

## Notification

In exercise of the powers conferred by sub-section (1) of Section 38, read with Section 37 of the Rajiv Gandhi Proudhyogiki Vishwavidyalaya Adhiniyam, 1998 (No. 13 of 1998), the Finance committee recommended for approval of this Statute to the Executive Council at its meeting held on 2<sup>nd</sup> January, 2007, and accordingly the Executive council of the Rajiv Gandhi Proudhyogiki Vishwavidyalaya, makes this Statute for the Rajiv Gandhi Proudhyogiki Vishwavidyalaya, namely: -

### **STATUTE-38**

1. Short title and commencement;
  - (1) This Statute may be called the Rajiv Gandhi Proudhyogiki Vishwavidyalaya **Gratuity Scheme Statute, 2007.**
  - (2) This shall come into force with effect from the date on which full time employees of this University are made eligible for Employee's contributory Provident Fund Scheme in Statute No.1.
2. Definitions; In this statute, unless the context otherwise requires;
  - (a) **“Adhiniyam”** means the Rajiv Gandhi Proudhyogiki Vishwavidyalaya Adhiniyam 1998 (No 13 of 1998);
  - (b) **“Life Insurance Corporation of India”** means Life Insurance Corporation of India established and incorporated as Life Insurance Corporation of India by Life Insurance Corporation of India Act 1956 passed by the Parliament of India and received the assent of the President of India and came into existence from 1<sup>st</sup> September 1956.
  - (c) **“Executive Council ”** means Executive Council of Rajiv Gandhi Proudhyogiki Vishwavidyalaya
  - (d) **“Vice Chancellor”** means Vice Chancellor of Rajiv Gandhi Proudhyogiki Vishwavidyalaya.
  - (e) **“Registrar”** means Registrar of Rajiv Gandhi Proudhyogiki Vishwavidyalaya
  - (f) **“Finance Controller”** means Finance Controller of Rajiv Gandhi Proudhyogiki Vishwavidyalaya .
  - (g) **“Controlling Authority”** means Registrar of Rajiv Gandhi Proudhyogiki Vishwavidyalaya .
  - (h) **“Employee”** means every whole-time officer, teacher or other employee of the University appointed permanently to a substantive post and includes appointments on contract for a definite period of not less than three years but does not include persons whose services have been lent to the University by Government;

- (i) **“Full Time Employee”** means an employee not appointed on part time basis, or persons employed on contract or persons appointed as visiting teachers;
- (j) **“Gratuity”** means an amount payable under the provisions of the Statute to the University employees after his retirement.
- (k) **“Pay”** means the amount drawn monthly by the University employee as under: -
  - (i) The pay, other than special pay or additional pay granted in lieu of his personal qualifications, which has been sanctioned for a post held by him substantively or in an officiating capacity or to which he is entitled by reason of his position in a cadre;
  - (ii) Special pay, personal pay, technical pay and;
  - (iii) Any other emoluments, which may be specially classed as pay by the State Government;
- (l) **“Average pay”** means the average monthly pay earned during the 10 complete months immediately preceding the months in which the University employee proceed on leave;
- (m) **“Substantive pay”** means pay other than special pay, personal pay or emoluments classed as pay under clause (k) above, to which a University employee is entitled on account of holding a post to which he has been appointed substantively or by reason of his substantive position in a cadre;
- (n) **“State Government”** means the Government of Madhya Pradesh
- (o) **“Statute”** means the Statute made under the provisions of Section 37 and 38 of Rajiv Gandhi Proudyogiki Vishwavidyalaya Adhiniyam, 1998 (No 13 of 1998);
- (p) **“Section”** means Section of the Adhiniyam;
- (q) Words and expression used but not defined in this statute have the meaning assigned to them in the Adhiniyam

### 3. **Application :**

- (1) This Statute shall be applicable on all employees, officers and teachers of the University who are eligible for Employee's contributory Provident Fund Scheme as given in Statute 1.
- (2) An Employee joining the University on deputation shall, in the event of permanent absorption in the University shall be allowed the benefit of Gratuity scheme under this Statute from the Date of his permanent absorption. or as per the Conditions laid down in the deputation terms and conditions of the Employee prior to his absorption in the University.

#### **4. Creation and Constitution of University Employees Gratuity Fund:**

In order to meet the expenditure on gratuity disbursement the University should opt group gratuity scheme of Life Insurance Corporation of India.

The Gratuity fund so created shall constitute out of the following amount contributed by the University to the Life Insurance Corporation of India.

1:-Present value of total Gratuity.

2:-Initial Contribution.

3:-Amount of Annual Contribution.

4:-Amount of OYRTA Premium.

5:-Service Tax @ 12.24% on Risk Premium.

The salient features of the above schemes are appended here with as appendix-1.

#### **5. Continuous Service:**

The Employee shall be eligible for Gratuity after continuous service of Five Years. The Condition of continuous service of Five Years shall not be necessary where the termination of the employment of any employee is due to death or disablement .

#### **6. Payment of Gratuity:**

Payment of Gratuity should be made to the employees on the termination of his employment after he has rendered continuous service of not less than five years on the occurrence of any of the three events viz

(a) on the employee reaching his superannuation age or

(b) on his retirement or resignation or

(c) on his death or disablement due to accident or disease.

In case of third event the qualifying continuous service of 5 years is not necessary.

#### **7. Gratuity to whom payable**

Gratuity is payable to the employee on his superannuation or retirement or resignation. In the case of death of the employee, gratuity payable to him be paid to his nominee or if no nomination has been made, to his heirs and where any such nominee or heirs is a minor, the share of such minor be deposited with the controlling authority who invest the same for the benefit of such minor in such a bank or other financial institution, as may be prescribed until such minor attains majority.

#### **8. Nomination**

Every employee covered under the payment of Gratuity Statute has a legal right to be paid gratuity as provided in this Statute. Each employee, who has completed one year of service, make a nomination so that in case of death gratuity payable to him be paid to his nominee or if no nomination has been made to his heirs. An employee may in his nomination distribute the amount of gratuity payable to him under this Statute amongst more than one nominee.

If an employee has a family at the time of making a nomination, the nomination 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 be void.

**9. Family**

Family in relation to an employee, be deemed to consist of –

- 1- in the case of a male employee, himself, his wife, his children whether married or unmarried, his dependant parents and the widow and children of his predeceased son if any, and.
- 2- in the case of female employee herself, her husband, her children whether married or unmarried her dependant parents and the dependant parents of her husband and the widow and children of her predeceased son, if any.

**\*10. Manner of Calculating Gratuity**

The gratuity amount is calculated @ 15 days last drawn wages for every completed year of service, subject to maximum of 10.00 laces.

**11. Formula for Calculating Gratuity**

Gratuity =  $15/26 \times$  Number of Years of service  $\times$  last drawn salary (Basic + D.A.)

**12. Application for Payment of Gratuity**

An employee who is eligible for payment of gratuity under the Gratuity Scheme Statute 2007 or any person authorized in writing to act on his behalf, apply ordinarily within thirty days from the date the gratuity becomes payable to the employer. Where the date of superannuation or retirement of an employee is known, the employee may apply to the employer before thirty days of the date of superannuation or retirement. An application be presented to the employer either by personal service or by registered post acknowledgement due ordinarily within thirty days from the date the gratuity becomes payable.

**13. Application by Representative**

A nominee of an employee who is eligible for payment of gratuity shall apply ordinarily with in 30, days from the date of gratuity becomes payable to him by an application on plain paper with relevant particular to the Registrar. The Registrar may obtain such other particular as may be deemed necessary by him. A legal heir of an employee, who is eligible for payment of gratuity, shall apply ordinarily with in one year from the date of gratuity payable to him along with a legal heir certificate issued by the competent court.

**14. Obligation of the Registrar**

It shall be the independent obligation upon the Registrar to pay the amount of gratuity due to an employee whether he asks for it or not. The Registrar shall as soon as gratuity becomes payable shall determine the amount of gratuity and give notice in writing to the person to whom the gratuity payable.

## **15. Adjudication of Disputes**

If there is any dispute as to the amount of gratuity payable to an employee under this statute or as to the admissibility of any claim of an employee for payment of gratuity, the employee or person entitled to receive the gratuity may make an application to the Registrar. The Registrar shall after due inquiry and after giving the parties to the dispute a reasonable opportunity of being heard, determine and pass an order of payment of the amount of gratuity payable to an employee. Any person aggrieved by the order of the Registrar may within sixty days from the date of the receipt of the order, prefer an appeal to the Vice –chancellor.

Provided that the Vice –chancellor is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the said period of sixty days, extend the said period by further period of sixty days.

The Vice –chancellor after giving the parties to the appeal a reasonable opportunity of being heard, confirm, modify or reverse the decision of the Registrar.

*Approval accorded on single file system on dated 12.09.2008 by Hon'ble Chancellor.*

*\*Approval accorded on single file system on dated 18.08.2009 by Hon'ble Chancellor.*

**By order,**

**Registrar**

Rajiv Gandhi Proudyogiki Vishwavidyalaya  
Bhopal