

Institute of Human Resources Development

Prajoe' Towers, Vazhuthacaud,
Thiruvananthapuram – 695014

PROCEEDINGS

IHRD – Implementation of Gratuity Scheme to IHRD employees – Orders issued

No.FinC2/6954/99/HRD

Dated, Thiruvananthapuram, 24th June, 2010

- Read:**
1. G.O.(MS) No.52/10/H.Edn dated 20.03.2010
 2. This Office Circular of even No. dated 30.03.2010
 3. Minutes of the 80th Meeting of the Executive Committee of IHRD held on 9.8.2006.
 4. Minutes of the 83rd Meeting of the Executive Committee of IHRD held on 27.07.2009.

ORDER

As per read first above, Government have accorded sanction for the implementation of Gratuity Scheme to IHRD employees w.e.f 01.04.1997. As per reference read as second paper above, the sanction of Gratuity Scheme to IHRD employees by Government has been intimated to all the institutions under IHRD. For the implementation of the Scheme, the IHRD Management shall contribute additional Contribution of 3% of Basic Pay + Dearness Allowance + Personal Pay + Interim Relief from 01.04.1997 which shall be the corpus to begin with the Gratuity Scheme in addition to the existing 12% contribution to the Contributory Provident Fund Scheme [i.e.15% has to be contributed by the IHRD (i.e. 12% contribution to CPF and 3% to Gratuity Scheme)]. In order to extend the Gratuity Scheme to IHRD employees, the following Orders/Guidelines are issued for strict compliance.

- 1) 3% of Basic Pay + Dearness Allowance + Personal Pay+ Interim Relief towards employees contribution to Gratuity Fund has to be forwarded by the Head of Institution by maintaining separate Register.
- 2) The amount of Contribution to the Gratuity Scheme @ 3% has to be forwarded while disbursing the salary during the month of July 2010 as separate Demand Draft drawn in favour of the "Chairman & Managing Trustee – IHRD Employees Gratuity Trust" payable at Thiruvananthapuram on or before 5th of the every succeeding calendar month so as to remit

the Gratuity account maintained in the IHRD headquarters. The statement showing the name and designation of the employee and their Basic Pay + Dearness Allowance + Personal Pay + Interim Relief shall invariably specify while forwarding the Demand Draft.

- 3) The arrears of 3% of contribution of the employees for the period from 01.04.1997 to 30.06.2010 will be forwarded to this office on or before 31.12.2010. For this purpose, the employees who have worked in other institutions during the above period, the present head of institution will have to address and collect the details of Basic Pay + Dearness Allowance + Personal Pay + Interim Relief drawn by the employee wherever he/she had worked after verifying their service book for the period from 01.04.1997 to 30.06.2010. After getting the details, 3% of the contribution from 01.04.1997 to 30.06.2010 shall be forwarded to IHRD headquarters by the present head of institution along with the list of employees with their details etc.
- 4) The head of institution shall also ensure that, contribution to Gratuity @ 3% to employees who have already retired from IHRD service on superannuation, died while in service, deputation to other departments shall also be forwarded to IHRD headquarters by the present head of institution. The date of retirement, date of demise and deputation period shall clearly be specified.
- 5) Application for admission to the Gratuity Scheme shall be obtained from the employees in **Form No.1A** and forwarded to this office duly filled in and authentication by the head of the institution.
- 6) At the time of forwarding the proposals for the Gratuity, the following documents have to be attached:-
 - (i) **In the case of "Retirement"**
 - (a) Application Form (Form No.1 (a – d)
 - (b) Verification Certificate of the Head of the institution in the prescribed format attached.
 - (c) Service Book of incumbent.
 - (d) Form No.1-A (attached copy of the Form forwarded at the time of admission)

(ii) In the case of "Death"

- (a) Application Form (Form No.1 (a – d)
 - (b) Death Certificate
 - (c) Legal Heirship Certificate
 - (b) Verification Certificate of the Head of the institution.
 - (c) Service Book of incumbent.
- 7) The employees who have resigned from IHRD service for taking up better employment or other purposes are not eligible for Gratuity under any circumstances.
- 8) The Rules, Proceedings, Form – 1A and 1B for Gratuity, Application form (Retirement and Death case) are attached herewith. The proposals have to be forwarded with proper recommendation and authentication by the head of institutions concerned after verifying the relevant records.
- 9) Receipt of the Order, along with the enclosures therein shall be acknowledged by return through Email.

Sd/-
Prof.V.Subramony
DIRECTOR

Encls: As stated above.

To

1. All Heads of Associated Institutions under IHRD
2. Joint Director
3. Administrative Officer
4. Finance Officer
5. Assistant Executive Engineer
6. All section heads in the IHRD headquarters
7. C.A I, C.A II and C.A III
8. S.F.
9. O.C

Approved for issue

JUNIOR SUPERINTENDENT

**INSTITUTE OF HUMAN
RESOURCES DEVELOPMENT**

**THE IHRD EMPLOYEES
GRATUITY SCHEME RULES**

**INSTITUTE OF HUMAN RESOURCES DEVELOPMENT
PRAJEO TOWERS, VAZHUTHACAUD,
THIRUVANANTHAPURAM-14**

NOTIFICATION

IHRD- Implementation of Gratuity Scheme to IHRD Employees – “IHRD Employees Gratuity Trust” – Committee – Notification - Orders issued.

No. Fin B2/6954/99/HRD (2)

Dated: 16/06/2010

Read: - 1) G.O (M.S) NO.52/10/H.EDn Dated 20/03/2010

As per read above, Government have accorded sanction for the implementation of Gratuity Scheme to IHRD Employees with effect from 01/04/1997 subject to the condition that there will be no financial commitment on the part of Govt.

As per read above Government have also accorded sanction to constitute “IHRD Employees Gratuity Trust” Consisting of the following members

- | | |
|--------------------------------------|--|
| 1) Director,IHRD | - Chairman & Managing Trustee |
| 2) Finance Officer | - Member Trustee |
| 3) Administrative Officer | - Member Trustee |
| 4) One member from
the staff side | - Member Trustee (To be nominated later) |

The committee will decide about the opening of an SB A/C in any of the Nationalized Bank and transfer of the monthly contribution to the A/C etc.

Sd/-
Prof.V.Subramony
DIRECTOR

To

1. All Heads of Institutions under IHRD
2. CA to Director
3. Joint Director
4. The Finance Officer
5. Administrative Officer
6. All Section heads in the IHRD Headquarters
7. Stock File
8. Office Copy

FORM NO. I – A

IHRD EMPLOYEES' GRATUITY FUND SCHEME

1. Name of Employee :
(In Block Letters)
2. Sex :
3. Religion :
4. Father' Name :
5. Husband's Name :
6. Marital status (Whether married,
unmarried, widow or widower) :
7. Date of birth :
Day Month Year
8. Permanent Address :

Village: Taluk/Sub-Division District

Post Office: Thana: State:

I hereby nominate the person (s) mentioned below to receive the amount of Gratuity in the event of my death before that amount becomes payable or, having become payable, has not been paid, and direct that the said amount shall be distributed among the said persons in the manner shown against their names.

Name and Address of nominee or nominees 1	Nominee's relationship with the employee 2	Age of nominee 3	Amount or share of Gratuity to be paid to each nominee 4

1. CERTIFIED that I have no family and should I acquire a family hereafter the above nomination should be deemed as cancelled.
2. CERTIFIED that my father/mother/sister (s)/minor brother (s)/are dependent upon me.

Dated this.....day of.....19 at.....

Two Witnesses to Signature:

- 1.
- 2.

.....
Signature of the Employee

CERTIFIED that the above declaration has been signed by
Shri/Smt..... before me after he/she
has read the entries/the entries have been read over to him/her by me.

Dated:

.....
Signature of the Head of Institution

Countersigned

.....
Chairman & Managing Trustee

IHRD EMPLOYEES GRATUITY SCHEME RULES

Short Title and Commencement:

Title : IHRD Employees Gratuity Rules

Date of commencement : 1.4.1997

I. **DEFINITIONS:**

In these rules, unless there is anything repugnant in the subject or context

- (a) “Subscription” means the amount paid by the employer to the Gratuity Fund monthly..
- (b) “Family” means in the case of subscriber the Husband(s)/ wife(s) and children of a subscriber and the widow(s)/widower(s) and children of a deceased subscriber.
- (c) “The employer” means the Institute of Human Resources Development which shall enter into a deed in such form as the Trustees shall requires undertaking to continue the obligation for implementation of the scheme.
- (d) “The Commissioner of Income-tax” means the person appointed as such under sub-section (i) of Section 117 of the Income Tax Act, 1961 and having jurisdiction over the Fund.

- (e) “The Trust Deed” means the Trust Deed executed by the IHRD and the Trustees and all amendments made thereto from time to time.
- (f) “The Fund” means the Gratuity Fund as described in the Trust Deed.
- (g) “The Scheme” means the IHRD Employees Gratuity Scheme.
- (h) “The Rules” means, the Rules of the Scheme as set out below and as amended from time to time.
- (i) “The Trustees” means the Trustees for the time being of the Fund.
- (j) “Employee” means an employee enrolling in the IHRD Gratuity Scheme.
- (k) “Eligible Employees” means the persons who shall be eligible to benefit by these Rules as more particularly set forth in Rule III below.
- (l) “Members” means persons who as Eligible employees join the Scheme and become entitled to benefits hereunder.
- (m) “Original Members” means Eligible Employees who become Members of the Scheme on the Effective Date.
- (n) “The beneficiaries” means the wife/husband and/or child or children and/or dependents of the member.

- (o) “Normal Retirement Date” means in respect of the member the last date of the month on which he /she attains the age of 58 years.
- (p) “Service” means the continuous service rendered by the member to the employer including service which is interrupted by sickness, accident, leave, lay-off, strike or a lock-out or cessation of work not due to the fault of the employee concerned. For the purpose of the scheme a period in excess of six months shall be reckoned as one year.
- (q) “Salary” means the basic pay drawn by the employee in the post held by him + DP + PP + DA including interim relief.
- (r) “Director” means the Director, Institute of Human Resources Development.
- (s) “Form” means a form appended to this Rule.
- (t) “Year” means financial year.
- (u) In other expression which is used in this Rule shall be as interpreted by the Trustees.

II. THE TRUSTEES TO ACT FOR AND ON BEHALF OF THE EMPLOYER AND MEMBERS:

The Trustees shall act for and on behalf of the Employer and the Member and every act done by the Trustees in consultation with or on

instructions of the Employer in matters where the Employer has direction under the Rules or is concerned shall be binding on the Employer and the Members.

III. (a) **ELIGIBILITY:**

The Employee who satisfy the following conditions shall be eligible to participate in the Scheme

“Permanent Employees who on the Entry Date are aged not less than 18 years and not more than 53 years”.

Employees who are in the service of the Employer on the Effective Date and satisfy the above condition shall join the Scheme as from that Date. Present employees who do not satisfy the above condition on the Effective Date and Employees appointed by the Employer after the Effective Date shall join the Scheme on their date of joining duty.

No Member shall withdraw from the scheme while he/she is an eligible employee in the service of the Employer.

IV. **EVIDENCE OF AGE:**

Evidence of age of every eligible employee shall be as furnished in the application by the Director.

V. **CONTRIBUTION TO THE FUND:**

The head of the Institution where the eligible employees are working shall draw and place under the disposal of the Trust, an amount equal to 3% salary of the employee before 5th of every calendar month. The contribution shall be paid through out future service of the Member until his normal retirement date , unless determined earlier under the Rules.

When an increase is effected consequent upon increase in salary of the employee, the annual contribution payable for the member shall be appropriately adjusted.

As the scheme shall be implemented from 1.4.1997 onwards, the arrears of contribution in respect of the employees for the period from 1.4.1997 to till date shall be paid by the employer in lump without interest to the Trustee Fund.

VI. **BENEFITS ON SURVIVAL TO NORMAL RETIREMENT DATE:**

Upon a Member's retirement at normal retirement date, the benefit due to the member shall be an amount equal to 15 days salary (15/20) for every completed year of service as on the date of retirement multiplied by the total number of service completed by the member, subject to maximum of Rs.3.5 Lakhs. The eligibility for gratuity is

confined to the regular IHRD employees who had completed 5 years regular continuous service .

VII. **BENEFITS ON DEATH WHILE IN SERVICE BEFORE NORMAL RETIREMENT DATE:**

In the event of death of the Member before normal retirement date while he is in the service of IHRD, the employee is entitled to get 15 days salary (15/20) of the member as on the date of death for each year of his anticipated service upto the normal retirement date but his earlier death subject to a maximum ceiling under Clause VI above. The minimum regular service of 5 years is not applicable in this case..

VIII. **BENEFITS ON RETIREMENT AFTER NORMAL RETIREMENT DATE OR DEATH WHILE IN EXTENDED SERVICE:**

If, with the consent of employer a Member remains in service after normal retirement date no further contributions will be payable in respect of him. The payment of benefits will be deferred until his actual retirement or death during such extended service. Upon the Member's actual retirement or death he/she is entitled to get the amount that would have become payable had the Member retired at normal retirement date, together with interest thereon at the rate to be determined by the Trust on the said date calculated upto the date of his

actual retirement or upto date of death, as the case may be, and the benefits in accordance with the provisions as stated Clause VI above.

IX. **EARLY RETIREMENT DUE TO ILL HEALTH OR TOTAL AND PERMANENT DISABILITY OR WITHDRAWAL FROM SERVICE:**

If, before the normal retirement date, the Member leaves the service of the employer of his own free will or otherwise or retires from the Service after completing 5 years regular continuous service with the consent of the Employer on grounds of ill health or total and permanent disability, or free will or otherwise, the amount payable towards gratuity shall be at the rate prescribed in Clause VI above.

X. **APPOINTMENT OF BENEFICIARY:**

- a) Every Member shall appoint one or more of his wife, child/children, or dependents as Beneficiary or Beneficiaries under the Rules to receive the benefit, hereunder in the event of his death. If a Member dies whilst in Service, the amount due to the Beneficiary or Beneficiaries as per forgoing paras will be paid.
- b) Every appointment made under this Rule shall be in writing signed by the Member and attested by two witnesses and shall be according to the form given in the Appendix to these Rules and

shall remain in force and effect until the death of the Beneficiary or until the same shall be revoked in writing by the Member and a fresh appointment made in the manner aforesaid.

- c) A Member may from time to time or at any time without the consent of the Beneficiary change the Beneficiary by filing a written notice of the change to the Trustees in the prescribed form satisfactory to the Trustees whereupon an acknowledgement of the change and the registration of the name of the new Beneficiary will be given to the Member by the Trustees for attachment to the Certificate. The new appointment shall take effect on the date the notice was signed whether or not the Member is living on the date of acknowledgement of the change without prejudice to the Corporation or the Trustees on account of any payment made before the acknowledgement of the change.

- d) If a Beneficiary shall at the time of his appointment be a minor or otherwise under disability to give a legal receipt or discharge to the Trustees, the Member must at the time of such appointment as aforesaid, appoint a person of full age who is capable of giving a legal receipt or discharge to the Trustees and to whom the benefits are to be paid for and on behalf of such Beneficiary.

- e) If more than one Beneficiary is appointed and in such appointment the Member has failed to specify their respective interests, the Beneficiaries so named shall share the benefits equally. If the Beneficiary predeceases the member, the interest of such Beneficiary shall terminate and his share shall be payable equally to such of the remaining Beneficiaries as survive the Member unless the Member has made written request otherwise to the Trustees in the prescribed form.
 - f) If a Beneficiary is not appointed the benefits shall be paid to the Member's wife, failing which to his child/children in equal shares, failing which to his dependants in equal shares. If the Member does not leave a wife, child/children or dependants, then the benefits shall be forfeited.
- X (A) : Notwithstanding anything contained in the above Rule the following Rules shall govern the nomination procedure as laid down by Rule 101-A of the Income-tax Rules 1962. If anything contrary or inconsistent with this Rule is contained in Rule X above, Rule X(A) will apply in substitution of Rule X.
- a) An employee may be allowed by the Trustees of the Gratuity Fund to make a nomination conferring on one or

more persons the right to receive the amount of gratuity in the event of his death, before that amount becomes payable, or having become payable has not been paid. Such a nomination shall be made in Form No.I A or in a form as near thereto as may be necessary.

- b) If an employee nominates more than one person under Sub-rule (a), he shall in his nomination, specify the amount or share payable to each of the nominees in such manner as to cover the whole of the amount of gratuity that may be payable in the event of his death.
- c) Where an employee has a family at the time of making a nomination, the nomination shall be in favour of one or more persons belonging to his family. Any nomination made by such employee in favour of a person not belonging to his family shall be invalid.
- d) If at the time of making a nomination the employee has no family, the nomination may be in favour of any person/persons, but if the employee subsequently acquires a family, such nomination shall forthwith be deemed to be invalid and the employee may be allowed to make a fresh nomination in favour of one or more persons of his family.

- e) A nomination made by an employee may, at any time, be modified by him after giving a written notice to the Trustees of his intention of doing so in Form No.I B or in a form as near thereto as may be. If the nominee predeceases the employee, the interest of the nominee shall revert to the employee, who may thereupon make a fresh nomination in respect of such interest.
- f) A nomination or its modification shall take effect to the extent it is valid on the date on which it is received by the Trustees.

Explanation: For the purpose of this Rule, 'Family' shall have the same meaning as in Rule, 67-A of the Income-tax Rules, 1962.

**INSTITUTE OF HUMAN RESOURCES DEVELOPMENT
PRAJEO TOWERS, VAZHUTHACAUD,
THIRUVANANTHAPURAM-14**

Form No: 1 (a)

Application for Gratuity

1. Name of applicant :
2. Date of birth (Christian Era/M.E.) :
3. Father's name (or husband's name in the case of a married female employee) :
4. Religion and Nationality :
5. Permanent residential address showing Village/Town, District and State :
6. Present or last appointment and name of establishment :
7. Date of beginning of service :
D M Y
8. Date of ending of service :
Y M D
9. (a) Length of total service :
(b) Length of total non-qualifying service with particulars :
From To
D. M. Y. D. M. Y.
- (c) Net qualifying service (Rounded to) :
10. Name of Bank where payment is desired :
11. Whether nomination made for Gratuity and if so, name, address and relationship of the persons to whom it is payable and share of each nominee :

Station:

Signature of the employee

Date:

Eligible DCRG:-----

Signature of the Head of Institution

(b) Details of family

- 1. Name of the employee :
- 2. Designation :
- 3. Date of birth :
- 4. Date of appointment :
- 5. Details of the members of my family as on.....

Sl.No	Name of the members family	Date of birth	Relationship with the employee	Remarks
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				

Station:

Signature of the employee

Date:

Signature of the Head of Institution

(c) Declaration

I,.....
hereby declared that should the amount of final gratuity sanctioned by the Director, IHRD is afterwards found to be in excess as admissible under the rules, I shall refund the excess amount when I am called upon to do so.

Station:

Date:

Signature of the employee

Countersigned

Signature of the Head of Institution

(d) Remarks by the Head of Institution

1. Conduct of the Applicant :
2. Explanation of any suspension or degradation :
3. Regarding any Gratuity already received by the applicant :
4. Any other remarks :
5. Whether any departmental or Judicial proceedings has been instituted/and is continuing now :

Station:

Date:

Signature of the Head of the Institution

Verification Certificate

1. Name of the Institution :
2. Name of the Employee (in Block Letters) :
3. Designation :
4. Date of birth :
5. Present address :
6. Permanent address (Where communication is to be sent) :
7. Date of joining in IHRD :
Year Month Day
8. Date of Retirement/Death :
Year Month Day
9. Total service :
Year Month Day
10. Non qualifying service if any-
As per KSR :
Year Month Day
11. Total Qualifying service for gratuity (Rounded):
Year Month Day
12. Details of liabilities if any outstanding against him/her :
13. Disciplinary action if any pending against the incumbent :
14. Eligible amount admissible as per rule :
15. Remark of the Head of Institution :

Certified that the above details are verified with S.B of the incumbent and found correct.

Station:

Date:

Signature of the Head of Institution

FORM NO. I – B
IHRD EMPLOYEES GRATUITY FUND SCHEME

I, hereby cancel the nomination made by me previously as regards the disposal of the amount of gratuity in the event of my death and hereby nominate the person(s) mentioned below to receive the amount of gratuity in the event of my death before that amount becomes payable or, having become payable, has not been paid, and direct that the said amount shall be distributed among the said persons in the manner shown against their names:-

Name and address of the nominee or nominees	Nominee's relationship with employee	Age of nominee	Amount or share of gratuity to be paid to each nominee

1. CERTIFIED that I have no family and should I acquire a Family hereafter, the above nomination should be deemed as cancelled.
2. CERTIFIED that my father/ mother/sister (s) /minor brother (s) is /are dependant upon me.

Dated thisday of20.....at.....

Two witness to Signature:

1.
Signature of the Employee
- 2.

CERTIFIED that the above declaration has been signed before me by
 Shri/Smt.....

Dated:

.....
Signature of the Head of the Institution

Countersigned

.....
Chairman & Managing Trustee