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1 TITLE AND COMMENCEMENT:

These rules will be called “North Eastern Electric Power Corporation Ltd. Employees’ Gratuity Fund Rules” and shall be deemed to have come into force from the date to be specified by the Management.

2. DEFINITIONS:

In these rules and regulations unless there is anything repugnant to the subject or context.

2.1 “The Corporation” means North Eastern Electric Power Corporation Ltd.”

2.2 “The Fund” means the North Eastern Electric Power Corporation Ltd. Employees’ Gratuity Fund.

2.3 “Rules” means the Rules and Regulations of North Eastern Electric Power Corporation Ltd. Employees’ Gratuity Fund as contained in these rules.

2.4 “Board of Trustees” means the Board consisting of all the Trustees of the Fund.

2.5 “Trustees” means the Trustees here of for the time being of the Fund and “Trust means the irrevocable Trust under which the Fund is established.

2.6 “Secretary” means the Secretary of the Board of Trustees.

2.7 “The Board of Directors” means the Board of Directors for the North Eastern Electric Power Corporation Ltd., and shall include any Committee of the Board of Directors to which the Board of Directors has delegated or may delegate its powers in this respect.

2.8 “Employees” means any person (other than an Apprentice) who is employed for wages, weather the terms of such employment are expressed or implied, in any kind of work, manual or otherwise in connection with the work of the company to which this act applies, but does not include any such person who holds a post under the central government or a State government and is governed by any other act or by any rules providing for payment of Gratuity.

(Clause 2.8 Definition of “Employee” stands modified with retrospective effect from 03/04/1997)


2.9 “Apprentice” means a learner appointed under the Apprentice Act and who is paid a stipend during the apprenticeship period.

2.10 “Beneficiary” means an employee entitled to gratuity in accordance with the provisions of these rules.

2.11 “Wages” means all employments called as pay, special pay, personal pay, if any and Emoluments which are earned by an employee while on duty or on leave in accordance with the terms and conditions of his employment and which are paid or are payable to him in cash and includes dearness allowance, but does not include any bonus, commission, house rent allowance, overtime wages and other allowances.

2.11.1 Words in singular number shall include the plural and words in the masculine gender Shall include the feminine.

2.12 “Commissioner” means Commissioner of Income Tax.

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2.13 “Completed year of Service” means continuous service for one year.

2.14 “Continuous Service” means uninterrupted service and include service which is interrupted by sickness, accident, leave, lay-off, strike or a lock out or cessation of work not due to any fault of the employee concerned.

Classification:

2.15 “Family” in relation to an employee, shall be deemed to consist of:

- i) 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;
- ii) In the case of a 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; provided that if a female employee, by a notice inviting in Form D to the Corporation, expresses her desire to exclude her husband from her family, the husband and his dependant parents shall no longer be deemed, for purposes of these rules, to be included in the family of such employee, unless the said notice is subsequently withdrawn by such female employee.

Explanation:

Where the personal law of an employee permits the adoption by him of 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.

2.16 “Retirement” means termination of the service of any employee otherwise than on Superannuation.


2.17 Re-employed Pensioner – A re-employed pensioner is an employee appointed in the Corporation after retirement from Government of India, or from State or a Union Territory or a body owned or controlled by Government of India or State or a Union Territory.

2.18 “Superannuation” in relation to any employee means;

- i) The attainment by the employee of such age as is fixed in the contract of conditions of service as the age on the attainment of which the employee shall vacate the employment, and
- ii) In any other case, the attainment by the employee of the age of sixty years (60 years).

2.19 “Qualifying Service” means all service rendered in the Corporation, except the period of service rendered as an apprentice or as a trainee or period of extra ordinary leave without pay.

2.20 All other words and expressions not defined herein-above would have the same meaning as in the Gratuity Act, 1972 to these employees to whom the Act applies, and in respect of other employees, the same meaning which are assigned to them in the BPE’s O.M. Dtd. 29.4.65 as amended from time to time.

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3. PURPOSE OF THE FUND AND THE IRREVOCABILITY:

3.1 The object of the fund is to provide moneys for payment of gratuity in India to the employees of the Corporation in accordance with the provisions of these rules.

3.2 The fund shall be vested in the Board of Trustees under an irrevocable trust having for its sole purpose the provision of gratuity to the employees Corporation as provided in these rules.

3.2.1 The Corporation shall be the contributor to the fund.

3.3 “The custody, control and management of the Fund shall be vested in Board of Trustees constituted by the Corporation. There shall be at least five Trustees on the Board of Trustees of Fund-Two members nominated from the management side and two members from employee’s side with Chairman-cum-Managing Director as the Chairman of the Board. The Trustees of the Fund shall be resident of India and any Trustees who leave India permanently shall cease to be a Trustee as on the date of leaving India”.

***Note:** Chairman-cum-Managing Director is empowered to constitute the Board of Trustees on behalf of the Corporation and to nominate the members from the management as well as employees side.*

4 TERM OF OFFICE OF TRUSTEES:

4.1 The term of office of the Trustees shall be three years commencing from the date of their nomination to the Fund. Provided that any such Trustee shall notwithstanding the expiry of the said period of three years continue to hold office until the nomination of his successor is made.

4.2 Outgoing Trustees shall be eligible for re-nomination.

5 VACANCY IN THE OFFICE OF TRUSTEES:


- i) On his death; or
- ii) On his resignation duly accepted by the Board of Trustees; or
- iii) On his becoming insolvent, insane or incapacitated; or
- iv) If he is convicted of an offence involving moral turpitude; or
- v) If he permanently leaves India; or
- vi) On his ceasing to be a Director if he is a Director of the Corporation; or
- vi) On his ceasing to be an employee if he is an employee of the Corporation.

5.1 The Chairman-cum-Managing Director shall nominate a successor in the place of a Trustee who has ceased to be a trustee in any manner aforesaid.

6 POWERS OF BOARD OF TRUSTEE:

6.1 The rules shall be interpreted by the Board of Trustees whose decision shall be final and binding upon the employees of the Corporation.

6.2 The Board of Trustee shall administer the Fund and income thereof except as otherwise provided in the rules for the time being in force.

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6.3 The Board of Trustees shall invest the moneys of the Fund which are not required for the purpose of the Trust in accordance with the provisions of the Income Tax Act, 1961 and the rules made there under including the amendments.

6.4 The Board of Trustees may from time to time appoint any Officer of the Accounts Department of the Corporation to be the Secretary of the Fund to sign all correspondences on behalf of the fund and exercise all powers and authorities as may be conferred on him by the Board of Trustees.

6.5 The Board of Trustees may, from time to time as and when necessary, raise such sum or sums as may be required for the purpose of the Fund by sale, hypothecation or pledge of the investments held by them of a sufficient part thereof.

6.6 The Board of Trustees may delegate any of their duties, powers, rights and discretions to one or more of themselves as they may from time to time think fit and may vary, alter, withdraw, modify, cancel on such delegation as they from time to time deem fit.

7 MEETING OF THE BOARD OF TRUSTEES:

7.1 The Board of Trustees shall meet as often as may be necessary and at such places and time as may be appointed for the dispatch of business of the Fund.

7.2 The Secretary of the Board of Trustees may, whenever he thinks fit, and shall, within fifteen days of the receipt of a requisition in writing from not less than two members of the Board of Trustees call a meeting thereof.

8 NOTICE OF MEETING AND LIST OF BUSINESS:

For every meeting, notice of not less than 7 days containing the date, time and place together with a list of business to be conducted at the meeting, shall be sent to each Trustee;

Provided that when the Secretary, with the approval of the Chairman, calls a meeting for considering any matter which in his opinion is urgent, a notice giving such reasonable time as he may consider necessary, shall be deemed sufficient.

9 CHAIRMAN TO PRESIDE OVER MEETINGS


9.1 Chairman-cum-Managing Director of the Corporation will be Chairman of the Fund.

9.2 The Chairman shall preside at every meeting of the Board of Trustees at which he is present. If the Chairman is absent at any time, the Trustees present shall elect one of them to preside over the meeting and the Trustee so elected shall exercise all the powers of the Chairman at the meeting.

10. QUORUM:

10.1 Two members including the Chairman of the Board of Trustees shall constitute the quorum at any meeting of the Board of Trustees.

10.2 If at any meeting the number of Trustees is less than the required quorum, the meeting will stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting also, a quorum is not present, these trustees who are present shall form the quorum and transact the business for which the meeting was called.

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11 DISPOSAL OF BUSINESS:

11.1 Each Trustee including the Chairman shall have one vote.

11.2 Every question considered at a meeting of the Board of Trustees shall be decided by a majority of the votes of the Trustees present and voting. In the event of an equality of votes, the Chairman shall have a casting vote.

11.3 Any resolution, except as may be placed before the meeting of the Board of Trustees may be adopted by circulation among all the Trustees and any resolution so circulated and adopted by a majority of the trustees who have signified their approval shall be as effect and binding as if such resolution had been adopted at a meeting of the Board of Trustees. However, such circulatory resolution shall be put up in the next meeting of the Board of Trustees confirmation.

12 MINUTES OF MEETING:

12.1 The Secretary shall maintain the records of the minutes of meetings of the Board of Trustees.

12.2 The records of minutes of each meeting shall be signed by the Chairman after confirmation with such modifications if any, as may be considered necessary at the next meeting.

12.3 The Secretary shall take necessary steps for carrying out the decisions of the Board of Trustees.

12.4 The Board of Trustees shall function notwithstanding any vacancy therein and notwithstanding any defect in the nomination of any of its Trustees or constitution of the Board of Trustees and no act or proceeding of the Board of Trustees shall be called in question morally by reason of the existence of any vacancy therein or any defect in the nomination of any Trustees or constitution of the Board of Trustees.

13 RECEIPTS FOR MONEY RECEIVED BY THE BOARD OF TRUSTEES:


Receipt for moneys received by the Board of Trustees and endorsements on cheques, drafts and other documents, received by the Board of Trustees shall be made by the Secretary for and on behalf of the Board of Trustees.

14 COST OF ADMINISTERING THE FUND:

It shall be lawful for the Board of Trustees to reimburse themselves or pay and discharge out of the property of the Trust, all costs charges and expenses incurred by them in carrying out these presents or in the execution of the Trust powers under these presents.

15 BANK ACCOUNT OF THE FUND:

All the contributions of the Corporation shall be deposited by the Board of Trustees every year into Bank Account(s) specially created for that purpose and at convenient intervals and as soon as possible the Board of Trustees shall invest these Funds as provided herein before. All interest accruing on the funds either through the Bank Account(s) or securities or investments will after meeting any relative expenses be caused to be credited by the Board of Trustees at convenient intervals not less than once every year to the Account of the Fund. The said Bank Account(s) shall be operated upon jointly by two Trustees or by one of the Trustees and the Secretary be nominated by the Board of Trustees.

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16 LIABILITY OF THE TRUSTEES:

No Trustees shall be responsible or chargeable save and except for money actually received by him nor shall be responsible or chargeable for the acts, defaults or neglects or the Bank with whom the money of the fund are deposited nor for less, unless the same happens through his own willful act or omission. All expenses incurred in respect of and less, if any arising from any investment shall be charged to the fund.

17 ASSIGNMENT AND CREATION OF CHARGE:

No employee shall be entitled to assign or create a charge upon his beneficial interest in the Fund.

18 ADMISSION OF DIRECTORS TO THE FUND:

The Chairman and Managing Director and other functional Directors of the Corporation shall be admitted to the benefits of the Fund only if they are whole time employees of the Corporation and do not beneficially own shares in the Corporation carrying more than five percent of the voting powers.

19 NOMINATIONS:

19.1 Each employee, who has completed one year of service, shall make a nomination in form No. 8 and will submit the same to the Secretary of the Gratuity in Trust, and will sign the agreement in Form A.

19.2 The employee shall in his nomination, distribute the amount of gratuity payable to him under these rules amongst more than one nominee.

19.3 If an employee has a family at the time of making a nomination, the nomination shall be made in favor of one or more members, of his family and any nomination made by such an employee in favor of a person who is not a member of his family shall be void.

19.4 If at the time of making a nomination the employee has no family, the nomination may be made in favor of any person or persons but if the employee subsequently acquires a family, such nomination shall forthwith become invalid and the employee shall make, within such as may be prescribed, a fresh nomination in favour of one or more members of his family in form No. C.


19.5 A nomination subject to sub-clauses 20.3 and 20.4 may be modified by an employee at any time after giving to the Secretary a written notice of his intention to do so in the Form No. D.

19.6 If a nominee predeceases the employee, the interest of the nominee shall revert to the employee who shall make a fresh nomination, in the prescribed form, included as Form C in respect of such interest.

19.7 Every nomination, fresh nomination or alteration of nomination, as the case may be, shall be sent by the employee to the Corporation who shall keep the same in safe custody.

19.8 Where no nomination has been made, the amount of gratuity shall be payable to the legal heir of the deceased employee.

19.9 "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".

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20 TRANSFER OF GRATUITY:

The Transfer Organization (Public Enterprise) may arrange with the Corporation or the Corporation may arrange with the Transferee Organization (also a Public Enterprise) as the case may be, to pay to it the gratuity earned during the service rendered in the Transfer or organization as if he has retired from its service on the date of transfer.

This benefit will be extended to the employees irrespective of their length of service rendered in the Enterprises subject to the condition that the employee has been selected through proper channel and has joined the other organization after proper release.

21 ELIGIBILITY FOR GRATUITY AND SCALES THEREOF:

21.1 "Gratuity shall be granted on the following circumstances:-

- a) Discharge on abolition of post.
- b) Permanent incapacity due to bodily or mental infirmity.
- c) Superannuation/retirement after 20 years of qualifying service.
- d) On death/disablement bodily or mentally.
- e) Resignation (irrespective of employee whether Governed by the gratuity Act or not).


Provided That:

- f) Gratuity shall not be admissible to an employee whose services are terminated for misconduct or in-efficiency;
- g) Voluntary retirement after 20 years of qualifying service would not constitute resignation;
- h) Except in case of death/disablement bodily or mentally, gratuity will be admissible only after 4 years of qualifying service.

21.2 For every completed year of service or part thereof in excess of six months, the Corporation shall pay gratuity to an employee at the rate of fifteen days' wages based on the rate or wages last drawn by the employee concerned, subject to the limit mentioned in rule 21.3 or 21.3.1 as the case may be". Provided that in the case of piece rated employee, daily wages shall be computed on the average of the total wages received by him for a period of three months immediately preceding the termination of his employment and for this purpose, the wages paid for any overtime work shall not be taken into account.

21.3 The amount of gratuity payable to an employee covered by the Gratuity Act shall be paid at the rate of 15 days wages and shall not exceed twenty months wages. Provided that in the case of permanent transfer of Government servant to the Corporation the total gratuity admissible in respect of the service under the Government and that in the Corporation shall not exceed that would have been admissible, had the Govt. servant continued in Government service and retired on the same pay which he drew on retirement from the Corporation.

21.3.1 The amount of gratuity admissible to employees not covered under payment of Gratuity Act will be equal to 15 days' emoluments for each completed year of service subject to a maximum of 16 ^{1/2} times the emoluments or Rs 20, 00,000 whichever is less. Provided that in the case permanent transfer of Government servant to the Corporation the total gratuity admissible in respect of the service under the Government and that in

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the Corporation shall not exceed that would have been admissible, had the Govt. servant continued in Government service and retired on the same pay which he drew on retirement from the Corporation.

Explanation:

Emoluments shall mean the last pay drawn (which includes special pay, dearness pay, if any, leave salary, subsistence grant as well as Dearness Allowance) immediately proceeding the date of quitting service and There will be no ceiling on reckonable emoluments for calculating gratuity.

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

a) During the first year of service - 02 months wages/Emoluments.

b) After one year but before - 06 months wages/Emoluments 5 years of service

c) After completion of 5 years - 12 months wages/Emoluments of service but before 20 years.

d) Service of 20 years or more - Half a month's emoluments for completed half year of qualifying service subject to a maximum of 33 times the emoluments provided the amount of death gratuity shall in no case exceed Rs. 20,00,000/- Emoluments for the purpose of this scheme shall mean the 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 drawn immediately proceeding the date of quitting service or the date of his death. There will be no ceiling on reckonable emoluments for calculating gratuity.

***Note:** In the case of death of an employee, the amount of gratuity payable to the beneficiary will be the amount admissible under Rule 21.3 or Rule 21.3.1 as the case may be, and under Rules 21.4 whichever is higher.*

21.5 For the purpose of computing the gratuity payable to an employee who is employed, after his disablement, on reduced wages, his wages for period preceding his disablement shall be taken to be the wages received by him during that period and his wages for the period subsequently to his disablement shall be taken to be the wages as so reduced.


22 FORFEITURE OF GRATUITY:

22.1 Notwithstanding anything contained in sub section 21.3 above.

(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 belonging to the employer shall be forfeited to the extent of the damage of loss so caused;

(b) The gratuity payable to an employee shall be wholly forfeited;

(c) An employee against whom disciplinary action/Proceedings is contemplated or pending at the time of resignation/retirement etc. will not be paid gratuity unless the action/Proceedings against him have been finalized. On finalization of the disciplinary proceedings the release of payment of amount 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.

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- (i) If the service of such employee have terminated for his riotous or disorderly conduct or any other act of violence on his part, or
- (ii) If the services of such employees have been terminated for any act which constitutes an offence involving moral turpitude, provided that such offence is committed by him in the course of his employment.

22.2 Income Tax/Duty payable by the Employee:

Income Tax, Super Tax and any other tax/duty etc. payable if any, on the extent of gratuity shall not be borne by the Fund but shall be deducted from the gratuity amount payable.

23 DETERMINATION OF GRATUITY:

As soon as gratuity becomes payable, the Secretary shall on being informed by the Personnel/Administrative wing whether an application referred to in Rule 25 has been made or not determining the amount of gratuity and give notice in writing to the person to whom the gratuity is payable and also to the Controlling Authority specifying the amount of Gratuity so determined.

24 APPLICATION FOR AND PAYMENT OF GRATUITY:

A person who is eligible for payment of gratuity under these rules or any person authorized in writing, to act on his behalf shall send a written application to the Secretary within 30 days from the date of gratuity becomes payable in the Form No. E, F, or G. The Corporation shall arrange to pay the amount of gratuity within 30 days from the date of receipt of application, to the person to whom the gratuity is payable.

25 MODE OF PAYMENT OF GRATUITY:

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;

Provided that in case the eligible employee, nominee or legal heir, as the case may be, so desires, and the amount of gratuity payable is less than one thousand rupees, payment may be made by postal money order after deducting the postal money order commission thereof from the amount payable.

25.1 A register shall be kept by the Secretary in which shall be entered the names and addresses of persons who received gratuity out of the Fund together with the amount paid to each of them.


26 PROTECTION OF GRATUITY:

No gratuity payable under these rules shall be liable to attachment in execution of any decree or order of any Civil, Revenue, and Criminal Court.

27 ACCOUNTS AND AUDIT:

27.1 The Secretary shall cause the accounts of Fund to be maintained in such a manner as the Board of Trustees may, from time to time decide.

27.2 At the end of each financial year an Income and Expenditure Account together with a Balance Sheet of the Fund's assets and liabilities shall be laid before the Board of Trustees at a meeting to be held within 9 months of the close of the financial year.

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28 AMENDMENTS OF RULES:

If there is any repugnance between the rules of the Fund and any provision of Income Tax Act, 1961 and the rules made there under, or any other law for the time being in force, rules of the Fund to the extent of such repugnance shall be ineffective.

- 29** Where the Corporation business is to be wound up or discontinued, the board of Trustees shall, with the prior approval of and subject to such conditions as may be imposed by the Board of Directors, make satisfactory arrangements for the payment of gratuity to the existing beneficiaries.

30 ARRANGEMENT OF WINDING UP OF THE FUND:


Any arrangement for the winding up of the Fund for its management with another Fund shall be subjected to the prior approval of the Board of Directors of North Eastern Electric Power Corporation Limited.

31 RECOVERY OF DUES:

The Corporation or any other authority empowered by the Corporation in this behalf, shall have the right to make recovery of Corporation's dues before the payment of the death-cum-retirement gratuity due in respect of an officer even without obtaining his consent or without obtaining the consent of the members of his family in the case of deceased employee, as the case may be.

32 RESIDUARY POWERS:

Every case which is not covered by this rule or if requires relaxation of all or any of the provisions of these rules shall be referred to the Board of Director for decision.

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ANNEXURE – I

SUPERANNUATION

INDEMNITY BOND

THIS DEED OF INDEMNITY is made on the..... day ofbetween.....son of.....by occupation.....resident of.....hereinafter referred to as ‘the Recipient’ (which expression shall include his heirs, executors, administrators, legal representatives and assigns) of the FIRST PARTY and North Eastern Electric Power Corporation Limited, a Government of India Enterprise and a Company registered under the Companies Act, having its Head Office at Shillong in the State of Meghalaya, hereinafter referred to as ‘the Base Corporation’ (which expression shall include its successors in business and assigns) of the SECOND PART’.


WHEREAS the Board of Directors of the SECOND PART in a Resolution in the meeting held on 29th August, 1991 resolved that the Special Duty Allowance and H.R.A. be allowed to the employees of the SECOND PART as an interim measure against individual undertaking to the effect that necessary adjustment would be made in accordance with the decision of the Government of India as and when received, in respect of availability of the benefit of such Special Duty Allowance and H.R.A. to the employees of the SECOND PART.

AND WHEREAS in pursuance of the aforesaid resolution of the Board of Directors of the SECOND PART, the payment of Special Duty Allowance and HRA has been made by the management of the SECOND PART to each of the employees of the SECOND PART against individual undertaking taken from each of the said employees of the SECOND PART including the Recipient to this DEED of undertaking that the Special Duty Allowance being paid to the RECIPIENT per month with effect from 01.08.91 in terms of the Office order No.2088, dated 26th September, 1991 and HRA being paid to the RECIPIENT per month in terms of Office Order No.2089 dtd. 26th September, 1991 of the SECOND PART, was subject to necessary adjustment/recovery as per the decision of the Government of India as and when received out of any amount payable to the RECIPIENT including Wages/Salary in one lump sum or in suitable installments to be decided by the SECOND PART.

AND WHEREAS in pursuance of and in terms of the aforesaid undertaking executed by the RECIPIENT of to the FIRST PART in favor of the SECOND PART payment of gratuity due to the RECIPIENT on his retirement from service of the SECOND PART had been withheld by the SECOND PART.

AND WHEREAS the Corporation, namely, the SECOND PART has now nevertheless agrees to pay to the RECIPIENT of the FIRST PART the entire amount payable as the Amount of gratuity on his retirement of service from the SECOND PART upon the RECIPIENT agreeing to indemnify the SECOND PART in respect of thereto.

NOW THIS DEED WITNESSES that in consideration of the Corporation, the SECOND PART agreeing to pay the said amount of gratuity to him, the RECIPIENT hereby declare, agree and covenant with the SECOND PART that the RECIPIENT will repay on demand to the corporation of the SECOND PART all such amounts paid to the RECIPIENT of this deed as Special Duty Allowance with effect from 01.08.91 in terms of Office Order No.2088 dtd. 26.9.91 and HRA in terms of Office Order No.2089 dtd. 26.9.91 till the date of retirement of the RECIPIENT from the service of the SECOND PART Corporation as per the decision of the Government of India as and when received and for such payment and indemnity to be well and truly made to the Corporation the RECIPIENT bind himself firmly by these presents.

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IN WITNESSES WHEREOF THE RECIPIENT and the Corporation above named have hereunto set and subscribed their respective hands the day, year first above written.

WITNESSES:

RECIPIENT


1.....

.....

2.....

.....

For and on behalf of the CORPORATION

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ANNEXURE –II

PROFORMA TO BE USED THOSE WHO HAVE RESIGNED FROM SERVICE

I N D E M N I T Y B O N D

THIS DEED OF INDEMNITY is made on the..... day ofbetween.....son/Daughter of.....byoccupation.....resident of.....hereinafter referred to as ‘the Recipient’ (which expression shall include his/her heirs, executors, administrators, legal representatives and assigns) of the FIRST PARTY and North Eastern Electric Power Corporation Limited, a Government of India Enterprise and a Company registered under the Companies Act, having its Head Office at Shillong in the State of Meghalaya, hereinafter referred to as ‘the Corporation’ (which expression shall include its successors in business and assigns) of the SECOND PART’.


WHEREAS the Board of Directors of the SECOND PART in a Resolution in the meeting held on 29th August, 1991 resolved that the Special Duty Allowance and H.R.A. be allowed to the employees of the SECOND PART as an interim measure against individual undertaking to the effect that necessary adjustment would be made in accordance with the decision of the Government of India as and when received, in respect of availability of the benefit of such Special Duty Allowance and H.R.A. to the employees of the SECOND PART.

AND WHEREAS in pursuance of the aforesaid resolution of the Board of Directors of the SECOND PART, the payment of Special Duty Allowance and HRA has been made by the management of the SECOND PART to each of the employees of the SECOND PART against individual undertaking taken from each of the said employees of the SECOND PART including the Recipient to this DEED of undertaking that the Special Duty Allowance being paid to the RECIPIENT per month with effect from 01.08.91 in terms of the Office order No.2088, dated 26th September, 1991 and HRA being paid to the RECIPIENT per month in terms of Office Order No.2089 dtd. 26th September, 1991 of the SECOND PART, was subject to necessary adjustment/recovery as per the decision of the Government of India as and when received out of any amount payable to the RECIPIENT including Wages/Salary in one lump sum or in suitable installments to be decided by the SECOND PART.

AND WHEREAS in pursuance of and in terms of the aforesaid undertaking executed by the RECIPIENT of the FIRST PART in favour of the SECOND PART payment of gratuity due to the RECIPIENT on his/her retirement from service of the SECOND PART had been withheld by the SECOND PART.

AND WHEREAS the Corporation, namely, the SECOND PART has now nevertheless agrees to pay to the RECIPIENT of the FIRST PART the entire amount payable as the Amount of gratuity on his/her resignation of service from the SECOND PART upon the RECIPIENT agreeing to indemnify the SECOND PART in respect of thereto.

NOW THIS DEED WITNESSES that in consideration of the Corporation, the SECOND PART agreeing to pay the said amount of gratuity to him, the RECIPIENT hereby declare, agree and covenant with the SECOND PART that the RECIPIENT will repay on demand to the corporation of the SECOND PART all such amounts paid to the RECIPIENT of this deed as Special Duty Allowance with effect from 01.08.91 in terms of Office Order No.2088 dtd. 26.9.91 and HRA in terms of Office Order No.2089 dtd. 26.9.91 till the date of resignation of the RECIPIENT from the service of the SECOND PART (Corporation) as per the decision of the Government of India as and when received and for such payment and indemnity to be well and truly made to the Corporation the RECIPIENT bind himself/herself firmly by these presents.

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IN WITNESSES WHEREOF THE RECIPIENT and the Corporation above named have hereunto set and subscribed their respective hands the day, year first above written.

WITNESSES:

RECIPIENT


1.....

.....

2.....

.....

For and on behalf of the CORPORATION.

	<p style="text-align: center;">NEEPCO HR MANUAL</p> <p style="text-align: center;">GRATUITY FUND RULES</p>	<p>VOLUME : II SECTION : H DATE OF EFFECT: 01.01.1986 UPDATED AS ON: 01.06.2019 PAGE NO. : 15 OF 17</p>
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ANNEXURE –III

FOR LEGAL HEIRS IN CASE OF DECEASED

INDEMNITY BOND

THIS DEED OF INDEMNITY made at.....on this_____day of between.....wife/son/daughter/mother/father of Late.....by occupationresident of.....hereinafter referred to as ‘the Recipient’ (which expression shall include his/her heirs, executors, administrators, legal representatives and assigns) of the FIRST PARTY and North Eastern Electric Power Corporation Limited, a Government of India Enterprise and a Company registered under the Companies Act, having its Head Office at Shillong in the State of Meghalaya, hereinafter referred to as ‘the Corporation’ (which expression shall include its successors in business and assigns) of the SECOND PART’.


WHEREAS the Board of Directors of the SECOND PART in a Resolution in the meeting held on 29th August, 1991 resolved that the Special Duty Allowance and H.R.A. be allowed to the employees of the SECOND PART as an interim measure against individual undertaking to the effect that necessary adjustment would be made in accordance with the decision of the Government of India as and when received, in respect of availability of the benefit of such Special Duty Allowance and H.R.A. to the employees of the SECOND PART.

AND WHEREAS in pursuance of the aforesaid resolution of the Board of Directors of the SECOND PART, the payment of Special Duty Allowance and HRA has been made by the management of the SECOND PART to each of the employees of the SECOND PART against individual undertaking taken from each of the said employees of the SECOND PART including the Recipient to this DEED of undertaking that the Special Duty Allowance being paid to the RECIPIENT per month with effect from 01.08.91 in terms of the Office order No.2088, dated 26th September, 1991 and HRA being paid to the RECIPIENT per month in terms of Office Order No.2089 dtd.26th September, 1991 of the SECOND PART, was subject to necessary adjustment/recovery as per the decision of the Government of India as and when received out of any amount payable to the RECIPIENT including Wages/Salary in one lump sum or in suitable installments to be decided by the SECOND PART.

AND WHEREAS in pursuance of and in terms of the aforesaid undertaking executed by the RECIPIENT (Legal heir) of the FIRST PART in favor of the SECOND PART payment of gratuity if due to the RECIPIENT on the death of Late _____ had been withheld by the SECOND PART.

AND WHEREAS the Corporation, namely, the SECOND PART has now nevertheless agrees to pay to the RECIPIENT(Legal heirs) of the FIRST PART the entire amount payable as the Amount of gratuity on his/her resignation of service from the SECOND PART upon the RECIPIENT(Legal heirs) agreeing to indemnify the SECOND PART in respect of thereto.

NOW THEREFORE THIS DEED WITNESSES that in view of this undertaking furnished by the RECEIPT OF THE FIRST PART the Corporation of the SECOND PART agreeing to pay the said amount of gratuity to the legal heirs of the deceased employee only on production of succession certificate issued by the competent court of law or to the Executors , Administrators , Legal representatives and assigns and the RECIPIENT(Legal heir) of the FIRST PART hereby declare, agree and convenient with the corporation of the SECOND PART that the RECIPIENT of the FIRST PART will repay on demand to the corporation of the SECOND PART all such amounts paid to the RECIPIENT(Legal heir) of the FIRST PART of this DEED of this deed as Special Duty Allowance with effect from 01.08.91 in terms of Office Order No.2088 dtd. 26.9.91 and HRA in terms of Office Order No.2089 dtd. 26.9.91 till the date up to which he/she served the Corporation of the FIRST PART if it is so required by the decision of the Government of India and for such payment and indemnity to be well and

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truly made to the Corporation of the FIRST PART and the RECIPIENT (Legal heir) bind himself/herself firmly by these presents.

IN WITNESSES WHEREOF the parties here to have hereunto set and subscribed their respective hands the day, year first above written.

WITNESSES:

RECIPIENT

[LEGAL HEIR OF THE FIRST PART]


1.....

.....

2.....

.....

For and on behalf of the CORPORATION of the SECOND PART.

	<p style="text-align: center;">NEEPCO HR MANUAL</p> <p style="text-align: center;">GRATUITY FUND RULES</p>	<p>VOLUME : II SECTION : H DATE OF EFFECT: 01.01.1986 UPDATED AS ON: 01.06.2019 PAGE NO. : 17 OF 17</p>
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REFERENCES / AMENDMENTS / INCLUSIONS

Clause	Board Approval	O/O and Circulated Vide
2.8 (Employee Definition)	Approved and amended as in the Payment Of Gratuity Act, 1972	O/O No. 1364, Dtd, Shillong the 24/03/2017, circulated vide memo no.Pers/14/Tbs22/17,668-90
21.3.1 & 21.4(D) (Ceiling of Gratuity for Workmen, Supervisors and Executives)	Approved in the 234 th Board Meeting held on 14/11/2017	O/O No. 151, Dtd.Shillong the 06/06/2018 circulated vide Memo no.Pers/23/109/1802-50
	Approved and amended vide the Payment of Gratuity act, 1972.	O/M No. W-02/0020/2018-DPE (WC)-GL-XII/18 Dtd. the 11th April 2018, & O/M No. W-02/0036/2018-DPE(WC)-GL-XIX/18 Dtd. the 10 th July, 2018

PREPARED BY	REVIEWED BY	APPROVED BY
L. Y. KHUMAN AM - HR	N. K. MEITEI DGM - HR	P.S. BARTHAKUR CGM - HR