

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (PAYMENT OF GRATUITY TO EMPLOYEES) REGULATIONS, 2002

geo-33004/99 Che Gazette EXTRAORDINARY PART (11—Section 4 pÜBLISHED BY AUTHORITY REGD. NO. D. 1.,-33004/99 145] No. 1451 2265 (-71/2002 17, 2002/3-u•qw 26, 1924 NEW DELHI, WEDNESDAY, 17, 2002/ASADHA 26, 1924 17 Rfizrq, 2002 1995(2 2 •q«-frfÉT t, 2002 1989 (1989 39) 2 GAZETTE OF INDIA : EXTRAORDINARY ART IL—SEC. 4 fifi 10 (4) 'Ä-a;-T' _ iii) iv) (6) ' Fig a-til; 33 3tT-urqr (2) (T) Nit, qtr 3 *tTTT (8) -F:ær: 4. fift-€r fi--äq--*t, öJTf, 5 (1) 3-T?ÄÄT 10 (2) (1) fäfäd til, i) 4 ITIE GAZETTE OF INDIA : EXTRAORDINARY [PART 4) iii) (3TV@T f47T, Autor, 6 15 1972 errlT I Ill—uvq 4] 5 aft (2) fif& 3.TQTÄT a-q-Ä;- 3-T?ÄT f4-g (3) 6 GAZETTE : EXTRAORDINARY (PART 4] 23 3.m-qr, 3TFä fiqffi7 R; 1925 6 (i) 20 20 i, 3tff(-RTtl 7 33 (2) (TD 13 3i-a-rfrT, (i) RT@T•, (ii) 3öt (iii) 11. NT, fisqr 8 GAZETIEOFINDIA : EXTRAORDINARY [PART III—SEC. 41 12. 13. Äfiz@t 3..TQT 3i7Tf7 14. fig fi-qr-or 11 SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA NorrnAT10N New Delhi, the 17th July, 2002 Small Industries Development Bank of India (Payment ofGratuity to Employees) Regulations, 2002 HRDD No. 1995 (2)/STAFF-GEN (2).—Whereas it is necessary to frame regulations governing the payment of gratuity to the employees of the Small Industries Development Bank of India and establishment of Gratuity Fund, the Board hereby makes .the following regulations.;— commencement I. These Regulations may be called the Small Industries Development Bank of India (Payment of Gratuity to Employees) Regulations, 2002. Powpr Interpret Peflnitlons 9 2. The power to interpret these Regulations vests in the Chairman and Managing Director (which expression shall include a Whote-Time-Director and an Executive .Director) and if there is no Whole-Time-Chairman and Managing Director, the said expression shall mean the Whole-Time-Director and includes an Executive Director, who may authorise the issue of such administrative instructions as may be necessary to give effect to these Regulations

3. In these Regulations, unless there is anything repugnant in the subject or context - (1) "the Act" means the Small Industries Development Bank of India Act, 1989 (39 of 1989) ; (2) "date of retirement" means - (a) in the case of an employee who retires or is retired in accordance with the terms and conditions of his service, the date on which he so retires or iS retired (b) in the case of any other employee, the date from which he ceases to be in the Small Industries Bank's service; and the expression "month of retirement" shall be construed accordingly , (3) "Fund" means the Small Industries Development Bank of India Employees' Gratuity Fund referred to in Regulation IO , 10 THE GAZETTE OF : DCIRAORDINARY (4) "Payn means the "pay" admissible to an employee in the the date of retirement and includes - •i) Substantive pay ii) Officiating pay iii) Special pay iv) Personal pay v) Special personal pay and ART III—SEC. 4 grade held as on VI) any other emoluments classflfed as 'pay' by the Board;- (5) "Dearness allowance" means the allowance. (6) "Service in the Small Industries Bank" (a) includes the period of an employee's continuous temporary service immediately preceding his confirmation; (b) includes the period of service of an employee in the Reserve Bank and/ or the Industrial Development Bank of India immediately before the appointed day or, as the case may be, before his posting on appointment, selection, promotion or transfer to the Small Industries Bank in terms of sub-section(2) of Section 33 of the Act; (c) includes the period during which an employee is on duty or on leave duly authorised by a competent authority (d) does not include any period during which an employee is absent from duty without permission or overstays his leave, unless specifically permitted by a competent authority , (7) "substantive pay' means the pay to which an employee is entitled in the scale of pay applicable to the post held by him substantively; 11 Condition* Of grant e (8) "year' -means the year ending on the 31st March; (9) Words and expressions used but not defined in these Regulüns and used in the Act have the meanings respectively assigned to them for the purposes Of the Act

4. Subject to the terms, conditions and other provisions in the succeeding Regulations, gratuity will be granted to a permanent employee after termination of his service in the Small Industries Bank, or in the eVent of his death before receipt of gratuity, to such person or persons as may be determined in accordance with Regulation 8; Provided that nothing in these Regulations shall be construed as conferring any right or benefit on any employee whose service in the Small Industries .Bank is governed by a contract expressly stipulating his service to be for a specified period. 5 (1) No gratuity will

be granted to or in the case of, an employee if he has not completed service in the Small Industries Bank for a minimum period of ten years , (2) Notwithstanding anything contained in sub-regulation (1), gratuity will be granted to or in the case of, an employee who has not completed service in the Small Industries Bank for a minimum period of ten years if - i) he dies while in service of the Small Industries Bank; or ii) he 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 appointment on account of reduction of establishment; or iii) his service in the Small Industries bank is terminated by the Small Industries Bank for reasons other than reduction of establishment. 12 Amount GAZETTE OF INDIA. EXTRAORDINARY [PART III—SEC. 41 6. (1) Without prejudice to the provisions of Regulation 5, the amount of gratuity admissible to an employee shall be - (a) a sum equal to one month's pay plus dearness allowance, for each completed year of service in the Small Industries Bank [or part thereof in excess of 6 months] subject to a maximum of twenty months' pay plus dearness allowance or whichever is less for first twenty four years of service ; (b) an additional sum equal to half month's pay plus-dearness allowance, for each completed year of service in the Small Industries Bank (or part thereof in excess of 6 months for service) in excess of twenty four years , (2) Notwithstanding anything contained in sub-regulation 6(1), in the case of an employee irrespective of the wages drawn by him, the amount of gratuity admissible shall be determined at the rate of 15 days' wages for each completed year of service in the Small Industries Bank or part thereof in excess of 6 months subject to a maximum of and also subject to other conditions as per the Payment of Gratuity Act, 1972, if payment under this sub-regulation is more beneficial to the employees. Explanation For the purpose of this sub-regulation, 'wages' means pay plus dearness allowance only Payment of reduced amount in certain 13 7(1) The Small Industries Bank may, while determining the amount of gratuity payable to an employee, take into account any financial loss caused to the Small Industries Bank by reason of the 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 Small Industries Bank; (2) Unless otherwise specifically permitted by the sanctioning authority, where residential accommodation has been allotted or provided by the Small Industries Bank or Industrial Development Bank of India to an employee, no gratuity will be, or become, payable to the employee or to any person claiming through or under him, unless such employee or, as the case may be, the person claiming through or under him, delivers or arranges to deliver to the Small Industries Bank or the Industrial Development Bank of India, vacant possession of the residential accommodation after fully satisfying the terms and conditions on which such accommodation has been so allotted or provided , (3) Any amount due or recoverable from or in the case of an employee, whether on account of arrears of rent or other amounts payable to the Small Industries Bank in respect of residential accommodation allotted or provided by it, or by way of outstandings towards any loan or advance granted by the Small Industries Bank or by reason of any overpayments made by, or of any liability, loss or expense caused to the Small Industries Bank, may be deducted from the amount of gratuity sanctioned to or in the case of, the employee ; (4) The provisions of this Regulation shall have effect notwithstanding anything contained in the foregoing Regulations. THE GAZETTE OF INDIA . EXTRAORDINARY [PART III—SEC. 41 Payment in Case of death 13 9 Liability for Tax 8, In the event of the death of an employee before receipt of gratuity the amount of gratuity admissible shall be paid (a) to the person who may have been nominated or deemed to have been nominated by the employee in terms of Regulation 23 of the Small Industries Development Bank of India Employees' Provident Fund Regulations, and if there are more persons than one so nominated or deemed to have been nominated, the amount of gratuity shall be distributed among such persons in the, same proportion in which the employee has distributed the amount standing to his credit in the Provident Fund ; and (b) if no such nomination has been made or is subsisting, the amount of gratuity may be paid to such persons who, in the opinion of the Chairman and Managing Director, Whole-Time Director, Executive Director or the Chief General Manager, are the heirs of the deceased or to any person on production of a probate or letters of administration evidencing the grant to him of administration of the estate of the deceased or a succession certificate granted under the Indian Succession Act, 1925. Income Tax and Super tax, if any, payable on the account of 9. gratuity granted to an employee will be borne by the Bank; Provided that the income tax and super tax, if any, payable on the difference in the amount of gratuity admissible on account of revision of ceiling under regulation 6(i) (a) above from the

basis of 20 months' pay or Rs.2,25,000/- whichever is less to 20 months' pay plus dearness allowance or Rs.3,15,000/- whichever is less, shall be borne by the employee himself in such manner as may be decided by the Bank. CQ115UtutlQ0_Qf the Fund 15 10. The Small Industries Bank shall have a fund to be called the Small Industries Development Bank of India Employees' Gratuity Fund, and there shall be credited thereto- (a) All moneys appropriated by the Small Industries Bank before the date of commencement of those Regulations, for meeting the liability on account of gratuities, including additional gratuities, payable to officers and other employees of the Small Industries Bank, (b) the amounts as and when received from the Development Bank on account of its proportionate share of liability for gratuities in respect of such employees who have become members of the staff of Small Industries Bank by reason of sub-section (2) of Section 33 of the Act; (c) an amount equal to the amount paid for the Fund in any year under Regulation 13 increased to the nearest higher multiple of Rupees One Lakh in the succeeding year; (d) such amount as, in the opinion of the Small Industries Bank, may be necessary having regard to- i) the balance of the amount standing to the credit of the Fund; ii) the number of officers and other employees of the Small Industries Bank; iii) the accrued liability of the Small Industries Bank for payment of gratuities, including additional gratuities; and iv) any other relevant consideration

11. The fund shall be held by the Small Industries Bank and, subject to the provisions of these Regulations, shall belong to the Small Industries Bank and be administered by the Board or a Committee of the Directors authorised or set up by the Board for the purpose. 16 Inter.n Dishwsqments frQm the Fund Siatement of THE GAZEI*IE OF NDIA : EXTRAORDNARY [PART11i—SEC, 41 12. The Small Industries Bank shall credit to the Fund at the end of every year an amount calculated on the balance in the fund at the end of that year, at the rate at which interest was last credited to the Industrial Development Bank of India Employees' Provident Fund or the Small Industries Development' Bank of India Employees' Provident Fund, as may be applicable

13. The moneys in the Fund shall be utilised for making payments on account of gratuities payable by the Small Industries Bank under these Regulations or any law for the time being in force

14. The accounts of the Fund shall be made up as at the end of each year and an audited statement of the accounts shall be submitted to the Board or the Committee authorised or set up under Regulation 11, not later than the end of December every year.p. B. N IMBALKAR, Chairman and Managing Director [ADVT. 1[1/1V/139t2002-Fxyt.] Printed by the Manager, GÖVL of India presa, Ring Road, Mayapuri, New Delhi-110064 and Published by the Controller of Publications, Delhi-110054.