

11/11/24

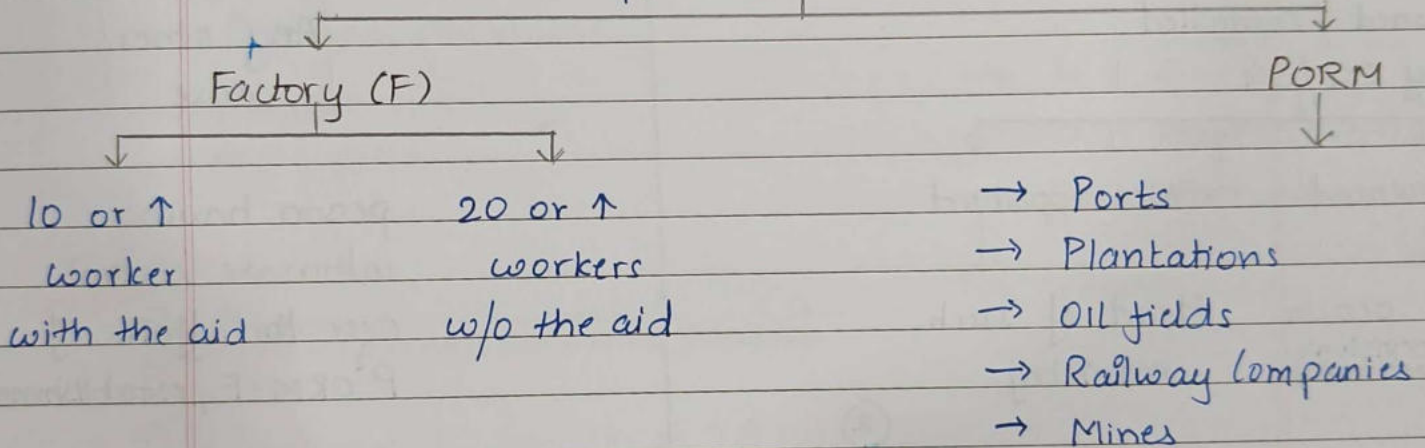
Ch. 2 Payment of Gratuity Act, 1972

* Introduction:

1. derived from LATIN WORD → 'GRATUITIOUS'
2. payment made by employer to employee on termination of service (retirement)
3. It is a lumpsum payment.
4. It is a Retirement Benefit given by ER to EE.

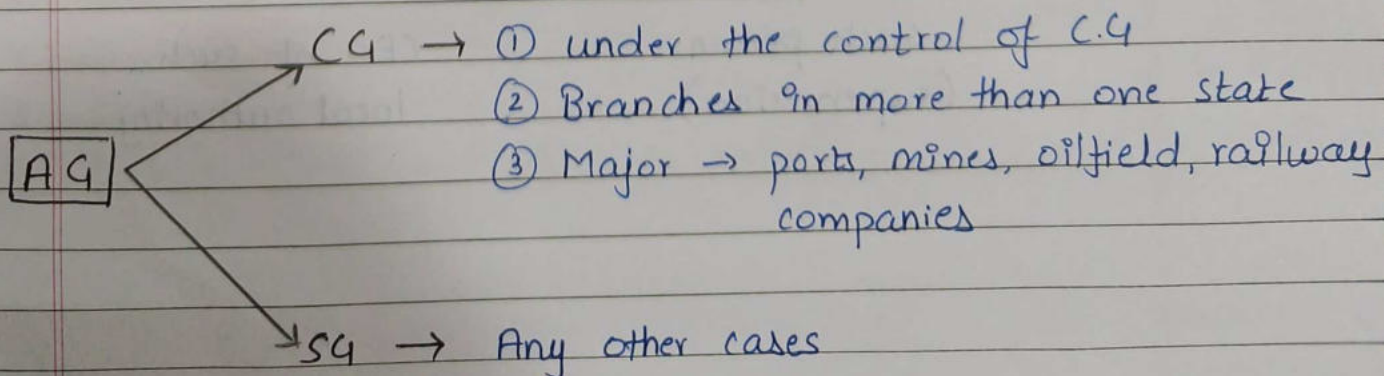
APPLICABILITY

Applies to (PORM-F)

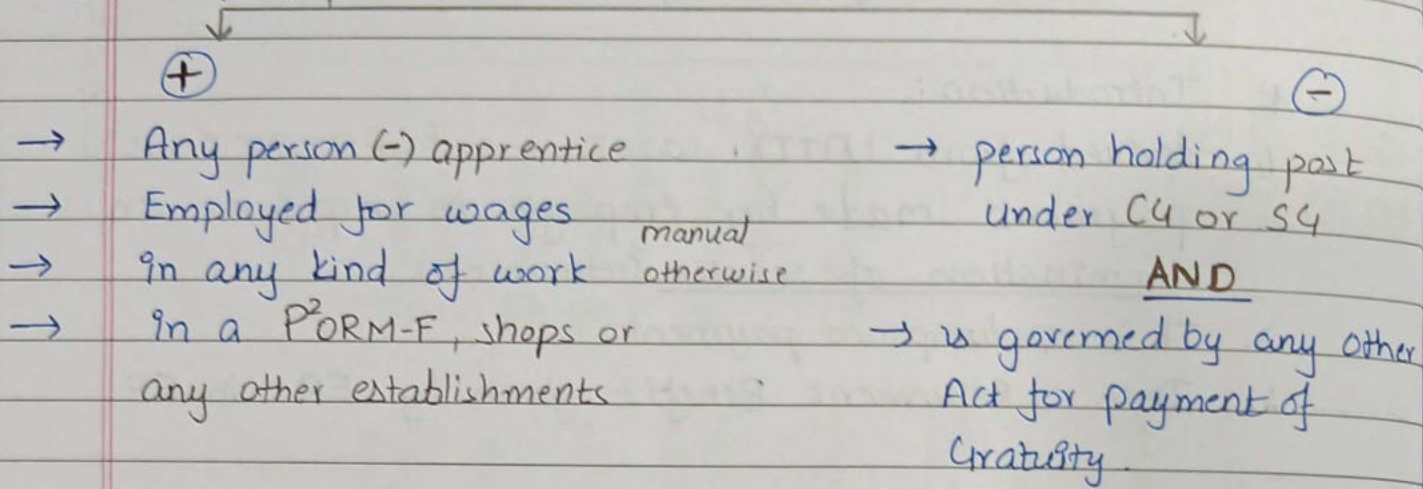


* Definitions

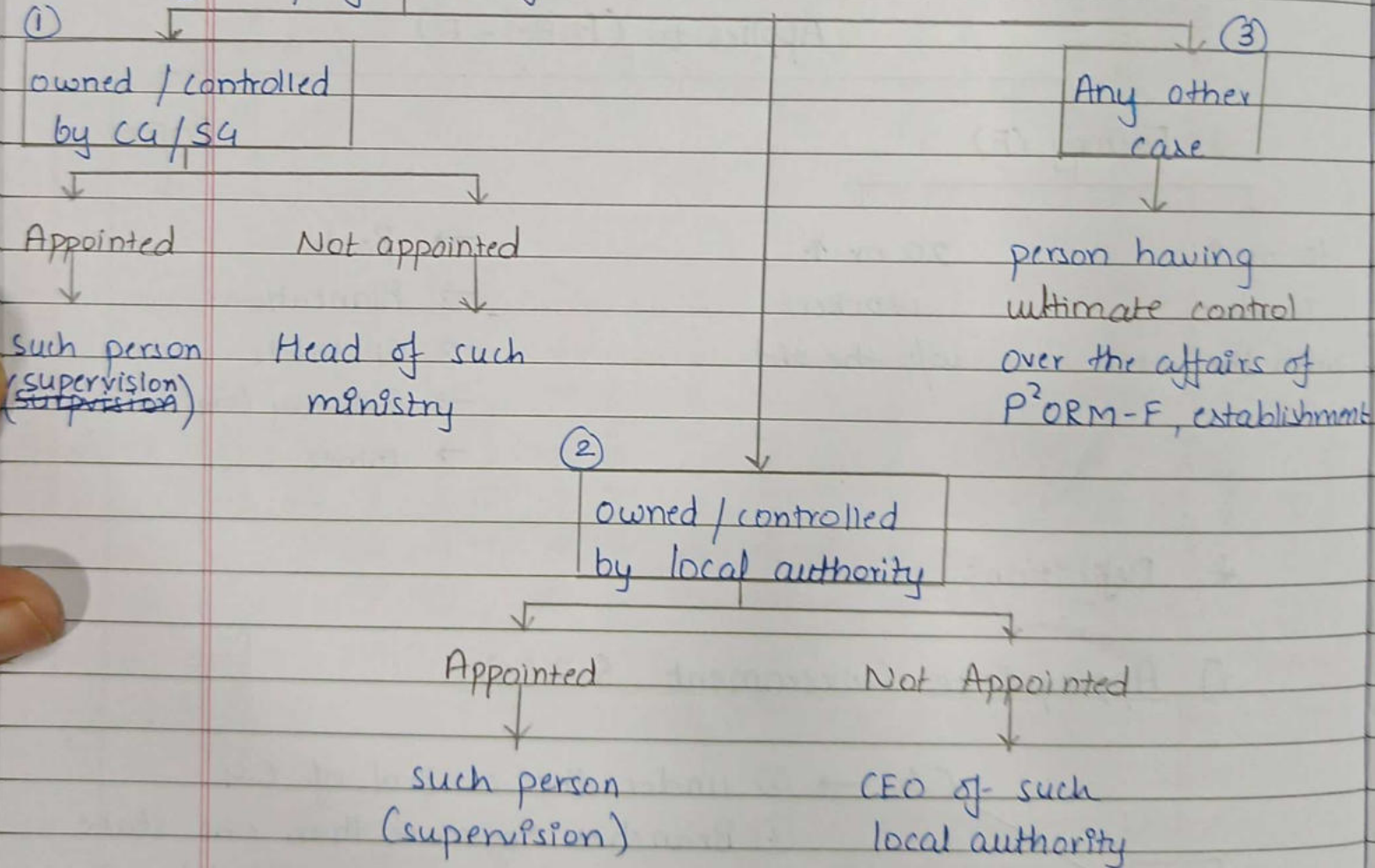
i] Appropriate Government S. 2(a)



2] Employee S.2(e)



3] Employer S.2(f)



8 4]
5]

Superannuation
S. 2 (cr)

↓
Attainment of employee of such age as mentioned in contract ≠ due to that office is vacated

Retirement
S. 2 (cr)

↓
Office is vacated by employee, for any other case, otherwise than superannuation.

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6] Wages S. 2 (s)

⊕

- Basic Salary
- Dearness Allowance

⊖

- Bonus
- Commission
- H.R.A
- O.T Wages (Overtime)
- Any other allowances

V.V.V Imp

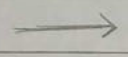
7] Payment of Gratuity S. 4

5 yrs (contin)

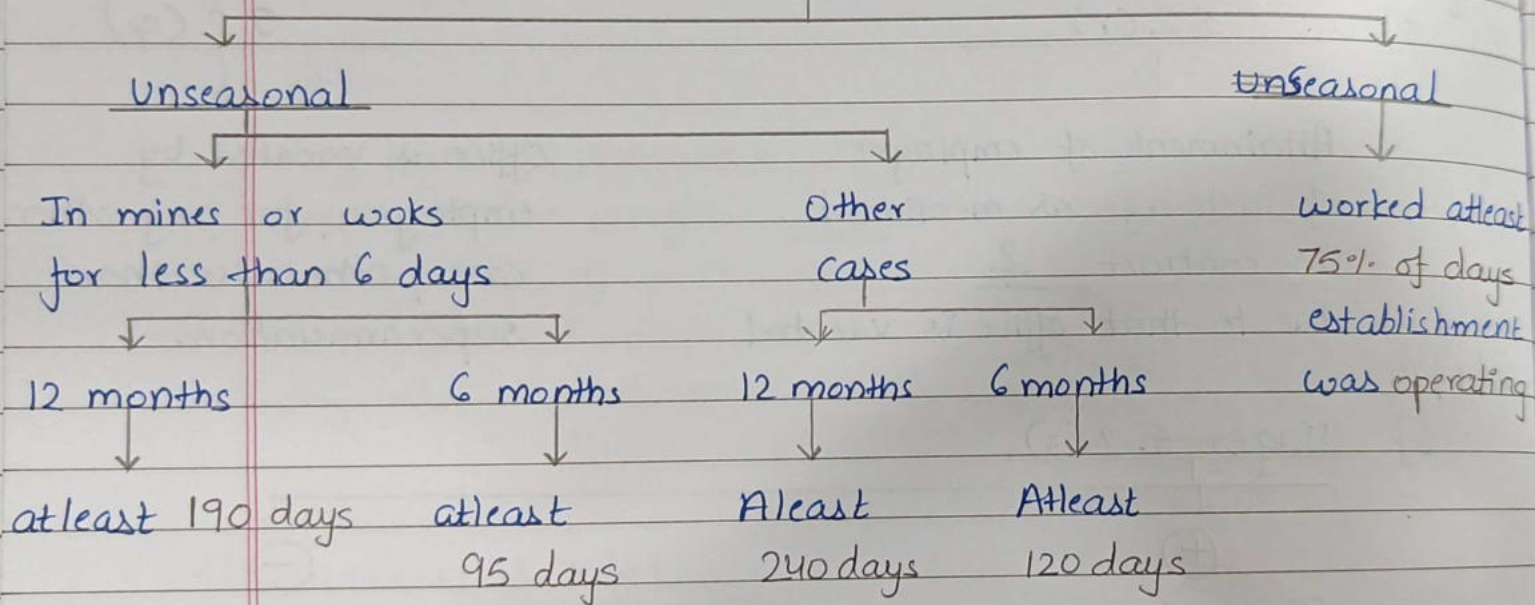
7] Continuous Service S. 2A

↳ means an uninterrupted services, including interruptions due to:

1. sickness
2. accident leave
3. absence form duty, not amounting to leave
4. lay off
5. strikes
6. Lock out → not due to employee



Continuous Services



- # Actually worked includes
- ↳ Layoffs
 - ↳ Maternity Leave not exceeding 26 weeks
 - ↳ (Earned Leaves) Leave of wage earned
 - ↳ Temporary disablement due to accident.

Change in the name, address, employer or nature of business, a notice

↓
Form B

↓
By the Employer to the Controlling Authority (CA) within thirty days

When an employer intends to close down the business he shall submit a notice in

↓
Form C

↓
To the controlling authority CA of the area at least 60 days before the intended closure.

→