

**ASSAM FINANCIAL
CORPORATION (PAYMENT OF
GRATUITY OF EMPLOYEES)
REGULATION, 1964**

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OF EMPLOYEES) REGULATION, 1964

Notification No. SG 1125/64. In exercise of the powers conferred by S. 48 of the State Financial Corporation Act, 1951 (LXIII of 1951), the Board of Directors of the Assam Financial Corporation, after consultation with the Reserve Bank of India and with the previous sanction of the Government of Assam, hereby makes the following Regulations namely –

COMMENTS

These Regulations were made under State Financial Corporation Act, 1951, under Notification No. FTC/30/63/6, dated the 2nd July, 1964, published in the Assam Gazette dated 15-01-1964, under the Notification issued by the Managing Director of the Assam Financial Corporation.

1. Short title.

These Regulations may be called the Assam Financial Corporation (Payment of Gratuity of Employees) Regulations, 1964.

2. Application.

- (i) These Regulations shall apply to every whole-time permanent employee of the Corporation.
- (ii) Nothing in these Regulations shall apply to the Managing Director, unless the application to him of all or any of these Regulations has been approved by the Government of Assam.

3. Definitions.

In these Regulations, unless there is anything repugnant in the subject or context –

- (a) “The Corporation” means the Assam Financial Corporation.
- (b) “The Board” means the Board of Directors of the Corporation.
- (c) “Service in the Corporation” means the period of an employee’s service from the date of his/her confirmation.
- (d) The expression “Pay” shall, for the purposes of Regulation 6, mean -

- (i) in the case of an employee who has been on leave continuously for a period of twelve months or more immediately preceding the date of his/her retirement, death, or termination of service, as the case may be, the pay [as defined in Regulation 3 of the Assam Financial Corporation (Staff) Regulations, 1957] earned while on duty during the twelve calendar months immediately preceding the month in which he/she proceeded on leave, whichever is higher;

- (ii) in any other case, the substantive pay at the date of his/her retirement, death, or termination of service, as the case may be, or, 'the average pay' [as defined in Regulation 3 of the Assam Financial Corporation (Staff) Regulations, 1957] earned while on duty during the twelve calendar months, immediately preceding the month of retirement, death, or termination of service, whichever is higher.

4. Conditions of grant.

Subject to the terms and conditions and other provisions contained in the succeeding Regulations, gratuity will be granted to a wholtime permanent employee after termination of his/her service in the Corporation, or in the event of his/her death before receipt of gratuity, to such person or persons as may be determined in accordance with

Regulation No.8, but nothing in these Regulations shall be construed as conferring any right or benefit on any employee whose service in the Corporation is governed by a contract expressly stipulating his/her service to be for a specified period.

5. When not admissible.

- (1) No gratuity will be granted to, or in the case of an employee -
 - (a) if he/she has not completed service in the Corporation for a minimum period of ten years,
or
 - (b) if he/she has been dismissed from service in the Corporation for any misconduct.

- (2) Notwithstanding anything contained in Cl. (a) of sub-regulation (1), gratuity will be granted to or in the case of an employee who has not completed service in the Corporation for a minimum period of ten years if -
 - (i) he/she dies while in service of the Corporation;
or
 - (ii) he/she has retired or has been required to retire either on account of certified permanent incapacity due to bodily or mental infirmity or

owing to the abolition of his/her appointment on account of reduction of establishment; or

- (iii) his/her service in the Corporation is terminated by the Corporation for reasons other than reduction of establishment or dismissal for misconduct.

6. Amount admissible.

Without prejudice to the provisions of Regulation 5, the amount of gratuity admissible to an employee shall be “a sum equal to one month’s pay for each completed year of service in the Corporation subject to a maximum of fifteen months’ pay or Rs. 20, 000 whichever is less”.

7. Payment of reduced amount of gratuity.

Notwithstanding anything contained in the foregoing Regulations, the Corporation may, while determining the amount of gratuity payable to an employee, take into account any financial loss caused to the Corporation by reason of inefficiency or misconduct of such employee and grant a reduced amount of gratuity :

Provided that the difference between the amount of gratuity ordinarily admissible under the foregoing Regulations and the amount of gratuity so reduced shall not exceed the amount of the financial loss caused to the Corporation.

8. Payment in case of death of the employee.

In the event of the death of an employee before receipt of gratuity, the amount of gratuity admissible shall be paid to the person or persons in the same manner as is applicable under the provisions of the Assam Financial Corporation Employees' Provident Fund Regulations.

9. Interpretation of these regulations.

The decision of the Board shall be final and binding upon employees in all respects and upon all matters, questions and disputes relating to or connected with the interpretation of these regulations or in any way concerning the same.

