



**Gas and Oil Pakistan (Pvt.) Ltd
Employee Gratuity Policy**

Circular # HR-08/2017
Tuesday, April 11, 2017

1. OBJECTIVE

The object of the “**Gratuity Policy**” is to pay certain sums for the benefit of the employees of the Company and their families in the event of the employee leaving service of the company, due to but not limited to, termination from service, resignation, retirement or death.

2. EFFECTIVE DATE

These Rules shall become effective from the **1st Day of March 2017**. However for the purpose of calculating employment tenure experience will be calculated from day of joining.

3. DEFINITIONS

For the purpose of these Rules, unless there is anything repugnant in the subject or context, the terms ___

“**Accumulated Amount Due**” shall mean the amount due to the Member or such portion thereof as may be payable to him under this policy on the day of termination of service or death

“**Company or Employer**” shall mean **Gas and Oil Pakistan (Pvt.) Ltd**;

“**Employees**” shall mean all employees of the Company whether regular or on contract (provided the contract is not for less than 12 months) extendable with the mutual consent of BOD;

“**Family**” shall mean Member’s lawfully wedded spouse, but shall not include a divorced spouse and his children and parents;

“**Member**” shall mean a full time employee of the Company who shall be eligible to the benefits under this policy;

“**Normal Retirement Date**” shall mean the date on which the employee reaches the age of 60 years; or the date of superannuation as approved by the BOD;

“**Nominee(s)**” means any person nominated by the members in writing as set out in **Form A**;

“**Retirement**” shall mean in relation to a member ceasing to be in the Company’s service at the normal retirement age or thereafter or earlier;

“**Salary**” shall include all the allowances, if the term of the employment so provide, but exclude all non-cash allowances and pre-requisites. Salary payable for the purpose of gratuity will be calculated using following formula:

Gross Salary/26 (Working Days) X 30 Days

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The Gratuity will be granted to an employee on his ceasing to be in the Company's service, or in the event of his death to his legal heirs.

7. NOMINATION OF BENEFICIARY

Each Member on joining the Company shall nominate in writing to H.R & A department on attached Form 'A', any person or persons who shall be entitled to receive the accumulated dues in the event of the Member's death while in the service of the Company and receipts from any such nominee or nominees to whom the said amount may be so paid shall operate as and be considered as valid receipt, discharge and release to the Company.

8. FORFEITURE OF GRATUITY

- (1) The forfeiture of the gratuity can be made in following situations:
- It shall be done in the case of serious misconduct –

If the action of the workmen is willful or negligent causing loss to management, or acts of violence against management or other employees or riotous or disordering behavior in or around place of work, the management can forfeit gratuity.

- Dismissal in case of serious misconduct gratuity of employee can be forfeited.
- Employee should not be wholly deprived of the benefit of gratuity in case of dismissal on misconduct but actual loss only can be deducted from gratuity amount.

9. PAYMENT

The accumulated amount due to a Member shall be payable to him or to the person or persons nominated by when such Member ceases to be in the service of the Company, or has otherwise left the service of the Company, due to permanent or total disability, or has died.

S.M H.R & A

In charge Policies
& Procedures

Chairman

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