



SOUTHERN POWER
DISTRIBUTION COMPANY OF A.P. LTD
CORPORATE OFFICE :: TIRUPATI

Memo. No.: CGM(HRD)/JS(HR)/GM(HR)/F.Regulations/D No.:510/21, Dt:24.11.2021.

Sub: APSPDCL — Framing of Service Regulations to APSPDCL — Requested suggestions/ advice from the employees and employee Unions & Associations —Reg.

Ref: APTRANSCO Lr No.:CMD/JMD(HRD)/Options/D.No.44/2002,Dt: 09.08.2002.

* * *

It is to inform that, the A.P. Electricity reform Act 1998, became effective from 1st February 1999 and as envisaged in the Act, the vertically integrated monolithic APSEB has been unbundled in to two separate companies, namely Transmission Corporation of A.P. Limited (AP TRANSCO) and Andhra Pradesh Power Generation Corporation Limited (APGENCO) and have become operational from 1st February, 1999.

The Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL) has been formed as a successor entity of the erstwhile APSEB through the second statutory transfer scheme, which was notified in the official gazette of the Government of Andhra Pradesh on 31st, March 2000.

APSPDCL is formed with the headquarters at Tirupati and the employees of this Company were allotted from erstwhile APSEB/APTRANSCO/ APGENCO. Though the Company was formed after 01-02-1999, APSPDCL has so far not framed its own regulations. The APSEB Regulations and Orders and APTRANSCO orders whatsoever in existence as on 11-07-2002 in APTRANSCO are being followed till now. The APSEB regulations are issued in the year, 1967 keeping in view of the working conditions, education system, etc., prevailing at that time and the same was adopted and being followed until date.

The APSPDCL felt the imperative need of framing its own Service Regulations so as to suit the same for the present day requirements of the company for smooth and efficient functioning of the organization. Under exercise of the powers conferred under clause- 45 (17) of the Articles of Association of the company of Companies Act, 1956 and under clause- 46 (19) of the Articles of Association of the company of Companies Act, 2013, the APSPDCL hereby frames the Fundamental Regulations for regulating the services of employees of APSPDCL.

The framed draft Fundamental Regulations are kept in APSPDCL website and request all the Employees, Unions and Associations of the APSPDCL for their suggestions/advice on Regulations on or before **10.12.2021 by 5.00 P.M.** by email to cgm_hrd@southernpowerap.co.in. The suggestions should be constructive, truthful, practical to the present day requirement of working/ service conditions and educational qualification etc.,

Sd/- H.HARANATHA RAO
CHAIRMAN AND MANAGING DIRECTOR

To

All the Employees of APSPDCL.

Copy to:

All the Unions/Associations of the APSPDCL

PS to the CMD/APSPDCL/Corporate Office/Tirupati.

PA to all the Director/APSPDCL/Corporate Office/Tirupati.

All the CGMs/GMs of APSPDCL

It is requested circulate the communication to all the Employees working under their control.

All the Superintending Engineers/Operation/APSPDCL

It is requested to place the same in the Notice Board and circulate to all the Employees working under their control.

All the Executive Engineers/APSPDCL

All the DGMs/APSPDCL

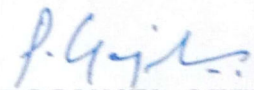
All the Senior Accounts Officers/APSPDCL,

All the sections in HRD wing

The CS/APSPDCL

The PRO/APSPDCL

// FORWARDED :: BY ORDER //


PERSONNEL OFFICER

APSPDCL
Draft Service Regulations – Part-I

CHAPTER-I - INTRODUCTION

In exercise of the powers conferred under clause – 45 (17) of the Articles of Association of the Company, APSPDCL hereby makes the following regulations for regulating the services of employees of APSPDCL.

1. Short title, applicability and commencement. (1) These Regulations may be called the Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL) (here in after called company), Fundamental Regulations, 2021 (here in after called Regulations).

- (2) These regulations shall be applicable to the APSPDCL employees appointed on or after **01-04-2000**; and employees recruited by any other company and allotted to APSPDCL by Government and employees recruited by any other company/ and transferred to APSPDCL.
- (3) These Regulations shall not be applicable to the APSPDCL employees who were recruited by the erstwhile Andhra Pradesh State Electricity Board (APSEB) and those employees recruited during the period from 01.02.1999 to 31.03.2000.
- (4) These Regulations shall come into force from such date as may be fixed by the APSPDCL and may have retrospective effect from such date as may be generally or in specific cases ordered by the Company,

Provided that past cases decided on the basis of the existing Regulations shall not be reopened unless the APSPDCL specifically orders a review in any particular case.

2. Definitions. In these Regulations, unless the context otherwise requires,-

(i) **authority–**

- a) '**appointing authority**' means the authority empowered to make appointments to the post as the case may be which the employee for the time being holds;
- b) '**appellate authority**' means the authority appointed at senior in rank to deal with appeals from the employees who are unhappy with how their request has been rejected or not considered by the authorities at below rank;
- c) '**competent authority**' means the appointing authority or an employee on whom any power is delegated under these regulations or in cases where no such power has been delegated the company.

- (ii) '**average pay**' means the average monthly pay earned during the ten completed months immediately preceding the month in which the event occurs which necessitates the calculation of average pay;
- (iii) '**company**' means the Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL) incorporated in the year 2000 under Companies Act, 1956;
- (iv) **allowance**–
 - a) '**travelling allowance**' means an allowance granted to an employee towards the expenses which he incurs in traveling for the discharge of his duties, and includes travel, boarding and lodging expenses;
 - b) '**medical allowance**' means a fixed amount of money paid to the employees by Company as part of their total salary to pay for the annual health insurance needs (both out-patient and in-patient) as specified by the Company.
 - c) '**House Rent Allowance**' means a salary component paid to the employees by company towards the accommodation cost of living in that location, the rates of which are specified by the company.
 - d) '**Risk Allowance**' means allowance granted to employees engaged in hazardous duties.
 - e) '**Physically handicapped allowance**' means an allowance granted for physically disabled employees.
- (v) **Date** –
 - a) '**day**' means a calendar day beginning and ending at midnight;
 - b) '**month**' means a calendar month. In calculating a period expressed in terms of months and days, complete calendar months irrespective of the number of days in each, should first be calculated and the odd number of days calculated subsequently.
For example, in calculating a period of 3 months and 20 days from 25th January, 3 months should be taken as ending on 24th April, and the 20 days on 14th May. In the same way, the period from 30th January to 2nd March should be reckoned as one month and two days, because one month from 30th January ends on 28th February. A period of one month 29 days commencing from the 1st January will expire in an ordinary year (in which February is a month of 28 days on the last day of February because a period of 29 days cannot obviously mean to exceed a period of full calendar month and leave for two months from 1st January would end on the last day of February. The same would be the case if February were a month 29 days or if the broken periods were days (in an ordinary year).
- (vi) '**duty**' A person is said to be on duty while,
 - a) On probation,
 - b) Availing joining time,
 - c) performing the duties assigned to the post which he/she is occupying,
 - d) on authorized training or authorized study in India or abroad,
 - e) absent from duty on authorized holidays or on casual leave taken in accordance with the instructions regulating such leave, having been on duty immediately before and after such absence,

- f) on deputation on foreign service,
- g) on travel to attend any mandatory or optional company mandated examinations, provided the travel is undertaken not more than twice for the same examination;

- (vii) '**foreign service**' means service in which an employee receives pay with the sanction of the company from any sources other than the revenues of the Company;
- (viii) '**Government**' means the Government of Andhra Pradesh;
- (ix) '**joining time**' means the time allowed to an employee of the Company to join a new post on transfer or to travel to a station to which he is posted;
- (x) '**holiday**' means any day declared as such by the company or any competent authority to whom power has been delegated by the company, generally or for specified employees;
- (xi) '**leave salary**' means salary payable to an employee on leave;
- (xii) '**lien**' means the title of an employee to hold substantively either immediately or on the termination of a period or periods of absence, a permanent post to which he has been appointed substantively.
- (xiii) '**chairman and managing director**' or '**CMD**' means the Chairman and Managing Director of the company;
- (xiv) '**officiate**'. An employee officiates in a post when he performs the duties of the post on which another person holds a lien or of a vacant post. The appointing authority for any post may also appoint a company employee to officiate in that post.

A post vacated by a dismissed employee should not be filled substantively pending the result of any appeal,

(xv) **pay**–

- a) '**pay**' means the amount drawn monthly by an employee as–
 - (i) The pay, other than special pay, which has been sanctioned for a post held by him substantively or in an officiating capacity, or to which he is entitled by reasons of his position in a cadre; and
 - (ii) Special pay and personal pay; and
 - (iii) any other emoluments which may be specially classed as pay by the company; and may either be a time-scale of pay (or) consolidated pay linked to performance.
- b) '**personal pay**' means additional pay granted to an employee to save him from a loss of substantive pay in respect of a permanent post due to a revision of pay or to any reduction of such substantive pay otherwise than as a disciplinary measure; or in exceptional circumstances on other personal considerations;
- c) '**presumptive pay**' of a post when used with reference to any company employee, means the pay to which he would be entitled, if he held the post substantively and were performing its duties, but does not include special pay unless the employee performs or discharges the work or responsibility or is

exposed to the unhealthy conditions, in consideration of which the Special Pay was sanctioned.

The first part of the definition is intended to facilitate the use of the term in relation to an employee who has been absent from a post for some time but still retains a lien on it;

- d) '**special pay**' means an addition, of the nature of pay, to the emoluments of a post of an employee, granted in consideration of-
 - (i) The specially arduous nature of the duties; or
 - (ii) A specific addition to the work or responsibility; or
 - (iii) The unhealthiness of the locality in which the work is performed;
- e) '**substantive pay**' means the pay other than special pay, personal pay or emoluments classed as such by the company under regulation 2 (xv) (a) (iii) to which an employee is entitled on account of a post to which he has been appointed substantively;
- f) '**officiating pay**' means the pay of an employee in a temporary post or officiating in a post without a lien on a permanent post;
- g) '**consolidated pay**' means the sum of fixed component of pay (including all allowances and perks) and variable component of pay linked to performance. The consolidated pay for an year will be referred to as Cost To Company (CTC).
- h) '**Time scale of pay**-
 - (i) time scale pay means pay which, subject to any conditions prescribed in these regulations, rises by periodical increments from a minimum to a maximum.
 - (ii) Time scales are said to be identical if the minimum, the maximum, the period of increments and the rate of increment of the time scale are identical.
 - (iii) A post is said to be on the same time-scale, if the two time-scales are identical;
- (xvi) '**prescribed**' means prescribed by the company from time to time;
- (xvii) '**permanent post**' means a post permitted to be created by regulation, carrying a definite rate of pay and renewed, every 10 years by the company;
- (xviii) '**subsistence grant**' means a monthly grant made to an employee who is not in receipt of pay or leave salary;
- (xix) '**standing orders**' means standing orders issued under these regulations by the company;
- (xx) '**temporary post**' means a post carrying a definite rate of pay sanctioned by company for a limited time not exceeding two years;

3. Delegation. The company may delegate any of its powers under these regulations to the CMD or any employee under it. No person other than the competent authority prescribed under these regulations shall exercise or delegate powers under these regulations without the general or specific orders from the company

4. Right of interpreting the Regulations: The Company shall have the right of interpreting these regulations and its decision shall be final and binding.

- 5. Working hours.** There shall be common hours of attendance as may be prescribed by the company for different categories of employees which may be adjusted by the competent authorities according to the exigencies of work from time to time. Any employee shall be available round the clock for duty as per requirements of the company.
- 6. Duties and functions.** All employees of the company shall perform such duties and carry out such functions as may be entrusted to them from time to time.
- 7. No additional claim.** Unless in any case, it is otherwise distinctly provided, the whole time of an employee of the company is at the disposal of the company which pays him, and he may be employed in any manner required by proper authority, without claim for additional remuneration.

CHAPTER-II – STAFFING

- 8. Classification and Categorisation of posts.** The company may adopt its own classification of posts, categorisation of employees, re-arrange them, re-fix responsibilities, prescribe minimum education and other qualifications, technical/ managerial skills and experience as may be considered suitable for making selection and appointments to posts in each category, either permanent or temporary.
- 9. New entrants.** All employees joining the Company shall be deemed to be new entrants and their retention or otherwise in employment will depend on the result of the review of the staff requirements from time to time depending on the exigencies of works.
- 10. Appointing authority.** Appointments to various posts in the Company shall be made by the Company.
- 11. Appointment list.** All appointments shall be made by the appointing authority from a merit list of approved candidates prepared in a manner as prescribed following the rule of reservation of Government.
- 12. Probation.** All appointments shall, unless otherwise specified, be on probation in the first instance for such period as may be prescribed.
- 13. Regular employee.** A regular employee is an employee who has been appointed on a regular basis in accordance with the provisions of these regulations and includes persons working against supernumerary posts and on compulsory wait, and does not include a temporary employee.
- 14. Substantive appointment.** (i) Substantive appointment is an appointment made on a regular basis in a permanent post.
- (ii) Two or more employees cannot be appointed substantively to the same permanent post at the same time
 - (iii) An employee cannot be appointed substantively, except as a temporary measure, in two or more permanent post at the same time.
 - (iv) An employee cannot be appointed substantively to a post on which another employee holds a lien.

15. Full additional charge. (i) CMD may appoint an employee on full-additional charge, to hold substantively, as a temporary measure or to officiate, in an additional post which is not subordinate to the first or regular post and does not have a scale of pay lesser than the first or regular post.

- (ii) In respect of the additional post on full-additional charge, the employee may be allowed to draw an additional pay which should not exceed one fifth of his basic pay (OR) half of the minimum pay of the additional charge post whichever is less for a period of first three months and for the succeeding period it should be one-half thereof. The drawl of additional pay should not be allowed for a period exceeding six months. The additional pay admissible may however, be specifically reduced by the CMD or the appointing authority at its discretion. Additional remuneration should not be allowed or granted when the extra duties to be performed are only nominal or comparatively light or when the work is divisible or when the post is a leave reserve post.

Note: Presumptive pay for this purpose is the initial pay in the time-scale of the additional post.

- (iii) If a compensatory allowance is attached to the additional post on full- additional charge, the CMD may permit to draw it in full. If such allowance is attached to the additional post as well as his/her regular post, the allowance which may be granted to him should not exceed the larger of the two allowances.
- (iv) No additional pay should be granted, unless the previous incumbent of the additional post held has actually given over charge thereof under orders of competent authority and unless the period of additional charge exceeds fourteen working days in the case of full additional charge.
- (v) If an employee holds a temporary post or officiates in a post without a lien on a permanent post, the pay in the temporary post or the officiating pay shall be considered to be substantive pay.
- (vi) When a pensioner is re-employed, his substantive pay prior to retirement shall be considered to be substantive pay.
- (vii) In case of an employee who has no lien on a permanent post the pay which he draws or would have drawn in the lowest of the officiating posts from time to time, but for appointment to one or the other of the higher post may be considered as substantive pay.
- (viii) CMD may delegate the powers of appointment on Full-Additional Charge for any posts under this regulation to any other competent authority of the company.

16. In-charge (i) An order appointing an employee to hold the Current charge of the duties of a post will vest the employee with all the powers of a full-fledged incumbent of that post, even though he may not get the pay of that post. Such an employee should not, however, modify or over-rule the orders of the regular incumbent of the post, except in an emergency, without obtaining the orders of the next higher authority.

- (ii) No additional pay or allowances shall be paid in case of in-charge arrangements in order to discharge the

current duties.

17. Physical fitness. (i) Every candidate who applies for direct recruitment to any category of posts shall produce a certificate of physical fitness in the prescribed form.

(ii) Physical fitness certificate shall be produced as and when desired by the company during the term of employment.

18. Posts creation. (i) The company may create or abolish any post in connection with the affairs of the company, Provided, creation of a permanent post or any post carrying a tenure of more than 2 years shall not be done without the permission of Government.

(ii) No authority subordinate to the company may sanction the creation of any additional establishment, permanent or temporary.

19. Retirement age. (i) The date of retirement on superannuation of any employee of the company is the date on which he attains the age prescribed by the company.

Note: When an employee is required to retire, revert or cease to be on leave, on attaining a specified age, the day on which he attains that age is reckoned as a non-working day and the employee must retire, revert or cease to be on leave (as the case may be) with effect from and including that day.

20. Joining time. (i) A candidate selected for appointment through direct recruitment shall join in the post for which he has been selected within a period of 30 (thirty) days from the date of receipt of the order of appointment through official e-mail (OR) any other mode of communication as crucial date of reckoning the time limit. If he does not join the post within the stipulated period of 30 (thirty) days, the offer of appointment shall be treated as deemed to be cancelled and the name of the candidate shall be deemed to have been omitted from the list of approved candidates.

(ii) Employees on appointment by transfer or by promotion, shall be allowed a joining time of 15 (fifteen) days to join the post from the date of receipt of the orders sent to the candidates by official e-mail (OR) any other mode of communication. If the employee fails to join or evades joining, by applying for leave or otherwise, the new post to which he is so appointed by transfer on promotion, shall forfeit his right for such appointment or promotion for the current panel year and his name shall be placed for consideration in the next panel year subject to availability of vacancy.

(iii) Joining time of 7 days including holidays and Sunday may be granted to an employee to join a new post while on duty in his old post or on return from earned leave less than 120 days or on return from deputation or on return from a training exceeding 3 months or on first appointment after completion of probation or on return from compulsory wait, provided there is a change of headquarters beyond a distance of 60 km and involves a change of residence.

- (iv) Joining time starts from the date of issue of posting orders. The employee shall be deemed to be relieved from his substantive post on the date of issue of orders relieving him/her from the post.
- (v) If an employee does not join the new post on the 8th day of issue of posting orders (or) after availing the joining time as per the eligibility, without prior sanction of permissible leave by the competent authority, the period shall be treated as Un-authorized absence.
- (vi) An employee who does not join his post within his joining time shall not be entitled to pay or leave salary after the end of the joining time.
- (vii) The authority sanctioning the transfer may, reduce/ enhance the period of joining time.

21. Leaves. (i) All leaves shall be governed by standing orders issued under this regulation.

- (ii) Every employee will normally have a weekly holiday and such other holidays including national and festival holidays as prescribed.
- (iii) No employee shall be granted leave of any kind for a continuous period exceeding five years.
- (iv) Where an employee does not resume duty after remaining on leave for a continuous period of five years, or after the expiry of his leave remains absent from duty, otherwise than on foreign service or on account of suspension, for any period which together with the period of the leave granted to him, exceeds five years he shall, unless the company in view of the exceptional circumstances of the case otherwise determines, be deemed to have resigned and shall accordingly cease to be an employee of company.
- (v) Leave shall not be granted to an employee under suspension.

22. Deemed Resignation. Any employee shall be deemed to have resigned from the service if he is either absent without authorization for a period exceeding 365 days or remains on leave beyond a period of five years or is on foreign service beyond the period authorized by the company,

Provided that a reasonable opportunity to explain the reason for such absence or continuation on foreign service shall be given to the employee.

CHAPTER-III – TRANSFERS AND LIEN

23. Relinquishment of charge. If an employee assumes or relinquishes charge of a post after 12 Noon on any day, he shall be deemed to have assumed or relinquished the charge on the following day.

24. Transfers. (i) The company may transfer an employee from one post to another post at any point of time.

- (ii) Company may at its discretion transfer an employee on following grounds,
 - a)Administrative exigencies
 - b)Inefficiency or misconduct
 - c)on request by employee

- (iii) The company may cancel, modify or withhold any transfer order.

25. Handing over charge. (i) The duties of a post shall be deemed to have been given up by the relieving and relieved employee simultaneously upon issue of transfer orders.

- (ii) The transferred employee shall handover the handing over notes in the prescribed form by official e-mail/ e-office within 3 working days addressed to the new incumbent with copy to the official e-mail/ e-office of appointing authority, failing which disciplinary action shall be initiated.

26. Transfer to foreign service. (i) Any employee either on permanent post or temporary post may be permitted to go on foreign service.

- (ii) The terms and conditions of foreign service shall be governed by the standing orders issued, from time to time, under this regulation.

27. Lien. (i) An employee on substantive appointment to any permanent post acquires a lien on that post and ceases to hold any lien previously acquired on any other post.

- (ii) Unless lien is suspended or transferred, an employee holding substantively a permanent post retains a lien on that post,
 - a) while performing the duties of that post;
 - b) while absent during a course of instruction or training or on deputation;
 - c) while on foreign service, or holding a temporary post, or officiating in another post;
 - d) during joining time on transfer to another post, unless he is transferred substantively to a post on lower pay in which case his lien is transferred to the new post from the date on which he is relieved of his duties in the old post;
 - e) while on leave other than the refused leave granted after the date of compulsory retirement;
 - and
 - f) while under suspension.

28. Suspension of lien. (i) The company shall suspend the lien of an employee on a permanent post if he is appointed in a substantive capacity provisionally, to a post on which another employee would hold a lien had his lien not been suspended under this regulation.

- (ii) The company may, at its option, suspend the lien of an employee on a permanent post which he holds substantively if he is transferred to foreign service, or, in circumstances not covered by clause (i) of this regulation, is transferred whether in a substantive or officiating capacity, to a post in another cadre, and if in any of these cases there is reason to believe that he will remain absent from the post on which he holds a lien for a period of not less than three years,
Provided that the provisional confirmation of an employee in any post shall not be suspended and another employee confirmed provisionally on the same post.
- (iii) If an employee's lien on a post is suspended under clause (i) or (ii) of this regulation, the post may be filled substantively, and the employee appointed to hold it substantively shall acquire a lien on it; provided that the arrangements shall be reversed as soon as the suspended lien revives.
- (iv) The lien of an employee cannot be suspended while he is on probation in another post. If the employee completes the period of probation satisfactorily, suspension of lien may be made with retrospective effect from the date on which the employee was transferred to other duty,
Provided that the conditions in regulation 28 (ii) are otherwise satisfied
- (v) Subject to the provisions of regulation- 24, the company may transfer to another permanent post in the same cadre the lien of an employee who is not performing the duties of the post to which the lien relates, even if that lien has been suspended.

29. Revival of lien.(i) An employee's lien which has been suspended under regulation- 28(i) shall revive as soon as he ceases to hold a lien on a post of the nature specified in that clause.

- (ii) An employee's lien which has been suspended under regulation-28(ii) shall revive as soon as he ceases to be on foreign service or to hold a post in another cadre, provided that a suspended lien shall not revive because the employee takes leave if there is reason to believe that he will, on return from leave, continue to be on foreign service or to hold a post in another cadre and the total period of absence on duty will not fall short three years or that he will hold substantively, a post of the nature specified in Regulation-28(i).

30. Termination of lien. (i) An employee's lien on a post may in no circumstances be terminated, even with his consent if the result will be to leave him without a lien or a suspended lien upon a permanent post.

- (ii) In a case in which the lien of an employee on a permanent post is suspended, the suspended lien may not, except on the written request of the employee concerned be terminated on his appointment substantively to a permanent post outside the cadre on which he is borne while the employee remains in Company Service.
- (iii) The competent authority may refuse consent to a Company Employee being confirmed or retained in permanent post outside the cadre on which he is borne unless he makes a written request that his

lien on the permanent post in his parent office should be terminated.

CHAPTER-IV - PAY

- 31. Pay.** (i) The appointing authority may fix the pay of an employee under these regulations.
- (ii) The pay of an employee shall not exceed the pay sanctioned for the employee's post by the company.
 - (iii) The pay of an employee shall not exceed the limit imposed by the pay scale of the post.
 - (iv) The company may grant special pay and personal pay to any employee.
 - (v) If the substantive pay of an employee is higher than the maximum of the new revised time-scale of pay of a post to which he is promoted, or the new revised pay of such post if it is on a fixed rate of pay, the difference shall be granted as personal pay.
 - (vi) In cases where an employee who is granted personal pay to compensate for the loss in substantive pay on promotion from a lower post to a higher post in the revised scale of pay, is promoted to another higher post, the personal pay also should be taken into account in fixing his pay in the third higher post.
- 32. Substantive pay.** The initial substantive pay of an employee holding a lien on a permanent post, other than a tenure post, or who would hold a lien on such a post had his lien not been suspended and who is appointed substantively to a new post, is regulated as follows.

NewPost	Condition	Pay
New post on Probation or training		Initial pay = minimum pay of the time-scale specified for the post (or) consolidated pay as prescribed
New post on transfer	New post carries equal pay scale	Initial pay = Substantive pay in old post
New post carrying higher pay scale on promotion	If the minimum pay of the time-scale of the new post is higher than substantive pay in respect of	Initial pay = minimum pay of the time-scale

		the old post		
		If maximum pay in the time-scale of the new post is less than substantive pay in respect of old post excluding personal pay	Initial pay = maximum pay of the time-scale + personal pay Where personal pay = substantive pay - maximum pay of the time scale of the new post	
	New post on request	Maximum pay in the time-scale of the new post is less than substantive pay in respect of Old post,	Initial pay = maximum pay of the time-scale.	
	Any special promotion post where there is no change in the duties and responsibilities	New post carries same duties and responsibilities	Initial pay = Substantive pay in old post	

	New post on promotion or appointment	New post carries duties and responsibilities of greater importance than those attached to the post held previously	Initial pay in the time-scale of the higher post = Stage next above the pay notionally arrived at by increasing employees pay in respect of the lower post by one increment at the stage at which such pay has accrued.	
	Officiating in Temporary post	Time-scale of new post is higher than employee's pay	Employee shall not be treated to be officiating in the temporary post or rendering duty in it.	
	A post previously held, or a post (permanent or temporary) on the same/ identical time-scale		Initial pay = pay employee drew on the last such occasion, counting the periods during which employee drew that pay on such last and any previous occasion for increment in the stage of the time-scale equivalent to that pay, and shall not	

		include any premature increments that were sanctioned.
--	--	--

33. Officiating pay. (i) The pay drawn in a post held on a temporary basis shall be treated as officiating pay.

- (ii) An employee who is appointed to officiate in a post, shall not draw pay higher than his substantive pay in respect of a permanent post, unless the officiating appointment involves the assumption of duties and responsibilities of greater importance than those attached to the post on which he holds a lien or would hold a lien had his lien not been suspended.
- (iii) For the purpose of this regulation, if an employee is appointed to officiate in a post which is on the same scale of pay as that of the permanent post on which he holds a lien / would hold a lien had his lien not been suspended or on a scale of pay identical therewith, the officiating post shall not be deemed to involve the assumption of duties or responsibilities of greater importance.
- (iv) When an employee is appointed to officiate in a post on a time-scale of pay but has his pay fixed below the minimum of time-scale he shall not be treated as having effectually officiated in that post, or having rendered duty in it. Such an employee on confirmation should have his initial pay fixed and draw the next increment after he has put in duty for the usual period required calculated from the date of his confirmation.
- (v) The Company may fix the pay of an officiating employee at an amount less than that admissible under these regulations.

Note: This regulation makes it possible to dispense with charge allowance and the system of holding charge. It also obviates the necessity for special regulations fixing definite rates of allowances for definite acting incumbents. There may be other cases also in which the company will wish to give less than the full pay, particularly those employees without substantive posts.

34. Temporary posts. When a temporary post or tenure post is created which may have to be filled by a person not already on the rolls of company, the pay of the post shall be fixed with reference to the minimum that is necessary to secure the services of a person capable of discharging efficiently the duties of the post

35. New time-scale. (i) A time-scale may be of recent introduction, whereas the post to which it is attached may have been in existence or one time-scale has taken the place of another. If an employee has held substantively or officiated in a post prior to the introduction of a new time-scale, and has drawn during the

period salary or pay equal to a stage, or intermediate between two stages, in the new time-scale, then the initial pay in the new time-scale may be fixed at the salary or pay last drawn and the period during which it was drawn may be counted for increment in the same stage, or the salary or pay was intermediate between two stages, in the lower stage of the time-scale.

- (ii) When the next increment in the time-scale of either the new or the old post falls due, the employee of the Company should draw the next increment in the time-scale of the new post, and forthwith lose the personal pay and all connection with the time-scale of his old post. The personal pay is given to an employee of the Company only for the purpose of initial pay and not at any subsequent stage in the time-scale in which the employee of the Company might draw less pay than he would have drawn had he remained in the old time-scale.

36. Special Pay and Personal Pay. (i) When the pay of a post is changed, but not its duties and the old pay is split up into pay and special pay, the initial pay fixed for the holder of the post under the new scale, both pay and special pay should not exceed his old pay.

- (ii) Personal pay shall be reduced by an amount by which the recipient's pay may be increased and shall cease as soon as his pay is increased by an amount equal to his personal pay.

37. Pay during training or joining time or compulsory wait. The following employees shall be regarded as on duty and shall be entitled to the pay of the old post or the new post whichever is lesser:

- (a) On training
- (b) Availing joining time not exceeding 7 days
- (c) On compulsory wait

38. Deductions from Pay : The Company has right to deduct / recover all loans, advances, over payments made and all Statutory deductions as per the applicable Acts

CHAPTER-V - INCREMENTS

39. Withholding increments. An increment shall be drawn as a matter of course unless it is withheld. An increment may be withheld from an employee by the company or by any authority to whom the company may delegate this power, if his/her conduct has not been good or his/her work has not been satisfactory. In ordering the withholding of an increment, the withholding authority shall state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments.

40. Period of reckoning. (i) The following periods count for sanction of increments in that time-scale

- (a) All duty in a post on a time-scale; provided that for the purpose of arriving at the date of the next increment, the total of all such periods as do not count for increment in that time-scale, shall be added to the normal date of increment,
- (b) Period in another post with equal or higher pay,
- (c) Any leave period other than extra ordinary leave,
- (d) Officiating period in a higher post,
- (e) Foreign deputation,
- (f)Joining time.

(ii) The following periods do not count for sanction of increments in that time- scale.

- (a) Extraordinary leave period, and
- (b) non-continuous officiating service of an employee who has no substantive appointment.

41. Probationers. The increments of probationers shall be regulated as follows.

Period	Regulation
Probationer whose period of probation is two years and whose increment is annual	A probationer, whether he is direct recruit, transferee or promotee, shall be entitled to draw the first increment after putting in the service necessary to earn the increment, excluding the period of undergoing a course of instruction or training, if any applicable to the post he holds. His next increment shall, however, be drawn only with effect from the date of satisfactory completion of probation. The period of his service from the date of the first increment shall count for subsequent increments.

Probationer whose period of probation is one year and whose increment is annual	He/She shall be entitled to draw increments only with effect from the date of satisfactory completion of probation. The period of service from the date of appointment excluding the period of undergoing a course of instruction or training, if any applicable to the post he holds, shall count for subsequent increments. There is no need to exclude the period of training which counts for probation and during which an employee is allowed the time-scale of pay of the post under the regulations relating to the post.

42. Tests or exams. In cases where the passing of an examination or test confers on an employee the right to any increment, such increment should be deemed to have accrued on the day following the last day of examination or test which he passed.

43. Juniors drawing more. Notwithstanding anything contained in these regulations or any other regulations, where a junior employee is receiving emoluments in excess of those paid to persons who are senior to him in posts carrying same designation, due to reasons personal to him and also arising out of fixation of pay by virtue of holding particular posts under the company, such factor alone shall not entitle the seniors to claim a re-fixation of their emoluments at a higher level on par with the emoluments of the junior employee.

44. Saving clause. Every case of fixation of pay and increment not covered by these regulations may be decided by the company and the decision, unless otherwise stated shall not have general application, but will only cover the specific case referred to it.

CHAPTER-VI – ALLOWANCES AND RETIREMENT

45. Compensatory allowance. An employee will be eligible to such compensatory allowances as will be prescribed by the company from time to time. The amount of a compensatory allowance will be so regulated that the allowance is not on the whole a source of profit to the recipient.

46. Residential accommodation. Building owned or leased by the company or such portions thereof may be allotted to the employees under its administrative control for use by them as residences. The allotment of such buildings, their occupation etc., shall be governed by the principles as may be laid down by the company from time to time.

47. Retirement benefits. The employees shall be eligible for such of the retirement benefit schemes, as may be prescribed by the company, from time to time.

CHAPTER-VII – PAY ON TERMINATION/ SUSPENSION/CERTAIN PENALTIES

48. Reduction to a lower stage in time scale. While issuing orders reducing an employee to a lower stage in his time-scale, as a measure of penalty, the authority issuing the orders shall specify the period for which it shall be effective and whether, on restoration it shall operate to postpone future increments and if so, to what extent.

49. Reduction to a lower grade or post: While issuing orders reducing an employee to a lower grade or post as a measure of penalty, the authority issuing the orders may or may not specify the period for which the reduction shall be effective. If the period is specified it should be stated whether, on restoration the period of reduction shall operate to postpone future increments, and, if so, to what extent.

50. Pay on dismissal or removal. The pay and allowances of an employee who is dismissed or removed from service cease from the date of such dismissal or removal.

51. Allowance on Suspension. An employee under suspension shall be entitled to the following payments:

- (a) A subsistence allowance at an amount equal to half average pay or half pay of the employee and in addition dearness allowance based on that amount
Provided that where the period of suspension exceeds three months, the authority which made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first three months as follows:

- (i) The amount of subsistence allowance may be increased up to 50 percent of the subsistence allowance admissible during the period of the first three months, if the employee is not directly responsible for the extension of the period of suspension.
- (ii) The amount of subsistence allowance may be reduced up to 50 percent of the subsistence allowance admissible during the period of the first three months, if the employee is directly responsible for the extension of the period of suspension.
- (iii) The rate of dearness allowance will be based on the increased or decreased amount of subsistence allowance as the case may be.

(b) The suspending authority may allow grant of additional compensatory allowance to the suspended employee, as the company may sanction by general or special order.

(c) Recovery from the subsistence grant/allowance due to an employee shall be made as follows:

1. Compulsory deductions:

- (i) Income tax (Provided the employee's yearly income calculated with reference to subsistence allowance is taxable).
- (ii) Repayment of loans and advances taken from the company at such rates as the competent authority deems it right to fix.
- (iii) There is no bar to effect the Recovery of Over payments from the subsistence allowance but the competent administrative authority will exercise discretion to decide, whether the recovery should be held wholly in abeyance during the period of suspension, or it should be effected at full or reduced rate; depending on the circumstances of each case.

The above deductions shall be enforced from the subsistence allowance.

2. Optional deductions:

- (i) **Premium** due on Postal Life Assurance Policies.
- (ii) Amounts due to Banks / Financial Institutions approved by the Government of India or Government of Andhra Pradesh
- (iii) Refunds of advances taken from Provident Fund.

3. Deductions shall not be made from the subsistence allowance:

- (i) Subscription to Provident Fund.
- (ii) Amounts due on Court Attachments.
- (iii) Recovery of loss to company for which an employee is responsible.

52. Certificate during suspension. Payment of subsistence allowance shall be made only when the employee furnishes a certificate to the satisfaction of the suspending authority that the employee is not engaged in any other employment, business, profession or vocation,-

Provided that where a penalty of dismissal, removal or compulsory retirement imposed upon an employee is set aside and he is deemed to have been placed or to continue to be under suspension from the date of such dismissal or removal or compulsory retirement, under Discipline and Appeal Regulations payment of subsistence allowance for the deemed period of suspension shall be as follows:

- (a) If he fails to produce such certificate he shall be entitled to the subsistence allowances and other allowances equal to the amount by which his earnings during such period or periods, as the case may be, fall short of the amount of subsistence allowance and other allowances that would otherwise be admissible to him
- (b) Where the subsistence allowance and other allowances admissible to him are equal to or less than the amount earned by him nothing in this provision shall apply to him.

53. Death during suspension. Where a Company Employee under suspension dies before conclusion of the disciplinary or court proceedings instituted against him, the period between the date of suspension and the date of death shall be treated as duty for all purposes and his family shall be paid the full pay and allowances for that period to which he would have been entitled had he not been suspended, subject to adjustment of subsistence allowance already paid to him.

54. Reinstatement. (1) When an employee who has been dismissed, removed, compulsorily retired or suspended is reinstated, the reinstating authority shall consider and make a specific order:-

- (a) regarding the pay and allowances to be paid to the employee for the period of his absence from duty; and
 - (b) whether to treat the said period as on duty or not;
- (2) If the reinstating authority is of opinion that the employee has been fully exonerated or, in the case of suspension that it was wholly unjustified, the employee shall be given the full pay and allowances to which he would have been entitled, had he not been dismissed, removed, compulsorily retired or suspended as the case may be. In this case, the period of absence from duty shall be treated as a period spent on duty for all purposes.
- (3) In other cases the competent authority will have the discretion to prescribe the proportion of pay and allowances to be paid to the employee, but the period of absence from duty shall not be treated as period spent on duty. However, the competent authority, at his discretion, may specifically direct that it shall be so treated as period spent on duty for any specified purpose. The Competent authority may also direct

that the period of absence from duty shall be converted into leave of any kind due and admissible to the employee:

Provided that the payment of allowances under clause(2) or clause (3) shall be subject to all other conditions under which such allowances are admissible.

(4) An employee of the company shall be deemed to have been placed under suspension by an order of the Competent authority –

- a. with effect from the date of his detention, if he is detained in custody, whether on a criminal charge or otherwise, whether it is connected to his official duties or not, for a period exceeding forty-eight hours; and shall be entitled only to subsistence grant till the termination of the Proceedings;
- b. On the termination of such proceedings, his pay and allowances shall be adjusted according to the provisions of the above regulation if the matter arose from out of official duties, unless the employee is dismissed from service;
- c. In all other cases if the employee is permitted to rejoin duty, he shall be entitled only to what he would have received if he had been granted the leave admissible to him for the period of his absence from duty since his detention, duly adjusting the amount of subsistence grant already drawn by him, against his pay and allowances.

(5) The amount of subsistence grant, already drawn, should be adjusted against the leave salary which may be granted under clause (3) of this regulation and the excess, if any, need not be recovered.

(6) The grant of pay and allowances or a proportion of them under the above regulation does not amount to cancellation of any officiating arrangements that may have been in force while the employee was under suspension or dismissal.

(7) In deciding whether any pay and allowances should be granted under the above regulation to an employee in temporary employment, the period for which the temporary post has been sanctioned, should be taken into consideration.

(8) The headquarters of an employee under suspension is his last place of duty. An employee under suspension may change his Headquarters provided it does not put the Company to any extra expenditure like grant of traveling allowance.

(9) A permanent post vacated by the dismissal, removal or compulsory retirement of an employee should not be filled substantively until the expiry of the period of one year from the date of such dismissal, removal or compulsory retirement, as the case may be. Where, on the expiry of the period of one year, the permanent post is filled and the original incumbent of the post is reinstated thereafter, he should be accommodated against any post which may be substantively vacant in the grade to which his previous substantive post belonged. If there is no such vacant post, he should be accommodated against a

supernumerary post which should be created in this grade with proper sanction and with the stipulation that it would be terminated on the occurrence of the first substantive vacancy in that grade.

- (10) The case of an employee reduced to a lower grade or post as a measure of punishment and subsequently restored to his former post should be dealt with in accordance with the provisions in clauses (1) to (3) above, so far as they are applicable.

CHAPTER-VIII - GENERAL

55. Fee. The Company may permit an employee to perform a specified service or series of services **for** a private person or body for a public body or for the State or Central Government, if it be satisfied that this can be done without detriment to his official duties or responsibilities and if the service be material, he may be permitted to receive as remuneration there for a non-recurring or recurring fee.

56. Honoraria.(1) The company may grant an employee an honorarium as remuneration for work performed for the Company which is occasional in character and otherwise laborious or of such special merit as to justify a special reward, if it be satisfied that this can be done without detriment to his official duties and responsibilities sanction to the grant of honoraria will be given only when the work has been undertaken with the prior consent of the Company and the amount has been settled in advance. In special cases, a departure from this provision may be made for reasons to be recorded in writing. While honoraria is sanctioned, the reasons justifying the grant of the extra remuneration shall be recorded. The amount of honorarium or fee must be fixed with due regard to the value of the service in return for which it is given. No portion of the fee earned by an employee with the necessary permission of the company need be credited to the company.

- (2) Scholarship or stipend received by an employee from the company fund is treated as honorarium and if received from any other source, it shall be treated as fees.

57. Foreign deputation. Deputation to outside the country shall be on extra-ordinary leave.

58. Retention of rewards/ fees. Any employee is eligible to receive and except as otherwise provided by a general or special order of the Company to retain without special permission.

- a) The premium awarded for any essay or plan in public competitions;
- b) Any reward offered in connection with the administration of justice;
- c) any reward payable in accordance with the provisions of any act or Regulation or rule framed there under;

- d) any reward sanctioned for services in connection with the administration of the customs and excise-laws;
and
- e) any fees payable to an employee for duties which he is required to perform in his official capacity under any law or by order of the Company