SECURITIES AND EXCHANGE BOARD OF INDIA (EMPLOYEES' SERVICE) REGULATIONS, 2001

In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992, the Board hereby makes the following regulations defining the terms and conditions of service of its employees :

CHAPTER I

PRELIMINARY

Short Title and Commencement

1. (1) These regulations may be called the Securities and Exchange Board of India (Employees' Service) Regulations, 2001.

(2) They shall come into force on the date of their publication in the Official Gazette.

Applicability

2. (1) These regulations shall apply to every whole-time employee appointed by the Board under sub-section (1) of section 9 of the Act and to every whole-time employee transferred to the Board under clause (d) of sub-section (1) of section 10 of the Act.

Provided that they shall not apply, except as otherwise provided in these regulations or to such extent as may be specifically or generally decided by the Board, to persons employed temporarily or on contracts.

(2) On and from the date of commencement of these regulations—

(*a*) the terms and conditions of the service of the existing whole-time employees of the Board shall stand modified in accordance with the provisions of these regulations.

(*b*) the Securities and Exchange Board of India Service Regulations, 1988 stand repealed. Notwithstanding such repeal, anything done or any action taken under the said Regulations, shall be deemed to have been done or taken under the corresponding provisions of these regulations.

Definitions

3. (1) In these regulations, unless there is anything repugnant in the subject or context—

(*a*) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992).

(*b*) "Board" means the Securities and Exchange Board of India constituted under Section 3 of the Act.

(*c*) "Chairman" means the Chairman of the Board and, in relation to the powers exercisable by him, includes whole- time member of the Board or a Committee of Executive Directors or Executive Director or any other officer to whom the powers under these regulations may be delegated by the Chairman.

(*d*) "compensatory allowance" means an allowance granted to meet expenditure necessitated by the special circumstances in which the duty is performed.

(*e*) "Competent Authority" means,

(*i*) The Chairman in the case of officers, which expression shall also include whole- time member of the Board or Executive Director, in regard to any matter or power to be dealt with or exercisable by the Chairman under these Regulations, but which are delegated to him.

(*ii*) In the case of all other employees, concerned) Executive Director, which expression shall also include, any officer lower in rank, in regard to any matter or power to be dealt with or exercised by the Executive Director under these Regulations, but which are delegated to him.

(*f*) "Dependent" means a person who is wholly dependent upon the employee and whose monthly income doesn't exceed the limits as may be specified by the Chairman, from time to time.

[1][(fa) "deputation" means temporary posting to another organisation wherein the accrual and disbursement of remuneration including pay, allowances and perquisites would be borne by the borrowing organisation.]

(*g*) "duty" includes —-

(*i*) Service as a probationer;

(*ii*) Period during which an employee is on joining time or training authorised by the Board;

(*iii*) Period spent on causal leave duly authorised by the competent authority.

[2][(ga) "external assignment" means the temporary posting to another organisation, including secondment, tour of duty and staff exchange programme, wherein the accrual and disbursement of remuneration including pay, allowances and perquisites would be borne by the Board.]

(*h*) "family" means

(*i*) In the case of male employee, his wife, whether residing with him or not, but does not include a legally separated wife and in case of a woman employee her husband, whether residing with her or not, but does not include a legally separated husband.

(*ii*) Children or step children of the employee whether residing with him or not and dependent wholly on such employee but does not include children or step children of whose custody the employee has been deprived of by or under any law; and

(*iii*) Any other person related to, by blood or marriage to the employee or to his spouse and wholly dependent upon such employee.

(*i*) "leave pay" means the monthly pay which the employee would have drawn while on duty but for proceeding on leave.

(*j*) "Pay" means the amount drawn by an employee as-

(*i*) Pay which had been sanctioned for a post held by him substantively or in an officiating capacity, or to which he is entitled by reason of his position in a cadre;

(*ii*) Special pay and personal pay;

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[1] Inserted by the SEBI (Employees' Service) (Second Amendment) Regulations, 2018, w.e.f. 1.6.2018

[2] Inserted ibid.

(*iii*) Any other amount which may be specially classified as pay by the Board;

(*k*) "Personal pay" means an additional pay granted to an employee—

(*i*) To save him for 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

(*ii*) In exceptional circumstances, on other personal considerations;

(*l*) "special allowance" means an addition, in the nature of an allowance, to the pay attached to a post or of an employee, granted at the discretion of the Board or its duly appointed authority in consideration of the specially arduous nature of the duties attached to the post or required to be performed by the employee;

(*m*) "special pay" means an addition to the pay of a post of) an employee granted at the discretion of the Board or its duly appointed authority in consideration of a specific addition to the work or responsibility;

(*n*) "substantive pay" means the pay to which an employee is entitled on account of a post to which he has been appointed substantively or by reason of his substantive position in a cadre;

Save as otherwise provided,—

(*o*) "year" means a continuous period of twelve months commencing from 1st day of April of a year and ending with 31st day of March of the next year.

(*p*) "service" includes the period during which an employee is on duty as well as on leave duly authorised by a competent authority, but does not include any period during which an employee is absent from duty without permission or overstays his leave, unless specifically permitted by the competent authority.

(2) All words and expressions used herein and not defined in these Regulations but defined in Securities and Exchange Board of India Act, 1992 (15 of 1992), the regulations made thereunder and Securities Contracts (Regulation) Act, 1956 (42 of 1956) shall have the meanings respectively assigned to them in those Acts unless otherwise provided in these Regulations.

(3) For the purposes of these regulations, the terms 'he', 'him', 'his' and 'himself' shall also refer to 'she', 'her' and 'herself' wherever the context warrants and singular will also include plural.

Chairman's power to delegate

4. The Chairman may delegate to the whole-time member of the Board or Executive Director or Committee of Executive Directors or any Officer subject to such conditions as he may think fit to impose, all or any of the powers conferred upon him by these Regulations.

Power to implement

5. (1) The power to implement these regulations vests in the Chairman who is also empowered to issue such administrative instructions as may be necessary to give effect to and carry out the purposes of these regulations or otherwise to secure effective control of the employees and the decision of the Chairman shall be final and binding on the employees.

(2) The powers exercisable by an authority under these regulations shall also be

exercisable by any authority superior to the authority first mentioned.

[3][(3) The Board may at its discretion waive or relax the strict application of the provisions of the regulations].

CHAPTER II

APPOINTMENTS, PROBATION AND TERMINATION OF SERVICE

Classification and appointment of whole-time employees

6. (1) The whole-time employees of the Board shall be classified as follows:

(*a*) Officers (Grades A, B, C, D, E, F and Executive Director);

(*b*) Secretarial Staff, Accounts Assistants and Library Assistants (Grades A, B, C);

[4]**[**(*ba*) Junior Secretarial Assistant, Junior Accounts Assistant [5][Junior Library Assistant *and Junior engineer*]**]**

(*c*) [6][***]

(*d*) Messenger, Cook, Driver, Messenger-cum-Driver, Messenger-cum-General Assistant.

[7]**[**(2) The Board shall specify from time to time the pay of each post or group of posts and shall grant approval for sanction of posts at the level of Executive Director while the Chairman shall be the Competent Authority for sanction of posts up to Grade F.**]**

(3) All appointments in any grade or post shall be made by the competent authority at its discretion and no person shall have a right to be appointed to any particular post or grade.

Recruitment

(4) [8][(*a*) Recruitment shall be made at the entry level in Grade A or in Grade B or in

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[3] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.r.e.f. 20-6-2008.

[4] Inserted by SEBI (Employees' Service) (Second amendment) Regulation, 2010, w.e.f. 12-10-2010.

[5] Substituted for "and Junior Library Assistant" by SEBI (Employees' Service) (Amendment) Regulations, 2012, w.e.f. 2-5-2012.

[6] Omitted by SEBI (Employees' Service) (Amendment) Regulations 2010, w.r.e.f. 30-1-2008.

[7] Substituted by the SEBI (Employees' Service) (Amendment) Regulations, 2010, w.r.e.f. 30-1-2008.

[8] Substituted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.r.e.f. 17-2-2007. Prior to its substitution, clause (*a*) read as under:-

"(4)(*a*) Recruitment shall be made at the entry level in Grade A or in Grade B or such grade as may be specified by the competent authority or in special circumstances where no suitable candidate is available in the Board's service, or the exigencies of work require, at a higher grade by issuing newspaper advertisement.

such grade as may be specified by the competent authority by such method as the Chairman may determine, including by Campus Selection:

Provided that, in special circumstances, where no suitable candidate is available in the Board's service or the exigencies of work require, recruitment may also be made at a higher grade.]

(*b*) Mode of recruitment, Educational and other qualifications, age limit, experience and other incidental matters related to the recruitment and promotion in the Board's service shall be as specified in the Schedule.

(*c*) A competitive examination, including [9][written tests] and interview, shall be conducted by the Competent Authority or by an outside agency engaged by the Board for the purpose of recruitment.

Provided that Competent Authority may relax any or all of these requirements, for reasons to be recorded in writing [10][:]

[11][Provided further that interview and/or group discussion shall not be conducted for the purpose of recruitment of whole time employees other than officers.**]**

(*d*) Competent authority shall constitute a selection committee, comprising such number of persons and outside expert as he may determine for interviewing the candidates.

Provided [12][***] that appointment to the post of Executive Director shall be approved by the Board before an offer of appointment is issued to the selected candidate.

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Temporary/Contract employees

7. (1)(*a*) Notwithstanding anything contained in these Regulations, the competent authority may appoint persons on a temporary basis due to exigencies of work, on suitable terms and conditions, subject to such general or special directions, if any issued by the Board from time to time.

(*b*) The terms and conditions of service of the temporary employees shall be specified by the competent authority but in no case shall the terms and conditions so specified be more favourable than those laid down in these regulations for an appointment carrying equivalent status or responsibility.

(2) Notwithstanding anything contained in these regulations, Competent authority may appoint persons on contract basis due to exigencies of work on suitable terms and conditions.

(3) Competent authority may, due to exigencies of work and/or non-availability of

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Provided that the Competent Authority may recruit trainee officers and such trainee officers may be considered for regular appointment on successful completion of the training period and subject to passing a departmental test and interview."

[9] Substituted for the words "a written test and/or group discussion" by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

[10] Substituted for ";" by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

[11] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

[12] Words "that in the case of appointment to the post of Executive Director, the Selection Committee shall consist of Chairman and two other members of the Board, constituted by the Chairman and such" omitted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

suitable candidates within the Board's service, take on deputation such employees in Grade D and above from Govt. or any other Organisations for a specified period and their terms and conditions of deputation, shall be specified by the competent authority in consultation with the lending organisation.

(4) In the case of appointment to the post of Executive Director by deputation or on contract, the appointment shall be approved by the Board before an offer of appointment is issued to the person to be appointed on deputation or on contract.

Appointments to be made on minimum pay

8. All initial appointments shall be made on the minimum pay of the grade to which the appointment is made, provided the Chairman may keeping in view the higher academic qualifications, special experience of value to the Board and salary in the previous job, grant additional increments, not exceeding four in the scale of pay fixed for the grade in which the appointment is made.

Re-employment in Board

9. (1) No person who has ceased to be in the service of the Board except by way of removal or dismissal or compulsory retirement may be re-employed without the specific sanction of, and on such terms and conditions as may be specified by the Board.

(2) Except as otherwise provided by the Board at the time of his re-employment, these Regulations shall apply to a person who is re-employed in the Board, as if he had entered the service for the first time on the date of his re-employment.

Probation

10. (1) An employee directly appointed in any of the specified scales of pay [13][***] shall be on probation for a period of [14][two] year.

[15][(1A) An employee promoted to one grade/scale to another shall be on probation for a period of one year.]

(2) Chairman may, if he considers it necessary extend the period of probation upto a period of one year for unsatisfactory performance or reduce or dispense with period of probation for reasons to be recorded in writing.

(3) Save as otherwise provided in this regulation, an employee shall be deemed to have been confirmed in the post to which he has been appointed or, as the case may be, promoted on successful completion of the period of probation.

(4) During the first month of his probation, an employee may be discharged without assigning any reasons at one day's notice and thereafter at one month's notice or by payment of substantive pay for one day or one month as the case may be in lieu thereof.

(5) Without prejudice to the provisions of Regulation 17, an employee selected from the Board's employees and on probation shall be liable to be reverted to his previous

[13] Words "or promoted to one grade/scale to another" omitted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.
[14] Substituted for "one" ibid.
[15] Inserted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

grade without notice or pay in lieu thereof if, in the opinion of the competent authority, he fails to show satisfactory performance during the period of his probation.

Commencement of service

11. Except as otherwise provided by or under these Regulations, "service" of an employee shall be deemed to commence from the working day on which an employee reports for duty in an appointment covered by these Regulations at the place and time intimated to him by the appointing authority.

Provided that if he reports after noon, his service shall commence from the next following working day.

Determination of service by notice

12. (1) An employee shall not leave or discontinue his service in the Board without first giving notice to the Competent Authority, in writing of his intention to leave or discontinue the service.

(2) The period of notice required shall be,—

(*a*) In the case of employees holding the post on regular basis, three months;

(*b*) In the case of employees holding the post on probation, one month;

Provided that Chairman may waive the period of notice required under this sub-regulation for the reasons to be recorded in writing.

Provided further that the employee shall not be entitled to set off any leave earned and not availed of by him against the period of such notice.

(3) In the case of breach by an employee of the provisions of the sub-regulation (2), he shall be liable to pay to the Board as compensation a sum equal to his substantive pay for the period of notice required of him.

Provided that the payment of such compensation may be waived by the Chairman, at his discretion.

(4) Notwithstanding anything contained in sub-regulation (1), the resignation of an employee shall not be effective unless it is accepted by the competent authority. The competent authority may refuse to accept a resignation;

(*a*) If disciplinary proceedings have been instituted against or are proposed to be instituted against the employee;

(*b*) If the employee is under an obligation to serve the) Board for a specified period which has not yet expired;

(*c*) The employee owes the Board any sums of money; or

(*d*) For any other sufficient ground to be recorded in writing.

Explanation 1.—Disciplinary proceedings shall be deemed to be instituted against an employee for the purposes of this sub-regulation if he has been placed under suspension under these Regulations or any notice has been issued to him asking him to show cause why disciplinary proceedings should not be instituted against him or any charge-sheet has been issued to him under these Regulations and will be deemed to be pending till final orders are passed by the competent authority.

Explanation 2.—The expression "month" used in this Regulation shall be reckoned according to the English calendar and shall commence from the day following that on

which notice is given by the employee or the Board as the case may be.

Explanation 3.—A notice given by an employee under sub-regulation (1) above shall be deemed to be proper only if he remains on duty during the period of the notice.

Superannuation and Retirement

13. (1) An employee shall retire at 60 years of age.

Provided that the Board may retire any employee on, or at any time after the completion of 55 years of age or 30 years of total service, whichever is earlier, by giving him three months notice in writing.

(2) An employee, who attains the age of supperannuation on any day other than the first day of any calendar month, shall retire on the last day of the month in which he completed his age of retirement.

(3) An employee may also, if he so desires, and subject to terms of appointment to the contrary, if any, retire from service on completion of 50 years of age or 20 years of service in the Board, by giving three months notice to the Board in writing.

[16]**[**(3A) The Board may also offer a scheme subject to such terms and conditions as it may specify, to its whole-time employees for voluntary retirement from the services of the Board.**]**

(4) When an employee retires from service either under the provisions of the proviso to sub-regulation (1) or sub-regulation (3), the Board may consider grant of compensation on such scale and terms as may be determined by it from time to time.

The Board while determining the terms shall take into account all relevant factors including the balance of service left to a retiring employee.

(5) Notwithstanding anything contained in these Regulations, where an employee has ordinary leave earned but not availed of as on the date of retirement, he may, at his option,

(*a*) be permitted to avail of leave subject to a maximum of ten months in respect of leave earned under these Regulations and in that case the employee will be deemed to have retired from service on the expiry of the leave;

or

(b) be paid a lumpsum amount which would be equivalent to pay as defined in Regulation 3(1)(*j*) of these Regulations as on the date of his retirement, for the unavailed ordinary leave earned subject to maximum of ten months plus all allowances normally admissible to the employee concerned during ordinary leave, after which he shall retire.

Explanation :—"Date of Retirement" means the date on which the employee attains the age of superannuation in accordance with the provisions of the Regulation or the date on which he is retired by the Board under sub-regulation (1) of the Regulation or the date on which the employee voluntarily retires in terms of sub-regulation (3) [17]**[**or sub-regulations (3A)**]** of the Regulation as the case may be.

Execution of Bond, etc.

(6) Notwithstanding anything contained in these Regulations, the Board will have the right to obtain undertakings/bonds from an employee for payment of liquidated

[16] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2011, w.e.f. 10-10-2011.
[17] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2011, w.e.f. 10-10-2011.

damages relating to deputation of training or his failure to complete the required number of years of service in a particular post, as may be determined by the Board from time to time.

CHAPTER III

RECORD OF SERVICE, SENIORITY, PROMOTION AND REVERSION

Record of Service

14. A record of service shall be maintained by the Board in respect of each employee at such place or places and shall be kept in such form and shall contain such information as may be specified from time to time by the Chairman.

Seniority

15. [18][(l) An employee confirmed in the services of the Board shall ordinarily rank for seniority in his/her grade, according to the date of his/her confirmation in that grade, as follows :

(*a*) *All India direct recruitment through open competition/internal promotions through switch over to the officer cadre* - an employee on probation shall ordinarily rank for seniority among the employees selected along with him/her in the same batch according to the ranking assigned to him/her at the time of selection.

(*b*) *Through Campus Selection* - an employee on probation shall ordinarily rank for seniority among the employees selected along with him/her in the same batch according to the ranking assigned to him/her upon completion of inductions training or departmental examination as decided by the competent authority.]

(2) The Board shall, each year, prepare a list of the employees in its service showing their names in the order of their seniority containing such other particulars as the Chairman may determine and a copy of such list shall be made available to each employee.

Promotion

16. (1) All promotions shall be made at the discretion of the Board and notwithstanding his seniority in a grade no employee shall have a right to be promoted to any particular post or grade.

Provided that an employee, who has put in a minimum of 3 years of service in any post or grade, when promotion opportunities arise, shall be eligible for consideration of promotion to a higher post.

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[18] Substituted by SEBI (Employees' Service) Regulations, 2010, w.r.e.f. 30-1-2008. Prior to its substitutions sub-regulations (1) read as under :

"(1) An employee confirmed in the services of the Board shall ordinarily rank for seniority in his grade according to his date of confirmation in the grade and an employee on probation shall ordinarily rank for seniority among the employees selected along with him in the same batch according to the ranking assigned to him at the time of selection."

Provided further that an employee in any grade in the cadre of secretarial staff, accounts assistants and library assistants who possess requisite qualifications may be considered for switch over to the [19]**[***corresponding grade in the***]** Officer cadre against such vacancies, which shall be 10% of total vacancies arising in a calendar year, as may be notified by the Competent Authority, subject to such employees qualifying in a departmental test conducted by the Competent Authority or by an outside agency engaged by the Board and interview to be conducted by the Competent Authority for this purpose.

(2) All promotions shall be against vacancies in sanctioned posts declared by the competent authority [20][except promotions up to Officer Grade C] and shall be based on—

(*a*) Seniority, merit and suitability in the cases of Officers and Secretarial Staff, Accounts Assistants [21][, Library Assistants, Junior Secretarial Assistants, Junior Accounts Assistants, Junior Library Assistants and Junior Engineers];

(*b*) Seniority and merit in the cases of [22][***] Messenger, Cook, Driver, Messenger-cum-Driver, Messenger-cum-General Assistant.

Provided that in assessing the suitability of the employee for promotion, the performance of the employee in the post or grade, from where he is being considered for promotion, shall be considered.

(3) For the purpose of promotions, Chairman shall constitute a Departmental Promotion Committee comprising such number of persons including external expert which may conduct interviews, if so decided, for selection of employees for considering promotion to the next grade or post.

Provided that in the case of promotions to the post of Executive Director, the Committee shall consist of Chairman and two other members of the Board.

Reversion

17. An employee promoted from one grade to another shall be liable to be reverted without notice at any time within one year of such promotion.

CHAPTER IV

PAY, ALLOWANCES AND OTHER BENEFITS

Pay and allowances

18. (1) The Board, shall at its discretion, determine from time to time the pay and allowances applicable to different categories of employees.

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[19] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2012, w.r.e.f. 19-11-2012.

[20] Substituted by the SEBI (Employees' Service) (Amendment) Regulations, 2012, w.e.f. 2-5-2012. Prior to the same, it read as "except promotions to Officer Grade C and Officer Grade E", inserted by the SEBI (Employees' Service) (Amendment) Regulations, 2010, w.e.f. 30-1-2008.

[21] Substituted for "and Library Assistants" by the SEBI (Employees' Service) (Amendment) Regulations, 2012 w.e.f. 2-5-2012.

[22] Words "Receptionist-com-Telephone Operator and" omitted by SEBI (Employees' Service) (Amendment) Regulations, 2010 w.r.e.f. 30-1-2008.

Other benefits

(2) The Board, may at its discretion, from time to time frame such schemes and allow such other benefits for the welfare of the employees at such terms and conditions as it may determine.

When accrue and payable

19. Subject to the provisions of these Regulations, pay and allowances shall accrue from the commencement of the service of an employee, and shall become payable on the afternoon of the last working day of each month in respect of the service performed during the said month.

Provided that an employee proceeding on ordinary leave other than extraordinary leave for a period not less than one month may be paid in advance one month's pay and allowances if he applies therefor.

When not payable for part of a month

20. Pay and allowances shall not be payable for a part of a month to an employee who leaves or discontinues his service without due notice during a month, unless such notice has been waived by the competent authority.

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When allowance to cease

21. Pay and allowances shall cease to accrue from the date as an employee ceases to be in service.

In the case of an employee dismissed, removed or compulsorily retired from the Board's service, the pay and allowances shall cease from the date of his dismissal, removal or compulsory retirement. In the case of an employee who dies while in service, they shall cease from the day following that on which the death occurs.

Admissibility of allowances

22. Allowances shall only be payable to employees who are actually at that time fulfilling the conditions subject to which they are admissible.

Compensatory allowance

23. Notwithstanding the fact that the whole-time of an employee is at the disposal of the Board, the Board may grant compensatory allowance, not counting as pay, to an employee who is required to work on holidays or to put in extra hours on week days in connection with the Board's work.

The rate at, and the circumstances in which such allowance may be drawn shall be determined by the Chairman.

Increments

24. (1) In an incremental scale, the increment shall accrue on an annual basis or each

stage of that scale, whether such service be probationary, officiating or substantive.

Provided that the benefit of increment shall be admissible from the first of the month in which it accrues, irrespective of the actual date of its accrual.

(2) Officiating service in a higher grade will count for increments in an employee's substantive grade as well as in the higher grade in which he is officiating and if there is an intermediate grade between the two in which he would have officiated had he not been appointed to officiate in the higher grade, also in the intermediate grade, but the period during which an employee is on leave without pay will not count for increment unless so authorised by the competent authority for reasons to be recorded in writing.

(3) Sanction to draw increments will be given by the Competent authority.

(4) No increment may be withheld except as a disciplinary measure under Regulation 79 and each order withholding an increment shall state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments:

Provided that if in an incremental scale there is an efficiency bar, an employee shall not draw increments above that bar until he has been certified fit to do so by the Competent Authority. On each occasion on which an employee is allowed to pass an efficiency bar which has previously been enforced against him, he shall be placed in the incremental scale at such stage as the authority competent to remove the bar may fix provided that such stage shall not be higher than that at which he would draw his pay if the bar had not been enforced against him and further that no increments granted on the removal of a bar shall have a retrospective effect.

(5) The Chairman may, grant stagnation increments to an employee who has reached the last stage in the concerned scale.

Refixation of pay on promotion

25. (1) The pay of an employee promoted from one grade to another shall be initially fixed at the minimum in the scale of higher grade, the difference between the pay so fixed and the substantive pay of the employee in the old scale, if the later be more, be treated as personal pay;

On confirmation

(2) On confirmation in the higher grade, the pay of an (2) employee shall be fixed at the stage in the higher grade which is next above his substantive pay in the old scale as on the date of confirmation, if such pay be higher than the pay drawn by him at the time of confirmation.

[23][Grant of increment on promotion grade

25 A. (1) Without prejudice to anything contained in regulation 24, where an employee is promoted to a higher grade on or after November 1, 2012,-

(a) before reaching the maximum of the incremental scale in the pre-promotional grade, the date of the next increment in the promotional grade shall be the date of increment as existing in the pre-promotional grade.

[23] Inserted by SEBI (Employees' Service) (Third Amendment) Regulations, 2017 w..e.f. 13-7-2017.

(b) after having reached the maximum of the incremental scale in the pre-promotional grade, the date of the next increment in promotional grade shall be one year from the date of promotion:

Provided that after having reached the maximum of the incremental scale in the pre-promotional grade, in cases where the officer promoted was due to receive, any post scale benefits such as personal allowance and stagnation increment in the pre-promotional grade within one year from the date of actual promotion, the date of increment in the promotional grade shall be the date of accrual of such post scale benefit.]

Domicile

26. (1) Every employee shall on his appointment declare his domicile in writing to the Board and if such domicile is not his place of birth he must establish the same to the satisfaction of the Competent Authority.

(2) No employee who has once indicated his domicile, shall be (2) allowed to alter the same unless he satisfies the Board that the change is bonafide and in no case may an employee be permitted to change his domicile in such a manner as to increase the cost to the Board of any such concession.

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CHAPTER V

LEAVE AND JOINING TIME

Kinds of leave

27. (1) Subject to the provisions of these Regulations, the following kinds of leave may be granted to an employee:

(*a*) Casual leave and Special Casual leave

(*b*) Ordinary leave

(*c*) Sick leave and Special leave

(*d*) Maternity leave [1][or Peternity Leave, as the case may be]

(*e*) Extraordinary leave

(*f*) Accident leave

(*g*) Other special leave as may be specified by the Board

(2) Pay during leave shall be drawn at full or half rate of leave pay, according to the kind of leave availed of by the employee provided that no pay shall be admissible during the extraordinary leave.

Authorities empowered to grant leave

28. The power to grant leave shall vest in the competent authority. All applications for leave shall be addressed by the employee to the authority empowered to grant leave.

Power to refuse leave or recall an employee on leave

29. (1) Leave cannot be claimed as a matter of right. When the exigencies of the service so require, discretion to refuse or revoke leave of any description is reserved to the authority empowered to grant it, and an employee already on leave may be recalled by that authority when it considers necessary in the interests of the service of the Board.

Lapse of leave on cessation of service

(2) Save as otherwise specifically provided in these (2) Regulations, leave earned by an employee lapses on the date on which he ceases to be in service.

Earlier return from leave

(3) Unless he is permitted to do so by the authority which (3) granted his leave, an employee on leave may not return to duty more than 14 days before the expiry of the period of leave granted to him.

Commencement and termination of leave

30. (1) The first day of an employee's leave is the working day succeeding that upon which he takes over charge.

(2) The last day of an employee's leave is the working day preceding that upon which he reports his return to duty.

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Obligation to furnish leave address

31. An employee shall, before proceeding on leave, intimate to the competent authority his address with telephone number (if any) while on leave, and shall keep the said authority informed of any change in the address previously furnished.

Station to which an employee should report on return

32. An employee on leave shall, unless otherwise instructed to the contrary, return for duty to the place at which he was last stationed.

When medical certificate of fitness may be demanded

33. A competent authority may require an employee who has availed himself leave above three days for reasons of health to produce a medical certificate of fitness before he resumes duty even though such leave was not actually granted on a medical certificate.

Leave not admissible to an employee under suspension

34. Leave may not be granted to an employee under suspension or against whom disciplinary proceedings are pending.

Casual leave

35. (1) An employee shall be eligible for casual leave upto a maximum of 12 working days in each calendar year provided that no employee may take casual leave for less than ½ day or more than 5 days at a time.

Provided that public holidays may not be combined with such leave in such a way as to increase the absence at any one time beyond twelve days. Any casual leave which is extended beyond these limits will be treated as Ordinary Leave in respect of the entire period.

Casual leave cannot be suffixed or prefixed with any other kind of leave except with special casual leave.

(2) No casual leave may be availed of, except with prior sanction of the competent authority.

Provided that if for any genuine reason, it is not possible for an employee to obtain such permission in advance, he shall intimate his absence to such authority within 24 hours.

Provided further that such authority may condone the delay, if any, in this behalf if he is satisfied that an employee was not in a position to intimate his absence for reasons beyond his control.

(3) When an employee joins the service of the Board at any time during the year, his entitlement to casual leave shall be at the rate of one day per month during that calendar year.

(4) The casual leave, which has not been availed of at the end of the calendar year, shall be credited to the extent of 50% of such leave not availed of, to the ordinary leave account of the concerned employee. Fraction, if any, in such cases shall be ignored.

Special Casual Leave

36. Notwithstanding anything contained in Regulation 35, the Chairman may permit the grant of special casual leave.

(1) When the absence from duty is necessitated by orders from the authorities empowered to issue quarantine orders not to attend office in consequence of any infectious disease in the family or household of any employee;

(2) When the absence of an employee is due to his having sustained a bodily injury while on duty and the absence is supported by certificate from the Medical Officer of the Board or registered medical practitioner;

(3) When the absence is necessitated by reason of an employee who is a member of the Auxiliary Force, India, Home Guard, A R P or other Civil Defence Organization or any other organisation of a similar nature having to attend an annual camp or a training course; or

(4) When there are other exceptional circumstances necessitating the grant of special casual leave in excess of the specified limits;

(5) For undergoing family planning operation, subject to production of medical certificate :-

(*a*) Female Employees :

(*i*) 14 days for tubectomy/laproscopy

(*ii*) 1 day on the day on which the husband undergoes vasectomy.

(*iii*) 1 day on the day of IUD insertion/reinsertion.

(*b*) Male Employees :

(*i*) 6 days for vasectomy operation

(*ii*) 7 days when the wife undergoes tubectomy/laproscopy.

Provided that special casual leave sanctioned under this sub-regulation may be clubbed with any other leave, except casual leave.

Explanation 1.—Except in respect of special casual leave sanctioned in terms of sub-regulation (4) of this regulation, the total period of casual leave granted under Regulation 35(1) and the special casual leave granted under this regulation in any one calendar year shall in no case exceed 45 days and if the grant of leave under the said Regulations shall result in such total period being extended beyond 45 days, any period of absence in excess of 45 days shall be treated, subject to the provisions of Regulation 43(2) as Ordinary, Sick, Special or Extraordinary Leave, as the employee concerned may request and as may be admissible to him.

Explanation 2.—Except in respect of special casual leave sanctioned in terms of sub-regulation (4) of this regulation, in computing casual leave under Regulation 35 (1) and special casual leave under this Regulation, intervening public holidays shall not be reckoned as day of casual leave or special casual leave as the case may be.

[24][(6) Subject to the exigencies of work and approval by the competent authority, differently abled employees, as defined in the Rights of Persons with Disabilities Act, 2016, may be granted, in a calendar year, a maximum of ten days of special casual leave for participating in Conference, Seminars, Trainings or Workshops related to disability and development related programs and a maximum of four days of special casual leave for specific requirements relating to the disability of the employee:

Provided that the grant of special casual leave under this sub-regulation shall be subject to such terms and conditions as may be decided by the competent authority from time to time.]

[25][Special hardship leave for female employees.

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[24] Inserted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

[25] Regulation 36A substituted by the SEBI (Employees' Service) (Amendment) Regulations, 2015, w.e.f. 26-2-2015. Prior to its substitution, said Regulation, as inserted by the SEBI (Employees' Service) (Amendment) Regulations, 2013, w.e.f. 8-10-2013, read as under : "36A. Special casual leave for child care.—(1) Special casual leave for child care may be granted to a female employee who is a mother, for taking care of two eldest surviving children who have not attained the age of twelve years, for a period of fifteen days per annum for each child.
(2) The special casual leave for child care will be admissible for looking after the various needs of the child like medical needs, educational needs and other child rearing requirements.
(3) Special casual leave for child care cannot be clubbed with any other type of leave and the intervening holidays during the period of leave would also be counted for the purposes of the said leave.
(4) The special casual leave for child care may be availed in multiple spells in one calendar year and the unavailed leave would lapse at the end of every calendar year.
(5) Leave fare concession cannot be availed during the period of the special casual leave for child care.
(6) The employee can proceed on special casual leave for child care only after obtaining the

36A. (1) Eligibility.

(a) A female employee confirmed in the services of the Board and having completed five years of service in the Board, is eligible to apply for special hardship leave:

Provided that special hardship leave before completion of five years of service may be sanctioned in exceptional circumstances for the purposes provided in sub-regulation (2), on an application by such female employee and upon recommendation of the approving authority in accordance with sub-regulation (4);

(b) A female employee may avail special hardship leave as extension of maternity leave irrespective of completion of service of five years in the Board;

(c) Approval of the special hardship leave shall be the sole discretion of the Board, depending upon the grounds including the administrative exigencies of the Board, reason for which the leave is sought for and merits of individual cases;

(d) A female employee shall not proceed on special hardship leave without the approval of approving authority in accordance with sub-regulation (4);

(e) Special hardship leave shall not be available to female employees,—

(i) serving abroad under special arrangements or bonds;

(ii) who have executed service bonds and have not completed it;

(iii) against whom disciplinary proceedings are proposed or pending or who are under suspension, including female employees against whom action has been initiated by Government agencies or other law enforcement authorities;

(iv) appointed on contract basis;

(v) falling under any other category as may be intimated to the employees from time to time.

Purpose of special hardship leave.

(2) A female employee, eligible under sub-regulation (1), may apply for special hardship leave for the purposes of taking care of the family or children or health grounds of self or dependent family members.

Period of special hardship leave.

(3) Special hardship leave may be availed for a period not exceeding two years during the entire service, and may be availed for a minimum period of three months once in a year.

Approving authority for special hardship leave.

(4) Approving authority for special hardship leave for female employees in grade 'D' and above, shall be the Whole Time Member in charge of the concerned department where such female employee is serving, and in other cases, the approving authority

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approval of such leave from the competent authority :

Provided that in case of any genuine exigency, if it is not possible for any employee to obtain such permission in advance, she shall intimate her absence to such authority within 24 hours: Provided further that such authority may condone the delay, if any, in this behalf if he is satisfied that an employee was not in position to intimate her absence for reasons beyond her control.

Explanation.—For the purpose of this regulation, the term 'child' shall mean both natural and adopted."

shall be the Executive Director in charge of the concerned department where such female employee is serving.

Other conditions.

(5) Other conditions relating to special hardship leave shall be as follows,—

(a) Such leave shall be without pay, perquisites and allowances except house allowance [26][and claims for medical treatment availed in India:

Explanation:- For the purpose of this clause, claim for the medical treatment, shall include, medical insurance, claim from Medical Assistance Fund, non-policy medical claims, eye refraction and annual health check-up];

(b) An employee on special hardship leave shall be allowed to retain the accommodation provided by the Board or receive the house allowance, as the case may be;

(c) Application for special hardship leave shall be submitted by the employee in grade 'D' and above, at least two months before the date from which leave is to be availed, and in all other case at least one month before the date from which leave is to be availed:
Provided that the approving authority shall have discretion to relax the period specified in this clause in appropriate cases;

(d) For computing the eligibility to avail special hardship leave, completed years of services shall be reckoned;

(e) Special hardship leave once approved, shall be irrevocable;

(f) Before expiry of the approved special hardship leave, a female employee shall not resume for duty without permission from the approving authority;

(g) Special hardship leave may be availed irrespective of balance of leaves of any other category, and may be combined with any categories of leave except casual leave, special casual leave, Special casual leave in lieu of joining time, and special leave ;

(h) Special hardship leave shall not be granted for avoiding transfer or posting or placement, etc.;

(i) A female employee, who leaves the services of the Board by resignation or voluntary retirement during the special hardship leave shall be liable to pay compensation to the Board, which shall be a sum equal to her substantive pay for the period of notice as required of her in terms of these regulations;

[27][(ia) A female employee, who leaves the services of the Board by way of resignation or voluntary retirement during the special hardship leave or within five years after resuming office after availing such leave, shall be liable to pay to the Board, an amount equal to the entire house allowance and medical claims paid during such leave:
Provided that after approval of the competent authority, based on requisite documentary evidence, examination and certification by the Medical Officer of the Board, the payment of said amount from the female employee, who has availed special hardship leave on health grounds of self and that being the reason for which she is unable to resume office may be waived;]

(j) Board may cancel the special hardship leave and recall the female employee and proceed in the matter as deemed fit, in case it is found that such

[26] inserted by the Securities and Exchange Board of India (Employees' Service) (Amendment) Regulations, 2019 w.e.f. May 08, 2019

[27] inserted by the Securities and Exchange Board of India (Employees' Service) (Amendment) Regulations, 2019 w.e.f. May 08, 2019

employee is undertaking or engaged in, directly or indirectly, any trade or employment or business or profession;

(k) Special hardship leave shall be counted as service for the purpose of seniority;

(l) For the period of special hardship leave availed, no other leave shall be credited to such employee;

(m) Female employee shall make herself available during the period of special hardship leave as witness in any investigation, court case, departmental enquiry or any other such proceeding and shall be paid travelling and halting allowance, as the case may be;

(n) Board may cancel the special hardship leave at any time and recall the female employees in case of exigencies;

(o) Board shall not approve, during the special hardship leave period, any fresh loan or advance of whatever nature;

(p) A female employee on special hardship leave shall submit the return of immovable or movable or valuable property as required;

(q) A female employee availing special hardship leave shall intimate to the Board, her local address for correspondences and also inform any changes in address for communication, from time to time.]

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Ordinary leave

37. (1) [28][(i)] Every employee shall be entitled to ordinary leave at the rate of 30 days for every year of service subject to a maximum accumulation of [29][300 days].

[28] Clause numbered by the SEBI (Employees' Service) (Amendment) Regulations, 2018, w.e.f. 27.4.2018.

[29] Substituted in place of the words, figure and symbols "ten months (300 days)" by the SEBI (Employees' Service) (Amendment) Regulations, 2018, w.e.f. 27.4.2018.

[30][(ii)]The leave so earned shall be credited to the ordinary leave account of the employee half yearly on 1st April and 1st October respectively in each year at the rate of 15 days for every 6 months of service rendered by such employee.

[31][(iii) Where an employee has to his credit 286 days or more of ordinary leaves, the further credit of 15 days ordinary leave shall be done at the beginning of each half year (on 1st April or 1st October) to the employee's additional ordinary leave account and the ordinary leaves availed during the six month period thereafter ending on 30th September or 31st March shall be deducted from such account:

Provided that if ordinary leaves sanctioned is for less than 15 days, the balance shall be credited to the ordinary leave account subject to the ceiling of 300 days at the close of that half year:

Provided further that an employee shall have his ordinary leaves sanctioned and availed before 30th September or 31st March as leaves beyond 300 days will lapse on 30th September or 31st March, as the case may be.]

[32][(iv)] No employee, shall earn ordinary leave when he is on leave other than casual leave for a continuous period of more than 6 months. If an employee renders less than 6 months of service in any half year, he shall be credited with one day for every 11 days of duty.

[33][(v)] Fractions of a day of earned leave shall be taken as full day if amounting to half a day or more, and shall be ignored if amounting to less than half a day.

(2) The period of ordinary leave, which can be taken at one time by an employee shall not be less than five days.

Provided that the employee may take less than 5 days when he does not have casual leave to his credit.

(3) Application for grant of ordinary leave shall be submitted fifteen days in advance from the date of availing, to the Competent Authority.

(4) An employee on ordinary leave shall draw pay equal to leave pay.

Encashment of Ordinary Leave

38. (1) An employee may be permitted to encash ordinary leave once [34][every calendar year] for a minimum period of 10 days and a maximum period of 30 days:

[35][Provided the employee has to his credit a balance of 180 days ordinary leaves or more after encashment.]

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[30] Clause numbered by the SEBI (Employees' Service) (Amendment) Regulations, 2018, w.e.f. 27.4.2018.

[31] Inserted ibid.

[32] Clause numbered ibid.

[33] Clause numbered ibid.

[34] Substituted in place of the words "in two years" by the SEBI (Employees' Service) (Amendment) Regulations, 2018, w.e.f. 27.4.2018.

[35] Substituted ibid for the following provisos-

"Provided that at the time of such encashment the employee avails of ordinary leave for a minimum period of 10 days and also has to his credit a balance of leave which shall not be less than the leave so encashed. Provided further that availing of ordinary leave for a minimum period of 10 days is not required in the case of resignation by the employee subject to the condition that the employee gives required notice, as the case may be, under these regulations."

(2) If an employee dies during the Board's service or who is declared by the Medical Officer of the Board to be completely and permanently incapacitated for further service, he (legal heirs in case of death of an employee) may be granted by the competent authority, cash equivalent to unavailed earned leave to his credit on the date of death, invalidation from service, as the case may be.

[36][(3) An employee of the Board who resigns from service after giving proper notice of resignation, in terms of regulation 12, may be permitted encashment of half of the period of ordinary leave at his/her credit as on the date of resignation subject to a maximum of five months ordinary leave.]

Sick leave

39. (1) Every employee shall be entitled to sick leave, on production of medical certificate, at the rate of 20 days for every calendar year of service subject to a maximum of 540 days during the full period of his service. Additional sick leave may be granted if it is considered necessary and advisable in the interest of the Board.

Provided further that in the case of an employee, the production of a medical certificate may not be insisted upon if sick leave to be granted does not exceed three days.

(2) Sick leave shall be on half pay.

Provided that where an employee has served the Board for at least a period of three years, he may, if he so requests, be permitted to avail, during the full period of his service, sick leave on leave pay upto a maximum period of nine months and such leave on leave pay shall be entered in his sick leave account as twice the amount of leave taken by him.

(3) An employee may be granted sick leave during the first year of his service on pro-rata basis at the discretion of the Competent Authority.

Maternity leave

40. (1) Maternity leave, which shall be on leave pay, may be granted to a female employee upto a period of 180 days on full pay at a time and not more than 360 days during the entire period of service.

(2) Female employees undergoing hysterectomy operation may also claim maternity leave for a period not exceeding 20 days (including stay in hospital) within the overall ceiling of 360 days.

(3) Leave not exceeding 45 days may be granted to a female employee during the entire service of the female employee in case of miscarriage including abortion on production of medical certificate within the overall ceiling of 360 days.

(4) A competent authority may grant leave of any other kind admissible to the female employee in combination with, or in continuation of maternity leave if the request for its grant is supported by requisite medical certificate.

[37][Paternity Leave

40A. (1) Paternity Leave may be granted to a male Staff member (natural father), with

[36] Inserted by SEBI (Employees' Services) (Amendment) Regulations, 2010, w.r.e.f. 3-5-2003.

[37] Inserted by SEBI (Employees Service) (Amendment) Regulations, 2012, w.e.f. 2-5-2012.

less than two surviving children, during the confinement of his wife for child birth, for a period of fifteen days per child, from fifteen days prior to the delivery or up to six months from the date of such delivery.

(2) Paternity Leave may also be granted to a male employee (adoptive father), with less than two surviving children, who has adopted a child through proper legal process, for a period of fifteen days per child within six months from the date of adoption.

(3) During the period of Paternity Leave, the employee shall be paid leave pay.

(4) Paternity Leave may be combined with any kind of leave other than Casual Leave and Special Casual Leave.

(5) The employee shall avail the entire Paternity Leave at one time during the eligible period as mentioned in sub-regulations (1) and (2), as the case may be.]

Accident leave

41. (1) Accident leave may be granted to an employee who sustains an injury in the course of the performance of his duties, for the period for which leave is certified by the Medical Officer of the Board to be necessary for recovery from the injury.

(2) Accident leave would also be admissible to an employee, who is on tour / duty in connection with the official work of the Board, subject to the period for which leave is necessary for recovery from the injury being certified either by the Board's Medical Officer, or a Government/Municipal doctor.

(3) The competent authority may, at the option of the employee, grant any other kind of leave as admissible to him for the period so medically certified and also in combination with or in continuation of any accident leave sanctioned.

(4) An employee on accident leave shall for the first four months thereof, draw a pay equal to his leave pay and half leave pay for the rest of the period.

Extraordinary leave

42. (1) Extraordinary leave may be granted to an employee when no other leave is due to him and when, having regard to his length of service, sick or special leave is not considered justified by the competent authority. Except in exceptional circumstances, the duration of extraordinary leave shall not exceed 90 days on any one occasion and 360 days during the entire period of an employee's service.

(2) The competent authority may grant extraordinary leave in combination with, or in continuation of leave of any other kind admissible to the employee, and may commute retrospectively periods of absence without leave into extraordinary leave.

(3) No pay and allowances are admissible during the period of extraordinary leave and the period spent on such leave shall not count for increments:

Provided that, in cases where the sanctioning authority is satisfied that the leave was taken on account of illness or for any other cause beyond the employee's control, it may direct that the period of extraordinary leave may count for increments.

Special leave

43. (1) During the full period of his service an employee may be granted special leave on private affairs for a period not exceeding 360 days. Special leave may not be

availed of if ordinary leave is admissible;

Provided that an employee may be granted special leave if he is suffering from a disease requiring prolonged treatment and he has no ordinary leave and sick leave to his credit and is also not eligible.

(2) In case an employee is absent from duty on account of quarantine, the Board may, at the request of the employee, treat such absence upto a maximum of 90 days as ordinary, sick or special leave if such leave is otherwise permissible. Special leave under the sub-regulation may be availed of even if ordinary leave is admissible.

Pay during special leave

44. Special leave shall be on half leave pay, which shall be reduced, except with the special sanction of the Chairman, to one quarter of leave pay after six months.

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Joining Time

45. (1) Joining time may be granted to an employee by the Chairman to enable the employee—

(*a*) to join a new post to which he is appointed while on duty in his old post; or

(*b*) to join a new post on return from leave of not more than four months' duration although the duration of leave exceeds four months, the employee has not had sufficient notice of his appointment to the new post.

(2) Joining time shall not be granted when no change in the headquarters of an employee is involved.

Pay and allowances during joining time

(3) The pay and allowances of an employee on joining time shall be determined in accordance with the Regulations.

Period for which admissible

(4) Joining time which may be allowed to an employee shall not exceed seven days, exclusive of the number of days spent on travelling.

How calculated

(5) In calculating joining time admissible to an employee, the day on which he is relieved from his old post shall be excluded but public holidays following the day of his relief shall be included in the joining time.

Special casual leave in lieu of joining time

(6) Where an employee on transfer from one centre to another does not avail of the joining time or his joining time has been curtailed due to exigencies of Board's service, he may be allowed to avail of the Special Casual Leave to the extent of unavailed joining time subject to a maximum of 7 days, at any time after the date of reporting at new centre but before the completion of a period of six months or such other extended period as may be agreed to by the Board for submitting supplementary travelling allowance bill in respect of his family and personal effects provided he has advised the office to this effect before proceeding on transfer. Saturdays/Sundays/holidays prefixed to Special Casual Leave in lieu of joining time shall be excluded but Saturdays/Sundays/holidays intervening such Special Casual Leave shall be reckoned as Special Casual Leave.

(7) Where an employee on transfer from one station to another does not avail the entire joining time including special casual leave referred to in sub-regulation (6) or the same has been curtailed due to exigencies of Board's Service, the unavailed joining time will be added to the Ordinary Leave account of the employee.

Overstayal after joining time

46. An employee who does not join his post within the joining time allowed to him shall be deemed to have committed a breach of Regulation 60.

CHAPTER VI

CONDUCT, DISCIPLINE AND APPEALS

Scope of an employee's service

47. Unless it be otherwise distinctly provided, the whole time of an employee shall be at the disposal of the Board and he shall serve the Board in its business in such capacity and at such place as he may from time to time be directed.

Liability to abide by Regulations and Orders

48. Every employee shall conform to and abide by these Regulations and shall observe, comply with and obey all orders and directions which may from time to time be given to him by any person or persons under whose jurisdiction, superintendence or control he may for the time being be placed.

Obligation to maintain secrecy

49. (1) Every employee shall maintain strictest secrecy regarding the Board's affairs and shall not divulge or disclose, directly or indirectly, any information of a confidential nature or relating to the working of the Board to a member of the public or of the Board's employees or to his friends or relatives, unless compelled to do so by judicial or other authority, or unless instructed to do so by a superior officer in the discharge of his duties.

(2) No employee shall make use of any information emanating from the Board or otherwise which has come to his knowledge in the discharge of his official duties for his personal benefit or for the benefit of his friends or relatives.

(3) No employee shall communicate any unpublished price sensitive information to any other person except when required to do so in the course of his official duty.

(4) Every employee, including those who are on contract/temporary basis shall, before entering upon his duties, make a declaration of fidelity and secrecy in the FORM – A annexed to these Regulations.

Employees to promote Board's interest

50. (1) Every employee shall serve the Board honestly and faithfully and shall use his utmost endeavors to promote the interests of the Board and shall show utmost courtesy and attention in all transactions and dealings with the public, between the officers of Government and the Board.

(2) Every employee shall at all times :—

(*a*) maintain absolute integrity, good conduct and discipline ;

(*b*) maintain devotion and diligence to duty ; and

(*c*) do nothing which is unbecoming of an employee / a public servant.

(3) No employee shall in his official dealings with the public or otherwise adopt dilatory tactics or wilfully cause delays in disposal of the work assigned to him.

(4) No employee, shall, in the performance of his official duties or in the exercise of powers conferred on him, act otherwise than in his best judgement except when he is acting under the direction of his superior.

(5) Every employee shall take all possible steps to ensure the integrity and devotion to duty of all persons for the time being under his control and authority.

Prohibition against participation in politics and standing for election

51. No employee shall take active part in politics or in any political demonstration, or stand for election as member, of a Municipal Council, District Board or any other Local Body or any Legislative Body.

Prohibition against joining certain associations and strikes, etc.

52. No employee who is not a 'workman' within the meaning of the Industrial Disputes Act, 1947 shall—

(*a*) Become or continue to be a member or officebearer of, or be otherwise directly or indirectly associated with, any trade union of employees of the Board who are 'workmen' within the meaning of that Act, or a federation of such trade unions; or

(*b*) Resort to, or in any way abet, any form of strike or participate in any violent, unseemly or indecent demonstration in connection with any matter pertaining to his conditions of service or the conditions of service of any other employee of the Board.

Contributions to the press

53. (1) No employee may contribute to the press without the prior sanction of the Competent Authority or without such sanction make public or publish any document, paper or information which may come in his possession in his official capacity.

(2) No employee shall except with the previous sanction of the (2) competent authority publish or cause to be published any book or any similar printed matter of which he is the author or not or deliver talk or lecture in any public meeting or otherwise.

Provided that no such sanction is required, if such broadcast or contribution or publication is of a purely literary, artistic, scientific, professional, cultural, educational, religious or social character.

Employee not to seek outside employment

54. No employee shall accept, solicit, or seek any outside employment or office, whether stipendiary or honorary, without the previous sanction of the Chairman.

Employment after retirement

55. (1) No employee of the Board who has retired from service shall, within a period of [38][one] years from the date when he finally ceases to be in the Board's service, accept or undertake a commercial employment except with the previous approval in writing of the competent authority.

Provided that an employee who was permitted by the Competent authority to take up

[38] Substituted for "two" by SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

commercial employment during his leave preparatory to retirement or during refused leave shall not be required to obtain subsequent permission for his continuance in such employment after retirement.

(2) For the purpose of this Regulation, "commercial (2) employment" means:

(*a*) Employment in any capacity including that of an agent under a Company, Cooperative Society, firm or individual engaged in trade, or commercial, industrial or professional business and also includes a directorship of such a company and partnership of such firm but does not include employment under a body corporate wholly or substantially held or controlled by the Board.

(*b*) Setting up a practice, either independently or as partner of a firm, as adviser or consultant in matters in respect of which the retired officer—

(*i*) has no professional qualifications and the matters in respect of which the practice is to be set up or is carried on are relatable to his official knowledge or experience, or

(*ii*) the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reason of his previous official position, or

(*c*) Undertaking work involving liaison or contact with the offices or officers of the Board.

Explanation : For the purpose of this clause, "employment under a cooperative society" includes the holding of any office, whether elective or otherwise such as that of President, Chairman, Manager, Secretary, Treasurer and the like, by whatever name called in such society.

(3) Notwithstanding anything contained in sub-regulation (1), no employee of the Board, including employees on contract shall within a period of [39][one] years from the date that he finally ceases to be in the Board's service, accept or undertake an employment or be in any manner associated with an intermediary registered with the Board, except with the prior written approval of the Competent Authority:

[40][Provided that the employee would be required to seek fresh approval from the Board in the event of seeking employment with another intermediary registered with the Board or associating in any other manner with another intermediary registered with the Board, within the period of one year:]

Provided [41][further that] before refusing approval the competent authority shall give a hearing to the concerned employee. A copy of the decision taken shall be communicated by the Competent Authority to the concerned employee.

[42][(4)]The competent authority while granting such approval shall satisfy itself regarding the appropriateness of granting the approval, having regard to dealing which the employee may have had with the said intermediary while in the services of the Board; and may impose such conditions as may be necessary having regard

[39] Substituted for "two" by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.
[40] Inserted ibid.
[41] Substituted for ", however" by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.
[42] Numbered by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

to the circumstances of the case including [43][prohibiting the employee from representing the intermediary in any manner before the Board.]

[44][***]

[45][(5)] The approval/refusal under this regulation shall be communicated to the employee by the Competent Authority within a period of 90 days from the date of receipt of the application for such approval, failing which the approval shall be deemed to have been granted.

Employment of family members with an intermediary registered with the Board

56. (1) No employee shall use his position or influence directly or indirectly to secure employment in any intermediary registered with the Board, of any person related, whether by blood or marriage to the employee or to the employee's wife or husband, whether such a person is dependent on the employee or not.

(2) Every employee shall report to the competent authority in case his son/daughter or any other member of his family accepts employment in any intermediary registered with the Board with which he has official dealings or in any undertaking having official dealings with the Board.

IndiaCode

Giving evidence

57. (1) Save as provided in sub-regulation (3) no employee shall, except with the previous approval of the competent authority, give evidence in connection with any enquiry conducted by any person, committee or authority.

(2) Where any approval has been accorded under sub-regulation (1) no employee giving such evidence shall criticize the policy or any action of the Central Government or State Government or the Board.

(3) Nothing in this regulation shall apply to any evidence given (*a*) at any enquiry before an authority appointed by the Central Government, State Government, Parliament or a State Legislature; or (*b*) in any judicial enquiry; or (c) at any departmental enquiry ordered by the competent authority.

Seeking to influence

58. No employee shall bring or attempt to bring any political or other outside influence to bear upon any superior authority to further his interests in respect of matters pertaining to his services in the Board.

Part-time work

59. No employee shall undertake part-time work for a private or public body or a private person, or accept any fee therefor, without the sanction of the competent

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[43] Clause (a) added to the provision by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

[44] Omitted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018. Prior to the omission, clause (b) read as –

"(*b*) Seeking a fresh approval from the Board in the event of the employee accepting or undertaking employment or associating in any manner with another intermediary registered with the Board, during the period of two years."

[45] Renumbered by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

authority which shall grant the sanction only in exceptional cases when it is satisfied that the work can be undertaken without detriment to his official duties and responsibilities. The competent authority may, in cases in which it thinks fit to grant such sanction, stipulate that any fees received by the employee for undertaking the work shall be paid, in whole or in part, to the Board.

Employee not to be absent from duty without permission or be late in attendance

60. (1) An employee shall not absent himself from his duties without having first obtained the permission of the competent authority, nor shall absent himself in case of sickness or accident without submitting a requisite medical certificate.

Provided that in the case of temporary indisposition, the production of a medical certificate may, at the discretion of the competent authority, be dispensed with.

(2) An employee who absents himself/herself from duty without leave or overstays his leave, except under circumstances beyond his control for which he must tender a satisfactory explanation, shall not be entitled to draw any pay and allowances during

IndiaCode

such absence or overstayal, and shall further be liable to such disciplinary measures as the competent authority may impose. The period of such absence or overstay may, if not followed by discharge under Regulation 10(4) or compulsory retirement or removal or dismissal under Regulation 79, be treated as period spent on extraordinary leave.

(3) An employee who is habitually late in attendance shall, in addition to such other penalty as the competent authority may deem fit to impose, have one day of casual leave forfeited for every three days he is late in a month. Where such an employee has no casual leave due to him, the period of leave to be so forfeited may be treated as ordinary or extraordinary leave as the competent authority may determine.

Absence from station

61. An employee, if so required by the competent authority, must not absent himself from his station overnight without obtaining previous sanction of his superior.

Acceptance of gifts

62. (1) An employee shall not solicit or accept any gift or permit any member of his family or any person acting in his behalf to accept any gift from any person with whom the employee is likely to have official dealings either directly or indirectly or from any subordinate employee. Trivial gifts like small packets of sweets, diaries, calendars on the occasion of Diwali and New Year may, however, be exempted.

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

Note 1: A casual meal, lift or other social hospitality shall not be deemed to be a gift.

Note 2: An employee shall avoid acceptance of lavish or frequent hospitality from any individual or concern having official dealings with the employee or with the Board.

(2) On occasions such as marriages, anniversaries, funerals or (2) religious functions when the making of gifts is in conformity with the prevailing religious or social practice, an employee may accept gifts from his personal friends having no official dealing with the employee or with the Board but he shall make a report to the competent authority if the value of such gifts exceeds Rs.10,000.

(3) An employee shall not—

(*a*) Give or take or abet the giving or taking of dowry; or

(*b*) Demand directly or indirectly from the parents or guardians of a bride or bridegroom, as the case may be, any 'dowry' .

Explanation.—In this Regulation, the term 'dowry' shall have the same meaning as in the Dowry Prohibition Act, 1961.

Private trading

63. No employee shall engage in any commercial business or pursue it either on his own account or as agent for others, nor act as an agent for an insurance company nor shall he be connected with the formation or management of a joint stock company.

Explanation.—Canvassing by an employee in support of the business of insurance agency or commission agency carried on or managed by a member of his family shall be deemed to be a breach of this Regulation.

Restrictions on investments

64. No employee shall make any direct or indirect investment in equity and equity related instruments including convertible debentures and warrants except units of Mutual Funds, non convertible bonds and non-convertible debentures, and in rights issues in respect of the shares already held by them. These restrictions would apply to :

(*i*) Investments of the employees ;

(*ii*) Investments of dependent children or other wards managed by the employee as a guardian

(*iii*) Investment made by spouse, dependent children, dependent parents and dependent parents-in-laws of the employee out of the moneys received from the employee.

Speculation in stocks, shares, investments, etc.

65. (1) An employee shall not indulge in badla trading or trade, speculate in stock, shares, securities or commodities of any description.

(2) No employee, shall, when in knowledge of unpublished price sensitive information, encourage any person to deal in the securities to which it relates.

(3) Each employee is deemed to be an "insider" within the meaning of [46][clause (g) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015] are applicable to each employee of the Board. In case of allegations of insider trading, the onus would be on the employee to prove that he is not guilty of insider trading.

Movable, immovable and valuable property

66. [47]**[**(1) Every employee shall make a declaration of his assets and liabilities as under,-

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[46] Substituted for the words, numbers and symbols *"sub-section (e) of Section (2) of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992 and the provisions of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992"* by the SEBI (Employees' Service) (Second Amendment) Regulations, 2018, w.e.f. 1.6.2018.

[47] Substituted by SEBI (Employees' Service) (Second Amendment) Regulations, 2015, w.e.f. 21-4-2015. Prior substitution it read as under:

'Every employee, shall, on his first appointment, and thereafter every year on 31st December, irrespective of whether or not there has been any change in the holding, furnish to the Board a return of his assets and liabilities, in such form as may be specified by the Board, giving full particulars regarding :—

(*a*) the immovable property inherited by him, or owned or acquired or held by him on lease or mortgage, either in his name or in the name of any member of his family;

(*b*) Stocks, shares, debentures, units or other marketable securities and fixed deposits inherited by him or similarly owned, acquired or held by him ;

(*c*) Other movable property inherited by him or similarly owned, acquired or held by him, if the value exceeds such amount as may be specified by the Chairman from time to time ; and

(*d*) Debts and other liabilities incurred by him directly or indirectly if the total liabilities of an employee exclusive of those which are fully secured, exceeds his basic pay for twelve months.'

(a) every employee, within thirty days from the date of joining the services of the Board shall furnish to the Board, information as per sub-section (2) of section 44 of the Lokpal and Lokayuktas Act, 2013;
(b) every employee in the service of the Board as on commencement of the Lokpal and Lokayuktas Act, 2013 and continuing in the service of the Board, shall furnish information to the Board, relating to such assets and liabilities as per sub-section (3) of section 44 of the Lokpal and Lokayuktas Act, 2013;
(c) every employee shall file with the Board, on or before 31st July every year, an annual return of such assets and liabilities as per sub-section (4) of section 44 of the Lokpal and Lokayuktas Act, 2013.]

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

(3) Provided that the previous sanction of the competent authority shall be obtained by the employee if any such transaction is with a person having official dealings with the employee.

Where an employee enters into a transaction in respect of movable property either in his own name or in the name of the member of his family, he shall within 30 days from the date of such transaction, report the same to the competent authority, if the value of such property exceeds such amount as may be specified by the Chairman from time to time.

(4) Provided that the previous sanction of the competent authority shall be obtained by the employee if any such transaction is with a person having official dealings with the employee.

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

Lending and Borrowings

67. No employee shall in his individual capacity -

(*i*) borrow or permit any member of his dependent family members to borrow or otherwise place himself or a member of his dependent family members under a pecuniary obligation to a broker or a money lender or a subordinate employee of the Board or any person, association of persons, firm, company or institution, whether incorporated or not, having dealings with the Board;

(*ii*) incur debts at a race meeting;

(*iii*) lend money in private capacity to a constituent of the Board or have personal dealings with such constituent in the purchase or sale of bills of exchange, Government paper or any other securities; and

(*iv*) guarantee in his private capacity the pecuniary obligations of another person or agree to indemnify in such capacity another person from loss except with the previous permission of the competent authority;

Provided further that an employee may obtain a loan from a cooperative credit society of which he is a member or stand as surety in respect of a loan taken by another member from a cooperative credit society of which he is a member.

Demonstrations

68. No employee shall engage himself or participate in any demonstration which is prejudicial to the interests of the Board sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality, or which involves contempt of court, defamation or incitement of an offence.

Joining of Association prejudicial to the interests of the country

69. No employee shall join, or continue to be a member of an association, the objects or activities of which are prejudicial to the interests of the Board sovereignty and integrity of India or public order or morality.

Raising of subscriptions

70. No employee shall, except with the previous sanction of the competent authority, ask for or accept a contribution to or otherwise associate himself with the raising of any funds or other collections in cash or in kind in pursuance of any objective whatsoever.

IndiaCode

Not to misuse official position

71. (1) No employee, shall ;

(*a*) Ever encourage outside agencies to call on him at his residence/temporary headquarters while on tour for discussion on official matters.

(*b*) In dealing with the market intermediaries and public for seeking any clarification on matters relating to them, resort to oral clarifications and personal discussions as far as possible and written communication shall be the normal practice.

(*c*) Use office facilities like letter heads for writing to the companies asking them to consider allotment of shares/securities to their family members, friends or associates on expiry of the relevant date/s or otherwise.

(*d*) Ever involve in any type of activities/favours and physical facilities so as to place himself in an embarrassing position in the discharge of his duties with integrity and fairness.

(2) An employee is strictly prohibited from using his official position for any personal favour for himself or his family members or his relatives or friends.

[48][Prohibition on participating in auction conducted by the Board in pursuance of recovery proceedings.

71A. No employee shall participate, either directly or indirectly, in an auction conducted by the Board for sale of movable or immovable properties in pursuance of recovery proceedings initiated under section 28A of the Act or section 23JB of the Securities Contracts (Regulation) Act, 1956 or section 19-IB of the Depositories Act, 1996.]

Consumption of Intoxicating Drinks and Drugs

72. (1) An employee shall strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be posted for the time being.

It is also the duty of the employee to see that—

(2) (*a*) He takes due care that the performance of his duty is not affected in any way by the influence of any intoxicating drink or drug;

[48] Inserted vide the SEBI (Employees' Service) (Amendment) Regulations, 2017, w.e.f. 27.7.2017.

(*b*) He does not appear in public place in a state of intoxication; and

Explanation.—For the purpose of this regulation, the term "Public place" would include clubs (even exclusively meant for members where it is permissible for the members to invite non-members as guests), bars and restaurants, public conveyances and all other places to which the public have or are permitted to have access, whether on payment or otherwise.

(*c*) He does not habitually use any intoxicating drink or drug in excess.

Employees in debt

73. (1) An employee shall so manage his private affairs as to avoid habitual indebtedness or insolvency. An employee against whom any legal proceeding is instituted for the recovery of any debt due from him or for adjudging him as an insolvent, shall forthwith report the full facts of the legal proceedings to the competent authority.

(2) An employee who is in debt shall furnish to the competent authority a signed statement of his position half-yearly on the 30th June and 31st December and shall indicate in the statement the steps he is taking to rectify his position. An employee who makes a false statement under this Regulation or who fails to submit the specified statement or appears unable to liquidate his debts within a reasonable time or applies for the protection of an insolvency court shall be liable to disciplinary action.

Explanation 1.—For the purpose of this Regulation, an employee shall be deemed to be in debt if his total liabilities exclusive of those which are fully secured exceed his substantive pay for twelve months.

Explanation 2.—An employee shall be deemed to be unable to liquidate his debts within a reasonable time if it appears having regard to his personal resources and unavoidable current expenses that he will not cease to be in debt within a period of two years.

Employees arrested for debt or on criminal charge

74. (1) An employee who is arrested for debt or on a criminal charge or is detained in pursuance of any process of law may, if so directed by the competent authority, be considered as being or having been under suspension from the date of his arrest or, as the case may be, of his detention, upto such date or during such other period as the competent authority may direct. In respect of the period in regard to which he is so treated, he shall be allowed the payment admissible to an employee under suspension under sub-regulation (6) of Regulation 86.

(2) Any payment made to an employee under sub-regulation (1) shall be subject to adjustment of his pay and allowances which shall be made according to the circumstances of the case and in the light of the decision as to whether such period is to be accounted for as a period of duty or leave;

Provided that full pay and allowances will be admissible only if the employee —

(*a*) is treated as on duty during such period; and

(*b*) is acquitted of all blame or satisfies the competent authority, in the case of his release from detention being set aside by a competent court, that he had not been guilty of improper conduct in his detention.

(3) An employee shall be liable to dismissal or to any of the other penalties referred to in Regulation 79 if he is committed to prison for debt or is convicted for an offence which, in the opinion of the competent authority, either involves gross moral turpitude

or has a bearing on any of the affairs of the Board or on the discharge by the employee of his / her duties with the Board; the opinion in this respect of the competent authority shall be conclusive and binding on the employee. Such dismissal or other penalty may be imposed as from the date of his committal to prison or conviction and nothing in Regulation 80 and 82 shall apply to such imposition.

(4) Where an employee has been dismissed in pursuance of sub-regulation (3) and the relative conviction is set aside by a higher court and the employee is acquitted, he shall be reinstated in service.

Explanation.—In this Regulation, committal or conviction shall mean committal or conviction by the lowest court or any appellate court.

(5) Where the absence of an employee from duty without leave or his overstayal is due to his having been arrested for debt or on a criminal charge or to his having been detained in pursuance of any process of law, the provisions of Regulation 60 shall also apply and for the purposes of that Regulation as so applied, the employee shall be treated as having absented himself without leave or, as the case may be, overstayed, otherwise than under circumstances beyond his control.

Vindication of Acts and character of employee

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

(2) Nothing in this regulation shall be deemed to prohibit an employee from vindicating his private character or any act done by him in private capacity and where any action for vindicating his private character or any act done by him in private capacity is taken, the employee shall submit a report to the competent authority regarding such action.

Not to address appeals, representations, petitions to outside authority or person

76. No employee shall address any appeal, representation or petition to any outside authority or person in respect of a matter pertaining to the employees service in the Board. Addressing such appeals, representations or petitions shall be deemed a breach of discipline.

Criticism of Board or Government

77. No employee shall, in any radio broadcast, telecast through any electronic media or any document published in his own name or anonymously, pseudonymously or in the name of any other person or in any communication to the press or in any public utterance, make any statement of fact or opinion which has the effect of an adverse criticism of any current or recent policy or action of the Board or Government.

Provided that nothing in this regulation shall apply to any statements made or views expressed by an employee in his official capacity or in the due performance of the duties assigned to him.

Not to misuse residential accommodation or other facilities

78. (1) An employee shall not misuse the residential accommodation or any other facility or concession granted by the Board.

(2) Save as otherwise expressly permitted by the Board, no employee shall, sub-let, lease or otherwise allow occupation by any other person of Board's residential

accommodation which has been allotted to him.

(3) An employee shall, after the determination / cancellation of his allotment of residential accommodation vacate the same within the time limit specified by the allotting authority.

[49][**Prohibition of Sexual Harassment of Women Employee at Work Place**

78A. (1) No employee shall indulge in, any act of sexual harassment of any women employee at the work place.

(2) For the purpose of sub-regulation (1), sexual harassment shall mean unwelcome sexually determined behaviour, whether directly or by implication, including:—

(*a*) physical contact and advances;

(*b*) a demand or request for sexual favours;

(*c*) sexually coloured remarks:

(*d*) showing pornography; or

(*e*) any other unwelcome 'physical, 'verbal, or non-verbal conduct of a sexual nature,

(3) Any complaint of violation of sub-regulation (1) shall be dealt by the Complaints Committee set up by the Board, which shall

(*i*) be chaired by a workman;

(*ii*) consist of at least one outsider who is familiar with the issue of sexual harassment; and

(*iii*) be composed in such a manner that at least one half of its members are women.

(4) The Complaints Committee may evolve its own procedure for dealing with complaints received by it.

(5) Without prejudice to the provisions contained in sub-regulation (4), where the Complaints Committee is of the opinion that the complaint is motivated or frivolous, it may close the complaint under intimation to the complainant and the Board.

(6) When the Complaints Committee is of the opinion that there are grounds for inquiring into the truth of any such complaint, it shall initiate an inquiry into the truth thereof, after recording the reasons therefor.

(7) Any inquiry initiated by the Complaints Committee under sub-regulation (6) pursuant to any such complaint shall be deemed to be an inquiry within the meaning of regulation 80 and accordingly.

(*i*) the Complaints Committee shall be deemed to be an inquiry officer appointed with respect to such complaint and shall have all the powers, functions and duties of an inquiry officer as provided in that regulation;

(*ii*) the proceedings shall be held, as far as may be, in accordance with that regulation, subject to the following modifications, namely:—

(*a*) that the charges shall be framed and communicated to the employee by the Complaints Committee (instead of the competent authority) under sub-regulation (3) thereof; and

(*c*) the written statement of defence of the employee shall be sent to the Complaints Committee (instead of to the competent authority).

(*iii*) the findings of the Complaints Committee shall be in the form of a report, which complies with the requirements of sub-regulation (21) of regulation 80

[49] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2007, w.e.f. 11-4-2007.

IndiaCode

and such report shall be deemed to be an inquiry report for the purposes of these regulations:

(8) Nothing contained in this regulation shall be construed to prejudice the powers of the Complaints Committee to provide counseling or other support service.]

Penalties

79. Without prejudice to the other provisions of these Regulations, an employee who commits a breach of any regulation of the Board or who displays negligence, inefficiency or indolence, or who knowingly does anything detrimental to the interests of the Board or in conflict with its instructions, or who commits a breach of discipline or is guilty of any other act of misconduct, shall be liable to the following penalties:

Minor penalties

(1) (*a*) Censure;

(*b*) Withholding of promotion;

(*c*) Recovery from pay of the whole or part of any pecuniary loss caused to the Board by the employee by negligence or breach of orders;

(*d*) Reduction to a lower stage in the time scale of pay for a period not exceeding three years without cumulative effect ;

(*e*) Withholding of increments of pay;

Major penalties

(2)(*a*) Save as provided for in clause (d) of Sub-regulation (1), reduction to a lower stage in the time scale of pay for a specified period with further directions as to whether or not the employee shall earn increments of pay during the period of such reduction and whether on the expiry of such period, the reduction shall or shall not have the effect of postponing the future increments of his pay.

(*b*) Reduction to a lower time scale of pay, grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post or service from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post or service from which theemployee was reduced and (c) his seniority and pay on such restoration to that scale of pay, grade, post or service.

(*c*) Compulsory retirement ;

(*d*) Removal from service which shall not be a disqualification for future employment ;

(*e*) Dismissal from service which shall ordinarily be a disqualification for future employment.

Explanation : The following shall not amount to a penalty within the meaning of this regulation namely :—

(*i*) Withholding of one or more increments of an employee on account of his failure to pass a specified departmental test or examination in accordance with the terms of appointment to the post which he holds.

(*ii*) Stoppage of pay of an employee at the efficiency bar in a time scale, on the ground of his unfitness to cross the bar ;

(*iii*) Non-promotion whether in an officiating capacity or otherwise, of an employee, to a higher grade or post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case ;

(*iv*) Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered, after trial, to be unsuitable for such

higher grade or post, or on administrative grounds unconnected with his conduct ;

(*v*) Reversion to his previous grade or post, of an employee appointed on probation to another grade or post, during or at the end of the period of probation, in accordance with the terms of his appointment or regulations or orders governing such probation ;

(*vi*) Termination of the service :—

(*a*) of an employee appointed on probation, during or at the end of the period of probation, in accordance with the terms of his appointment, or the regulations or orders governing such probation ;

(*b*) of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment;

(*c*) of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement ; and

(*d*) of an employee on abolition of post.

(*vii*) Termination of employment of an employee on medical grounds, if he is declared unfit to continue in the Board's service by the Board's Medical Officer;

(*viii*) Retirement of an employee in accordance with the proviso to Regulation 13(1).

IndiaCode

Procedure for imposing major penalties

80. (1) No order imposing any of the major penalties specified in regulation 79 (2) shall be made except after an inquiry is held in accordance with this regulation.

(2) Whenever, the Competent Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an employee, it may itself inquire into or appoint any other officer [50][or any person not below the rank of retired District Judge, retired High Court Judge, retired Joint Secretary to the Government of India, retired Secretary to any State Government or retired Executive Director of any Financial Institution/Nationalised Bank/Reserve Bank of India] (hereinafter referred to as the inquiry officer) to inquiry into the truth thereof.

Explanation : A breach of any of the provisions of these regulations shall be deemed to constitute a misconduct.

The enquiry under this regulation, shall be done, in case the employee against whom proceeding is taken is an officer, by any officer who is in a grade higher than such employee and in the case of other employees any officer.

Explanation : When the Competent Authority itself holds the inquiry any reference in sub- regulation (8) to sub-regulation (21) to the inquiry Officer shall be construed as a reference to Competent Authority

(3) Where it is proposed to hold an inquiry, the Competent Authority shall frame definite and distinct charges on the basis of the allegation against the employee and the articles of charge, together with a statement of the allegations, on which they are based, shall be communicated in writing to the employee, who shall be required to submit within such time as may be specified by the Competent Authority (not exceeding 15 days), or within such extended time as may be granted by the said Authority, a written statement of his defence.

(4) On receipt of the written statement of the employee, or if no such statement is received within the time specified, an inquiry may be held by the Competent

[50] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2004, w.e.f. 24-5-2004.

Authority itself, or if it considers in necessary so to do appoint under sub-regulation (2) an Inquiry Officer for the purpose.

Provided that it may not be necessary to hold an inquiry in respect of the articles of charge admitted by the employee in his written statement but shall be necessary to record its findings on each such charge.

(5) The Competent Authority shall, where it is not the Inquiry Officer, forward to the Inquiry Officer;

(*i*) a copy of the articles of charges and statements of imputations of misconduct or misbehaviour;

(*ii*) a copy of the written statement of defence, if any submitted by the employee;

(*iii*) a list of documents by which and list of witnesses by whom the articles of charge are proposed to be substantiated;

(*iv*) a copy of statements of the witnesses, if any;

(*v*) evidence providing the delivery of articles of charge under sub-regulation (3);

(*vi*) a copy of the order appointing the 'Presenting Officer' it terms of sub-regulation (6).

(6) Where the Competent Authority itself inquires or appoints an inquiring authority for holding an inquiry, it may, by an order, appoint an officer to be known as the "Presenting Officer" to present on its behalf the case in support of the articles of charge.

(7) The employee may take the assistance of any other employee but may not engage a legal practitioner, for the purpose, unless the presenting officer appointed by the Competent Authority, is a legal practitioner or Competent Authority having regard to the circumstances of the case, so permits.

(8)(*a*) The Inquiry Officer shall by notice in writing specify the day on which the employee shall appear in person before the Inquiry Officer.

(*b*) On the date fixed by the Inquiry Officer, the employee shall appear before the Inquiry Officer at the time, place and date specified in the notice.

(*c*) The Inquiry Officer shall ask the employee whether he pleads guilty or as any defence to make and if he pleads guilty to any of the Articles of charge, the Inquiry Officer shall record the plea, sign the record and obtain the signature of the employee concerned thereon.

(*d*) The Inquiry Officer shall return a finding of guilty in respect of those articles of charge to which the employee concerned pleads guilty.

(9) If the employee does not plead guilty, the Inquiry Officer shall adjourn the case to a later date not exceeding 30 days.

(10) (*a*) The Inquiry Officer shall, where the employee does not admit all or any of the articles of charge, furnish to such employee a list of documents by which, and a list of witness by whom, the articles of charge are proposed to be proved.

(*b*) The Inquiry Officer shall also record an order that the employee may for the purpose of preparing his defence.

(*i*) inspect within five days of the order or within such further time not exceeding five days as the inquiring officer may allow, the documents listed;

(*ii*) submit a list of documents and witness that he want for the inquiry;

(*iii*) be supplied with copies of statements or witnesses to be relied upon, if any, recorded earlier and the Inquiry Officer shall furnish such copies not later than three days before the commencement of the examination of the witnesses by the Inquiry Officer;

(*iv*) give a notice within ten days of the order or within such further time not

exceeding ten days as the inquiring officer may allow for the discovery or production of the documents referred to in item (ii).

Note : The relevancy of the documents and the examination of the witnesses referred to in sub-clause (ii) shall be given by the employee concerned.

(11) The inquiry officer shall, on receipt of the notice for the discovery or production of the documents, forward the same or copies thereof to the authority in whose custody or possession the documents are kept with a requisition for the production of the documents on such date as may be specified.

(12) On the receipt of the requisition under sub regulation (11), the authority having the custody or possession of the requisitioned documents shall arrange to produce the same before the Inquiry Officer on the date, place and time specified in the requisition;

Provided that the authority having the custody or possession of the requisitioned documents may claim privilege if the production of such documents will be against the public interest or the interest of the Board. In that event, it shall inform the Inquiry Officer accordingly.

(13) On the date fixed for the inquiry, the oral or documentary evidence by which the articles of charge are proposed to be proved shall be produced by or on behalf of the Competent Authority.

The witnesses produced by the Presenting Officer shall be examined by the Presenting Officer and may be cross-examined by or on behalf of the employee.

The Presenting Officer shall be entitled to re-examine his witnesses on any points on which they have been cross – examined, but not on a new matter, without the leave of the inquiry officer.

The inquiry officer may also put such questions to the witnesses.

(14) Before the close of the case, in support of the charges, the Inquiry Officer may, in its discretion, allow the Presenting Officer to produce evidence not included in chargesheet or may itself call for new evidence or recall or re-examine any witness. In such case the employee shall be given opportunity to inspect the documentary evidence before it is taken on record, or to cross-examine a witness, who has been so summoned. The Inquiry Officer may also allow the employee to produce new evidence, if it is of opinion that the production of such evidence is necessary in the interests of justice.

(15) When the case in support of the charges is closed, the employee may be required to state his defence, orally or in writing, as he may prefer. If the defence is made orally, it shall be recorded and the employee shall be required to sign the record. In either case a copy of the statement of defence shall be given to the Presenting officer, if any, appointed.

(16) The evidence on behalf of the employee shall then be produced. The employee may examine himself in his own behalf, if he so prefers. The witnesses produced by the employee shall then be examined by the employee and may be cross-examined by the Presenting Officer. The employee shall be entitled to re-examine any of his witnesses on any points on which they have been cross-examined, but not on any new matter without the leave of the Inquiry Officer.

(17) The inquiry officer may, after the officer employee closes his evidence, and shall, if the officer employee has not got himself examined, generally question him on the circumstances appearing against him in the evidence for the purpose of enabling the employee to explain any circumstances appearing in the evidence against him.

(18) After the completion of the production of the evidence, the employee and the Presenting Officer may file written briefs of their respective cases within 15 days of the date of completion of the production of evidence.

(19) If the employee does not submit the written statement of defence referred to in sub-regulation (3) on or before the date specified for the purpose or does not appear in person, or through the assisting officer or otherwise fails or refuses to comply with any of the provisions of these regulations, the Inquiry Officer may hold the inquiry ex-parte.

(20) Whenever any Inquiry Officer, after having heard and recorded the whole or any part of the evidence in an inquiry ceases to exercise jurisdiction therein, and is succeeded by another Inquiry Officer which has, and which exercises, such jurisdiction, the Inquiry Officer so succeeding may act on the evidence so recorded by its predecessor, or partly recorded by its predecessor and partly recorded by itself:

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

(21) (*i*) On the conclusion of the inquiry the Inquiry Officer shall prepare a report which shall contain the following :

(*a*) a gist of the articles of charge and the statement of the imputations of misconduct or misbehaviour;

(*b*) a gist of the defence of the employee in respect of each article of charge;

(*c*) an assessment of the evidence in respect of each article of charge;

(*d*) the findings on each article of charge and the reasons therefor

Explanation : If, in the opinion of the Inquiry Officer the proceedings of the inquiry establish any article of charge different from the original article of charge, it may record its findings on such article of charge.

Provided that the findings on such article of charge shall be recorded unless the employee has either admitted the facts on which such article of charge is based or has had a reasonable opportunity of defending himself against such article of charge.

(*ii*) The Inquiry Officer, where it is not itself the Competent Authority, shall forward to the Competent Authority the records of inquiry which shall include—

(*a*) the report of the inquiry prepared by it under clause (*i*);

(*b*) the written statement of defence, if any, submitted by the employee referred to in sub regulation (15);

(*c*) the oral and documentary evidence produced in the course of the inquiry;

(*d*) written briefs referred to in sub-regulation (18), if any, and

(*e*) the orders, if any, made by the Competent Authority and the Inquiry Officer in regard to the inquiry.

Action on the inquiry report

81. (1) The Competent Authority, if it is not itself the Inquiry Officer, may, for reasons to be recorded by it in writing, remit the case to the inquiry for fresh or further inquiry and report and the Inquiry Officer shall thereupon proceed to hold the further inquiry according to the provisions of regulation 80 as far as may be.

(2) The Competent Authority, shall, if it disagrees with the findings of the Inquiry Officer on any article of charge, record its reasons for such disagreement and record its own findings on such charge, if the evidence on record is sufficient for the purpose.

(3) If the Competent Authority, having regard to the findings on all or any of the articles of charge, is of the opinion that any of the penalties specified in regulation 79

should be imposed on the employee it shall notwithstanding anything contained in regulation 82, make an order imposing such penalty.

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

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Procedure for imposing minor penalties

82. (1) Where it is proposed to impose any of the minor penalties specified in clauses (a) to (e) of regulation 79(1), the employee concerned shall be informed in writing of the imputations of lapses against him and given an opportunity to submit his written statement of defence within a specified period not exceeding 15 days or such extended period as may be granted by the Competent Authority and the defence statement, if any, submitted by the employee shall be taken into consideration by the Competent Authority before passing orders.

(2) Where however, the Competent Authority is satisfied that an inquiry is necessary, it shall follow the procedure for imposing a major penalty as laid down in regulation 80.

(3) The record of the proceedings in such cases shall include:

(*a*) A copy of the statement of imputations of lapses furnished to the employee;

(*b*) The defence statement, if any, of the employee; and

(*c*) The orders of the Competent Authority together with the reasons therefor.

Communication of orders

83. Orders made by the Competent Authority under regulation 81 or regulation 82 shall be communicated to the employee concerned, who shall also be supplied with a copy of the report of inquiry, if any.

IndiaCode

Common Proceedings

84. Where two or more employees are concerned in a case, the Competent Authority may make an order directing that the disciplinary proceedings against all of them may be taken in a common proceedings.

Special procedure in certain cases

85. Notwithstanding anything contained in Regulation 80 or Regulation 81 or Regulation 82, the Competent Authority may impose any of the penalties specified in Regulation 79 if the facts on the basis of which action is to be taken have been established in a Court of Law or Court Martial or where the employee has absconded or where it is for any other reason impracticable to communicate with him or where there are other difficulties in observing the requirements contained in Regulation 80, 81 and 82 and the requirements can be waived without injustice to the employee. In every case where all or any of the requirements of Regulation 80, 81 and 82 are waived, the reasons for so doing shall be recorded in writing.

Suspension

86. (1) An employee may be placed under suspension by the competent authority :—

(*a*) Where a disciplinary proceeding against him is contemplated or is pending ; or

(*b*) Where a case against him in respect of any criminal offence is under investigation, inquiry or trial.

(2) An employee 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, for a period exceeding 48 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 and is forthwith not dismissed or removed or compulsorily retired consequent to such conviction.

Explanation : The period of 48 hours referred to in clause (b) of this sub-regulation shall be computed from the commencement of the imprisonment after the conviction and for that purpose, intermittent periods of imprisonment, if any, shall be taken into account.

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

(4) Where a penalty of dismissal or removal or compulsory retirement from service imposed upon an employee is a set aside or declared or rendered void in consequence of or by a decision of a Court of Law and the Competent Authority, on a consideration of a circumstances of the case, decides to hold a further enquiry against him on the allegations on which a penalty of dismissal, removal or compulsory retirement was originally imposed, the employee shall be deemed to have been placed under suspension by the Competent Authority from the date of the original order of dismissal, removal or compulsory retirement and shall continue to remain under suspension until further orders.

Indian Code

Provided that no such further enquiry 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.

(5) An order of suspension made or deemed to have been made under this regulation may at any time be modified or revoked by the Competent Authority which made or is deemed to have made the order.

Subsistence allowance

(6) During such suspension, he shall receive subsistence allowance equal to (i) his substantive pay plus fifty percent of allowances thereon, for the first six months of suspension; and (ii) his substantive pay plus seventy-five per cent of allowances thereon for the period of suspension beyond six months.

Provided that the enhanced rate of subsistence allowance specified under sub-clause (ii) shall be admissible only if the enquiry is not delayed for reasons attributable to the concerned employee or any of his representatives.

Provided further that if no penalty under Regulation 79 is imposed, the employee shall be refunded the difference between the subsistence allowance and the emoluments which he would have received but for such suspension, for the period he was under suspension, and that, if a penalty is imposed on him under Regulation 79, no order shall be passed which shall have the effect of compelling him to refund such subsistence allowance. The period during which an employee is under suspension shall, if he is not dismissed or removed or compulsorily retired from service, be treated as period spent on duty or leave as the Competent Authority who passes the final order may direct.

Vigilance cases

87. Notwithstanding anything contained in Regulations 79 to 86 or any other Regulation, the following additional provisions shall apply where it is alleged that an employee has been guilty of corrupt practices, namely:

(1) Where it is alleged that an employee is possessed of disproportionate assets or that he has committed an act of criminal misconduct or where the investigation and proof of the allegation would require the evidence of persons, who are not employees of the Board or where, in the opinion of the competent authority, the investigation into the allegations may with the approval of the Chairman, be entrusted to the Central Bureau of Investigation or the Central Vigilance Commission or any other such agency as may be approved by the Chairman.

(2) If after considering the report of the investigation, the competent authority is satisfied that there is a prima facie case for instituting disciplinary proceedings against the employee, it may send the investigation report to the Central Vigilance Commission or such other authority as may be decided by the Chairman from time to time in this behalf, for its advice whether disciplinary proceedings should be taken against the employee concerned;

(3) If after considering the advice of the Central Vigilance Commission or other authority, as the case may be, the competent authority is of the opinion that disciplinary proceedings should be instituted against the employee concerned, then notwithstanding the provisions of Regulation 80(2), the enquiry under this Regulation may be entrusted to a Commissioner for Departmental Enquiries or other person who may be nominated by the Central Vigilance Commission for this purpose.

(4) The Inquiry Officer shall submit his report to the competent authority and the report shall be forwarded by the Chairman to the Central Vigilance Commission for its advice as to whether the charge or charges as the case may be, can be considered to have been established and the penalty or penalties to be imposed under Regulation 79 hereof. The penalty or penalties to be imposed shall be decided by the competent authority after considering the advice of the Central Vigilance Commission.

Explanation : An employee shall be deemed to be guilty of corrupt practices if he has committed an act of criminal misconduct as defined in Section 13 of the Prevention of Corruption Act, 1988 or he has acted for an inproper purpose or in a corrupt manner or had exercised or refrained from exercising his powers with an improper or corrupt motive.

Appeal

88. (1) An employee may appeal against an order imposing upon him any of the penalties specified in Regulation 79 or order of suspension under Regulation 86. The appeal shall lie to the Appellate Authority.

Note : For the purpose of this regulation "Appellate Authority" means the Board, in case the Chairman is the competent authority; Chairman or whole- time member of the Board, in case the Executive Director is the competent authority and Executive Director concerned in all other cases.

(2) Every appeal shall comply with the following requirements:

(*a*) it shall be written in Hindi or English or if not written in Hindi be accompanied by a translated copy in Hindi and shall be signed.

(*b*) it shall be couched in polite and respectful language and shall be free from unnecessary padding or superfluous verbiage.

(*c*) it shall contain all material statements and arguments relied on and shall be complete in itself.

(*d*) it shall specify the relief desired.

(3) An appeal shall be preferred to the appellate authority within 45 days from the date of receipt of the order appealed against. The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders. The Appellate Authority may pass an order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the authority which imposed the penalty or to any other authority with such direction as it may deem fit in the circumstances of the case

Provided that—

(*i*) if the enhanced penalty which the Appellate Authority proposed to impose is a major penalty specified in Regulation 79 (2) and an inquiry as provided in regulation 80 has not already been held in the case, the Appellate Authority shall direct that such an inquiry be held in accordance with the provisions of regulation 80 and thereafter consider the record of the inquiry and pass such orders as it may deem proper.

(*ii*) if the Appellate Authority decides to enhance the punishment but an inquiry has already been held as provided in regulation 80, the Appellate Authority shall give a show cause notice to the employee as to why the enhanced penalty should not be imposed upon him and shall pass final order after taking into account the representation, if any, submitted by the employee.

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CHAPTER VII

MISCELLANEOUS

Medical aid facilities

89. (1) Medical aid and facilities shall be provided by the Board for its employees and such of their dependents in accordance with such guidelines as may be approved by the Board from time to time. The said guidelines, may, 'inter alia', provide for illness, injuries arising out of accidents, hospitalisation and domicile treatment.

(2) Without prejudice to sub-regulation (1) the Board may take a comprehensive health insurance policy covering all its employees and their dependants, on such terms and conditions, as it may determine.

Travelling and halting allowances

90. Travelling and halting allowances shall be paid to the employees according to such rates and on such terms and conditions as may be approved by the Board from time to time.

Deputation of employees to join military service

91. The terms and conditions subject to which an employee may be [51][deputed to the] military service shall be determined by the Board.

[52][**Deputation and External Assignment**

92. An employee of the Board may be sent on deputation or on external assignment to serve under any other employer:

Provided that such deputation or external assignment shall be pursuant to the approval of the Board and shall be in accordance with such terms and conditions as may be specified by the Board from time to time:

Provided further that an employee shall not be sent on deputation or on external assignment against his will.]

Gratuity

93. (1) Every employee, shall be eligible for gratuity on :- (*a*)

retirement ;

(*b*) death ;

(*c*) disablement rendering him unfit for further service as certified by Board's Medical Officer ;

(*d*) resignation after completing five years of continuous service ; or

(*e*) termination of service in any other way (except by way of punishment) after completion of five years of service.

[53][(2) The amount of gratuity payable shall be determined by the Board from time to time.

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51 Substituted for the words "permitted to join" by the SEBI (Employees' Service) (Second Amendment) Regulations, 2018, w.e.f. 1.6.2018.

[52] Substituted ibid. Prior to the substitution, regulation 92 read as follows:

"Deputation of employees to other services

92. *(1) Without prejudice to the provisions of Regulation 91, no employee of the Board may be deputed to serve under any other employer without the approval of the Chairman who shall determine the duration of such deputation and the terms and conditions on which the deputation shall take effect ;*

Provided that no employee may be deputed to foreign service against his will.

(2) Where the services of an employee of the Board are placed (2) at the disposal of a foreign employer, it shall be a condition of the deputation that the foreign employer shall, during the periods of such deputation, bear the entire cost of the services of the employee including the following, viz.,

(a) Pay during joining time,

(b) Travelling allowances payable to the employee to enable him to join his appointment under a foreign employer and to return to his appointment in the Board on the termination of his deputation,

(c) Leave earned during the period of deputation,

(d) The employee's contributions to the employee's account in the Board's Provident Fund, and

(e) If the employee is entitled to pension under the Board, an amount, as may be determined by the Chairman, sufficient to cover the Board's liability towards the pension for the period the employee is on deputation.

In addition, the foreign employer may also be required to make a contribution towards any gratuity or other sum for which the employee may become eligible on his retirement, on such scale as may be fixed by the Chairman."

(2A) An employee who has not completed a minimum period of ten years of continuous service in the Board, the gratuity shall be paid as per the provisions of the Payment of Gratuity Act, 1972 (39 of 1972), as amended from time to time :

Provided that where an employee has completed a minimum period of ten years of continuous service in the Board, the gratuity shall be paid as per the SEB1 (Payment of Gratuity to Employees) Rules, 2003:

Provided further that the gratuity amount payable to an employee shall not be less than the amount payable under the Payment of Gratuity Act, 1972.]

[54][(3) Without prejudice to the sub-regulations (1), (2) and (2A), the Board may create a gratuity trust.]

[55][Subscription to the SEBI Provident Fund or the SEBI New Pension Scheme

94. (1) Unless otherwise specified in these regulations, every employee shall become a member of the SEBI Employee's Provident Fund and shall agree to be bound by the Rules of the Fund.

(2) Notwithstanding anything contained in sub-regulation (1), every whole time employee joining the services of the Board, on and from such date, as may be specified, shall only become a member of the SEBI New Pension Scheme and shall agree to be bound by the Rules of the Scheme.

(3) Every whole time employee of the Board who is a member of the SEBI Employee's Provident Fund, prior to such date as may be specified, shall be given an option to remain a member of the SEBI Employee's Provident Fund or to become a member of the SEBI New Pension Scheme, in such manner as may be specified.]

Obligation to subscribe to the insurance scheme or fund instituted by the Board

95. It shall be incumbent on every employee bound by these Regulations to subscribe to any insurance scheme or fund that may be instituted by the Board for the benefit of its employees and their families and to be bound by the rules of the said scheme or fund;

Provided that nothing contained in this Regulation shall serve to curtail any superannuation benefits which may otherwise be admissible to an employee;

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[53] Substituted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.r.e.f. 28-3-2003. Prior to its substitution, sub-regulations (2) read as under:

"(2) The amount of gratuity payable shall be determined by the Board from time to time.

Provided that where an employee has completed more than 30 years of service in the Board, he shall be eligible by way of gratuity for an additional amount at the rate of one half of a month's pay for each completed year of service beyond 30 years.

Provided further that the gratuity amount payable to an employee shall not be less than the amount payable under the payment of Gratuity Act, 1972."

[54] Substituted SEBI (Employees' Service) (Amendment) Regulations, 2010, w.r.e.f. 28-3-2003. Prior to its substitution, sub-regulations (3) read as under: "(3) Without prejudice to the sub-regulations (1) and (2), the Board may create a gratuity trust."

[55] Substituted by SEBI (Employees' Service) (Amendment) Regulations, 2013, w.e.f. 23.12.2003. Prior to substitution, it read as :

"**Obligation to subscribe to the Provident Fund**

94. Unless otherwise directed by the Board or the Chairman, every employee shall become a member of the SEBI Employee's Provident Fund and shall agree to be bound by the Rules of the Fund."

Provided further that nothing contained in this Regulation shall require an employee to subscribe to the said scheme or fund if he is exempted from so doing under the rules of the said scheme or fund.

Declarations to be signed by the employee

96. Every employee to whom these Regulations apply, or who exercises his option to come under them shall subscribe to declarations in Forms A to C.

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SCHEDULE

{Refer Clause (*b*) [56][and clause (d)]of Sub Regulation (4) of Regulation (6)}

Name of the Post	**Mode of Recruitment & proportion of posts to be filled up through different modes**	**Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]**	**Length of service for Promotion**	**Qualification & Experience for Deputation**	**Composition of the selection Committee**
Executive Director	[58][(a) Promotion; (b) Deputation from Govt, RBI, Banks, Financial Institutions & Academic institutions; (c) On contract basis. 2/3rd of the total posts from	Not less than 40 years and not more than [59][55] years. MBA/MMS with specialisation in Finance / CA / CS /CFA / CWA / LLB / Post Graduation in Economics, Finance or any other discipline which in	Promotion of internal candidates from Grade F with minimum of 3 years service.	Deputation from Govt. (All India / Central Civil Service Group A), RBI, Banks, Financial Institutions, with not less than 20 years of experience	Chairman[60][,] [61][] two other members of the Board [62][and two external experts to be nominated by the Chairman] shall constitute the Selection

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[56] Inserted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.
[57] Inserted by the SEBI (Employees' Service) (Second Amendment) Regulations, 2017, w.e.f 17.5.2017
[58] Substituted ibid.
[59] Substituted by SEBI (Employees' Service) (Amendment) Regulations, 2003, w.e.f. 23.12.2003. Prior to substitution, it read as : "(50)"
[60] Symbol inserted by the SEBI (Employees' Service) (Second Amendment) Regulations, 2017, w.e.f 17.5.2017
[61] The word "and" omitted by the SEBI (Employees' Service) (Second Amendment) Regulations, 2017, w.e.f 17.5.2017
[62] Inserted ibid.

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
	internal candidates and the remaining 1/3rd to be filled up by deputation/ contract. In case of non-availability in any category i.e. internal and deputation/ contract, the post may be filled from other categories.]	the opinion of the Board is useful, from a recognised University /Institution with a minimum of 20 years of post qualification experience in dealing with problems relating to securities market or special knowledge / experience of law, investigation, Finance, Economics, Accountancy, Administration or any other discipline		in dealing with problems relating to securities market or special knowledge / experience of law, investigation, Finance, Economics, Accountancy, Administration or any other discipline considered useful to the Board.	Committee. [63][***] In case of deputation from Govt. or other organisations, terms and conditions of deputation to be finalized in consultation with the lending organisation.
Grade D, E	Deputation &	Upper age [64][45, 48 and 52] years for Grade D, E and F	Promotion of internal candidates	Candidate Must possess	Minimum three

[63] The words "The Recommendation of Selection Committee shall be placed before the Board before an appointment letter/deputation offer is made to the candidate." omitted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

[64] Substituted by SEBI (Employees' Service) (Amendment) Regulations, 2003, w.e.f. 23.12.2003. Prior to substitution, it read as : "(40, 43 and 47)"

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Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
& F investigation, finance,	Internal Promotion.	respectively. [65][Master's Degree in any discipline, Bachelor's Degree in Law, Bachelor's Degree in Engineering from a recognized university, CA, CFA, CS, CWA for officers in the General Stream. Bachelor's Degree in Law from a recognized University/Institute for officers in the Legal Stream.	from Grade C,D,E respectively with minimum of 3 years service . However, minimum 8 years Experience as an Officer is necessary for Considering the claim for promotion from Grade C to D.	not less than 11,14 & 17 years of experience for Grade D, E and F respectively in All-India / Central Civil Service as Group A officer or equivalent experience in RBI, Banks, Financial Institutions	members - two internal and one external. In case of deputation from Government or Other Organisations, terms and conditions of deputation to

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[65] Substituted by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018. Prior to the substitution, it read:
Masters Degree in Economics/ Commerce/Business Administration, Post Graduate Degree/ Post Graduate Diploma in Management with 55% marks in the aggregate, CA/CFA/CS/CWA for officers in General Stream.]

[65][Bachelors' degree in Law from a recognized University / Institute with minimum 55% marks or LLM for legal stream.]

[65][Masters degree in Statistics/ Economics/ Commerce/ Business Administration (Finance)/ Econometrics with minimum 55% marks for officers in Research Stream. Candidates with a Doctorate in topics related to above subjects shall be given preference. Research or teaching experience and publication in standard journals will be considered as an additional qualification.]

[[65]First class graduate in engineering (electrical/ electronics/ electronics and communication/ information technology/ computer science)/ Masters in Computers Application/ First class graduate in any discipline with post graduate qualification (minimum 2 years duration) in computers/ information technology for officers in Technical Stream (Information System).]

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
		Master's Degree in Statistics / Economics / Commerce / Business Administration (Finance) / Econometrics for officers in the Research Stream. Bachelor's Degree in Engineering (electrical/ electronics/ electronics and communication/ information technology/ computer science)/ Masters in Computers Application/ Bachelor's Degree in any discipline with a post graduate qualification (minimum 2 years duration) in computers/ information technology for officers in Technical		and academic Institutions. The experience shall be in dealing with the problems relating to securities market, special knowledge / experience of law, investigation, finance, Economics, Accountancy, Administration or any other discipline considered useful to the Board.	be finalised in consultation with the lending organisation.

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Name of the Post	**Mode of Recruitment & proportion of posts to be filled up through different modes**	**Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]**	**Length of service for Promotion**	**Qualification & Experience for Deputation**	**Composition of the selection Committee**
		Stream.]			
Grade A / B/ C	Direct Recruitment and Internal Promotion.	Upto [66][[67][30]/ 30/ 35] Years Qualification shall be as specified above for Grade 'D', 'E' and 'F'. [68][Minimum 4 years post Qualification experience for Grade C in the applicable field as an advocate or as an officer in reputed Institution	Promotion of internal candidates from Grade A and B respectively with minimum of 3 years service.	--	Minimum three members - two internal and one external.

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[66] SEBI (Employees' Service) (Amendment) Regulations, 2010, w.e.f. 17.02.2007. Prior to substitution, as inserted by SEBI (Employees' Service) (Amendment) Regulations, 2003, w.e.f. 23.12.2003.it read as : "(30/35/40)". Prior to substitution by SEBI (Employees' Service) (Amendment) Regulations, 2003, w.e.f. 23.12.2003, , it read as : "(27/ 30/ 35)"

[67] Substituted for "27" by the SEBI (Employees' Service) (Third Amendment) Regulations, 2018, w.e.f. 13.08.2018.

[68] Substituted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.e.f. 17.02.2007. Prior to substitution, it read as : "(Minimum 2 /5/8 years post qualification experience in the applicable field as an advocate or as an officer in reputed Institution preferably in the area of financial services, stock exchanges and other self regulatory organisations or any such similar experience.

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
		preferably in the area of financial services, stock exchanges and other self-regulatory organizations or any such similar experience.]			
Secretarial Staff	Direct Recruitment [69][only through written examination]	Upto 30 years Second class Bachelor's Degree from a recognized University and a Secretarial Diploma (having course duration of minimum six months) from a recognised Institute with good command over English language, minimum speed of 100 w.p.m. in shorthand and 40	--	--	[70][***]

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[69] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[70] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
		w.p.m. in typing. Three years as Secretaries in reputed Organisations. Should be wellversed in operation of Fax and Computers and must necessarily have experience of working with the latest packages i.e. Windows NT and Office 99.			
Accounts Assistant	Direct Recruitment [71][only through written examination]	Upto 30 years Bachelor's Degree in Commerce with 55% of marks. Minimum three	--	--	[72][***]

[71] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[72] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

IndiaCode

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
		years as counts assistant preferably in a Financial Institution.			
Library Assistant	Direct Recruitment [73][only through written examination].	Upto 30 years Graduate in any discipline, with Bachelor's Degree (minimum 55% in the aggregate) in Library Science. Minimum three years as Library Assistant preferably in a Financial Institution.	--	--	[74][***]
[75][Junior	Direct	Upto 28 years	-	-	[77][***]

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[73] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[74] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[75] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2010, w.e.f. 12.10.2010.

Name of the Post	**Mode of Recruitment & proportion of posts to be filled up through different modes**	**Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]**	**Length of service for Promotion**	**Qualification & Experience for Deputation**	**Composition of the selection Committee**
Secretarial Assistant	Recruitment [76][only through written examination]	Qualification shall be as specified above for Secretarial Staff			
Junior Accounts Assistant	Direct Recruitment [78][only through written examination]	Upto 28 years Qualification shall be as specified above for Accounts Assistant	-	-	[79][***]
Junior Library Assistant	Direct Recruitment [80][only through written examination]	Upto 28 years Qualification shall be as specified above for Library Assistant	-	-	[81][***]
[82][Junior Engineer	Direct Recruitment [83][only through written	Up to 28 years Diploma in any engineering stream as may be required by the Board from time to time	-	-	[84][***]

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[77] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[76] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[78] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[79] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[80] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[81] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[82] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2012, w.e.f. 02.05.2012.
[83] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[84] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
	examination]				
[85] [Omitted	Omitted	Omitted	--	--	Omitted
Messenger	Direct Recruitment	Upto 30 years VIII Standard	--	--	[86][***]
Cook	Direct Recruitment [87][only through written	Upto 30 years VIII Standard			[88][***]

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[85] Omitted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.e.f. 30.01.2008. Prior to omission, it read as following:

[Receptionist - cum – Telephone Operator	Direct Recruitment [85][only through written examination]	Upto 30 years Graduate in any discipline in pass class, Diploma in Front Office Management and Telephone Operator Course. Minimum 3 years as a Receptionist – cum – Telephone Operator in reputed Institutions, preferably in Financial Institution. Should be well versed in operation of EPABX System, telex / fax / Xerox machine etc.	--	--	Minimum three members - two internal and one external.]

[86] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

[87] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

[88] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

Name of the Post	Mode of Recruitment & proportion of posts to be filled up through different modes	Age, Qualification & Experience for Direct recruits[57][/Contract Recruits, wherever applicable]	Length of service for Promotion	Qualification & Experience for Deputation	Composition of the selection Committee
	examination]				
Driver	Direct Recruitment [89][only through written examination]	Upto 30 years VIII Standard	--	--	[90][***]
Messenger Cum - General Assistant	Direct Recruitment [91][only through written examination]	Upto 30 years VIII Standard	--	--	[92][***]

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1. General / Relaxation :

a) In the event of non-availability of adequate number of candidates for interview, the minimum eligible service of three years for promotion to the next higher grade or post may be relaxed by the competent authority upto a period not exceeding six months.
b) The crucial date for determining the upper age limit specified in the schedule shall be the date indicated in the advertisement.
c) The upper age limit may be relaxed by the Competent Authority upto a maximum of three years for the reasons to be recorded in writing, if in the opinion of the Competent Authority sufficient

[89] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[90] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[91] Inserted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.
[92] Words and symbols "Minimum three members – two internal and one external." omitted by SEBI (Employees' Service) (Second Amendment) Regulations, 2016, w.e.f. 15-12-2016.

number of candidates with the prescribed age limit is not likely to be forthcoming and high academic and professional qualifications and experience of the candidates deserve consideration of such candidates.

d) [93][d)The Board may, after recording the reasons in writing, relax the minimum qualifications and experience required for various posts.]

2. Reservations:

a) Reservation, relaxation of age limit and other concessions required to be provided for candidates belonging to the Scheduled Caste, Scheduled Tribes, other backward classes, Ex-Service men and other special categories of persons shall be as applicable in terms of orders/guidelines etc. issued by the Central Government from time to time.

b) In every selection committee constituted for the purpose of the recruitment, an officer of appropriate rank belonging to the Scheduled Caste or Scheduled Tribe may also be inducted as a member in case no member of selection committee belongs to Scheduled caste or Schedule Tribe.

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3. Advertisement of Vacancies:

Vacancies in the Board to be filled by direct recruitment [94][, not being campus recruitment] shall be notified in the following manner:

a) In relation to direct recruitment of posts except as specified in clause (b) below, it shall be notified by advertisement in atleast three leading daily national news papers, with a view to cover the maximum area of the country.

b) In relation to such posts to which the law relating to employment exchanges is applicable, by notifying the concerned employment exchange with a request to nominate five candidates against each vacancy. In case, the candidates nominated by the employment exchange fail to satisfy the requirement of selection, the vacancies shall be filled subject to the provisions of the law applicable to such employment exchanges, by issuing advertisement as per Clause (a) above.

4. Medical Fitness and Verification of Antecedents on initial appointment in the Board:

a) A candidate, except in the case of appointments by deputation or by promotion, will be required to undergo medical tests as per prescribed standards to satisfy the appointing Authority of his medical fitness.

b) The antecedents of a candidate, except in the case of appointments by deputation or by promotion, will be verified as per the prescribed procedure and the said verification shall be completed during the period of probation.

[93] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.e.f. 10.11.2003.
[94] Inserted by SEBI (Employees' Service) (Amendment) Regulations, 2010, w.e.f. 17.02.2007.