

# **The M.P. State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973**

MADHYA PRADESH

India

## **The M.P. State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973**

### **Rule**

### **THE-M-P-STATE-WAREHOUSING-CORPORATION-PAYMENT-OF-GRATUITY-REGULATIONS-1973**

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The M.P. State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973 Published vide Notification No. 5-16-73-10-7, dated 13-2-1974, M.P. Rajpatra, Part 4(Ga), dated 2-8-74 at pp. 351-360 In exercise of the powers conferred by Section 42 of the Warehousing Corporations Act, 1962 (58 of 1962), the Madhya Pradesh State Warehousing Corporation hereby, with the previous sanction of the Government, makes the following regulations namely :-

### **1. Short title, Commencement and Application.**

(1) These regulations may be called the Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973. (2) They shall be deemed to have come into force with effect from the 1st April, 1971. (3) These regulations shall apply to every whole time permanent employee of the Corporation.

### **2. Definitions.**

- In these regulations, unless the context otherwise requires, -(a) "Board of Directors" means the Board of Directors of the Corporation; (b) "Chairman" means the Chairman of the Board of Directors; (c) "Corporation" means the Madhya Pradesh State Warehousing Corporation established under Section 18 of the Warehousing Corporations Act, 1962 (58 of 1962); (d) "Director" means the member of the Board of Directors; (e) "Employee" means a person in the whole time service of the Corporation but does not include a person employed on daily wages or on contract; (f) "Executive Committee" means the Executive Committee of the Corporation; (g) "Family" means -(i) In the case of

a male employee, the wife, children, whether unmarried, and dependent parents of the employee and the widow and children of a deceased son of the employee :Provided that if, an employee proves that his wife has ceased under the personal law governing him or the customary law of the community, to which the spouses belong, to be entitled to maintenance, she shall be no longer be deemed to be a part of the employees family for the purpose of this scheme, unless the' employee subsequently intimates by express notice in writing to the Corporation that she shall continue to be so regarded; and(ii)in the case of a female employee, the husband and children of the employee, the dependent parents of the employee or of the husband, and the widow and children of a deceased son of the employee :Provided that if an employee by notice in writing to the Corporation expresses her desire to exclude her husband from the family, the husband and his dependent parents shall no longer be deemed to be a part of the employee's family for the purpose of this scheme unless the employee subsequently cancels in writing any such notice.Explanation :Note 1. In either of the above two cases, if the child of an employee who has been adopted by another person and if, under the personal law of adoption, adoption is legally recognised, such a child shall be considered as excluded from the family of the employee.Note 2. - An adopted child shall be considered to be a child of the employee when the Corporation is satisfied that under the personal law of the employee, adoption is legally recognised as conferring the status of a natural child.Note 3. - Children, means legitimate children;(h)"Fundamental Rules" means the Fundamental Rules of the Government of Madhya Pradesh;(i)"Managing Director" means the Managing Director of the Corporation.(j)The Expression "Pay" shall, for the purposes of these regulations means the pay as defined in the Fundamental Rules and State Government orders in this behalf from time to time. -(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 or death, the substantive pay at the date of such leave or the 'Average day' (as defined in F.R., and State Government orders in this behalf issued from time to time), earned while on duty during the twelve Calendar months immediately preceding the month such or in which he/she has proceeded on leave, whichever is higher.(ii)In any other case, the substantive pay at the date of his/her retirement or death or the 'Average day' (As defined in F.R. and State Government orders in his behalf issued from time to time) earned while on duty during the twelve months, immediately preceding the month of retirement of death whichever is higher;(k)"Service in the Corporation" means the period of an employee's service from the date of his joining the Corporation;(l)"State Government" means the Government of Madhya Pradesh.

### **3. Condition of grant.**

- Subject to the terms, conditions and other provisions contained in the succeeding regulations gratuity will be granted to a whole time employee after he/she ceases to be in the service of 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 7. But nothing in these regulations shall be construed as conferring any right or benefit to any employee whose service in the Corporation is governed by a contract expressly stipulating his service to be for a specified period. Every employee who has put in a minimum service of 10 years would be entitled to receive payment of gratuity by the Corporation on the basis of a sum equal to ½ month pay for each completed year of service in the Corporation subject to a maximum of 15 months' pay or Rs. 10,000/- whichever is less.

#### **4. Gratuity when not admissible.**

(1) No gratuity will be granted to 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 is or has been dismissed from service of the Corporation. (2) Notwithstanding anything contained in clause (a) of sub-regulation (I), gratuity will be granted to an employee who has not completed service in the Corporation for a minimum period of 10 years if-(i) He/She dies while in the service of the Corporation, or (ii) He/She 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.

#### **5. 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.

#### **6. Nomination.**

- (i) An employee shall, as soon as may be after these regulations come into force, send to the Corporation a nomination conferring on one or more persons the right to receive the amount that may become payable in the event of his or her death occurring before that amount has become payable or before the amount having become payable has not been paid : Provided that if at the time of making the nomination, the employee has a family, the nomination shall not be in favour of any person or other than the member or members of his or her family. (ii) If the person thus nominated is at the time of his/her nomination a minor or under legal disability to give a valid receipt or discharge to the Corporation the employee shall, at the time of such nomination as aforesaid appoint another person of full age who is capable of giving a valid receipt or discharge and to whom the amount of gratuity is to be paid for and on behalf of the person so nominated as aforesaid so long as he shall be a minor or be under legal disability and the receipt of the said person of full age shall during the minority or the legal disability of the person so nominated as aforesaid be a good discharge to the Corporation. (iii) If an employee nominates more than one person under sub-regulation (i), he or she shall specify in the nomination the amount or share payable to each of the nominees in such manner as to cover the whole of the amount that may become payable at any time. (iv) Every nomination shall be in such one of the forms set forth in the Schedule to these regulations as is appropriate in the circumstances. (v) An employee may at any time cancel a nomination by sending a notice to the Corporation, provided that the employee shall along with such notice send a fresh nomination made in accordance with the provision of this regulation. (vi) An employee may provide in a nomination : (a) In respect of any specified nominee, that in the event of his or her predeceasing the employee the right conferred upon that nominee shall pass to such other

persons as may be specified in the nomination, provided that such other person or persons shall, if an employee has other members of his family, be such other member or members;(b)that the nomination shall become invalid in the event of the happening of a contingency specified therein :Provided that if at the time of making the nomination the employee has no family he/she shall provide in the nomination that it shall become invalid in the event of his/her subsequently acquiring a family.(vii)Immediately on the death of nominee in respect of whom no special provision has been made in the nomination under clause (a) of sub-regulation (vi) of this regulation or on the occurrence of any event by reason of which the nomination becomes invalid in pursuance of clause (b) of sub-regulation (vi) of this regulation or the proviso thereto, the employee shall send to the Corporation a notice in writing cancelling the nomination together with a fresh nomination made in accordance with the provisions of this regulation.(viii)Every nomination made and every notice of cancellation given by an employee, shall to the extent that it is valid take effect on the date on which it is received by the Corporation, provided that on such date the employee is in the employment of the Corporation.

## **7. Payments 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 manner prescribed below :On the death of the employee :(1)When the employee leaves a family. -(a)If a nomination made by the employee in accordance with these regulations in favour of a member or members of his/her family subsists the amount of gratuity payable to him or the part thereof to which the nomination relates, shall become payable to the nominee or nominees in the proportion specified in the nomination.(b)If no such nomination in favour of a member or members of the family of the employee subsists or if such nomination relates only to a part of the whole amount of gratuity payable to him/her, the whole amount or the part thereof to which the nomination does not relate as the case may be, shall notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his her family, become payable to the members of his/her family in equal shares :Provided that no share as stated in clause (b) of this sub-regulation shall be payable to:-(i)Sons who have attained legal majority;(ii)Sons of deceased son who have attained legal majority;(iii)Married daughters whose husbands are alive;(iv)Married daughters of a deceased son whose husbands are alive.If there is alive any member of the family other than those specified in clauses (ii), (iii) and (iv) Provided further that the widow or widows and the child or children of a deceased son shall receive between them in equal parts on the share which that son would have received if he had survived the employee and had been exempted from the provision of the clause (i) of this proviso.(2)When the employee leaves no family, if a nomination made by him/her in accordance with these regulations in favour of any person subsists the amount of gratuity payable to him/her or the part thereof to which the nomination relates shall become payable to his/her nominee or nominees in the proportion specified in the nomination and the balance if any shall be payable to the person producing proof of legal representation to the estate of the deceased employee.(3)When the employee leaves no family and has either failed to make a nomination or has made a nomination which is not in accordance with these regulations, the amount of gratuity payable to him shall become payable to the persons producing proof of legal representation to the estate of the deceased employee or a succession certificate (claiming the amount as a debt due to the

estate of the deceased employee).

## 8. Interpretation.

- 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.

## Schedule

[See Regulation iv] Form of Nomination Form I (When the employee has a family and wishes to nominate one member thereof). To, The Managing Director Madhya Pradesh State Warehousing Corporation INDORE. Sir, I hereby nominate the person mentioned below, who is a member of my family as defined in Regulation 2 (g) of the Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973 to receive the amount that may become payable in the event of my death before that amount has become payable or before the amount having become payable has not been paid :

Name & address of Nominee	Relationship with employee	Age	Contingencies on the happening of which thenomination shall become invalid	Name, address & relationship of the person if any, to whom the right of the nominee shall pass in the event of his predeceasing the employee
(1)	(2)	(3)	(4)	(5)

Dated this.....day of.....19. At.....Two witnesses to Signature : .....

**1. Name .....**

Address.....

**2. Name.....**

Address.....Signature of employee. Form II (When the employee has a family and wishes to nominate more than one member thereof). To The Managing Director, Madhya Pradesh State Warehousing Corporation. Indore. Sir. I hereby nominate the persons mentioned below, who are members of my family as defined in regulation 2 (g) of the Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973 to receive the amount that may become payable in the event of my death, before that amount has become payable or before the amount having become payable has not been paid and direct that the said amount shall be distributed among the said persons in the manner shown below against their names :-

Name & Address of Nominee	Relationship with employee	Age	Amount or share to be paid to each
(1)	(2)	(3)	(4)
Contingencies on the happening of which thenomination shall become invalid	Name, address & relationship of the person ifany, to whome the right of the nominee shall pass in the event ofhis predeceasing the employee		
(5)	(6)		

Dated this.....day of..... 19.....At.....Two witnesses to Signature :

**1. Name.....**

Address.....

**2. Name.....**

Address.....Signature of employee. Form III(When the employee has no family and wishes to nominate one person). To, The Managing Director Madhya Pradesh State Warehousing Corporation INDORE. Sir, I having no family as defined in Regulation 2 (g) of the Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973 hereby nominate the person mentioned below to receive the amount that may become payable in the event of my death, before that amount has become payable or before the amount having become payable has not been paid :

Name & address of Nominee	Relationship with employee	Age	Contingencies on the happening of which thenomination shall become invalid	Name, address & relationship of the person ifany, to whome the right of the nominee shall pass in the event ofhis predeceasing the employee
(1)	(2)	(3)	(4)	(5)

Dated this.....day of.....19.....At.....Two witnesses to Signature :.....

**1. Name.....**

Address.....Signature of employee.

## 2. Name.....

Address.....\* Note. - Where an employee who has no family makes a nomination, he shall specify in this column that the nomination shall become invalid in the event of his subsequently acquiring a family. Form IV (When the employee has no family and wishes to nominate more than one person). To The Managing Director, Madhya Pradesh State Warehousing Corporation, Indore. Sir, I have no family as defined in Regulation 2 (g) of the Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973 hereby nominate the person mentioned below to receive (the amount that may become payable in the event of my death, before that amount has become payable or before the amount having become payable has not been paid and direct that the said amount shall be distributed among the said persons in the manner shown below against their names :-

Name & address of Nominee	Relationship with employee	Amount of share to be paid to each	Contingencies on the happening of which the nomination shall become invalid	Name, address & relationship of the person if any, to whom the right of the nominee shall pass in the event of his predeceasing the employee
(1)	(2)	(3)	(4)	(5)

Dated this.....day of.....19.....At.....Two witnesses to Signature :.....

## 1. Name.....

Address.....Signature of employee.

## 2. Name.....

Address.....\* Note. - Where an employee who has no family makes a nomination, he shall specify in this column that the nomination shall become invalid in the event of his subsequently acquiring a family. Form V (For use when the person nominated is a minor or under legal disability). To The Managing Director, Madhya Pradesh State Warehousing Corporation, Indore. Sir, Pursuant to Regulation 6 (ii) of the Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973, I, .....hereby nominate.....of.....who was born on the.....day of.....19.....(or describe the legal disability to which the nominee suffers to receive the amount which may become payable to me in terms of Madhya Pradesh State Warehousing Corporation (Payment of Gratuity to Employees) Regulations, 1973 in the event of my death and if the said nominee shall then be a minor (or shall continue to be under legal disability) I hereby appoint.....of.....to receive the amount on his (or her) behalf. Dated this.....day of.....19.....Signature of employee. Two witnesses to signature :

**1. Name.....**

Address.....

**2. Name.....**

Address.....