

ALIMCO GRATUITY SCHEME - 1978

RULES AND REGULATIONS

ARTIFICIAL LIMBS MANUFACTURING CORPORATION OF INDIA
(A GOVERNMENT OF INDIA UNDERTAKING)
G.T. ROAD, KANPUR-208016 (U.P.)

"ARTIFICIAL LIMBS MANUFACTURING CORPORATION OF INDIA
GRATUITY SCHEME 1978 - RULES AND REGULATIONS"

SHORT TITLE AND COMMENCEMENT

1. This Scheme shall be called "Artificial Limbs Manufacturing Corporation of India Gratuity Scheme 1978 - Rules and Regulations.

DEFINITIONS

2. In these Rules and Regulations, unless there is any thing repugnant to the subject or context :
 - (a) "Corporation" means Artificial Limbs Manufacturing Corporation of India having its Registered Office and Factory at G.T. Road, Kanpur.
 - (b) "Employees" means any person employed on wages in the Corporation to do any skilled, semi-skilled, unskilled, manual, supervisory, managerial, technical and clerical work but excludes :
 - (i) Casual and non-regular employees on daily rates of wages.
 - (ii) Government servants and other employees on deputation terms.
 - (iii) Apprentices and trainees during the period of apprenticeship and training respectively.
 - (iv) Employees on special contract of service.
 - (v) Persons re-employed after superannuation from State Government/Central Government service including service in Public and Private Sector Companies.
 - (vi) Foreign technicians.
 - (c) "Rules" means Artificial Limbs Manufacturing Corporation of India Gratuity Scheme - 1978 Rules and Regulations.
 - (d) "Continuous Service" means uninterrupted service and includes service which is interrupted by sickness, accident, leave, lay off, strike which is not illegal or lock-out or cessation of work not due to any fault of the employee concerned whether such uninterrupted or interrupted service was rendered before or after the commencement of this Scheme.

Explanation : In the case of an employee who is not in uninterrupted service for one year shall be deemed to be in continuous service if he has been actually employed by an employer during the 12 months immediately preceding the year for not less than 240 days.

(2)

- (e) "Emoluments" for the purpose of this scheme shall mean last pay drawn (which term includes Basic Pay, Special Pay, Dearness Allowance, Leave Salary, Subsistence Grant and Wages in the case of non-salaried employees) immediately preceding the date of quitting service or the date of his death. There will be no ceiling on reckonable emoluments for calculating the Gratuity. (Amended vide Item No.XIV of 70th Board Meeting – O.O.No.14/89)
- (f) "Words" in singular number shall include the plural and words in masculine gender shall include the feminine.
- (g) All other words and expressions not defined herein above shall have the meaning respectively assigned to them in the Payment of Gratuity Act 1972 and the Income Tax Act 1961 and Rules made thereunder.
- (h) "Beneficiary" means an employee entitled to gratuity in accordance with the provisions of these Rules.

ELIGIBILITY AND SCALES OF GRATUITY

3. (a) Gratuity shall be payable to an employee who has been in service of the Corporation with effect from 1st April, 1973 or thereafter on the termination of his employment in the following circumstances after he has rendered continuous service of not less than 5 years :
- (i) On his superannuation;
 - (ii) On his retirement or resignation;
 - (iii) On his death or disablement due to accident or disease.

Provided that the completion of his continuous service of 5 years shall not be necessary where the termination of the employment of an employee is due to his death or disablement.

Provided further that in case of death of the employee, gratuity payable to him shall be paid to his nominee, or, if no nomination has been made, to his heirs.

Explanation : For the purpose of this Clause, disablement means such disablement arising out of and in the course of employment of the Corporation which incapacitates the employee for the work which he was capable of performing before the accident or disease, resulting in such disablement.

- (iv) Discharge on abolition of post. (Included vide O.O.No.14/89 - 70th Board Meeting)

contd...3/-

(b) Amount of Gratuity : Except in the case of death, gratuity shall be payable at the rate of 15 days wages based on the rate of wages last drawn by the employee for every completed year of service or part thereof in excess of six months but restricted to Rs.20,00,000/- (Rs. Twenty Lakh only). The 15 days wages shall be calculated by dividing the monthly rate of wages last drawn by 26 and multiplying the quotient by 15.

(Amended vide O.O.No. 15/2018 – Item No. VI of 173rd Board Meeting held on 16.04.2018 w.e.f 29.03.2018).

In the case of death, the amount of gratuity will be calculated as under :

Either as Rule III (b) (i) or as worked out below whichever be more :

(a) During the first year service	Two months emoluments reduced by the amount by Company's contribution together with the interest.
(b) After one year but before five years qualifying service.	Six months emoluments, thereon standing to the credit of employees in the contributory provident fund A/c.
(c) After completion of five years qualifying service.	Twelve months emoluments

- (c) In the case of piece rated employees, daily wages shall be computed on the average of the total amount received by him for a period of three months immediately preceding the termination of his employment.
- (d) For the purpose of computing the gratuity payable to an employee who is employed after his disablement or reduced emoluments, his emoluments for the period preceding his disablement shall be taken to be the emolument received by him during that period and his emoluments for the period subsequent to his disablement shall be taken to the emoluments so received.

When an employee of the Corporation moves from one Public Sector Enterprise to another with the consent of both the employers, he would be granted the facility of carry forward of gratuity and the Corporation would pay the concerned Public Sector Enterprise the gratuity earned by the employee during the service rendered in the Corporation as though the employee retired from its service on the date of transfer. In case of movement of an employee from one enterprise to other with the consent of both the employers, the period of service rendered with such previous employer or employers should be included in determining the period of continuous service.

FORFEITURE OF AMOUNT OF GRATUITY

4. Notwithstanding any thing contained in these rules,
- (a) The Gratuity of an employee whose services have been terminated for any act, willful omission, or negligence causing any damage or loss to or destruction of property shall be forfeited, to the extent of the damage or loss so caused.
 - (b) The Gratuity payable to an employee shall be wholly forfeited,
 - (i) if the services of such an employee have been terminated for his riotous or disorderly conduct or any other act of violence on his part.
 - (ii) if the services of such an employee have been terminated for any act which constitutes an offence involving moral turpitude provided that offence is committed by him in the course of his employment.
 - (c) An employee against whom disciplinary action/proceeding is contemplated or pending at the time of resignation/retirement etc. will not be paid gratuity unless the action/proceedings against him have been finalised. On finalisation of the disciplinary proceedings the release of payment of gratuity will depend on the final outcome of the disciplinary proceedings and keeping in view the orders of the disciplinary authority. Gratuity will not be admissible to an employee whose services are terminated for misconduct, insolvency or inefficiency. (Amended vide Item No.VIII of 53rd Board Meeting)

INCOME TAX/DUTY ETC. PAYABLE BY THE EMPLOYEES

5. Income Tax, Super Tax and any other tax/duty, if any, payable on the amount of gratuity shall not be borne by the Company but shall be deducted from out of the gratuity amount payable to an employee.

NOMINATION

6. (i) Each employee who has completed one year of service shall make nomination in Form 'B'.
- (ii) An employee may in his nomination distribute the amount of gratuity payable to him amongst more than one nominee.
- (iii) If an employee has a family at the time of making a nomination, the nomination shall be made in favour of one or more members of his family, and any nomination made by such employee in favour of a person who is not a member of his family shall be void.

(5)

- (iv) If at the time of making a nomination the employee has no family, the nomination may be made in favour of any person or persons but if the employee subsequently acquires a family, such nomination shall forthwith become invalid and the employee shall make a fresh nomination in favour of one or more members of his family in Form 'C'.
- (v) A nomination may, subject to sub-clause (iii) and (iv) be modified by an employee at any time, after giving to the company a written notice in Form 'D' of his intention to do so.
- (vi) If a nominee predeceases the employees, the interest of nominee shall revert to the employee who shall make a fresh nomination in respect of such interest.
- (vii) Every nomination, fresh nomination or modification of nomination, as the case may be, shall be sent by the employee to the Personnel Department of the company for the safe custody.
- (viii) A nomination, fresh nomination or its modification, shall take effect to the extent it is valid on the date on which it is received in the company.

EXPLANATION - I :

For the purpose of this clause, family in relation to an employee shall be deemed to consist of --

- (i) In the case of male employee, himself, his wife, his children, whether married or unmarried, his dependent parents and widow and children of his predeceased son, if any.
- (ii) In the case of a female employee, herself, her husband, her children, whether married or unmarried, her dependent parents and the dependent parents of her husband and the widow and children of her predeceased son, if any.

Provided that if a female employee, by a notice in writing to the company, expresses her desire to exclude her husband from her family, the husband and his dependent parents shall no longer be deemed to be included in the family of such female employee unless the said notice is subsequently withdrawn by such female employee.

EXPLANATION - II :

Where the personal law of an employee permits the adoption by him of a child, any child lawfully adopted by him shall be deemed to be included in his family, and where a child of an employee has been adopted by another person and such adoption is, under the personal law of the person making such adoption, lawful, such child shall be deemed to be excluded from the family of the employee.

PAYMENT OF GRATUITY

7. (i) An employee who is eligible for payment of gratuity of any person authorised in writing to act on his behalf shall apply to the company within 30 days from the date the gratuity became payable in Form 'E'.
- (ii) Provided that where the date of superannuation or retirement of an employee is known, the employee may apply to the company before thirty days of the date of superannuation or retirement.
- (iii) A nominee of an employee, who is eligible for payment of gratuity under Rule 3 of the Rules, shall apply to the company within thirty days from the date of gratuity becomes payable to him in Form 'F'. Provided, that an application in plain paper with relevant particulars shall also be accepted. The company may obtain such other particulars as may be deemed necessary.
- (iv) A legal heir of an employee, who is eligible for payment of gratuity under Rule 3 of the Rules, shall apply to the company within one year from the date the gratuity becomes payable to him in Form 'G'.
- (v) Where gratuity becomes payable before the commencement of these Rules, the period of limitation specified herein above shall be deemed to be operative from the date of such commencement.

MODE OF PAYMENT OF GRATUITY

8. The gratuity payable shall be paid in cash or, if so desired by the payee, by Demand Draft or Bank Cheque to the eligible employee, nominee or legal heir, as the case may be.
9. Provided that in case the eligible employee, nominee or legal heir, as the case may be, so desired and the amount of gratuity payable is less than one hundred rupees, payment may be made by postal money order after deducting the postal money order commission thereof from the amount payable.
10. Every employee when joining the scheme shall subscribe an agreement as in Form 'A'.

PROTECTION OF GRATUITY

11. No gratuity payable under this scheme shall be liable to attachment in execution of any decree or order of any Civil Revenue or Criminal Court.

(7)

12. If there is any repugnance between the Rules of Gratuity Scheme and any provisions of the Income Tax Act 1961 and the Rules made thereunder or any other law for the time being in force, the Rules to the extent of such repugnancy shall be ineffective.
13. Matters provided in Payment of Gratuity Act, but not provided herein will be regulated as per the said Act.

FORM 'A'
(See Rule IX of the Rules)

FORM OF AGREEMENT

I hereby declare that I have read the Rules and Regulations of Artificial Limbs Manufacturing Corporation of India Gratuity Scheme 1977 and I agree to be bound by them and by subsequent additions and/or alternations, if any, to them from time to time made in pursuance of the Rules and Regulations of the Gratuity Scheme.

Account No.....
(for office use only)

1. Name-----
(Surname) (First Name) (Middle Name)
2. Age -----
(Years) (Months)
3. Date of Birth -----
4. Religion -----
5. Sex -----
6. Father's/Guardian's Name -----
7. Marital Status -----
8. Husband's/Wife's Name -----
9. Identification Mark -----
10. Department/Office in which working -----
11. Designation -----
12. Personal Number -----
13. Date of Appointment -----
14. Permanent Address -----
15. Present Address-----

Place :
Impression
Date :

Signature/Thumb
of the Employee

Certified that the above declaration has been executed
by _____ P.No. _____ employed as _____ at
_____ before me after he had read the entries.

Place :
Date :

Signature of the Controlling Officer

FORM 'B'
(See Rule 6(I) of the Rules)

NOMINATION

To,
The Personnel and Administration Manager,
Artificial Limbs Manufacturing Corporation of India,
KANPUR-208016

Sir,

1. I, Shri/Smt./Kumari _____ P.No. _____
Designation _____ of _____ Department hereby
nominate the person(s) mentioned below to receive the gratuity payable after my death as
also the gratuity standing to my credit in the event of my death before the amount has
become payable, or having become payable has not been paid and direct that the said
amount of gratuity shall be paid in proportion indicated against the name(s) of the
nominee(s).

2. I hereby certify that the person(s) mentioned is/are a member(s) of my family within
the meaning of Explanation-I to Rule 6 of the Rules and Regulations.

3. I hereby declare that I have no family within the meaning of Explanation-I to Rule 6
of the Rules and Regulations.

4. (a) My father/mother/parents is/are not dependent on me.
(c) My husband's father/mother/parents is/are not dependent on my husband.

5. I have excluded my husband from the family by a notice dated the _____ to
the company in terms of proviso to Explanation-I(ii) to Rule 6 of the Rules and
Regulations.

6. Nomination made herein invalidates my previous nomination.

NOMINEE (S)

Name in full with full address of Nominee(s)	Relationship with the employee.	Age of Nominee	Proportion by which the gratuity will be shared.

Place :

Date :

Signature/Thumb Impression of the Employee

DECLARATION BY WITNESSES

Nomination signed/thumb impression before us.

Name & Address in full of witnesses

Signature of Witnesses

1. _____

2. _____

Place :

Date :

CERTIFICATE BY THE CONTROLLING OFFICER

Certified that the particulars of the above nomination have been verified.

Signature of the Controlling Officer

Place :

Date :

ACKNOWLEDGEMENT BY THE COMPANY

The above nomination has been recorded.

Signature and Designation
of the officer

Note : (1) Strike out the words and/or paragraphs not applicable.

(2) Company will send the duplicate copy of this form "duly acknowledged" to the Employee.

DECLARATION BY WITNESSES

Fresh Nomination signed/thumb impressed before us.

Name in full and full address of witnesses

Signature of witnesses

1. _____

1. _____

2. _____

2. _____

Place :

Date :

CERTIFICATE BY THE CONTROLLING OFFICER

Certified that the nominations mentioned above have been verified.

Signature of the Controlling Officer

Date :

Place :

ACKNOWLEDGEMENT BY THE COMPANY

The above nomination has been recorded.

Signature and designation of the officer

Date :

Place :

Note : (i) Strike out the words and paragraphs not applicable.

(ii) Company will send the duplicate copy of this form, duly acknowledged, to the employee.

FORM 'D'
(See Rule VI(v) of the Rules)
MODIFICATION OF NOMINATION

To,
The Personnel and Administrative Manager,
Artificial Limbs Manufacturing Corporation of India,
KANPUR

Sir,

I,
Shri/Smt./Kumari _____ P.No. _____ Designation
_____, Department _____, hereby give notice that the
nomination filled by me on _____ and recorded under your reference
_____ dated _____ shall stand modified in the following
manner :

(Here give details of the modifications intended)

Place : _____ Signature/Thumb impression of the employee
Date : _____

DECLARATION BY WITNESSES

Modification of nomination signed/thumb impressed before me.

Name & Full Address of the witnesses	Signature of witnesses
1. _____	1. _____
2. _____	2. _____

Place : _____
Date : _____

CERTIFICATE BY THE COMPANY

Certified that the above modifications have been recorded.

SIGNATURE AND DESIGNATION OF THE OFFICER

Place : _____
Date : _____

Note : (i) Strike out the words not applicable.
(ii) Company will send the duplicate copy of this form, duly acknowledged, to the
employee.

FORM 'E'
(See Rule 7(i) of the Rules)
APPLICATION FOR GRATUITY BY AN EMPLOYEE

To,
The Manager (Personnel & Administration),
Artificial Limbs Manufacturing Corporation of India,
KANPUR

Sir,

I hereby apply for payment of gratuity to which I am entitled under Rule 3 of the Rules and Regulations of the Artificial Limbs Manufacturing Corporation of India Gratuity Scheme on account of my superannuation/retirement/resignation after completion of not less than five years of continuous service/total disablement due to accident/total disablement due to disease with effect from _____. Necessary particulars relating to my appointment in the company are given in the statement below :

- (a) Name in full _____
- (b) Address in full _____
- (c) Department/Branch/Section where last employed _____
- (d) Post held with Personal No. _____
- (e) Date of appointment _____
- (f) Date and cause of termination of service _____
- (g) Total period of service _____
- (h) Amount of wages last drawn _____
- (i) Amount of gratuity claimed _____

2. I was rendered totally disabled as a result (here give the details of the nature of disease or accident).

The evidence/witnesses in support of my total disablement are as follows :
(here give details)

3. Payment may please be made in cash/open or crossed bank cheque/demand draft.

4. As the amount of gratuity payable is less than Rs.1000/- (Rs. one thousand only), I shall request you to arrange for payment of the sum due to me by postal money order at the address mentioned above after deducting postal money order commission therefrom.

Date :
Place :

Yours faithfully,

Signature/Thumb impression
of the Applicant employee

(Note : Strike out the words or paragraphs not applicable).

FORM 'F'
(See Rule 7(iii) of the Rules)
APPLICATION FOR GRATUITY BY A NOMINEE

To,
Manager (Personnel & Administration),
Artificial Limbs Manufacturing Corporation of India,
KANPUR

Sir,

I hereby apply for payment of Gratuity to which I am entitled, under Rule 3 of the Rules & Regulations of Artificial Limbs Manufacturing Corporation of India Gratuity Scheme, as a nominee of late Shri/Smt./Kumari _____ who was an employee of Artificial Limbs Manufacturing Corporation of India and died on the _____. The gratuity is payable on account of the death of the aforesaid employee on _____/retirement or resignation or the aforesaid employee on _____ after completion of _____ years of service/total disablement of the aforesaid employee due to accident or disease while in service with effect from _____. Necessary particulars relating to my claim are given in the statement below :

1. Name of Applicant Nominee : _____
2. Address in full of the applicant nominee : _____
3. Marital status of the applicant nominee : _____
4. Reference no of recorded nomination available : _____
5. Name in full of the employee : _____
6. Department/Branch/Section where last employed : _____
7. Post last held with P.No. : _____
8. Date of appointment of the employee : _____
9. Date and cause of termination of service of the employee : _____
10. Date of death and evidence/witness as proof of death of employee : _____
11. Total period of service of the employee : _____
12. Amount of wages last drawn by the employee : _____
13. Total gratuity payable to the employee : _____
14. Share of gratuity claimed. : _____

2. I declare that the particulars mentioned in the above statement are true and correct to the best of my knowledge and belief.
3. Payment may please be made in cash/open or crossed bank cheque/demand draft.
4. As the amount payable is less than Rs.1,000/- (Rs. one thousand only), I shall request you to arrange for payment of the sum due to me by postal money order at the address mentioned above after deducting postal money order commission therefrom.

Yours faithfully,

Place :
applicant nominee
Date :

Signature/thumb impression of the

(Note : Strike out the words and/or paragraphs not applicable)

FORM 'G'
(See Rule 7(iv) of the Rules)
APPLICATION FOR GRATUITY BY A LEGAL HEIR

To,
Manager (Personnel & Administration),
Artificial Limbs Manufacturing Corporation of India,
KANPUR

Sir,

1. I hereby apply for payment of gratuity to which I am entitled under Rule 3 of Rules & Regulations of the Artificial Limbs Manufacturing Corporation of India Gratuity Scheme as a legal heir of late Shri/Smt./Km. _____ who was an employee of Artificial Limbs Manufacturing Corporation of India and died on the _____ without making any nomination. The gratuity is payable on account of the death of aforesaid employee on the _____/retirement or resignation of the aforesaid employee on the _____ after completion of _____ years of service/total disablement of the aforesaid with effect from the _____. Necessary particulars relating to my claim are given in the statement below :

1. Name of Applicant legal heir : _____
2. Address in full of the applicant legal heir : _____
3. Marital status of the applicant legal heir : _____
(unmarried/married/widow/widower)
4. Name in full of the employee : _____
5. Relationship of the applicant with the employee. : _____
6. Department/Branch/Section where employee last worked : _____
7. Post last hold by the employee with personal No. : _____
8. Date of appointment of the employee : _____
9. Date and cause of termination of service of the employee (death or otherwise) : _____
10. Date of death of the employee and evidence/witness _____ in support thereof.
11. Total period of service of the employee : _____
12. Amount of wages last drawn by the employee : _____
13. Total gratuity payable to the employee: _____
14. Percentage of the gratuity claimed : _____
15. Basis of the claim and evidence/witness in support thereof _____.

2. I declare that the particulars mentioned in the above statement are true and correct to the best of my knowledge and belief.

3. Payment may please be made in cash/open or crossed bank cheque/demand draft.

4. As the amount payable is less than Rs.1,000/- (Rs. one thousand only), I shall request you to arrange for payment of the sum due to me by postal money order at the address mentioned above, after deducting postal money order commission therefrom.

Place :

Yours faithfully,

Date :

Signature/Thumb Impression of the Applicant Legal Heir

Note : Strike out the words and/or paragraphs not applicable