary action.
- **Attendance and late coming:** All employees shall be at work at the establishment at the time fixed and notified under rule 65 of these service rules. Employees attending late will be liable to the deductions provided for in the payment of wages Act, 1936.
- No employee of a Cooperative society shall hold any office in political party or canvass in any political election or otherwise use his/her influence in any election to the managing committee or any other office of the Cooperative society other than the election of representative of the employees to the managing committee where such provision exists in the bye-laws.
- No employees shall make any attempt to the press or contribute articles to the press or magazine or give any talk on the radio in connection with the affairs of the Cooperative society of which he is an employee, without the prior sanction of i) Chairman, if the employee in question is the Chief Executive, and of ii) the Chief Executive in all other cases. He/she shall not ventilate any personal grievances through the press or leaflets.
- No employee shall join any educational institutions for further studies except with the prior sanction of the competent authority. The permission so required shall be given only in suitable cases and for specific period and only when the competent authority is satisfied that according to such permission to the employee shall be without detriment to the efficient discharge of duties.



ii. An employee who is indebt shall furnish to the Chief Executive and if the employee is the Chief Executive, to the Chairman of the society a signed statement of his/her position of debt yearly on 31<sup>st</sup> March and shall indicate in the statement the steps he/she is taking to rectify his/her position. An employee who is in debt and fails to submit the said statement or is unable to liquidate his/her debt within a reasonable time allowed, including extensions, if any, or applies for the protections of an insolvency court, shall be liable to disciplinary action even to the extent of removal.

## Explanation: -

- (i) For the purpose of these service rules an employee shall be deemed to be in debt if his/her total borrowings exclusive of those which are fully secured, exceed his/her salary for six months.
- (ii) 'Reasonable time' shall be a period which may be fixed by the managing committee keeping in view the financial resources and the commitment of the employee such period being not less than six months and not more than 24 months besides extension allowed under special circumstances to the extent of further 12 months.
- (iii) This rules shall not be applicable in cases where the employee has taken refundable advance from his/her Provident fund:

Provided, however, this will not apply to a loan taken for the construction of house or purchase of conveyance.

- 76 No employee of a Cooperative society shall bid in any auction of the property or produce belonging to the society either directly or indirectly.
- 77 No employee of a Cooperative society who has a wife/husband living, shall contract another marriage.
- No employees of a Cooperative society shall enter into or carry on any credit transaction with his/her society or any other society except as permitted under the Regulation, Rules or the bye-laws of the society concerned.
- 79 (i) An employee arrested for a debt or on a criminal charge involving moral turpitude shall deemed to be placed under suspension on the date of his /her arrest.

Provided that if he/she is released on bail or on recognizance he/she may be permitted to resume and continue in duty after charges are framed against him/her by the trying court.

(ii) An employee who is convicted of a criminal charge involving moral turpitude by a criminal court shall be liable to dismissal.

**Explanation:** - 'Conviction' means sentence of punishment, fine or both.

#### 80 Penalties and disciplinary authorities

**Penalties**:- i) Without prejudice to the provision contained in any other regulation, an employee who commits a breach of duty enjoined upon him or has been convicted for criminal offence or an offence under Section 71 of the Regulation, or does anything prohibited by these service rules shall be liable to be punished by any one of the following penalties:-

#### (a) Minor penalties

- 1. Censure
- **2.** withholding of increment
- **3.** fine on an employee
- **4.** recovery from pay or security deposit to compensate in whole or in part for any pecuniary loss caused to the Cooperative society by the employee's conduct

# (b) Major penalties

- 1. Reduction in rank or grade held substantively by the employee,
- 2. Compulsory retirement,
- **3.** Removal from service which shall not be a disqualification for future employment under a Cooperative society.
- **4.** Dismissal from service which shall ordinarily be a disqualification for future employment under any Cooperative society.

# Explanation: -

- (i) The following shall not amount to penalty within the meaning of this Clause, namely:-
- Withholding of increments of pay of an employee of a Cooperative society for his failure to pass any departmental examination in accordance with the Clauses or orders governing the service to which he belongs or post which he holds or the terms of his appointment.
- b) Stoppage of an employee of a Cooperative society at the efficiency bar in the time scale of pay on the ground of his unfitness to cross the bar.
- Non-promotion of an employee of a Cooperative society, whether in a substantive or officiating capacity after consideration of his case to a service, grade or post for promotion to which he is eligible.
- d) Reversion of an employee of a Cooperative society officiating in a higher service, grade or post to a lower service, grade or post, on the ground that he is considered to be unsuitable for such higher service, grade or post on any administrative ground not connected with his conduct;
- e) Reversion of an employee of a Cooperative society, appointed on probation to any other service, grade or post, to his permanent service, grade or post during or at the end of the period of probation in accordance with the terms of his appointment or the clauses and order governing such probation;
- f) Compulsory retirement of an employee of a Cooperative society in accordance with the provision relating to his superannuation or retirement;
- g) Termination of services of an employee of a Cooperative society appointed on contract basis or probation during or at the end of the period of his contract or probation in accordance with the terms of his appointment or the rules and order governing such contract or probation;
- h) Termination of an employee of a Cooperative society employed under an agreement in accordance with the terms of such agreement.

- (ii) Copy of order of the punishment shall be invariably be given to the employee concerned and entry to this effect shall be made in the service record of the employee.
- **iii)** No penalty except censure shall be imposed unless a show cause notice has been given to the employee and he has either failed to reply within the specified time or his reply has been found to be unsatisfactory by the punishing authority.
- iv) (a) The charge sheeted employee shall be awarded punishment by the appropriate authority according to the seriousness of the offence:

  Provided that no major penalty under rule 55 (i) (b) above shall be imposed without recourse to disciplinary proceedings.
  - **(b)** No employee shall be removed or dismissed by an authority other than by which he was appointed unless the appointing authority has made prior delegation of such authority to such other person or authority in writing.
- **v**) The appointing authority or person authorized by him while passing orders for stoppage of increment shall state the period for which it is stopped and whether it shall have effect of postponing future increments or promotion.
- **Disciplinary Proceedings**:- i) The disciplinary proceedings—against an employee shall be conducted by the Inquiring Officer (referred to in sub rule (iv) below) with due observance of the principles—of—natural justice for which it shall be necessary that
  - a) The employee shall be served with a charge sheet containing specific charges and mention of evidence in supporting of each charge and he shall be required to submit explanation in respect of the charges within a reasonable time which shall not be less than fifteen days;
  - b) Such an employee shall also be given an opportunity to produce at his/her own cost or to cross-examine witnesses in his/her defence and shall also be given an opportunity of being heard in person.
  - The employees shall have the right to defend himself/herself through a nominee of the Union of which he/she is a member or a co-worker. But no employee shall have the right to engage an advocate or a lawyer unless the Presenting Officer is a practicing lawyer or a legal practitioner and in other cases if the employer agrees to such defence.
  - d) If no explanation in respect of charge sheet is received or the explanation submitted is unsatisfactory the competent authority may award him/her appropriate punishment considered necessary.
  - **ii) (a)** Where an employee is dismissed or removed from service on the ground of conduct which has led to his conviction on a criminal charge; or
    - **(b)** Where the employee has absconded and his/her whereabouts are not known to the society for more than three months; or
    - **(c)** Where the employees refuses or fails without sufficient cause to appear before the Inquiring Officer when specifically called upon in writing to appear; or
    - (d) Where it is otherwise (for reasons to be recorded) not possible to communicate with him;

The competent authority as shown in Appendix 'C' may award appropriate punishment without taking or continuing disciplinary proceedings;

- **iii)** Disciplinary proceedings shall be taken by the society against the employee on a report made to this effect by the Inspecting Authority or an officer of the society under whose control the employee is working.
- **iv)** The Inquiring officer shall be appointed by the appointing authority or by an officer of the society authorized for the purpose by the appointing authority.

Provided that the Officer at whose instance disciplinary action was started shall not be appointed as an inquiring officer nor shall the inquiring officer be the appellate authority.

- v) In the case of an erring employee falling in sub-rule (i) (a) and sub-rule (ii) (c) of rule 57 of these service rules, the managing committee and if so provided in the bye-laws, the Chairman or the Chief Executive of the society shall draw up a duplicate charge sheet against the employee and the same shall be communicated to the parent employer who shall, if a prima facie case has been made out by the reporting authority, withdraw him from the society and take disciplinary action against him.
- **vi)** An employee other than one referred to in clause (v) above may be placed under suspension in the following circumstances by the appointing authority or any other officer authorized for the purpose:
  - **a)** When the said authority is satisfied that a prima facie case exists, which is likely to result in the removal, dismissal or reduction in rank of the employees;
  - b) When an enquiry into his/her conduct is immediately contemplated or is pending and his further continuance on his /her post is considered detrimental to the interest of the society;
  - c) When a complaint against him/her of any criminal offence is under police investigation for which he/she has been arrested or he/she is undergoing trial in a court of law for offence under the Indian Penal Code or any other Act or charge have been framed against him/her by a criminal court.

Provided that suspension shall be obligatory where it is called for in terms of rule 53 (xvi)(vii).

**vii)(a)** An employee under suspension shall be entitled to a subsistence allowance equal to half (50 %) of his/her pay and dearness allowance applicable to that pay.

Provided that an employee who is under suspension on the date of coming into force of these service rules shall continue to draw such portion of pay and such allowance as he was allowed to draw for the period of suspension:

Provided further that no payment of the subsistence allowance shall be made unless the employee has furnished a certificate, and the authority passing the order of suspension is satisfied that the employee was not engaged in any other employment, business or profession or vocation and had not earned remuneration thereof during the period under suspension.

b) (i) If the period of suspension extends beyond three months for

no fault of the employee concerned, the subsistence allowance shall be increased to 75 %( seventy five percent) of his /her pay and dearness allowance.

- ii) After the expiry of six months if the enquiry is not completed and the case finalized for no fault of the employee concerned, the employee shall be reinstated to service of the society concerned without prejudice to further proceedings in the case against him/her and his /her reinstatement shall be made in the manner which will not apply to the cases in which suspension was ordered in the case of persons against whom criminal proceedings were instituted.
  - (a) In case the employee is not reinstated by the employer after a period of six months the matter shall be deemed to have been automatically referred to the Registrar as an arbitration reference for deciding whether the fault is of the employee or not. If it is decided that the employee is continued to be kept under suspension for no fault of his/her, full pay and allowance shall be restored to him /her on the orders of the Registrar or the Arbitrator from the expiry of the period of six months.
  - **(b)** when an employee is reinstated, the authority competent to order the reinstatement shall make specific order regarding pay and allowances to be paid for the period of suspension and whether or not the said period shall be treated as a period spent on duty.

Provided that where the authority passing the order of reinstatement is of the opinion that the employee has been fully exonerated or the suspension was wholly unjustified, the employee shall be given the full pay and allowances to which he would have been entitled had he not been suspended.

- **(c)** In cases not covered by the proviso to foregoing sub rule (i) the employee shall be given such proportion of pay and allowances as the competent authority may order.
- (d) If on enquiry the order of suspension is confirmed the employee shall be deemed to have been absent from duty for the period of suspension and shall not be entitled to any remuneration for such period.
- (e) In cases falling under provision to sub rule (c) (i) above the period of suspension shall be treated as a period spent on duty for all purposes.
- (f) The order of suspension shall not take retrospective effect.
- (g) Leave shall not be granted to an employee under suspension.
- (h) An employee against whom proceedings have been taken either for his/her arrest for debt or on a criminal charge or who is detained under any law for the prevention detention shall be considered as under suspension for the period during which he is so detained in custody or is undergoing imprisonment and not be allowed any pay and allowances other than the subsistence allowance admissible under sub clause (a) and (b) for such period until the termination or the proceedings taken against him or until he is released, from detention and allowed to rejoin duty, as the case may be.

- (i) No order of dismissal shall be made unless the employee concerned is informed in writing of the alleged misconduct and is given an opportunity to explain the circumstances alleged against him. The approval of the managing committee of the society is required in every case of dismissal and when circumstances appear to warrant it, the Chief Executive of the society or the managing committee of the society may institute independent enquiries before dealing with charges against an employee.
- (j) The order of suspension may be revoked by:-
- a) The authority which passed the orders, or
- **b)** The appointing authority,

If there are sufficient reasons for revocation and the same shall be recorded in the order of revocation.

**(k)** No employee shall ordinarily remain under suspension for more than six months:

Provided that this condition shall not apply to such cases where the suspension is made on criminal charge or on the direction of the court.

## (1) Misconduct

The following acts and omissions shall be treated as misconduct:-

- **a)** Willful insubordination or disobedience, whether alone or in combination with others, to any lawful and reasonable order of a superior,
- **b)** Theft, fraud or dishonesty in connection with the employers business or property;
- c) Willful damage to or loss of employers goods or property
- **d)** Taking or giving bribes or any illegal gratification;
- e) Habitual absence without leave or absence without leave for more than ten days;
- **f)** Habitual late attendance;
- g) Habitual breach of any law applicable to the establishment;
- **h)** Riotous or disorderly behavior during working hours at the establishment or any act subversive of discipline;
- i) Habitual negligence or neglect of work;
- **j)** Frequent repetition of any act or omission for which a fine may be imposed to a maximum of 02 per cent of the wages in a month;
- **k)** Striking work or inciting others to strike work in contravention of the provisions of any law, or clause having the force of law.

**Note:-** The managing committee of a Cooperative society is competent to incorporate any acts of omissions and commissions under these clause (misconduct) in addition to the cases falling under the said clause, taking into account the peculiar natubre of the business of the society.

# <u>Disciplinary Proceedings - Suspension, Penalties, Appeal and Review</u> And Suspension

- i) The appointing authority or any authority to which it is subordinate or the disciplinary or any other authority empowered in this behalf under A & N Islands Cooperative Societies Regulation, 1973 Rules, 1974 and bye-laws of the concerned society may by general or special order place an employee of a Cooperative society under suspension
  - (a) where a disciplinary proceeding against him is contemplated or is pending; or
  - **(b)** where, in the opinion of the authority aforesaid, he has engaged himself in activities prejudicial to the interest of the security of the Cooperative Society; or
  - (c) where a case against him in respect of any criminal offence is under investigation, inquiry or trial;

Provided that, where the order of suspension is made by an authority lower than the appointing authority, such authority shall forthwith report to the appointing authority the circumstances in which the order was made.

- **ii)** An employee of a Cooperative society shall be deemed to have been placed under suspension by an order of appointing authority-
  - (a) with effect from the date of his detention, if he is detained in custody, whether on a criminal charge or otherwise, for a period exceeding forty-eight hours;
  - **(b)** with effect from the date of his conviction, if, in the event of a conviction for an offence, he is sentenced to a term of imprisonment exceeding forty-eighty hours and is not forthwith dismissed or removed or compulsory retired consequent to such conviction.

**Explanation:** - The period of the forty eighty hours referred to in clause (b) of this sub-rule shall be computed from the commencement of the imprisonment after the conviction and for this purpose intermittent period of imprisonment if any, shall be taken into account.

- **iii)** Where a penalty of dismissal, removal of compulsory retirement from service imposed upon an employee of a Cooperative society under suspension is set aside in appeal or on review under these service rules and the case is remitted for further inquiry or action or with any other directions, the order of his suspension shall be deemed to have continued in force on and from the date of the original order of dismissal, removal or compulsory retirement and shall remain in force until further order.
- **iv)** Where a penalty of dismissal, removal or compulsory retirement from service imposed upon an employee of a Cooperative society is set aside or declared or rendered void in consequence of or by a decision of a court of law and the disciplinary authority on a

consideration of the circumstances of the case, decides to hold a further inquiry against him on the allegations on which the penalty of dismissal, removal or compulsory retirement was originally imposed, the employee of a Cooperative society shall be deemed to have been placed under suspension by the appointing authority from the date of the original order of dismissal, removal or compulsory retirement and shall continue to remain under suspension until further orders.

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

- **v)** An order of suspension made or deemed to have been made under this clause shall continue to remain in force until it is modified or revoked by the authority competent to do so.
- vi) Where an employee of a Cooperative society is suspended or is deemed to have been suspended (whether in connection with any disciplinary proceeding or otherwise) and any other disciplinary proceeding is commenced against him during the continuance of that suspension, the authority competent to place him under suspension may for reasons to be recorded by him in writing, direct that the employee of a Cooperative society shall continue to be under suspension until the termination of all or such proceedings.
- **vii)** An order of suspension made or deemed to have been made under this clause may at any time be modified or revoked by the authority which made or is deemed to have made the order or by any authority to which that authority is subordinate.

Note:- (1) An employee of a Cooperative society who is detained in custody under any law providing for preventive detention or as result of a proceeding either on a criminal charge or for his arrest for debt shall, if the period of detention exceeds 48 hours and unless he is already under suspension, be deemed to be under suspension form the date of detention until further orders as contemplated under sub-rule (2) an employee of a Cooperative society who is undergoing a sentence of imprisonment shall be also dealt with in the same manner pending decision on the disciplinary action to be taken against him. An employee of a Cooperative society against whom a proceeding has been taken on a criminal charge but who is not actually detained in custody (e.g. a person released on bail) may be placed under suspension by an order of the competent authority under clause (c) of sub-rule (1). If the charge is connected with the official position of the employee of a Cooperative society or involving any moral turpitude on his part suspension shall be ordered under this rule unless there are exceptional reasons for not adopting this course.

**viii)** An employee of a Cooperative society against whom is proceedings has been taken for arrest for debt but who is not actually detained in custody may be placed under suspension by an order under clause (a) of sub-rule (1) i.e. only if a disciplinary proceedings against him is contemplated.

When an employee of a Cooperative society who is deemed to be under suspension in the circumstances mentioned in clause (a) of sub-rule (1) or who is suspended in circumstances mentioned in clause (c) of sub-rule (1) is reinstated without taking disciplinary proceedings against him, his pay and allowances for the period of suspension will be regulated under rule 56

(vii) of these service rules i.e. in event of his being acquitted of blame or if the proceedings taken against him was for his arrest for debt on its being proved that his liability arose from circumstances beyond his control or the detention being held by any competent authority to be wholly unjustified, the case may be dealt with under of rule 56 (vii) (b) (ii).

- **82** Appeal: Orders imposing penalty under rule 55 (i) shall be appealable to the authorities as provided in Appendix 'D'.
- An appeal shall lie to the appellate authority against whom orders imposing the punishment as at Appendix 'D'. If an affected employee indicates to the employer or the person imposing the penalty at the time of receiving the order imposing the penalty that he proposes to prefer an appeal to the higher authority, the order imposing penalty shall not effect when the appeal is filed or till the time allowed for filing the petition.

Every appeal prefered by an employee shall be disposed of with reasonable expedition and in any case within three months by the appellate authority failing which the affected employee shall have a right to prefer an arbitration petition to the Registrar under Section 55 of the Regulation.

- **84** Every appeal shall comply with the following requirements:
  - a) It shall be couched in polite and respectful language;
  - **b)** It shall contain all material facts and arguments and shall be complete in itself;
  - c) It shall be accompanied by an attested copy of the impugned order;
  - **d)** It shall specify the relief desired;
  - **e)** It shall be submitted through proper channel within 30 days from the date of receipt of order imposing the penalty.

Provided that without prejudice to the procedures and condition laid down in rule 55, 56, 57, 58 and 59 the provision and procedures laid down in Central Civil Service (Classification, control and appeal) Rules, 1965, generally applicable to government employees, may be followed wherever the provision of the aforesaid Rules are found not sufficient or expressed or silent to judiciously in the matter relating to penalties, disciplinary proceedings and appeal. The authorities empowered to deal in such matter shall follow the provisions and procedures of CCS (CCA) Rules, 1965 which are not in consistent with the aforesaid clauses of the "Andaman and Nicobar Islands Cooperative Societies Employees Service (Qualifications and Conditions of Service) Rules" with utmost care without prejudice and maintaining complete impartiality.

# 85 Employees Provident Fund:

A Cooperative Society falling under the purview of the Employees Provident & Miscellaneous Fund Act 1952 (Act No. 19 of 1952) shall comply with the provisions and the requirements of the said Act.

# 86 Gratuity: -

## I. Retirement Benefits:

1. Employees of Cooperative Society shall be eligible to payment of gratuity as per the provisions of the payment of Gratuity Act, 1973 (39 of 1972).

- 2. Employees of a Cooperative Society who retires on superannuation on superannuation or otherwise shall be eligible to receive cash equivalent of pay in respect of earned leave standing to his credit provided that eh quantum of leave encashable under this subsection shall not exceed 300(three hundred) Days.
- 3. If the employees dies before superannuation, the benefits under sub rule (1) and (2) and all other dues shall be payable to his legal heirs or nominee, as the case may be.

# II. Appointment on Compassionate grounds:

Rules as applicable to the employees of the UT Administration shall apply to the employees of Cooperative Societies in respect of appointment on compassionate grounds.

87 Employees of Cooperative Societies shall furnish such security as may be specified by the Registrar for any particular society or class of societies by general or special order from time to time. It shall be recoverable in lump sum or in such instalments as may be prescribed by the Registrar.

Provided that the society shall deduct any claim or dues outstanding against such employee.

**88** Honorarium: - No society shall allow honorarium to any of its employees except as expressly admissible under the provisions of the bye-laws of the society or the provisions of the Regulation or Rules.

#### 89 Suits, Criminal Cases & Bonds:-

- i) Where a civil suit or a criminal case arising out of the circumstances directly concerned with the discharge of his/her duty is filed against an employee of a Cooperative society by any person other than the society and the employee makes a request for the defence of the case at the cost of the society, the managing committee of the society concerned may consider such request and sanction defence of the case at the cost of the society subject to approval of the Registrar.
- while seeking approval of the Registrar under sub rule (i) above; the society shall intimate reasons for offering defence at the cost of the society and furnish such other information as the Registrar may require for disposal of the request of the society.

**Explanation:** - Cases of employees having been charged with embezzlement, fraud, corruption or moral turpitude shall not be treated to fall within the scope of this service rules.

**90** Enquiry or action when the case is under Police Investigation or before Court:-

Even where a case against an employee of a Cooperative society is:

- a) under police investigation, or
- **b)** pending judicial enquiry or trial,

The concerned society may institute or proceed with departmental enquiry and take disciplinary action against the erring employee:

Provided that in the case covered in the clause (b), the charges on which departmental inquiry is held or disciplinary action is taken are not those which are sub-judice.

- P1 Every employee other than Government servants on deputation shall be required to execute a service agreement bond with his /her employer Cooperative society on a form prescribed for the purpose by the society keeping in view the nature of work, the obligations and the duties of the employee. The agreement Bond shall include a condition that the employees shall be boundas under Para 53.
- The provisions of these service rules to the extent of their inconsistency with any of the provisions of the industrial Disputes Act, 1947, Work men's Compensation Act, 1923 and any other labour laws for the time being in force, if applicable to any Coop. society or class of Coop. societies, shall be deemed to be inoperative except any disputes which may be referred to an arbitration under Section 55 of the Regulation.

# By Order and in the name of the Lieutenant Governor Andaman and Nicobar Islands

(RAMESH VERMA, IAS)
Registrar of Cooperative
Societies
A&N Administration.

#### Forwarded to:

- **1.** Sr Technical Director and SIO, NIC, Andaman State Unit, 1<sup>st</sup> Floor, A Block, General Pool Office Accommodation Complex, Ranchi Basti, Port Blair with the request to get the Notification uploaded in the News & Events web page of the NIC Portal.
- **2.** Nodal Officer, IT, RCS Office, Port Blair to get the Notification uploaded in the official Website of RCS department .

#### Copy also forwarded to:

- 1. Sr. P.S. to Lt. Governor for kind information of the Hon'ble Lt. Governor, A&N Islands please.
- 2. Sr. PS to Chief Secretary for kind information of the Chief Secretary, A&N Administration, please.
- 3. The Hindi Officer, A&N Administration Port Blair with the request to provide Hindi Version of the above Notification directly to the Manager, Govt. Press, Port Blair under intimation to this office.

Registrar of Cooperative Societies A&N Administration