

SINHGAD TECHNICAL EDUCATION SOCIETY®

(Regd. No. MAH / 7199-93 / Pune dt. 6/7/93 & F - 8282 (Pune) dt. 12/8/93)



Sinhgad Institutes

19/15, Erandwane, Smt. Khilare Marg, Off Karve Road, Pune 411 004.

☎: (020) 2545 9751 Fax : 2545 3456 E-mail : stes@sinhgad.edu Website : www.sinhgad.edu

PROF. M. N. NAVALE
M.E. (Elect.) MIE., MBA.
FOUNDER PRESIDENT

DR. (MRS.) SUNANDA M. NAVALE
B.A., MPM, Ph.D.
FOUNDER SECRETARY

STES/2021-22/2326

01.11.2021

CIRCULAR

Sub : Submission & Gratuity claim in respect of resigned Employees

Ref : Circular No. STES/Personal/2012-13/5902 dt.15.05.2013

It has been observed that some of the Institute/School are not submitting Gratuity claim in respect of resigned employees, who are eligible for Gratuity under Payment of Gratuity Act, 1972 within prescribed time limit.

Detailed instructions about submission of Gratuity claim form in Annexure 'A' in duplicate in respect of qualified employees within a period of 30 days from their leaving service have already been issued to all under Circular dt. 15.05.2013 referred to above(Copy enclosed). However same are not followed scrupulously by some of the Institutes/Colleges/Schools resulting difficulties in calculation of financial burden and preparation of Annual Balance-Sheet by Finance Dept.

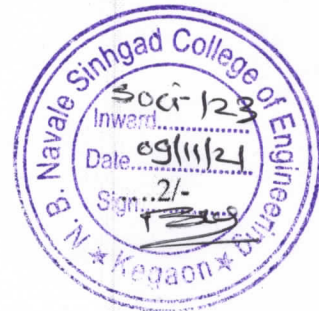
In this connection, attention of all Heads of Institute / College / School is invited to the provision in section No. 7 (1 & 2) of the Payment of Gratuity Act 1972 and provision in Rule 7 (1) in the Payment of Gratuity (Maharashtra) Rules, 1972 which are reproduced in the Annexure to this Circular for reference.

It is also observed that entries about "Nomination" for the purpose of payment of Gratuity are not taken in the service-books of the Employees, which is necessary in accordance with the provision in Rule No. 6 (1) of the, The payment of Gratuity (Maharashtra) Rules, 1972.

All Heads of Institute/College/School are therefore instructed to follow above mentioned provisions in Act and Rules and ensure that claim forms completed in all respect in respect of the eligible.

- Registrar / HR section
- To take immediate follow-up.
 - To inform all HoDs.

[Signature]
9/11/2021



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employees are submitted to the Personal Dept. within period of thirty days from the date of their relieving from service, whether the said employee has submitted the application for gratuity or not.


President/Vice President

Encl: Annexure & Circular dt. 15.05.2013

To,

- 1) Directors/Principals of all Institute/College/School of STES/ SPSPM/ SSPM & SYCSPM
- 2) Dean, SKNMC&GH, Narhe, Pune
- 3) Campus Directors of all Campuses of STES, SPSPM, SSPM & SYCSPM

Copy forwarded for information to:-

- i) Founder Secretary, STE Society, Pune
- ii) Vice – President (HR), STE Society, Pune
- iii) Vice – President (Admin). STE Society, Pune
- iv) Secretary, SPSPM, Kamlapur
- v) Director (Finance), STE Society, Pune
- vi) Project Manager, STE Society, Pune
- vii) Transport Officer, STE Society, Vadgaon – Ambegaon, Pune
- viii) Select file

ANNEXURE

Extract of Section 7 of Payment of Gratuity Act, 1972

7. Determination of the amount of Gratuity:-

(1) A person who is eligible for payment of gratuity under this Act or any person authorized, in writing, to act on his behalf shall send a written application to the employer, within such time and in such form, as may be prescribed, for payment of such gratuity.

(2) As soon as gratuity becomes payable, the employer shall, **whether an application referred to in sub-section (i) has been made or not**, determine 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.

Extract of Rule 6 and 7 of Payment of Gratuity (Maharashtra) Rules, 1972

6. Nominations:-

(1) A nomination shall be in Form 'F' and submitted in duplicate by personal service by the employee, after taking proper receipt or by sending through registered post acknowledgement due to the employer, -

- (i) In the case of an employee who is already in employment for a year or more on the date of commencement of these rules ordinarily, within ninety days from such date, and
- (ii) In the case of an employee who completes one year of service after the date of commencement of these rules, ordinarily, within thirty days of the completion one year of service:

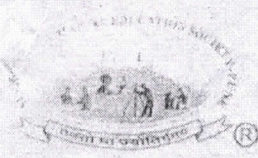
Provided that nomination in Form 'F' shall be accepted by the employer after the specified period, if filed with reasonable grounds for delay, and no nomination so accepted shall be invalid merely because it was filed after the specified period.

7. Application for Gratuity: -

- (1) An employee who is eligible for payment gratuity under the Act, or any person authorized, in writing, to act on his behalf, shall apply, ordinarily within thirty days from the date the gratuity became payable in Form 'I' to the employer:

(Note: For details refer provisions The Payment of Gratuity Act, 1972 and The Payment of Gratuity (Maharashtra) Rules, 1972.)

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No. STES/Personnel/2012-13/5902

Date: 15-05-2013

CIRCULAR

Subject: - Payment of Gratuity to the employees on cessation of service

"The Payment of Gratuity Act, 1972" and Rules framed under "The Payment of Gratuity (Maharashtra) Rules, 1972" have been made applicable to all regularly appointed Teaching and Non-Teaching Employees of STES. Appropriate amount of Gratuity is payable to the employees fulfilling terms and conditions prescribed under the Act & Rules, on cessation of their service.

So as to facilitate speedy disposal of the gratuity claims of the employees and to have uniform procedure, main features of the Scheme; exhaustive instructions and the prohibitory conditions laid down under the Act & Rules are summarized herewith for information of the Dean, Directors; Principals of all Institutions and Other Officers of STES as under;

Main features:

Employees completing not less than five years of regular; continuous service are eligible for payment of gratuity (section 4 (1)). However, the condition of completion of continuous service of five years shall not apply in case where the termination of employment is due to death or disablement.

For calculation of qualifying completed years of service (for computation of gratuity amount), service rendered for more than 6 months shall be counted as one completed year and service less than 6 months shall be ignored (section 4 (ii))

An employee who is qualified for payment of gratuity has to submit his / her application for gratuity in writing in the format prescribed as per Annexure 'A' in duplicate to the concerned Head of Institution/Office within a period of 30 days from leaving service.



In case of death of the employee while in service or after cessation of service, gratuity application in duplicate (Annexure 'A') shall be submitted by the Legal Heir / nominee along with original death certificate of the employee.

Exhaustive instructions for processing claims :-

On receipt of the application from the employee (Annexure 'A'), Head of Institution/Office shall take note of the same in inward register with date.

Particulars about qualifying service; pay, period of LWP submitted by the employee shall be scrutinized properly with reference to entries in his/ her service-book; salary sheet & personal records.

While processing the claims of the employees, Head of the Institution/Office shall consider following provisions in the Act and Rules.

- (a) Rate of Gratuity is fixed at 15 days wages for one completed year of service (section 4 (2))
- (b) Wages for the purpose of calculating gratuity comprises of Pay in Pay Band + AGP/GP + DA last drawn by the employee (section 4 (2))
- (c) In case employee is working on consolidated salary/without allowances, wages without DA shall be taken into consideration for calculating amount of gratuity.
- (d) Formula for working out amount of gratuity is as follows:
(No. of completed years of service x 15 ÷ 26) x Wages last drawn = Amount of Gratuity payable.
- (e) It should be ensured that dues of all kind have been paid by the employee.
- (f) Recovery, if any, on account of notice pay; rent and service charges towards staff quarter; recovery due to LWP, Library, Laboratory etc. have been effected from the employee. If any of such recovery is outstanding against the employee the same shall invariably be mentioned while forwarding claim (as per Annexure 'B') to Central Office.

**Prohibitory conditions:**

Following provisions in the Act shall also be considered while forwarding claims of the employees to the Central Office.

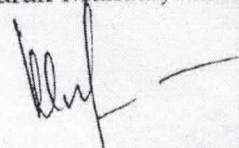
- 1) In respect of employees whose services are terminated for any act, willful omission or negligence causing any damage or loss to or destruction of property belonging to the employer, the amount of gratuity shall be forfeited to the extent of the damages or loss so caused. (section 4 (6) (a)).
- 2) Gratuity payable to the employee can be forfeited in case of termination of service for:
 - (i) Riotous or disorderly conduct or any other act of violence on his part

Or

- (ii) For any act which constitutes an offence involving moral turpitude provided such offence is committed during the course of his employment (section 4 (6) (b))

All Heads of Institutes/Offices are hereby instructed to follow above provisions scrupulously while forwarding claims of the employees for gratuity to the Central Office. They are also advised to refer provisions in Gratuity Act & Rules for more details and for ready reference, please refer to FAQs and their answers thereunder.

These instructions / guidelines shall also be applicable to all Institutions / Offices run by the Savitribai Phule Shikshan Prasarak Mandal, Kamlapur, Shrinath Shikshan Prasarak Mandal, Kondhapuri and Shri Yashwantrao Chavan Shikshan Prasarak Mandal, Mumbai.


(Prof. M. N. Navale)
President

Encl: Annexure 'A'
Annexure 'B'

To,

- 1) Directors/Principals of all Institutes/Colleges/Schools of STES, SPSPM, SSPM & SYCSPM
- 2) Dean, SKNMC&GH, Narhe, Pune



3) Campus Directors of all Campuses of STES, SPSPM: SSPM & SYCSPM

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- iii) Vice – President (Admin), STES
- iv) Secretary, SPSPM, Kamlapur
- v) Director (Finance), STES
- vi) Director (Engineering) , STES
- vii) Director (Academics) , STES
- viii) Director (Placement) , STES
- ix) Director (Education) , STES
- x) Project Manager, STES
- xi) Resident Officer, SSPM, Kondhapuri
- xii) Select file