



Amendment in the Payment of Gratuity Act, 1972

19:1 IST

The Union Cabinet today gave its approval for introduction of a Bill in the coming Session of the Parliament for amendment of section 2(e) of the Payment of Gratuity Act, 1972 to insert the following definition of "employee" :-

“ Employee” means any person (other than an apprentice) who is employed for wages, whether the terms of such employment are expressed or implied, in any kind of work, manual or otherwise, in or in connection with the work of a factory, mine, oilfield, plantation, port, railway company, shop or other establishment, 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.’

This will result in coverage of teachers in the educational institutions under the Payment of Gratuity Act, 1972.

SH/CS

