

# TRIPURA GAZETTE



*Published by Authority*

## EXTRAORDINARY ISSUE

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*Agartala, Wednesday, March 24, 2021 A. D., Chaitra 3, 1943 S. E.*

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**PART-IV-** Bills introduced in the Tripura Legislative Assembly, Report of Selection Committees presented or to be presented to that Assembly ; and Bills published before introduction in that Assembly.

## TRIPURA LEGISLATIVE ASSEMBLY

### SECRETARIAT

NEW CAPITAL COMPLEX

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No.F.7(12-28)-LA/2021/4878

Dated, Agartala, the 22nd March, 2021.

## NOTIFICATION

“ As required under Rule 117 of the Rules of Procedure and Conduct of Business in the Tripura Legislative Assembly, “**The Payment of Gratuity (Tripura Amendment) Bill, 2021 (The Tripura Bill No. 7 of 2021)**” as introduced in the Assembly on the **22<sup>nd</sup> March, 2021** to be published in the Tripura Gazette.”

  
22/3/21  
( B.P. Karmakar )

Secretary

Tripura Legislative Assembly

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The Payment of Gratuity (Tripura Amendment) Bill, 2021

**A**

**Bill**

to amend the Payment of Gratuity Act, 1972 (Central Act 39 of 1972), in its application to the State of Tripura.

**WHEREAS**, the Payment of Gratuity Act, 1972 was enacted by the Parliament and the same was brought into force on the 16<sup>th</sup> day of September, 1972;

**AND WHEREAS**, under the provisions of sub-section (3) of section 4 of the Payment of Gratuity Act, 1972, the Central Government enhanced the ceiling limit of gratuity to 20 lakh rupees with effect from 29<sup>th</sup> March, 2018 vide notification No. S.O.1420(E) dated 29<sup>th</sup> March, 2018;

**AND WHEREAS**, the State Government is not in a position to extend the new ceiling limit of gratuity in the State of Tripura due to precarious financial condition of the State as various PSUs, Autonomous Bodies, Societies, Boards, Corporations, etc. under different Departments of the State Government are incurring huge losses and the salary and other allowances of the employees of these establishments are borne entirely from the grants received from the State Government, payment of gratuity at higher rates to those employees will only increase burden to the State exchequer;

**AND WHEREAS**, retain the power of prescribing the ceiling limit of such gratuity, with the State Government, a State amendment of the aforesaid Central Act is expedient;

**BE**, it enacted by the Tripura Legislative Assembly in the Seventy Second year of the Republic of India, pursuance to obtain ascent from the President of India, is as follows:-

**1. Short title and commencement :**

- (1) This may be called the Payment of Gratuity (Tripura Amendment) Act, 2021;
- (ii) It shall come into force on the date of its publication in the official Gazette.

**2. Amendment to Section 4.-**

In the Payment of Gratuity Act, 1972 (Central Act No.39 of 1972), in sub-section (3) of Section 4, for the words “Central Government”, the words “appropriate Government” shall be substituted.

## **STATEMENT OF OBJECTS AND REASONS**

The Payment of Gratuity Act, 1972 was enacted by the Parliament and the same was brought into force on the 16<sup>th</sup> day of September, 1972;

2. Under the provisions of sub-section (3) of section 4 of the Payment of Gratuity Act, 1972, the Central Government enhanced the ceiling limit of gratuity to 20 lakh rupees with effect from 29<sup>th</sup> March, 2018 vide notification No. S.O.1420(E) dated 29<sup>th</sup> March, 2018;
3. The State Government is not in a position to extend the new ceiling limit of gratuity in the State of Tripura due to precarious financial condition of the State as various PSUs, Autonomous Bodies, Societies, Boards, Corporations, etc. under different Departments of the State Government are incurring huge losses. The salary of the employees of these establishments are borne entirely from the grants received from the State Government. Payment of Gratuity at higher rates to the employees of PSUs, Autonomous Bodies, Societies, Boards, Corporations, etc. will only increase burden to the State exchequer as most of the payments are made from the consolidated fund of the State. It is so required to enable the State Government to enhance or fix the ceiling by State Govt. for the State Govt. employees and the employees of the PSUs and other bodies as well.
4. For smooth running of the PSUs, Autonomous Bodies, Societies, Boards, Corporations, etc., it is considered expedient that the Act in its application to the State of Tripura shall be amended.
5. The Bill seeks to achieve the aforesaid objectives.

(Biplab Kumar Deb)  
Chief Minister  
Government of Tripura

## **TECHNICAL MEMORANDUM**

The subject matter of the **Payment of Gratuity (Tripura Amendment) Bill, 2021** (The Tripura Bill No. 7 of 2021) is relatable to Entries 23 & 24 of List-III (Concurrent List) of Seventh Schedule to the Constitution of India and therefore the State Legislature is competent to make a Law on these subjects.

2. Though the provisions of the Bill are not repugnant to the Constitution of India, but it proposes to make a state amendment of subsection (3) of Section 4 of the existing Central law, namely the Payment of Gratuity Act, 1972 (Central Act No. 39 of 1972) and therefore the assent of the President of India, according to Article 254(2) of the Constitution of India, will be required to bring it into operation, if it is passed by the State Legislature.

3. The Bill does not attract the proviso to clause (b) of article 304 of the Constitution of India and therefore previous sanction of the President of India is not required for introducing or moving of the Bill in the State Legislature.

4. It is not a Money Bill within the meaning of Article 199 of the constitution of India. This is not a Financial Bill, as it will not involve any additional expenditure from the Consolidated Fund of the State, if enacted and brought into operation. Therefore, prior recommendation of the Governor under clause (1) or (3) of Article 207 of the Constitution of India, is not required for introduction, moving or consideration of the Bill by the House of the State Legislature.

(Biswajit Palit)  
Secretary, Law  
Government of Tripura

## **FINANCIAL MEMORANDUM**

The 'Payment of Gratuity (Tripura Amendment) Bill', 2021 (Bill No. 7 of 2021) if enacted and brought into operation, shall not involve any additional expenditure from the consolidated fund of the State.

(ABHISHEK CHANDRA)  
Special Secretary to the  
Government of Tripura