



# Manual on Ethical Practices

(Approved by GB at its 79<sup>th</sup> meeting held on 25<sup>th</sup> July 2025 vide agenda item no 79.3.1)

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## Foreword

Since its inception, the Quality Council of India (QCI) has been deeply engaged in promoting quality among all its stakeholders through voluntary certification schemes, designing and delivering customised capacity-building programmes, developing strategies for implementation, and raising awareness among a diverse range of stakeholders about new developments in quality related to the international framework of accreditation, industry, healthcare, environment, education, and training.

The main objective of laying out this manual is to implement a well-defined and transparent risk management and risk mitigation mechanism. This mechanism will help in structuring the existing systems and procedures to minimise the leakage of resources and information, while also making systems and procedures more transparent and accountable in their dealings with stakeholders.

To accomplish this, it is of utmost importance that all QCI employees and the relevant stakeholders engage in the establishment of ethical machinery within QCI and its constituent boards. Furthermore, the integrity, probity, and uprightness of officials overseeing this system are indispensable factors in ensuring good governance and establishing ethical machinery in QCI.

I am pleased to see the Ethics Cell's initiative in publishing the second edition of the Manual on Ethical Practices. This manual aims to comprehensively cover all relevant issues and instructions related to the various schemes and activities undertaken by QCI and its boards. It also reflects the core of current practices in government and industry, designed to meet the requirements of an organisation like QCI.

**Place: New Delhi**

**SECRETARY GENERAL**

**Date: July 2025**

## QCI POLICY ON ETHICS

Quality Council of India (QCI) has consistently worked to enhance quality standards across all sectors by offering expert advice, developing certification schemes, implementing capacity-building programmes, and raising awareness about quality initiatives. This Ethics Manual highlights QCI's commitment to professionalism, transparency, promptness, and impartiality.

Through its constituent boards—NABET, NABH, NABCB, NBQP, NABL, and divisions like PPID, PADD, NDIE, and SPD—QCI integrates strong values and ethical principles into its operations and governance. The ethical framework encourages transparent and fair decision-making, ensuring effective and equitable service to stakeholders.

**CHIEF ETHICS OFFICERS (CEhO)**

# CHAPTER 1

## INTRODUCTION

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### Preamble

The Quality Council of India (QCI) is dedicated to upholding the highest standards of integrity and professionalism. This Ethics Manual serves as a foundational guide for all employees associated with the organisation, establishing a framework for ethical conduct, transparency, and accountability. It is designed to foster a culture of trust and excellence, ensuring that all our activities align with our core values and the expectations of our stakeholders. The reach of this manual is intentionally broad, applying to any person associated with QCI in any capacity—not only employees covered under the Service & Finance Manual, but also professionals, consultants, assessors, auditors, third-party staff and other external experts.

### 1. The Importance of Ethical Practices

- 1.1. The sustained growth of any organisation depends on the adherence of its employees to robust ethical practices. Embedding these practices into the organisational culture helps to eradicate malpractices and corruption, thereby enhancing productivity and building stakeholder confidence in our functions and functionaries.
- 1.2. This Ethics Manual acts as a vital tool for management to cultivate a healthy, prosperous, and productive organisation that is responsive to public and stakeholder needs. It also assists in identifying areas susceptible to complaints, malpractice, or the leakage of resources and information, and provides a framework for implementing preventive measures to strengthen our systems.

### 2. The Commitment to Ethical Conduct

- 2.1. Every QCI employee and professional, including those in our Boards and Divisions, is expected to observe the highest rules of conduct and discipline. These rules are obligatory, whether communicated in writing, verbally, or through any other official means. All personnel are required to maintain the utmost integrity, demonstrate unwavering devotion to duty, and conduct themselves in a manner that reflects QCI's established standards.
- 2.2. Employees and professionals shall act honestly in their official duties and conduct themselves in a manner that avoids any suspicion of dishonesty. It is imperative that everyone avoids engaging in any form of corruption, malpractice, or irregularity that could tarnish QCI's reputation.

### 3. Objective of the Manual

- 3.1. QCI is committed to implementing best practices that promote transparency and impartiality across all its policies and activities. This manual aims to:
  - 3.1.1. Outline the essential guidelines, organisational structure, and procedures for managing ethical mechanisms within QCI.
  - 3.1.2. Provide a framework for undertaking necessary preventive and punitive actions to uphold QCI's objectives.
  - 3.1.3. Introduce robust mechanisms to enhance the effectiveness of the current system.
  - 3.1.4. Establish a foundation for fostering a corruption-free environment throughout the organisation.

#### 4. Scope

- 4.1. This manual applies to all QCI employees, professionals and outsourced staff, as well as to QCI-accredited/empanelled agencies, associated experts, assessors, auditors, etc. It details the procedures, practices, and measures intended to enhance the ethical framework within QCI.
- 4.2. This manual will supersede the previous version of Manual on Ethical Practices approved by GB in its 45<sup>th</sup> meeting held on 3.3.2016.
- 4.3. This ethical manual should be recognised as the Vigilance Manual for QCI, with the Chief Ethics Officer (CEhO) acting as the Vigilance Officer.
- 4.4. Exemption: The provisions in this manual are subject to exemption where specific procedures are outlined in a standard or guidance document issued by international bodies of which QCI or its constituent Boards are members.

#### 5. Responsibility for Implementation

The Secretary General holds the responsibility for implementing the policies within this manual and will act through the Chief Ethics Officer (CEhO).

#### 6. Distribution, Amendment, and Revision

- 6.1. The Chief Ethics Officer (CEhO) is responsible for issuing this manual after it is approved by the Secretary-General. The manual will be published on the QCI website in a read-only format for the information and guidance of all QCI personnel, stakeholders, and the general public.
- 6.2. QCI reserves the right to update this manual as needed. When revised, the previous version will be archived and replaced with the new one, which will show the revision number, month, and year. The updated manual will take effect from the date it is approved by the QCI Governing Body and published online.

#### 7. Related Policies and Guiding Documents

- 7.1. QCI has established the following key documents to guide employees and professionals in performing their duties effectively and efficiently:
  - 7.1.1. Service & Finance Manual
  - 7.1.2. Policy on Prevention of Sexual Harassment of Women in the Workplace (ICC Policy)
  - 7.1.3. Any other instructions, circulars, or orders issued by the Competent Authority.
- 7.2. All QCI personnel are required to strictly follow these guidelines to ensure a transparent and ethical governance system.
- 7.3. **Order of Precedence**
  - 7.3.1. These documents are designed to be complementary. However, in the event of a specific conflict or ambiguity, the following order of precedence shall apply:
    - 7.3.1.1. **For Matters of sexual harassment:** The Policy on Prevention of Sexual Harassment (ICC Policy) is the sole and definitive authority. Its provisions supersede all other documents on this specific subject.
    - 7.3.1.2. **For Matters of Service and Finance:** The Service & Finance (S&F) Manual is the governing authority for all specific terms of employment, financial procedures, and related service conditions.
    - 7.3.1.3. **For All Other Matters of Ethical Conduct,** This Ethics Manual is the primary guiding document. It establishes the overarching ethical standards and rules of conduct. If any clause/provision in the Ethics manual is repugnant to the S&F manual, the S&F Manual shall take precedence.

## 8. Official Title and Commencement

- 8.1. These guidelines shall be officially known as the Quality Council of India (Code of Conduct and Discipline), 2025, and may be abbreviated as the "QCI Code of Conduct."
- 8.2. These provisions shall come into effect on the date specified by the Governing Body upon its approval.

## 9. Definitions

- 9.1. In these guidelines, unless the context otherwise requires:
  - 9.1.1. **Appellate Authority:** The authority designated to hear appeals. This is the Secretary-General, where the CEO/HOD is the Disciplinary Authority; the Chairperson, where the Secretary-General is the Disciplinary Authority; and the Governing Body, where the Chairperson is the Disciplinary Authority.
  - 9.1.2. **Boards:** The Constituent Boards of QCI.
  - 9.1.3. **Chief Ethics Officer (CEhO):** An Officer of QCI, not below the rank of Deputy Director, appointed by the Secretary-General to fulfil the responsibilities outlined in this Code of Conduct.
  - 9.1.4. **Competent Authority:** The authority empowered to make decisions. This is the Secretary-General for all employees up to the level of CEO, and the Chairperson of QCI for the Secretary-General.
  - 9.1.5. **Council (QCI):** The Quality Council of India, including all its constituent Boards, Divisions, Functions, Cells, Departments and Regional Centres.
  - 9.1.6. **Deputation:** Temporary assignment of a QCI employee to another organisation or an employee who has joined QCI from any other organisation, where the accrual and disbursement of remuneration, including pay, allowances, and perquisites, will be the responsibility of the borrowing organisation.
  - 9.1.7. **Disciplinary Authority:** The authority empowered to take disciplinary action. This is the CEO or HOD for personnel below their level; the Secretary-General for a CEO or HOD; and the Chairperson of QCI for the Secretary-General.
  - 9.1.8. **Duty:** Includes service as a reviewee; periods of authorised joining time or training; and periods of duly authorised leave.
  - 9.1.9. **Empanelled Service Provider:** Engaged by QCI, its Boards, Divisions or Functions for needs-based projects, who may be referred to as Assessors, Auditors, Consultants, Trainers, Faculty, or by other titles.
  - 9.1.10. **Employee:** Any individual holding a full-time or part-time position at QCI, including officers and staff in both technical and non-technical roles within the QCI Secretariat, Boards, Cells, Divisions, and Departments. For the purposes of this manual, 'Employee' shall refer to professionals and outsourced staff engaged by QCI.
  - 9.1.11. **Ethics Cell:** The cell established by QCI, led by the CEhO, and reporting to the Secretary-General.
  - 9.1.12. **External Assignment:** A temporary posting to another organisation (such as secondment or staff exchange) where QCI remains responsible for remuneration.
  - 9.1.13. **Finance & Accounts Department:** The department responsible for handling financial matters, reporting to the Secretary-General.
  - 9.1.14. **HR & Administration Department:** The department designated to manage human resources and administration, reporting to the Secretary-General.
  - 9.1.15. **Pay:** The amount received by an employee, which includes (i) approved compensation for a post, (ii) special and personal pay, and (iii) any other amount classified as pay by QCI.



- 9.1.16. **Vigilance and Ethical Angle:** Relates to any transaction where an employee is suspected of acting for an improper purpose, or any inquiry into complaints of corruption, gross negligence, misconduct, or other malpractices.
- 9.1.17. **Workplace:** The place, including Regional Centres, where an employee is assigned to work, including the premises of empanelled service providers.
- 9.1.18. **Financial Year:** A twelve-month period from April 1<sup>st</sup> to March 31<sup>st</sup> of the following year.
- 9.2. Words and expressions used but not defined herein shall have their generally accepted meanings. Any doubt regarding interpretation shall be referred to the Governing Body.
- 9.3. For the purposes of this Code, masculine terms (he, him, his) shall be interpreted to include the feminine terms (she, her, hers) where the context permits, and the singular shall encompass the plural.

## 10. Applicability

- 10.1. These provisions apply to:
- 10.1.1. Every employee appointed by QCI.
- 10.1.2. Employees of QCI, on deputation to other government organisations

***\*Procedure for Employees on Deputation:** In case of a complaint against an employee on deputation to QCI, a preliminary inquiry will be carried out to establish the facts. If the inquiry produces sufficient evidence to support the allegations, the official shall be repatriated to their parent organisation for further necessary action.*

## 11. Obligations and Duties of an Employee

- 11.1. Every employee shall:
- 11.1.1. **Uphold the Code:** Conform to and abide by this Code of Conduct and comply with all directions of the Council.
- 11.1.2. **Obey Directives:** Comply with all orders and directions given by any person under whose jurisdiction, superintendence, or control they are placed.
- 11.1.3. **Maintain Confidentiality:** Maintain the strictest secrecy regarding the Council's affairs. They must not divulge, directly or indirectly, any confidential information to any person unless compelled by law or instructed to do so by a superior officer in the discharge of their duties.
- 11.1.4. **Prevent Misuse of Information:** Safeguard all information obtained during their official duties and must not exploit it for personal gain or for the benefit of friends or relatives.
- 11.1.5. **Serve with Integrity:** Serve the Council honestly and faithfully, use their utmost endeavours to promote its interests, and show the greatest courtesy and attention in all dealings with the public and government officers.
- 11.1.6. **Maintain High Standards:** At all times, maintain absolute integrity, good conduct, and discipline; demonstrate devotion and diligence to duty; and refrain from any action unbecoming of a QCI professional.
- 11.1.7. **Ensure Timeliness:** In all official dealings, avoid dilatory tactics and willful delays in the disposal of assigned work.
- 11.1.8. **Uphold Team Integrity:** Take all possible steps to ensure the integrity and dedication to duty of all persons under their control and authority.
- 11.1.9. **Remain Apolitical:** Remain apolitical in their official capacity. They must not engage in political activities, participate in political demonstrations, or stand for election to any political or local body.

- 11.1.10. **Provide Accurate Information:** Ensure that all information provided regarding age, qualifications, previous service, or any other matter relevant to employment is true and accurate.
- 11.1.11. **Seek Approval for Publications:** Obtain prior approval from the Competent Authority before contributing to the press or making public any document, paper, or information that comes into their possession in an official capacity.
- 11.1.12. **Regulate Outside Employment:** Obtain the previous sanction of the Secretary-General before accepting, soliciting, or seeking any outside employment or office, whether stipendiary or honorary.
- 11.1.13. **Avoid External Influence:** Refrain from bringing or attempting to bring any political or other outside influence to bear upon any superior authority to further their personal interests in service matters.
- 11.1.14. **Manage Absences Properly:** Obtain prior permission from the appropriate authority before absenting themselves from duty. In case of sickness or accident, they must submit a required medical certificate, though this may be waived for temporary indisposition at the discretion of the competent authority.
- 11.1.15. **Decline Gifts:** Refrain from soliciting or accepting any gift. This includes ensuring that no family member or person acting on their behalf accepts any gift from anyone with whom the professional has or is likely to have official dealings.
- 11.1.16. **Avoid Personal Favours:** Refrain from using their official position to obtain any personal favour for themselves, family members, relatives, or friends.
- 11.1.17. **Comply with Laws:** Strictly comply with all laws in force in any area where they may be posted.
- 11.1.18. **Avoid Intoxication:** Exercise due care to ensure their duties are not affected by any form of intoxication.
- 11.1.19. **Prevent Sexual Harassment:** Commit no act of sexual harassment.
- 11.1.20. **Prohibit Corrupt Practices:** Refrain from any act of theft, fraud, misappropriation, damage to QCI property, or any other corrupt practice. This includes withholding information detrimental to QCI, deliberately delaying actions, or offering/accepting financial benefits in exchange for favours.
- 11.1.21. **Make Responsible Allegations:** Avoid making false or unsubstantiated allegations, anonymously or otherwise, that could damage the reputation of the organisation or its office bearers.
- 11.1.22. **Report Arrest or Detention:** Immediately notify the office in writing of any arrest or detention, including the circumstances, even if subsequently released on bail or acquitted.
- 11.1.23. **Follow Official Channels:** Address all appeals, representations, or petitions concerning service matters through the prescribed official channels only. Approaching any outside authority shall be regarded as a breach of discipline.
- 11.1.24. **Disclose Conflicts of Interest:** Disclose any prescribed conflict of interest to their superior while carrying out official responsibilities.

## CHAPTER 2

### CHIEF ETHICS OFFICER

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#### 1. Appointment and Tenure

- 1.1. The Secretary General shall appoint the Chief Ethics Officer (CEhO), subject to the approval of the Chairperson QCI.
- 1.2. The position of CEhO is a part-time role, assigned as an additional responsibility to a serving QCI employee at or above the rank of Deputy Director.
- 1.3. The initial tenure for the CEhO shall be three years, which may be extended further by the Secretary General.
- 1.4. The appointed employee must not be engaged in any work that could create a conflict of interest with the CEhO's duties.
- 1.5. The CEhO shall report directly to the Secretary General on all matters concerning ethics, complaints, and malpractices.

#### 2. Role and Responsibilities

- 2.1. The Chief Ethics Officer (CEhO) is responsible for independently, fairly, and objectively overseeing all matters related to ethics, complaints, and malpractices to maintain organisational probity and integrity. The CEhO will recommend preventive and disciplinary measures to ensure a corruption-free environment.
- 2.2. Key responsibilities include, but are not limited to:
  - 2.2.1. Strengthening ethical practices through all possible measures.
  - 2.2.2. Ensuring the continuous activation of the organisation's ethical mechanisms.
  - 2.2.3. Conducting periodic inspections of areas identified as susceptible to corruption.
  - 2.2.4. Expediting the completion of preliminary investigations and oral inquiries.
  - 2.2.5. Implementing necessary measures to eliminate or minimise corruption and malpractices.
  - 2.2.6. Fostering a culture of strong ethical practices among all personnel.
  - 2.2.7. Liaising with the designated Nodal Point to respond to queries and complaints forwarded by the Department for Promotion of Industry and Internal Trade (DPIIT).
  - 2.2.8. Reporting on the status of ethical matters to the Governing Body as required.

#### 3. Code of Conduct for the Chief Ethics Officer

- 3.1. To ensure the highest level of trust and effectiveness, the CEhO shall adhere to the following code of conduct:
  - 3.1.1. **Integrity and Objectivity:** Demonstrate unwavering dedication, absolute integrity, impartiality, and fairness in all functions and actions, conducting investigations free from personal prejudice or external influence.
  - 3.1.2. **Evidence Collection:** Act with complete objectivity when collecting and assessing all facts and evidence, both oral and documentary.
  - 3.1.3. **Preventive Measures:** Develop robust mechanisms and channels to conduct preventive checks in areas vulnerable to corruption.
  - 3.1.4. **Investigation Planning:** Verify the presence of an ethical angle before accepting a complaint for investigation. Once accepted, plan the investigation adequately and make a reasonable assessment of the required timeframe.

- 3.1.5. **Thoroughness:** Investigate each case thoroughly to establish a coherent picture of the facts, ensuring the authenticity of all information and its sources is verified.
- 3.1.6. **Timeliness and Fairness:** Complete all investigations within a defined and reasonable timeframe, concluding with a scrupulously fair and just report that accurately links all facts and evidence.
- 3.1.7. **Upholding Justice:** Maintain the highest standard of responsible official conduct, ensuring that no false case is created and that investigations are not concluded hastily.
- 3.1.8. **Confidentiality:** Strictly protect the confidentiality of information sources and the identity of complainants and maintain absolute confidentiality throughout the entire investigation process.

#### 4. Access to Documents and Records

- 4.1. To facilitate investigations, the CEhO is empowered by QCI to access, call for, or take custody of any document, record, or material relevant to a complaint or allegation.
- 4.2. All QCI Boards and Departments are mandated to cooperate fully with the Ethics Cell by:
  - 4.2.1. Providing timely access to all relevant records, documents, and information required for inquiries.
  - 4.2.2. Supplying all relevant schemes, projects, initiatives or any other work-related documents and manuals.
  - 4.2.3. Implementing approved suggestions for streamlining processes to enhance transparency and minimise the potential for corruption.

## CHAPTER 3

# COMPLAINTS, INVESTIGATIONS & DISPOSAL

### 1. Complaints and Misconduct

- 1.1. A breach of any obligation outlined in Clause 11.1 of Chapter 1 constitutes misconduct. Such action will subject the employee to disciplinary proceedings, which shall be initiated by the appropriate Disciplinary Authority in accordance with this Code
- 1.2. Without prejudice to provisions mentioned in Chapter 3 Clause 1.1 above, an employee shall be held to be liable for misconduct for the following:
  - 1.2.1. Gross negligence, recklessness, and dereliction of duty resulted in considerable loss to the Council.
  - 1.2.2. Causing deliberate financial and/or wrongful loss to the Council, including disparaging the Council's reputation.
  - 1.2.3. Engaging in corruption, misconduct, lack of integrity or other kinds of malpractices or misdemeanours (matters having Vigilance and Ethical Angle)

### 2. Categories of Complaints and Misconduct

- 2.1. All complaints and instances of potential misconduct are categorised to ensure they are handled through the appropriate procedures.
  - 2.1.1. **Misconduct Complaints:** Allegations that an employee or professional has breached the obligations and duties outlined in this Code of Conduct.
  - 2.1.2. **Vigilance and Ethical Complaints:** Allegations involving corruption, lack of integrity, abuse of official position, or actions causing wrongful loss to QCI. These are handled with the highest priority and scrutiny.
  - 2.1.3. **Sexual Harassment Complaints:** Any complaint falling under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. These are handled exclusively by the Internal Complaints Committee (ICC) as per its statutory mandate.
  - 2.1.4. **Grievances:** These are concerns raised by an employee or professional regarding the implementation of rules, regulations, and service conditions that do not constitute misconduct. These are addressed through the Grievance Redressal mechanism.
- 2.2. Within the Misconduct and Vigilance categories, a complaint or action will be classified as either Major or Minor based on the seriousness of the alleged offence and its potential impact on the organisation. This classification, determined by the Disciplinary Authority after a preliminary enquiry, guides the procedural route and the range of applicable penalties.

### 3. Receipt and Handling of Complaints

- 3.1. **Sources of Information:** Information regarding potential misconduct may be received from various sources, including complaints from the public, reports from the administrative Ministry, departmental inspections, audit reports, press reports, or internal complaints from colleagues.
- 3.2. **Anonymous and Pseudonymous Complaints:** Since these complaints can be malicious, they are usually filed without action. However, the Disciplinary Authority, after consulting with the Secretary-General, may decide to investigate if the complaint contains specific, verifiable details about a serious issue. If an investigation moves forward, the relevant official will be given an opportunity to respond to the allegations. In cases where a complainant reveals their identity but requests to remain anonymous, or

where a pseudonymous complaint provides a contact method, the Disciplinary Authority may conduct an initial verification. Before launching a formal investigation, the following steps will be taken:

- 3.2.1. The complaint will be examined to determine whether it pertains to conduct within the scope of the disciplinary framework.
- 3.2.2. Confirmation of the complainant's identity and contact details.

### 3.3. **Registration of Proceedings:**

- 3.3.1. All disciplinary proceedings shall be recorded in a register maintained by the HR & Administration Department.
- 3.3.2. The Chief Ethics Officer (CEhO) and the CEOs/Heads of Boards shall maintain separate registers for complaints and proceedings within their respective jurisdictions, with a specific emphasis on matters involving a Vigilance and Ethical Angle.

## 4. **Disciplinary Proceedings**

### 4.1. **Preliminary Inquiry**

- 4.1.1. Upon receipt of a complaint or information, the Disciplinary Authority shall conduct a preliminary inquiry (or designate an officer to do so) to ascertain the facts. For cases with a potential Vigilance and Ethical Angle, the CEhO shall conduct this inquiry.
- 4.1.2. The inquiry report shall be a self-contained document that evaluates the evidence and provides a recommendation. It will assess if the official's actions suggest:
  - 4.1.2.1 Malafide intent.
  - 4.1.2.2 Misconduct or misdemeanour.
  - 4.1.2.3 A lack of integrity.
  - 4.1.2.4 Acting beyond delegated powers.
  - 4.1.2.5 Gross or willful negligence.
  - 4.1.2.6 Recklessness causing undue loss to QCI or undue gain to another party.
  - 4.1.2.7 Flagrant violation of established systems and procedures.
  - 4.1.2.8 The report will conclude by classifying the complaint as per Clause 2 of this Chapter and recommending the next course of action.

### 4.2. **Decision after Preliminary Inquiry**

- 4.2.1. Based on the preliminary inquiry report, the Disciplinary Authority shall decide to:
  - 4.2.1.1 Close the case and file the complaint without further action.
  - 4.2.1.2 Issue a Show-Cause/Charge Sheet and:
  - 4.2.1.3 Initiate proceedings for imposing a Minor Penalty
  - 4.2.1.4 Initiate proceedings for imposing a Major Penalty
- 4.2.2. Matters involving a Vigilance and Ethical Angle will typically proceed with an inquiry for a Major Penalty.

## 5. **Procedure for Imposing a Minor Penalty**

- 5.1. Where a Minor Penalty is proposed, the concerned employee shall be issued a Show Cause Notice.
- 5.2. The employee shall be given a specified period (not exceeding 15 days) to submit their written defence.
- 5.3. The Disciplinary Authority will consider the defence statement, if any, before making a final decision and issuing a reasoned order. If the Authority believes a more detailed inquiry is necessary, it will follow the procedure mentioned in Clause 6 of Chapter 3.

## 6. Procedure for Imposing a Major Penalty

- 6.1. No order imposing any of the major penalties specified in Clause 8 of Chapter 3 shall be issued unless an inquiry is conducted in accordance with this bye-law.
  - 6.1.1. **Communication of Charges:** When an inquiry is proposed, the Disciplinary Authority shall formulate clear and specific charges based on the allegations against the employee. The articles of charge, along with a statement of the allegations underpinning them, shall be communicated in writing to the employee. The latter shall then be required to submit their statement of defence within the time frame specified by the Disciplinary Authority.
  - 6.1.2. **Charge-sheet:** The charge sheet includes the memorandum informing the concerned employee about the initiation of proceedings against him and providing an opportunity to admit or deny the charge(s) within a specified period (minimum 7 days). The memorandum must be signed by the disciplinary authority themselves. If the disciplinary authority is the Chairperson, an authorised officer, who is permitted to authenticate orders on behalf of the Chairperson, may sign the memorandum. The memorandum should be supported by annexures, namely, Article(s) of charge, statements of imputations of misconduct or misbehaviour supporting each article of charge and lists of documents and witnesses. Lists of documents and witnesses should be an integral part of the charge sheet, even if the applicable disciplinary rules do not specify such a requirement.
  - 6.1.3. **Appointment of Inquiry Officer:** Upon receipt of the employee's written statement, or if no such statement is received within the specified time, and if it is considered that there are grounds to inquire into the veracity of any allegation of misconduct or misbehaviour against the employee, the Disciplinary Authority may either conduct the inquiry itself or appoint an inquiry officer to investigate the matter.
  - 6.1.4. It may not be necessary to hold an inquiry regarding the articles of charge admitted by the employee in his written statement, but it shall nonetheless be necessary to record findings on each such charge.
  - 6.1.5. The Disciplinary Authority shall, when it is not the Inquiry Officer, forward to the Inquiry Officer:
    - 6.1.5.1 copy of the articles of charges and statements of imputations of misconduct misbehaviour
    - 6.1.5.2 copy of the written statement of defence, if any, submitted by the employee or professional
    - 6.1.5.3 list of documents which support the articles of charge and a list of witnesses who will substantiate them
    - 6.1.5.4 copy of statements from the witnesses, if any
    - 6.1.5.5 evidence confirming the delivery of articles of charge
    - 6.1.5.6 copy of the order appointing the 'Presenting Officer'.
  - 6.1.6. **Presenting Officer:** The Disciplinary Authority may appoint an officer known as the "Presenting Officer" to present the case in support of the articles of charge on its behalf.
  - 6.1.7. **Defence:** The employee may seek assistance from another employee for their defence but may not engage a legal practitioner for this purpose unless the presenting officer appointed by the Disciplinary Authority is a legal practitioner or if the Disciplinary Authority permits it, considering the circumstances of the case.
  - 6.1.8. **Date of Appearance:** The Inquiry Officer shall specify in writing the day the employee must appear in person before the Inquiry Officer.
  - 6.1.9. The employee shall appear before the Inquiry Officer at the specified time, place, and date stated in the notice. The Inquiry Officer shall ask the employee whether they plead guilty or have any



defence to present. If he pleads guilty to any of the charges, the Inquiry Officer shall record the plea, sign the record, and obtain the employee's signature thereon.

- 6.1.10. **Admitted Charges:** The Inquiry Officer shall issue a finding of guilt regarding those charges to which the employee pleads guilty.
- 6.1.11. **Contested Charges:** If the employee does not plead guilty, the Inquiry Officer shall adjourn the case to a later date not exceeding thirty days.
- 6.1.12. The Inquiry Officer shall provide the employee, if they do not admit to all or any of the articles of charge, with a list of documents through which, and a list of witnesses by whom, the articles of charge are intended to be proved.
- 6.1.13. **Inspection and Discovery of Documents:** The Inquiry Officer shall also record an order allowing the employee to prepare his defence by:
  - 6.1.13.1 inspecting the listed documents within five days of the order, or within an additional period not exceeding five days, as the Inquiry Officer may permit
  - 6.1.13.2 submitting a list of documents and witnesses he wishes to include in the inquiry
  - 6.1.13.3 receiving copies of any earlier recorded statements or witnesses to be relied upon, which the Inquiry Officer must provide no later than three days before the examination of witnesses begins; and
  - 6.1.13.4 notifying within ten days of the order, or within such further time not exceeding ten days as the Inquiry Officer may allow, for the discovery or production of the documents mentioned in Chapter 3 clause 6.1.13.2. The relevance of the documents and the examination of the witnesses referred to in Chapter 3, clause 6.1.13.2 shall be determined by the employee or professional concerned.
- 6.1.14. The inquiry officer shall, upon receipt of the notice for the discovery or production of the documents, send the same or copies to the officer in whose custody or possession they are held, along with a requisition for their production on the specified date.
- 6.1.15. Upon receipt of the requisition under Chapter 3 clause 6.1.14, the officer in custody or possession of the requisitioned documents shall arrange to produce them before the Inquiry Officer at the specified date, place, and time. However, the officer may claim privilege if producing the documents would be against the public interest or the Board's interest. In such cases, he shall notify the Inquiry Officer accordingly.
- 6.1.16. On the date scheduled for the inquiry, the oral or documentary evidence intended to support the articles of charge shall be presented by or on behalf of the Disciplinary Authority.
- 6.1.17. **Examination of Witnesses/Evidence:** The Presenting Officer shall examine the witnesses produced by the employee and may also cross-examine them.
- 6.1.18. The Presenting Officer shall have the right to re-examine his witnesses on any points previously cross-examined, but not on a new matter, without the permission of the inquiry officer. Additionally, the Inquiry Officer may also pose questions to the witnesses.
- 6.1.19. Before concluding the case, in support of the charges, the Inquiry Officer may, at their discretion, permit the Presenting Officer to introduce evidence not listed in the charge-sheet, or may themselves request additional evidence, or re-call and re-examine any witness. In such cases, the employee shall have the right to inspect the documentary evidence before it is recorded, as well as to cross-examine any summoned witness.
- 6.1.20. The Inquiry Officer may also allow the employee to submit new evidence if it considers this necessary in the interests of justice.



- 6.1.21. When the case supporting the charges is concluded, the employee may be required to present their defence, either orally or in writing, as they prefer. If the defence is presented orally, it will be recorded. The employee must sign the record. In either case, a copy of the statement of defence will be provided to the Presenting Officer, if one has been appointed.
- 6.1.22. The evidence for the employee shall then be supplied.
- 6.1.23. If the employee prefers, he may examine himself on his own behalf, and the witnesses provided by the employee shall then be examined by him and may be cross-examined by the Presenting Officer.
- 6.1.24. The employee shall be entitled to re-examine any of their witnesses on the points on which they have been cross-examined, but not on any new matters without the leave of the Inquiry Officer.
- 6.1.25. If the employee or professional has not been examined yet, the Inquiry Officer may question him after he has finished presenting his evidence related to the circumstances that appear against him. This allows the employee to clarify any points that could be unfavourable to him in the evidence.
- 6.1.26. Once the evidence production is complete, the employee and the Presenting Officer may submit their respective written briefs within 15 days of this completion.
- 6.1.27. If the employee fails to submit the written statement of defence referred to in Chapter 3, clause 6.1.2, by the specified date, does not appear in person or through the assisting officer, or otherwise fails to comply with any provisions of these regulations, the Inquiry Officer may hold the inquiry ex parte.
- 6.1.28. Whenever an Inquiry Officer, having heard and recorded all or part of the evidence during an inquiry, ceases to exercise jurisdiction and is succeeded by another Inquiry Officer who possesses and exercises such jurisdiction, the succeeding Inquiry Officer may act on the evidence recorded by their predecessor or on the evidence partially recorded by the predecessor and partially recorded by themselves: Provided that if the succeeding Inquiry Officer believes that further examination of any witnesses whose evidence has already been recorded is necessary in the interest of justice, they may recall, examine, cross-examine, and re-examine such witnesses as provided hereinbefore.
- 6.1.29. **Inquiry Report:** Upon completing the inquiry, the Inquiry Officer shall prepare a report that includes the following:
  - 6.1.29.1.1 Summary of the articles of charge and the statement of the allegations of misconduct or misbehaviour
  - 6.1.29.1.2 Summary of the employee's defence regarding each article of charge
  - 6.1.29.1.3 Evaluation of the evidence pertaining to each article of charge; and
  - 6.1.29.1.4 Findings on each article of charge, along with the reasons for those findings.
- 6.1.30. The Inquiry Officer, when not acting as the Disciplinary Authority himself, shall forward to the Disciplinary Authority the records of inquiry, which shall include
  - 6.1.30.1.1 The report of the inquiry prepared by it under Chapter 3, clause 6.1.29
  - 6.1.30.1.2 The written statement of defence, if any, submitted by the employee referred to in Chapter 3, clause 6.1.21.
  - 6.1.30.1.3 The oral and documentary evidence produced during the inquiry,
  - 6.1.30.1.4 Written briefs referred to in Chapter 3, clause 6.1.26, if any; and
  - 6.1.30.1.5 The orders, if any, issued by the Disciplinary Authority and the Inquiry Officer regarding the inquiry.

## 7. Action on the Inquiry Report

- 7.1. The Disciplinary Authority shall take action on the Inquiry Report if it is not the Inquiry Officer. Otherwise, the Competent Authority shall take action on the Inquiry Report.
- 7.2. The Disciplinary Authority or Competent Authority may, for documented reasons, refer the case to the inquiry for further investigation and report. The Inquiry Officer shall then proceed to conduct the further inquiry in accordance with the provisions of Chapter 3, clause 6, as far as possible.
- 7.3. The Disciplinary Authority or Competent Authority shall, if it disagrees with the findings of the Inquiry Officer on any charge, record its reasons for that disagreement and provide its findings on such charge, provided that the evidence on record is sufficient for this purpose.
- 7.4. If the Disciplinary Authority or Competent Authority, after considering the findings on any or all of the articles of charge, believes that any of the penalties specified in Chapter 3, clause 8, should be imposed on the employee or professional, it shall, notwithstanding anything contained in Chapter 3, clause 5, issue an order imposing such penalty.
- 7.5. If the Disciplinary Authority or Competent Authority, after considering its findings on any of the articles of charge, believes that no penalty is justified, it may issue an order exonerating the employee or professional concerned.

## 8. Penalties

- 8.1. Without prejudice to the other provisions of this clause, an employee who breaches any byelaw of the Council, displays negligence, inefficiency, or indolence, knowingly takes any action detrimental to the interests of the Council or contrary to its instructions, commits a breach of discipline, or is guilty of any other act of misconduct shall be liable to the following penalties:

### 8.2. Minor Penalties

- 8.2.1. Censure
- 8.2.2. Withholding of increments without cumulative effect
- 8.2.3. Withholding of promotion for a specified period
- 8.2.4. Reduction to a lower stage in the time scale of pay for a period not exceeding three years (financial years) without cumulative effect
- 8.2.5. Recovery from pay of the whole or part of any pecuniary loss caused to the Council by the employee/professional by negligence or breach of orders

*Note: Such an employee shall be debarred from leading or heading any operational, administrative, or financial responsibility in the organisation.*

### 8.3. Major Penalties

- 8.3.1. Compulsory retirement (with accrued benefits)
- 8.3.2. Dismissal from service, which shall generally disqualify the individual from future employment in QCI (without accrued benefits)

### 8.4. Actions/consequences not amounting to penalties

- 8.4.1. Termination of the service of an employee appointed on review, during or at the end of the period of review, in accordance with the terms of his/her appointment or the regulations or orders governing such review
- 8.4.2. Termination of employment of an employee on medical grounds, if he/she is declared unfit to continue in the Council's service by the Medical Officer, authorized by the Quality Council of India; and

## **9 Prohibition of Sexual Harassment of Women Employees at the Workplace**

- 9.1 No employee shall commit any act of sexual harassment against any female employee in the workplace.
- 9.2 For the purposes of Chapter 3 Clause 9.1, sexual harassment shall bear the same meaning as defined in the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- 9.3 Any complaint regarding a violation of Chapter 3 Clause 9.1 shall be addressed by the Internal Complaint Committee (ICC) established by the Council in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules framed thereunder. The provisions of this Act shall prevail in the event of any conflict with these bye-laws.
- 9.4 The Internal Complaint Committee may establish its own procedure for addressing complaints it receives, in accordance with the Act and Regulations.
- 9.5 Complaints under this clause shall be classified as major complaints.

## **10 Grievance Redressal**

- 10.1 Grievance redressal is an internal mechanism for the Council's employees to raise concerns about the implementation of the Rules & Regulations, bye-laws/clauses, and Service Rules.
- 10.2 The grievance redressal mechanism shall not cover the decisions made by the Council in the following areas:
  - 10.2.1 Annual Performance Appraisals/Confidential Reports
  - 10.2.2 Promotions, including CRC minutes and decisions, probation, confirmation, and absorption
  - 10.2.3 General issues regarding fringe benefits
  - 10.2.4 Matters covered under the Conduct and Discipline bye-laws/clauses of the Council
  - 10.2.5 Cases relating to vigilance, security, termination of service, and matters of training.
- 10.3 An employee must submit the grievance in writing to the Competent Authority or the designated department within 15 days of the incident; however, the Secretary General may grant an additional 15-day extension.
- 10.4 The Secretary-General shall establish a standing Grievance Redressal Committee to address the grievances of employees.
- 10.5 The Grievance Redressal Committee shall comprise at least one representative from each of the Council's Boards or Divisions. The senior most member present at the meeting shall serve as the Chair of the Committee. The representative from the HR & Administration Department shall act as the Member Secretary of the Committee. Furthermore, at least one member of the Committee shall be a woman.
- 10.6 The Committee shall develop its own procedure for handling grievances of the complainant employee and those of the employee or Department accused.
- 10.7 Following a proper hearing, the Committee will submit its report along with recommendations within 30 days of receipt.
- 10.8 The grievance must be resolved within 90 days from the designated timeframe.

## **11 Addressing Complaints with Vigilance and an Ethical Perspective**

- 11.1 Information regarding corruption, malpractices, or misconduct by employees or professionals of QCI may be brought to the attention of the respective Secretary General's office, the CEOs of the Boards, the CEHO, and HR and Administration through various sources, such as:
  - 11.1.1 complaints received from the public or through the administrative Ministry
  - 11.1.2 departmental inspection reports and surveys

11.1.3 scrutiny of property returns and transactions reported by the concerned employee or professional under the Conduct Rules

11.1.4 audit reports

11.1.5 press reports

11.1.6 reports of parliamentary committees, etc.

11.2 Verbal information should be documented in writing and managed consistently.

11.3 The CEhO shall handle complaints involving an employee of the QCI with vigilance and ethical consideration as part of Disciplinary Proceedings in accordance with these bye-laws.

11.4 CEhO shall keep a register of complaints, emphasising Vigilance and Ethical considerations.

11.5 CEhO shall follow the procedure applicable in cases of Major Penalties for complaints that involve vigilance and ethics.

11.6 If a proceeding against an official result in their decision to resign, the employee can be relieved after the vigilance proceedings are completed.

## **12 Protection of Whistle-Blowers**

QCI will ensure proper protection for employees and third-party agencies who report concerns with vigilance and ethics. Additionally, QCI may develop a detailed policy on this subject. *[along the lines of Whistle Blowers Protection Act, 2014]*

## **13 Vexatious Complaints**

13.1 In an inquiry or investigation, if an employee's complaint is found to be false, malicious, vexatious, or unfounded, the QCI shall proceed with the matter, treating it as a disciplinary issue against the complainant employee or professional.

13.2 In cases where vexatious, malicious, or unfounded complaints are received from external individuals, including former employees of QCI, the Secretary-General, in consultation with the Chairman of QCI, will determine the appropriate action against the complainant.

## **14 Communication of Orders**

Orders issued by the Disciplinary Authority or Competent Authority under Chapter 3, Clause 6, or Chapter 3, Clause 5, shall be communicated to the concerned employee or professional, who shall also receive a copy of the Inquiry Report, if any.

## **15 Common Proceedings**

When two or more employees are involved in a case, the Disciplinary Authority or Competent Authority may issue an order directing that disciplinary proceedings against all of them be conducted as regular proceedings.

## **16 Special Procedure in Certain Cases**

Notwithstanding anything contained in Chapter 3 Clause 5, Chapter 3 Clause 6, Chapter 3 Clause 7, the Competent Authority may impose any of the penalties outlined in Chapter 3 Clause 8 if the facts on which the action is based have been established in a Court of Law, or if the employee or professional has absconded, or if it is otherwise impracticable to communicate with them, or if other difficulties arise in complying with the requirements of Chapter 3 Clause 5, Chapter 3 Clause 6, Chapter 3 Clause 7, and the requirements can be waived without causing injustice to the employee or professional. Provided that, in every case where any or all of the requirements of Chapter 3 Clause 5, Chapter 3 Clause 6, Chapter 3 Clause 7 are waived, the reasons for doing so shall be recorded in writing.

## 17 Suspension

- 17.1 An employee may be suspended by the Competent Authority under the following conditions:
  - 17.1.1 when disciplinary proceedings against them are considered or ongoing; or
  - 17.1.2 when a case relating to any criminal offence is under investigation, inquiry, or trial.
- 17.2 An employee shall be considered to be suspended by order of the Competent Authority:
  - 17.2.1 from the date of his detention if he is held in custody, whether on a criminal charge or otherwise, for a period exceeding 48 hours
  - 17.2.2 from the date of his conviction if, upon being convicted of an offence, he is sentenced to a term of imprisonment and is not subsequently dismissed, removed, or compulsorily retired as a result of such conviction.
- 17.3 The 48-hour period mentioned in Chapter 3 Clause 17.2.1 and Clause 17.2.2 of this sub-regulation shall be calculated from the start of imprisonment following the conviction, and any intermittent periods of imprisonment shall also be taken into account.
- 17.4 Where a penalty of dismissal, removal, or compulsory retirement from service imposed on an employee under suspension is overturned on appeal under these regulations, and the case is sent back for further enquiry, action, or with any other directions, the order of suspension shall be regarded as having continued from the date of the original order of dismissal, removal, or compulsory retirement, and shall remain in effect until further notice.
- 17.5 When a penalty of dismissal, removal, or compulsory retirement imposed on an employee or professional is overturned, declared invalid, or rendered void by a court decision, and the Competent Authority decides, after considering the circumstances, to conduct a further enquiry into the allegations that led to the original penalty, the employee shall be deemed to have been placed under suspension from the date of the initial order. They shall remain suspended until further notice. The suspended official must surrender all office belongings (ID Card, Access Card, Laptop, keys, official documents, any credentials, etc.) to the officer designated by the competent authority upon receiving the suspension order. However, no such enquiry shall be initiated unless it is solely to address cases where the Court's decision was based on technicalities without reviewing the case's merits.
- 17.6 An order of suspension, whether issued or deemed to have been issued under these bye-laws, may be modified or revoked at any time by the competent authority that issued or is deemed to have issued the order.

## 18 Subsistence Allowance

- 18.1 During suspension, an employee shall receive a subsistence allowance as follows:
  - 18.1.1 fifty percent of his pay for the first six months; and
  - 18.1.2 seventy-five per cent of his pay for any period exceeding six months. However, the higher rate of allowance in Chapter 3 Clause 18.1.2 shall only be payable if the enquiry is not delayed due to reasons attributable to the employee or professional, or any of his representatives.
  - 18.1.3 If no penalty under Chapter 3 Clause 8 is imposed, the employee or professional shall be refunded the difference between the subsistence allowance and the emoluments he would have received if not suspended, for the duration of suspension.
  - 18.1.4 If a penalty is imposed under Chapter 3 Clause 8, no order requiring him to refund the subsistence allowance shall be issued.
- 18.2 The period during which an employee is under suspension shall, unless they are dismissed, removed, or compulsorily retired from service, be regarded as a period spent on duty or leave, as the Competent Authority issuing the final order may direct.

## **19 Appeals**

- 19.1 An employee may appeal against an order imposing any of the penalties specified in Chapter 3 Clause 8 or against an order of suspension under Chapter 3 Clause 17.
- 19.2 An appeal shall be lodged with the Appellate Authority within 45 days from the date of receipt of the order being appealed against.
- 19.3 The Appellate Authority shall examine whether the findings are justified or if the penalty is excessive or insufficient and issue suitable orders.
- 19.4 The Appellate Authority may pass an order confirming, increasing, reducing, or setting aside the penalty, or remitting the case to the authority that imposed the penalty or to any other authority, with such directions as it considers appropriate in the circumstances of the case, provided that;
- 19.5 If the enhanced penalty which the Appellate Authority proposed to impose is a major penalty specified in Chapter 3 Clause 8 and an inquiry as provided in Chapter 3 Clause 6 has not already been conducted in the case, the Appellate Authority shall direct that such an inquiry be held in accordance with the provisions of Chapter 3 Clause 6 and, thereafter, consider the record of the inquiry and pass such orders as it deems appropriate.
- 19.6 If the Appellate Authority decides to increase the punishment but an inquiry has already been conducted as provided in Chapter 3 Clause 6, the Appellate Authority shall issue a show cause notice to the employee asking why the heightened penalty should not be imposed on him, and shall pass a final order after considering any response submitted by the employee.

## **20 Conviction/Arrest of an Employee**

- 20.1 An employee shall face dismissal, or any other penalties specified in Chapter 3 Clause 8 if they are committed to prison or convicted of an offence which, in the opinion of the Council, either involves gross moral turpitude or relates to any of the Council's affairs or to the performance of their duties with the Council. The Council's opinion on this matter shall be final and binding, and such dismissal or penalties may take effect from the date of their committal to prison or conviction. Furthermore, nothing in Chapter 3 Clause 6 or Chapter 3 Clause 17 shall apply to such imposition.
- 20.2 If an employee has been dismissed in accordance with Chapter 3 Clause 20.1 and a higher court set-aside the related conviction, resulting in the employee or professional being acquitted, they shall be reinstated in service.
- 20.3 An employee must inform their Disciplinary Authority of their arrest promptly, ideally in writing. Failure to report the arrest will be considered serious misconduct.

## **21 No Dues Clearance from HR & Administration Department**

- 21.1 An employee who is leaving the organisation or transferring to another organisation on approved deputation shall obtain a no-dues clearance from the HR and Administration Department.
- 21.2 The HR and Administration Department shall review the registers maintained for this purpose to check any disciplinary proceedings that are initiated, completed, or pending against the employee or professional.
- 21.3 The HR & Administration Department shall provide the necessary endorsement on the no-dues clearance form.

## **22 Repeal and Savings**

Once these Bye-laws come into effect, the existing Bye-laws relating to the matters mentioned will be repealed. Notwithstanding anything to the contrary, all actions taken, decisions made, rights and liabilities incurred and exhausted shall be considered saved, valid, and binding on the Council.

## **23 Removal of Difficulties**

In the event of any dispute or disagreement over the interpretation of these Bye-laws, the decision made by the Chairperson or the Governing Body shall be final.

## CHAPTER 4

### PREVENTIVE ACTIONS

#### 1. The Need for Preventive Action

- 1.1. A culture of honesty, transparency, and impartiality is fundamental to QCI and must be practised by every employee and associated expert. While Chapter 3 outlines the punitive actions for misconduct, a strong ethical foundation cannot be built on punitive measures alone. These must be complemented by a robust preventive framework.
- 1.2. Preventive actions involve establishing systems and procedures designed to deter wrongdoing and misconduct across all areas of the organisation's functioning. These measures include, but are not limited to:
  - 1.2.1. Establishing clear guidelines, rules, and procedures for all activities concerning stakeholders and employees.
  - 1.2.2. Ensuring transparency in all actions, processes, and decisions.
  - 1.2.3. Minimizing discretionary powers to reduce the risk of favouritism.
  - 1.2.4. Clearly defining the delegation of authority and establishing accountability at every level.
  - 1.2.5. Leveraging technology and computerising procedures to reduce direct interaction in sensitive transactions.
  - 1.2.6. Implementing effective oversight and management systems.

#### 2. Identification of Sensitive Areas and Posts

- 2.1. A key responsibility of the Chief Ethics Officer (CEhO) is to identify areas within QCI that are vulnerable to unethical practices and to recommend measures to mitigate these risks. Given QCI's diverse scope, the Ethics Cell will adopt the following strategies:
  - 2.1.1. **Identifying Sensitive Areas:** In consultation with the CEO of each Board, identify specific areas or posts that are susceptible to complaints and devise strategies to minimise risks.
  - 2.1.2. **Proposing Systemic Corrections:** Based on the number and scope of complaints received, propose corrections to rules and processes that, due to ambiguity, complexity, or lack of transparency, create opportunities for corruption.
  - 2.1.3. **Communicating Procedural Gaps:** Identify and communicate any procedural gaps or required modifications in scheme implementation to the relevant Board or Department for action, following approval by the Secretary General (SG).
  - 2.1.4. **Monitoring High-Interaction Zones:** Identify and monitor areas that involve close interaction between applicants and officials, as these can be breeding grounds for unethical practices.
  - 2.1.5. **Reviewing Past Actions:** Monitor the implementation and effectiveness of past and current preventive actions planned by the various Boards.
  - 2.1.6. **Managing Sensitive Posts:** Identify sensitive posts in consultation with the relevant CEO. These posts, once notified by the SG, shall be formally reviewed at least every two years to ensure the designation remains relevant.

#### 3. Surprise Checks

- 3.1. While no mechanism can entirely eliminate unethical practices, effective preventive measures can manage them significantly. The Secretary General may approve the formation of dedicated teams to conduct surprise checks in sensitive areas to ensure all procedures are being followed correctly.



- 3.2. The surprise check team may include officers from various departments to ensure objectivity, and information about a planned check must not be disclosed in advance. Such checks will focus on qualitative aspects and must be conducted without causing undue disruption to regular activities. If any loopholes are identified, they will be reported to the SG, who may direct the relevant CEO to address the issue promptly.

#### 4. Training and Awareness

- 4.1. **Specialised Training for Ethics Cell Personnel:** Ethics Cell personnel must undergo regular, specialised training to stay proficient in all aspects of ethics management, including investigation techniques, procedural laws, and disciplinary proceedings, conducted by appropriate expert agencies.
- 4.2. **General Awareness for All Personnel:** Furthermore, all QCI personnel shall participate in awareness programmes covering ethical practices, the Code of Conduct, and preventive measures. These sessions will help employees understand the functions of the ethics framework and their role within it.

*Note: To enhance awareness programmes and maintain ongoing engagement with the organisation's ethical standards, the Ethics Cell shall periodically distribute a questionnaire to all personnel. This assessment will cover key aspects of this Ethics Manual and its practical application, helping to reinforce understanding and identify areas that may require further clarification or training.*

#### 5. Ethics Clearance

- 5.1. The HR & Administration Department must obtain written clearance from the Ethics Cell before processing certain key actions for any QCI employee. This clearance requirement does not apply to personnel within the Ethics Cell itself, whose clearance is handled directly by the CEhO and SG.
- 5.2. Ethics Clearance is mandatory in the following situations:
  - 5.2.1. When considering the confirmation or clearance of an employee's review period.
  - 5.2.2. When an employee's promotion is under consideration.
  - 5.2.3. For the settlement of an employee's final dues upon resignation or superannuation.
  - 5.2.4. When considering an employee's request for deputation, a passport, external appointments, or deputation for training.
  - 5.2.5. When granting an award or reward for meritorious service.
- 5.3. For officials working in the Ethics Cell, such clearance requires the CEhO's recommendation and the SG's approval. For the CEhO, the SG is the final clearing authority.

#### 6. Guiding Philosophy: A Proactive Approach

The guiding philosophy of this framework is to proactively maintain a robust ethical environment rather than merely reacting with punitive measures. This approach helps create a culture at QCI where employees can perform their duties with absolute integrity, impartiality, and transparency, thereby minimising the need for disciplinary action.

## CHAPTER 5

# POLICY ON ETHICAL PRACTICES BY EMPANELLED SERVICE PROVIDERS AND THIRD PARTIES

### 1. Objective of the Policy

- 1.1. The aim of this policy is to:
  - 1.1.1. outline our responsibilities to comply with laws against bribery and corruption
  - 1.1.2. provide guidance on how to identify and address bribery and corruption issues
  - 1.1.3. establish the framework to handle matters related to 'Vigilance and Ethical Matters' concerning the Empanelled Service Providers and Third Parties.
- 1.2. This policy complements and does not override the anti-corruption laws applicable in India.

### 2. Definitions

- 2.1. **"Bribery"** means to obtain or accept or attempt to obtain or promise for giving, receiving, soliciting or accepting of financial or other advantages, or any other thing of value, to influence or reward the behaviour of a person who is in a position of trust to perform a public, commercial or legal function to retain or obtain a commercial advantage. Bribes are payments made in the form of money or anything else of value in return for a business favour or advantage.
- 2.2. **"Chief Ethics Officer"** (in short referred to as 'CEhO') is an Officer of QCI, not below the rank of a Deputy Director, who the Secretary-General designates to carry out the responsibilities of the CEhO under prescribed Byelaws.
- 2.3. **"Corruption"** is dishonest, improper and usually unlawful conduct intended to secure a benefit undertaken by a person or organization entrusted with the authority to attain illicit benefit or abuse power for one's private gain.
- 2.4. **"Empanelled service provider"** means being engaged by QCI and Boards on need-based projects and programs, referred to as Assessors, Auditors, Consultants, Trainer, Faculty, Resource Persons or any other name approved by the Competent Authority.
- 2.5. **"Ethics Cell"** means the Department established by the Chairman QCI, headed by the CEhO, reporting to the Secretary-General.
- 2.6. **"Facilitation"** payments are unofficial payments made to secure or expedite a routine action by an authorized official.
- 2.7. **"Gift means"** any item of considerable value, given to/received from a party that has professional dealings with the organization.
- 2.8. **"Kickbacks"** are payments made in return for a business favour/advantage.
- 2.9. **"Third Party Agency/Individual"** means any person or legal entity not covered in clause 2.4 and includes any individual or organisation that an associate may come into contact with during his/her engagement with the QCI, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, business associates and government and public bodies including their advisors, representatives and officials, politicians and political parties.
- 2.10. **"Vigilance and Ethical Angle"** means any transaction in which an employee of QCI is suspected or alleged to have acted for an improper or corrupt purpose or cause such an inquiry or investigation to be made into any complaint of corruption, gross negligence, misconduct, recklessness, lack of integrity or other kinds of malpractices or misdemeanours.

- 2.11. The words and expressions used herein and not defined in these Byelaws shall have the meanings respectively assigned to them generally, provided that in case of any doubt, the matter may be referred to the Governing Body for interpretation.

### **3. Application of the Policy**

- 3.1. This policy shall apply to all:
- 3.1.1 Empanelled Service Providers,
  - 3.1.2 Third Party, individual or enterprise,
  - 3.1.3 potential applicants for being engaged as an Empanelled Service Provider,
  - 3.1.4 ex-employees of QCI and
  - 3.1.5 any other category as may be specified by the Governing Body.
- 3.2 As a precondition to engagement, empanelment, or association with QCI, all individuals and entities covered by this policy shall execute a formal, signed undertaking. This undertaking shall affirm that they have received, read, understood, and agree to be bound by the principles and provisions of this Ethics Policy.
- 3.3 The Policy on Ethical Practices by Empanelled Service Providers and Third Parties supplements Chapter VII of the Byelaws of the Quality Council of India, which govern the Code of Conduct, Discipline, and other Conditions of Service of the Officers and Staff of the Quality Council of India and its Boards.
- 3.4 This policy applies to all dealings, transactions, and expenses made for or on behalf of QCI. It covers all stakeholders acting for or representing QCI or any of its affiliated or empanelled organisations. This includes senior managers, officers, directors, employees (whether permanent, fixed-term, or temporary), consultants, contractors, trainees, seconded staff, casual workers, agency staff, volunteers, interns, agents, sponsors, or any other individual associated with us or our subsidiaries or their employees, regardless of location (collectively referred to as "designated persons" in this policy).

### **4. Prohibition on Bribery and Corruption**

- 4.1. QCI is committed to acting honestly and ethically; we expect the same from our third-party agencies. The QCI Code of Conduct and Ethics establishes principles of appropriate behaviour and ethical conduct for QCI employees and sets similar standards for our third-party agencies.
- 4.2. It also includes basic standards and a framework for preventing and detecting bribery and corruption in QCI operations. This includes a prohibition against both direct bribery and indirect bribery, including payments through third parties.
- 4.3. If any employee of QCI suspects or becomes aware of any potential bribery involving QCI, it is the duty of that designated person to report their suspicion or awareness to the Chief Ethics Officer.
- 4.4. The basic rules of this policy require that the Empanelled Service Providers and third parties shall:
- 4.4.1 not offer, give, solicit, or receive bribes or kickbacks .
  - 4.4.2 fully, fairly, and accurately characterise and record all transactions and expenditures in the books, records, and documents of the QCI, empanelled service providers, or relevant third-party agency; and
  - 4.4.3 not indulge in activities that are prohibited, directly or indirectly through third parties such as consultants, contractors, partners, employees, or affiliates of QCI or third-party agencies.

### **5. Not Acceptable**

- 5.1 It is not acceptable for any employee of QCI, its Boards, and its Empanelled Service Providers to:
- 5.1.1 Accept any gift of any size from a Third Party that is in negotiation with, or submitting a proposal to, QCI or its empanelled service providers.

- 5.1.2 Give, promise to give, or offer any payment, gift, hospitality, or advantage with the expectation or hope of gaining a business advantage or as a reward for a business advantage already given.
- 5.1.3 Give, promise to give, or offer any payment, gift, or hospitality to a government official, agent, or representative to “facilitate” or expedite routine procedures.
- 5.1.4 Accept or solicit any payment, advantage, gift, or hospitality from a Third Party that he or she knows, or suspects is being offered with the expectation of obtaining a business advantage.
- 5.1.5 Threaten or retaliate against another employee who has refused to commit a bribery offence or who has raised concerns under this Policy.
- 5.1.6 Engage in any activity that might lead to a breach of this Policy. The points above are illustrative and do not limit the applicability of this Policy.

## **6. Duties and Responsibilities of Empanelled Service Providers and Third Parties**

- 6.1 This Policy establishes the general rules of ethics and compliance to be followed by Empanelled Service Providers and third parties when they perform their work, including:
  - 6.1.1 protecting tangible and intangible assets
  - 6.1.2 avoiding real and potential conflicts of interest
  - 6.1.3 treating competitors fairly
  - 6.1.4 handling confidential information and intellectual property rights appropriately
  - 6.1.5 complying with all applicable laws, rules, and regulations; and
  - 6.1.6 reporting unethical behaviour. One of the objectives of this Policy is to provide guiding principles to help prevent, detect and understand what constitutes ethical, unethical, illegal or inappropriate behaviour.
- 6.2 Empanelled Service Providers and Third Parties are responsible for serving QCI and its Boards while employing the highest compliance and ethics standards. The following are general guidelines that will help in complying with the responsibility:
  - 6.2.1 Always avoid any conflict of interest or even the impression of a possible conflict of interest.
  - 6.2.2 Always comply with applicable laws, rules and regulations.
  - 6.2.3 Act in good faith, responsibly, with due care, competence and diligence in your business transactions with QCI
  - 6.2.4 Protect the confidentiality and prevent the unauthorized disclosure of non-public information (whether material or not) about QCI, its customers, suppliers and other third parties.
  - 6.2.5 Protect the tangible and intangible assets of QCI at all times and use them only for legitimate business purposes.
  - 6.2.6 Never use or attempt to use the relationship with QCI or its employees to obtain improper personal benefits.
  - 6.2.7 Report any conduct believed to be ethically questionable, a conflict of interest or a violation of law, including transactions or relationships that could reasonably be expected to give rise to such a violation.
- 6.3 Managers at all levels are responsible for ensuring that those reporting to them are made aware of and understand this Policy, undertake training on how to implement and adhere to it, and also monitor compliance with it.
- 6.4 Management at all levels is responsible for ensuring that those reporting to them are made aware of and understand this Policy and attend regular training on its implementation and adherence. Every person to

whom this policy applies is responsible for its success and should ensure that they use it to disclose any suspected activity or wrongdoing.

- 6.5 **Conflict of Interest:** A conflict of interest occurs when a Service Provider's private or personal interests
  - 6.5.1 Influence or seem to influence the objective performance of the Service Provider's duties
  - 6.5.2 Affect or appear to affect the Service Provider's impartiality
  - 6.5.3 Interfere or seem to interfere with QCI's interests or are otherwise inconsistent with QCI's interests. Conflicts of interest are prohibited as a matter of policy. Any person must never use or attempt to use their status as a QCI Service Provider to gain any improper personal benefit for themselves or any other person or entity. Business decisions and actions must be entirely based on the best interests of QCI and not motivated by personal considerations or relationships.
- 6.6 Conflicts of interest arise from personal or business relationships that could lead to, but are not limited to:
  - 6.6.1 Bribes, kickbacks
  - 6.6.2 Improper use of information, or
  - 6.6.3 Competing with any of QCI's lines of functioning. Since it is impossible to enumerate every potential conflict, QCI must rely on a commitment to exercise sound judgment.
- 6.7 Disclosure of Conflict of Interest: Every empanelled Service Provider or Third Party shall disclose any potential conflict of interest as soon as they become aware of it or if there is a concern that one might develop. This shall be reported to the relevant Officer with whom the empanelled service provider or third party is dealing. Generally, the following situations shall be reported:
  - 6.7.1 You or anyone in your household is either a relative of, or in a close relationship with, a member of the QCI Board of Directors, an executive officer, or an employee.
  - 6.7.2 You or anyone in your household owns or holds a direct or indirect interest in a company, subcontractor, or agent that provides services to QCI or its affiliates.
  - 6.7.3 Service Providers must disclose to the CEhO any relationship that might reasonably be expected to cause a conflict of interest or the appearance of one.

## 7. Breaches of The Policy, Remedial Actions and Penalties

- 7.1 Any breach of this policy by an employee of QCI or its Boards may result in disciplinary action in accordance with QCI's Disciplinary Procedure outlined in the Quality Council of India (Code of Conduct and Discipline Byelaws), 2025.
- 7.2 Serious breaches may be regarded as gross misconduct and can lead to immediate suspension and subsequent dismissal if found guilty under the disciplinary procedure.
- 7.3 All designated persons will be expected to co-operate to the fullest extent possible in any investigation into suspected breaches of this policy or any related processes or procedures.
- 7.4 If any part of this policy is unclear, clarification should be sought from the CEhO who is responsible for this policy.
- 7.5 If necessary, corrective actions shall be prescribed or suggested to appropriate managers, officers and employees for implementation.
- 7.6 Empanelled Service Providers or any Third Party, if found in breach of this Policy, may be blacklisted and may not be able to deal with QCI or its Boards in future.
- 7.7 Violation of laws and regulations may also result in criminal prosecution of individuals, as well as Empanelled Service Providers or third parties. Such criminal prosecution may be severe and could

include imprisonment and/or significant fines or penalties. In addition, civil fines may be imposed. QCI shall not take any responsibility for criminal/civil breaches.

- 7.8 Other remedial action(s), as deemed appropriate, may be taken to correct deficiencies identified in the processes and/or operation of the QCI's quality control policies and procedures.

## **8. Duties of Employees**

- 8.1 All employees of QCI and Empanelled Service Providers are encouraged to report concerns about actual or suspected bribery and corruption as early as possible.
- 8.2 If anyone believes that the Guidelines in this policy are not being followed or that they are asked to perform any act that violates this policy, they must raise these concerns immediately with their immediate superior.
- 8.3 If the immediate superior is not the appropriate person, the concern should be brought directly to the attention of the Chief Ethics Officer.

## **9. Protection of Whistle-blowers**

- 9.1 QCI is committed to treating all staff fairly and protecting them from retaliation. Anyone involved in the investigation or acting as a resource for the investigator will be safeguarded from coercion, intimidation, retaliation, interference, or discrimination for reporting or helping with a complaint. Consequently, QCI will ensure all personnel are protected against any form of reprisal, including those who:
  - 9.1.1 In good faith and for lawful purposes, report, cause to be reported, or assist in investigating suspected improper, unethical, or illegal conduct or activities;
  - 9.1.2 Lawfully provide, or cause to be provided, information to or assist in an investigation conducted by QCI, any regulatory or law enforcement agency, or legislative body.
  - 9.1.3 File, cause to be filed, assist, participate, or give testimony in any proceedings filed or about to be filed related to such conduct.
- 9.2 Anyone who believes they have been retaliated against, including threats or harassment, for reporting concerns related to actual or perceived wrongdoings, must report this to the Secretary-General.

## **10. Display and Communication of the Policy**

- 10.1 The policy shall be displayed to all employees, empanelled service providers, and third parties through the QCI's intranet portal.
- 10.2 The shortened version of the policy shall be displayed in the form of posters or pamphlets.
- 10.3 Any changes to the Policy shall be communicated through the intranet portal via the updated Policy document.
- 10.4 Policy awareness will be conducted regularly through various discussions and communication forums.

## **11. Removal of Difficulties and Periodic Review and Evaluation**

- 11.1 The Secretary-General will supervise the effectiveness and review how this Policy is implemented, evaluating its suitability, adequacy, and efficiency.
- 11.2 QCI reserves the right to vary and/or amend the terms of this Policy at any time.
- 11.3 If there is any dispute or difference of interpretation regarding the provisions of this Policy, the decision of the Chairperson or Governing Body shall be final.

**For any clarifications on this Policy, please reach out to:**

The Chief Ethics Officer, Ethic Cell, Quality Council of India  
*[ethicscell@qcin.org](mailto:ethicscell@qcin.org)*