



SPECTRON

Gratuity Policy

Effective Date: 05.01.2026

Revision: 01

Approved By: Management

Applicability: All eligible employees across functions and locations

1. Purpose

The purpose of this policy is to outline the Company's commitment to providing gratuity benefits to eligible employees as a reward for long and continuous service, in compliance with applicable labour laws.

2. Scope

This policy applies to all employees who are eligible for gratuity under applicable statutory provisions, subject to fulfillment of eligibility conditions.

3. Definition

Gratuity is a statutory terminal benefit payable by the employer to an employee on cessation of employment after completion of a prescribed period of continuous service.

4. Eligibility

An employee shall be eligible for gratuity if he/she has completed **five (5) years of continuous service** with the Company, and the employment terminates due to:

- Resignation
- Retirement or superannuation
- Death
- Permanent disablement due to accident or illness

Note: The condition of five years of service is **not applicable** in cases of death or permanent disablement.

5. Applicability

- Gratuity is applicable to establishments employing **10 or more employees**, as per statutory provisions.
- Once applicable, the provisions of gratuity shall continue to apply even if employee strength falls below the threshold.

SPECTRON ENGINEERS PRIVATE LIMITED

An ISO 9001 : 2015 Certified Company

129, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai - 400 053, INDIA

T : +91 22 4607 8677 / 4604 6318 / 4606 6960 • F:+91 22 2674 0679

E : contact@spectron.in • W : www.spectron.in • CIN: U28920MH1995PTC095559

Spectron Group Of Companies



ISO 9001:2015 Certified



ISO 14001:2015 &
ISO 45001:2018 Certified

Works : B-18, Additional MIDC Industrial Area, Anand Nagar, Ambernath (E), Dist. Thane - 421506, INDIA
T : +91 251 2621 172 / 2621 383 / 84 • F : +91 251 2621 175 • E : factory@spectron.in



SPECTRON

6. Gratuity Calculation

Gratuity is calculated as per the following formula:

$$\text{Gratuity} = (\text{Last drawn Basic Salary} + \text{Dearness Allowance}) \times 15 \times \text{Completed years of service} \div 26$$

- Any service period exceeding **six months** shall be rounded off to the next completed year.
- The maximum gratuity payable shall be subject to the statutory ceiling prescribed by law from time to time.

7. Nomination

- All eligible employees must submit a **Gratuity Nomination Form** at the time of joining or upon completion of one year of service.
- Employees are required to update their nomination in case of any change in personal or family circumstances.

8. How to Apply for Gratuity

Application Procedure

1. An eligible employee or nominee must submit a **written application** for gratuity to HR upon separation.
2. In the event of death, the nominee or legal heir shall submit the required claim documents.
3. HR shall verify eligibility and process the claim as per statutory timelines.
4. Gratuity payment shall be released within the legally prescribed period.

9. Payment of Gratuity

- Gratuity shall be paid directly to the employee or nominee.
- Any delay in payment beyond the statutory period may attract interest, as applicable under law.

10. Forfeiture of Gratuity

Gratuity may be wholly or partially forfeited in cases where termination of employment is due to:

- Willful misconduct
- Riotous or disorderly conduct

SPECTRON ENGINEERS PRIVATE LIMITED

An ISO 9001 : 2015 Certified Company

129, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai - 400 053, INDIA

T : +91 22 4607 8677 / 4604 6318 / 4606 6960 • F: +91 22 2674 0679

E : contact@spectron.in • W : www.spectron.in • CIN: U28920MH1995PTC095559



Works : B-18, Additional MIDC Industrial Area, Anand Nagar, Ambernath (E), Dist. Thane - 421506, INDIA

T : +91 251 2621 172 / 2621 383 / 84 • F : +91 251 2621 175 • E : factory@spectron.in



ISO 9001:2015 Certified



ISO 14001:2015 & ISO 45001:2018 Certified



SPECTRON

- Acts involving moral turpitude committed during the course of employment

Such forfeiture shall be strictly in accordance with statutory provisions.

11. Employer Responsibilities

- Maintain gratuity records as required under law.
- Ensure timely processing and payment of gratuity.
- Educate employees about gratuity benefits and procedures.

12. Employee Responsibilities

- Submit nomination forms and keep details updated.
- Apply for gratuity promptly upon separation.
- Provide accurate information and supporting documents.

13. Statutory Compliance

This policy is framed in accordance with the provisions of the **Payment of Gratuity Act, 1972**, and applicable rules thereunder. The Company ensures compliance with all statutory amendments and notifications issued from time to time.

14. Policy Review & Amendment

The Company reserves the right to amend, modify, or withdraw this policy to align with changes in statutory provisions or organizational requirements.

Employee–HR Communication on Gratuity Policy

Employee: When do I become eligible for gratuity?

HR Representative: You become eligible for gratuity after completing five years of continuous service. However, in cases of death or permanent disablement, the five-year condition does not apply.

Employee: How is gratuity calculated?

HR Representative: Gratuity is calculated based on your last drawn basic salary plus dearness allowance, multiplied by 15 days' wages for each completed year of service, divided by 26.

Employee: Is gratuity payable if I resign voluntarily?

SPECTRON ENGINEERS PRIVATE LIMITED

An ISO 9001 : 2015 Certified Company

129, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai - 400 053, INDIA

T : +91 22 4607 8677 / 4604 6318 / 4606 6960 • F:+91 22 2674 0679

E : contact@spectron.in • W : www.spectron.in • CIN: U28920MH1995PTC095559



Works : B-18, Additional MIDC Industrial Area, Anand Nagar, Ambernath (E), Dist. Thane - 421506, INDIA
T : +91 251 2621 172 / 2621 383 / 84 • F : +91 251 2621 175 • E : factory@spectron.in



ISO 9001:2015 Certified



ISO 14001:2015 &
ISO 45001:2018 Certified



SPECTRON

HR Representative: Yes. If you resign after completing the required years of continuous service, you are entitled to gratuity.

Employee: Is there a maximum limit on gratuity payment?

HR Representative: Yes. The maximum gratuity payable is subject to the statutory ceiling prescribed by law at the time of payment.

Employee: Thank you for the explanation. This helps in long-term planning.

HR Representative: You're welcome. Gratuity is an important long-service benefit, and HR is always available to assist with any queries.

Yours Sincerely,

For Spectron Engineers Pvt. Ltd.



Authorised Signatory

SPECTRON ENGINEERS PRIVATE LIMITED

An ISO 9001 : 2015 Certified Company

129, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai - 400 053, INDIA

T : +91 22 4607 8677 / 4604 6318 / 4606 6960 • F:+91 22 2674 0679

E : contact@spectron.in • W : www.spectron.in • CIN: U28920MH1995PTC095559



Works : B-18, Additional MIDC Industrial Area, Anand Nagar, Ambernath (E), Dist. Thane - 421506, INDIA

T : +91 251 2621 172 / 2621 383 / 84 • F : +91 251 2621 175 • E : factory@spectron.in



ISO 9001:2015 Certified



ISO 14001:2015 &
ISO 45001:2018 Certified