



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

PAYMENT OF GRATUITY
(AMENDMENT)
ACT, No. 62 OF 1992

[Certified on 13th November, 1992]

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Payment of Gratuity (Amendment)
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L.D.—O. 2/91

AN ACT TO AMEND THE PAYMENT OF GRATUITY
ACT, No. 12 OF 1983

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows :—

1. This Act may be cited as the Payment of Gratuity (Amendment) Act, No. 62 of 1992.

Short
title.

2. Section 5 of the Payment of Gratuity Act, No. 12 of 1983 (hereinafter referred to as "the principal enactment") is hereby amended by the addition of the following new subsection immediately after subsection (3) thereof :—

Amendment
of section
5 of Act
No. 12 of
1983.

(4) Any employer who, being liable to pay any sum due as gratuity to a workman or his heirs, as the case may be, under subsection (1), fails or defaults to pay that sum, on or before the due date, he shall be liable to pay to that workman or his heirs, as the case may be, in addition to the sum due as the gratuity, a surcharge on that sum calculated in the following manner :—

(a) where the payment of the gratuity has been in arrears for a period not exceeding one month from the due date, a surcharge of ten *per centum* of the sum due as gratuity;

(b) where the payment of the gratuity has been in arrears for a period exceeding one month but not exceeding three months from the due date, a surcharge of fifteen *per centum* of the sum due as gratuity;

(c) where the payment of the gratuity has been in arrears for a period exceeding three months but not exceeding six months from the due date, a surcharge of twenty *per centum* of the sum due as gratuity;

(d) where the payment of the gratuity has been in arrears for a period exceeding six months but not exceeding twelve months from the due date a surcharge of twenty-five *per centum* of the sum due as gratuity;

- (e) where the payment of the gratuity has been in arrears for a period exceeding twelve months from the due date, a surcharge of thirty *per centum* of the sum due as gratuity.

For the purposes of this section, the expression "due date", in relation to a gratuity, means the thirtieth day from the date of termination of the services of the workman to whom the gratuity is payable.'

Amendment
of section
8 of the
principal
enactment.

3. Section 8 of the principal enactment is hereby amended by the addition of the following new subsection immediately after subsection (7) thereof:—

'(8) For the purposes of this section, the expression "gratuity" includes any surcharge payable under subsection (4) of section 5.'

Sinhala
text to
prevail in
case of
inconsis-
tency.

4. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.