

CHO/PMG/09/2022-23

Date : 31.05.2022

**CIRCULAR TO ALL ZONES / BRANCHES / OFFICES:**

**Sub: Payment of Subsistence allowances and other provisions during suspension period to members of Award staffs and officers who are placed under suspension.**

The Officers of our Bank are being governed by the various provisions of UCO Bank Officer Employees' (Conduct) Regulations, 1976, as amended and UCO Bank Officer Employees' (Discipline & Appeal) Regulations, 1976, as amended. However, the award staff members are being governed by the Memorandum of Settlement on Disciplinary Action procedure for Workmen signed between Indian Bank Association (IBA) and Workmen Unions on 14.04.2002 as amended.

In the subject matter, a separate guideline regarding payment of subsistence allowances was issued vide circular no CHO/PMG/20/2015-16 dated 18.08.2015 during suspension period to members of award staff and officers. However, many a time we receive queries from the Zones pertaining to other provisions in respect of suspended officials.

Therefore, it is felt necessary to consolidate guidelines on suspension and circulate once again regarding payment of subsistence allowance and other provisions and to create awareness among field functionaries (award staffs and officers).

Accordingly, a note was placed before the Board of Directors and the Board of Directors has approved the guidelines in its meeting held on 19.05.2022.

We enclose herewith the consolidated guidelines on suspension as approved by the Board of Directors. All Branches/Offices are advised to display a copy of this circular on the notice board for information to all staff members and act accordingly.

  
Naresn Kumar  
General Manager  
Personnel Services

Encl: As stated above.



**GUIDELINES ON SUSPENSION**

**(Both in case of Award Staff and Officer)**

Suspension is an administrative action taken by the Management and not a 'Penalty'. A suspended employee is not allowed to discharge the functions of his office during the period of suspension and will not be paid full emoluments (Salary & Allowances), instead a subsistence allowance (rates of which differ in different situation) shall be paid to such staff.

It is pertinent to mention that Principles of Natural Justice are not applicable in suspension.

**1. CIRCUMSTANCES NORMALLY LEADING TO PLACE UNDER SUSPENSION :**

- a. Where disciplinary proceeding is contemplated or pending against an employee and his continuance in office may prejudice the investigation/enquiry or it is apprehended that his presence in office may lead to tampering of records/documents etc.
- b. Where preliminary investigation reveals that a prima facie case leading to dismissal/conviction of the employee exists.
- c. Where a case of corruption/fraud/misappropriation/misuse or abuse of official position, possession of disproportionate assets is prima facie visible against the employee.
- d. Where an offence involving moral turpitude or any criminal offence, demand or acceptance of bribe is under investigation/trial is pending against the employee.
- e. Where serious irregularities, negligence, dereliction of duties causing considerable loss to the Bank are attributable to an employee.
- f. Refusal or deliberate failure to carryout instructions of the superior.
- g. Indecent/violent, aggressive behaviour on the part of the employee.
- h. Desertion of duties by an employee.

**2. DEEMED SUSPENSION :**

A staff is deemed to have been placed under suspension by the Competent Authority in the following circumstances.

- a. If he is detained or kept in custody (whether on criminal charge or otherwise) for a period exceeding 48 hours by law enforcing agencies.





- b. If he is convicted for an offence leading to imprisonment for a period exceeding 48 hours and he is not forthwith dismissed/removed from services consequent upon such conviction.

### 3. DATE OF EFFECT OF ORDER OF SUSPENSION :

Suspension Order effects only from the date on which it is made. Except in case of 'Deemed Suspension' which may take effect from a retrospective date (i.e. 48 hours will be computed from the commencement of the custody / imprisonment);

### 4. AUTHORITIES WHO CAN SUSPEND :

In case of Officer & Award staff either the Disciplinary Authority (DA) or any authority higher than the rank of Disciplinary Authority in the capacity of Competent Authority.

### 5. APPEAL AGAINST ORDERS OF SUSPENSION :

A suspended staff (officer/award staff) can submit representation/appeal against the order of suspension before the Competent Authority.

**Note :** (i) In case of award staff member, please refer the Clause no 17 (i) of Memorandum of Settlement on Disciplinary Action procedure for Workmen signed between Indian Bank Association and Workmen Unions on 10.04.2002

(ii) In case of officer, please refer the Regulation no 17 of UCO Bank Officer Employees' (Discipline & Appeal) Regulation 1976, as amended.

### 6. (A) SUBSISTANCE ALLOWANCE PAYABLE TO AWARD STAFF :

According to paragraph 557 of Shastri award and Paragraph 17.14 of Desai award, as partially modified by the Bi-Partite Settlement dated 8th September 1983, subsistence allowance payable to workmen during the period of suspension is as under :

#### a. Where the investigation is not entrusted to or taken up by an outside agency (i.e. CBI/Police), (Where the enquiry is departmently).

- (i) **For first 3 months** – 1/3rd of Basic Pay + Allowances he would have got in normal course.
- (ii) **After 3 months** – 1/2 of Basic Pay + Allowances.
- (iii) **After 1 year** – Full Basic Pay + Allowances, if the enquiry is not delayed for reasons attributable to the concerned workman or any of his representative(s).

#### b. Where the matter is being investigated by any outside agency (CBI/Police) and the said agency has come to conclusion, not to prosecute the employee and the bank is in receipt of the report of the investigating agency.



- (i) **For first 3 months** – 1/3rd of Basic Pay + Allowances he would have got in normal course.
- (ii) **Next 3 months** – 1/2 of Basic Pay + Allowances.
- (iii) Full Basic Pay + Allowances- after Six (6) Months from date of receipt of the report of Investigating agency where No Prosecution of the Employee is recommended or one year after the date of suspension, whichever is later and provided further that the enquiry is not delayed for reasons attributable to the concerned workman or any of his representative(s).

**c. Where the investigation/enquiry is conducted by outside agency (CBI/Police) and the said agency has come to conclusion to prosecute the employee and the agency submits the challan before the Court for trial.**

- (i) **For first 6 months** – 1/3rd of Basic Pay + Allowances he would have got in normal course.
- (ii) Thereafter, 1/2 of the Basic Pay & Allowances, which the workmen would have got but for the suspension, until the enquiry is over i.e. completion of trial and pronouncement of judgement by Hon'ble Court.

It has been observed that while placing an award staff under suspension, it is mentioned that disciplinary action is contemplated against him and he will be paid subsistence allowance as per rules.

In case an FIR is filed against the employee with the CBI/Police, the concerned employee is usually not informed that FIR has been filed against him and therefore, he shall be eligible for subsistence allowance as per the provision where investigation is conducted by the outside agency. However, there are instances where subsistence allowance is being paid at the rate of full pay and allowances after 12 months from the date of suspension even though the outside agency (CBI/Police) has submitted challan before the court for prosecution and / or case is put on trial before the Court.

Therefore, the Disciplinary Authority are advised to ensure that if the case is entrusted to outside agency (Police/CBI) for investigation, the concerned suspended employees should be informed immediately that he shall be eligible for subsistence allowance as per the provision mentioned against point No. 1.b and 1.c of this circular where investigation/enquiry is conducted by the outside agency.

Further, the matter should be regularly followed up with CBI/Police to know the status of the investigation and the conclusion of the investigation and ensure payment of subsistence allowance accordingly.



**6. (B) ADMINISTRATIVE MISCELLANEOUS PROVISIONS FOR AWARD STAFF EMPLOYEES UNDER SUSPENSION :**

- a. **Leave** :- may not be granted during suspension;
- b. **LTC** :- Since no leave can be granted to employee under suspension, he can not avail of LTC for himself. There is however, no bar to the members of his family availing of LTC;
- c. Entitled to Annual medical aid and hospitalization expenses;
- d. No deduction for PF/NPS to be made from the subsistence allowance;
- e. Not eligible for grant of any increment falling due for consideration during the period of suspension; (However, notional reckoning the annual graded increments which fell due since their suspension and payment made prospectively in case of Award Staff only)
- f. Not entitled to salary revision if the same is falling due during the period of suspension;
- g. Statutory deductions such as Income tax, Professional tax etc., must be made from the subsistence allowance;
- h. Full recoveries of loan installments where the Bank is the creditor can be made from the subsistence allowance. However, care should be taken to see that optional deductions are made only when the employee authorizes for the same so as to spare a reasonable amount for his sustenance;
- i. Accrual of leave is not permitted as the employee is not considered to be in active service during suspension;
- j. Order of suspension shall continue to remain in force until it is revoked by the Competent Authority;
- k. On exoneration or where there is specific order, workmen entitled to earn increments earned during the period of suspension;
- l. On fully exonerated by DA or honourably acquitted by Court of law- entitled to all benefits which he would be entitled had he been on duty. However, he would not be entitled to accumulated leave beyond the prescribed limit;
- m. On attaining the age of superannuation, Award staff employee will be treated as retired even if he is placed under suspension. He will not get subsistence allowance but will draw provisional pension as per pension regulation as amended;
- n. If a workmen who has been placed under suspension dies during suspension, he has to be treated as having died on duty and the period of suspension till his death should be treated as period spent on duty;





- o. An order of suspension made, shall continue to remain in force unless modified or revoked by the Competent Authority.
- p. **Suspension Prior to salary Revision** : Suspended employee will be eligible to be paid Subsistence Allowance reckoning the revised scales of pay on account of salary revision even if the date of suspension is prior to the date of salary revision.
- q. **Suspension subsequent to Salary Revision** : Workmen employees whose date of suspension is subsequent to the date from which the salary revision is effective, the concerned employee will be given the salary revision on the date due date and his Subsistence Allowance will be fixed as per his revised salary. The arrears of salary and Subsistence Allowance shall be paid to him accordingly.

### 7. (A) SUBSISTENCE ALLOWANCE PAYABLE TO OFFICERS :

Regulation 14 (1) of Discipline & Appeal Regulations provide for payment of subsistence allowance to an officer placed under suspension.

#### (a) BASIC PAY :

##### (i) Where the matter is being investigated by Bank only.

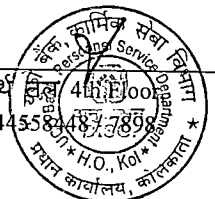
- (i) **For First 3 Months** – 1/3rd of Basic Pay, he was receiving on the date of Suspension.
- (ii) **After 3 Months** – 1/2 of Basic Pay, as on the date of suspension.

##### (ii) Where any outside agency is investigating the matter.

- (i) **For First 6 Months** – 1/3rd of Basic Pay, he was receiving on the date of Suspension.
- (ii) **After 6 Months** – 1/2 of Basic Pay.

#### (b) ALLOWANCES :

- (i) For the entire period of suspension, dearness allowance and other allowances excepting conveyance allowance, entertainment allowance and special allowance, will be calculated on the reduced pay as specified in items (i) and (ii) of clause (a) and at the prevailing rates or at rates applicable to similar category of officers.
- (ii) During the period of suspension an officer employee shall not be entitled to occupation of a rent-free house or free use of the bank's car or receipt of conveyance or entertainment allowance or special allowance.
- (iii) No officer employee of the bank shall be entitled to receive payment of subsistence allowance unless he furnishes a certificate that he is not engaged in any other employment business, profession or vocation.

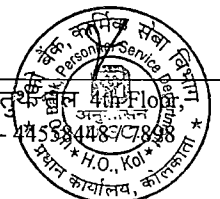


(iv) If during the period of suspension an officer employee retires by reason of his attaining the age of superannuation, no subsistence allowance shall be paid to him from the date of his retirement.

**Note :** Here, no effect for any increment falling due during the period of suspension is to be given while calculating subsistence allowance means – the Basic Pay of the officer shall be treated as 'frozen' at the level at which it was on the date of suspension.

**7. (B) ADMINISTRATIVE MISCELLANEOUS PROVISIONS FOR OFFICERS UNDER SUSPENSION :**

- a. **Leave:-** Accrual of leave is not permitted as the officer is not considered to be in active service during suspension.
- b. **LTC :-** Since no leave can be granted to employee under suspension, he can not avail of LTC for himself. There is however, no bar to the members of his family availing of LTC.
- c. No deduction towards Provident Fund is to be made.
- d. Statutory deductions such as Income tax, Professional tax etc., are to be made from subsistence allowance.
- e. A suspended officer is not entitled to release of any increment falling due during the period of suspension.
- f. Not entitled to salary revision if the same is falling due, during the period of suspension.
- g. An officer under suspension would normally not be entitled for Bank's house accommodation/official telephone facility. However, the Competent Authority may allow to retain Bank's house accommodation/leased accommodation subject to appropriate recovery for such facility which has to be made from him, after revocation of suspension, from any amount due or payable to him as per bank's guidelines.
- h. A suspended officer is not entitled to use Bank's Car.
- i. A suspended officer would be required to submit a certificate that he is not engaged in any gainful employment, profession or business during the period of suspension, before he is paid the subsistence allowance each month.
- j. An order of suspension made or deemed to have been made shall continue to remain in force unless modified or revoked by the Competent Authority.
- k. If an officer employee retires during the period of suspension, then no subsistence allowance is payable from the date of retirement.



- I. On exoneration or where there is specific order, Officer- will be entitled to earn increments due during the period of suspension.
- m. On fully exonerated by DA or honourably acquitted by Court of law- will be entitled to all benefits which he would be entitled had he been on duty. However, he would not be entitled to accumulated leave beyond the prescribed limit.
- n. On attaining the age of superannuation, Officer will be retired even if he is place under suspension. Further, he will not get subsistence allowance but will draw provisional pension as per pension regulation as amended.
- o. If an officer who has been under suspension dies during suspension, he has to be treated as having died on duty and the period of suspension till his death should be treated as period spent on duty.
- p. An order of suspension made or deemed to have been made shall continue to remain in force unless modified or revoked by the Competent Authority.
- q. **Suspension Prior to salary Revision** : if the date of suspension is prior to the date of salary revision, there will be no change in the Subsistence Allowance arising out of the salary revision and accordingly, no arrears will be payable unless the period of suspension is treated as on duty.
- r. **Suspension subsequent to salary Revision:** if the date of suspension is subsequent to the date from which the salary revision is effective, the concerned officer will be given the salary revision on the due date and his Subsistence Allowance will be fixed as per his revised salary. The arrears of salary and Subsistence Allowance shall be paid to him accordingly.

#### HEAD QUARTERS OF AN EMPLOYEE UNDER SUSPENSION

The Head Quarters of an employee/officer placed under suspension should normally be assumed to be his last place of duty and should be mentioned in the administrative order placing him under suspension.

However, where an employee/officer requests for change of headquarters, the Competent Authority/Disciplinary Authority may, if satisfied, change his headquarters provided the same does not put the Bank to additional expenditure like grant of T.A/D.A etc. or create difficulty in investigations or in processing the departmental proceedings etc.

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