

**MYSORE STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES**

Ref. No. MST:CO:EST:RLS:1939:71
1971

Bangalore, Dated:5-5-

CIRCULAR No. 114

Sub:- Enhancement of the quantum of gratuity in respect
of Class I & II Officers.

The Corporation Board under Resolution no. 1823 dated 19-4-1971 has resolved that with effect from 1-4-1970, the quantum of gratuity payable to Class I & II Officers under the Gratuity Regulation 1960 be at the rate of one month's basic pay for every completed year of service, subject to a maximum of Rs. 24.000/- (Rupees Twenty Four thousand).

Claims for gratuity preferred on and from 1-4-1970 may be decided and paid accordingly.

Sd/-
General Manager

To
Chief Accounts Officer, Central Offices for information and necessary action.

Copy to: All Unit Heads and Departmental Heads in Central Offices for information of all officers.

SCINDHIA

Manager (A)

Sd/-
N.R.
Deputy General

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Order No. HD 10 TRE 59.

Bangalore, dated--the 30th March, 1960, 10th
Chaitra Saka Era 1881

Sub:- Gratuity Regulations of the Mysore Government Road
Transport Department- Sanctions.

Ref: 1. Government Order No. HD 262 RTE 57 dated the
10th January 1958.
2. Correspondence ending with letter No. ADM.SR. 8,
188 dated 8th April 1959 from the General Manager,
Mysore Government Road Transport Department,
Bangalore.

Government are pleased to sanction the Gratuity Regulations of
the Mysore Government Road Transport Department. The Regulations
approved are appended to this order.

By order and in name of the
Governor of Mysore,
Sd. (B.T. NAYAK)

Deputy Secretary to Government,
Home Department.

**GRATUITY REGULATIONS
OF
THE MYSORE GOVERNMENT ROAD TRANSPORT
DEPARTMENT**

Annexure to G.O. No. HD 10 TRE 59, Dated 30-3-1960

1. Short Title and Commencement :

(1). These Regulations may be called the Karnataka State Road Transport Corporation—Gratuity Regulations.

(2). These Regulations shall be deemed to have come into force on the first day of April 1957.

2. Application :

(1). These Regulations shall apply to all monthly rated employees of the Department on conditions specified for eligibility.

- (2). They shall not apply to-
- i. employees on daily wages;
 - ii. employees on deputation from other departments;
 - iii. Persons who are dismissed or compulsorily retired.

3. Gratuity not to be Claimed as of Right :

Gratuity is an ex-gratia payment as a reward for services rendered and it cannot be claimed as of right.

4 Conditions of Eligibility :

(1). Minimum qualifying service for becoming eligible to gratuity shall, subject to the provisions of sub-regulation (2), be 15 years` continuous service in the Department.

EXPLANATION 1. Service rendered by a transferred employee under the B.T.C., B.S.R.T.C., or the Hyderabad Road Transport Department shall be counted for purposes sub-regulation (1).

EXPLANATION 2. In computing the said period, the period of extraordinary leave and suspension which is not treated as on duty shall be excluded.

(2). In the case of an employee who dies while in service or who is prematurely retired due to permanent physical or mental disability the minimum qualifying service shall be five years.

(Note: Substituted by G.O. No. HD 210 RAA 57 dated 17th October 1960)

(3). The amount of gratuity may be disallowed or reduced if the service of the employee has not been thoroughly satisfactory.

5. Gratuity when payable :

Subject to the provisions of regulation 4 Gratuity will be payable,

- i. on the date of retirement, or
- ii. on resignation, provided that the administration is satisfied that the employee is resigning for good and sufficient reasons, or
- iii. in case of death while in service, or
- iv. in case of premature retirement due to permanent physical and mental disability.

6. Gratuity to whom payable :

Gratuity shall be payable—

- i. to the employee, if alive.
- ii. if dead- (a) to his nominee (b) if there is no nomination, to his legal heirs.
- iii. If the employee is of unsound mind, to his lawful guardian.

7. Nominations :

(i) “Family” for the purposes of this regulation will include the following relatives of the employee, namely:-

- a. Wife in the case of a male employee.
- b. Husband in the case of a female employee.
- c. Sons.
- d. unmarried and widowed daughters.
- e. brothers below the age of 18 years and unmarried or widowed sisters,
- f. father ; and
- g. mother.

Note: 1. (c) and (d) will include step-children.

Note: 2. (c) and (d) will include an adopted son or adopted daughter only if under the personal law of the employee adoption is legally recognized as conferring the status of a natural child.

(ii). Every employee shall, as soon as he completes five years* qualifying service make a nomination conferring on one or more persons the right to receive any gratuity that may be sanctioned.

(*Note: Change consequential on the amendment to Regulation 4(2))

Provided that if, at the time of making nomination the employee has a family, the nomination shall not be in favour of any persons or person other than the members of his family.

EXCEPTION: Where an employee has no family, the nomination can be made in favour of any person or in favour of a body of persons whether incorporated or not. Similarly, where the employee has only one member in his family in whose favour the original nomination should be made, the alternate nomination can be made in favour of any other person or in favour of a body of persons, whether incorporated or not.

(iii). if the employee nominates more than one person under sub-regulation (ii), he shall specify in the nomination the amount of share payable to each of the nominees in such manner as to cover the whole amount of the Gratuity.

(iv) An employee may provide in a nomination—

- a. in respect of any specified nominee, that in the event of his predeceasing the employee the right conferred upon that nominee shall pass to such other member of the employee's family as may be specified in the nomination ;
- b. that the nomination shall become invalid in the event of happening of a contingency specified therein.

(v) The nomination made by an employee who has no family shall become invalid on his subsequently acquiring a family.

(vi) (a) Every nomination shall be in such one of the forms 4 to 7 as may be appropriate in the circumstances of the case.

Note: It is not open to an employee to nominate more than one alternate nominee against any original nominee.

(b) An employee may at any time cancel a nomination by sending a notice in writing to the appropriate authority provided that the employee shall, along with such notice, send a fresh nomination made in accordance with this regulation.

(vii) Immediately on the death of a nominee in respect of whom no special provision has been made in the nomination under clause (a) of sub-regulations (iv) or on the occurrence of any event by reason of which the nomination becomes invalid in pursuance of clause (b) of that sub-regulation or of sub-regulation(v), the employee shall send to the appropriate authority a notice in writing formally cancelling the nomination, together with a fresh nomination made in accordance with this regulation.

(viii) Every nomination made, and every notice of cancellation given by an employee under this regulation, shall be sent by the employee to the General Manager. Immediately on receipt of a nomination from an employee, the General Manager shall countersign it indicating the date of receipt and keep it under his custody.

(ix) Every nomination made, and every notice or cancellation given by an employee shall, to the extent that it is valid, take effect on the date on which it is received by the authority mentioned in sub-regulation viii.

8 Amount of Gratuity:

The amount of gratuity payable will be a sum equal to one month's pay for each year of qualifying service, subject to a maximum Rs. 1 Lakh.

EXPLANATION: For purposes of this Regulation "Pay" means, the substantive pay and personal pay or officiating pay, whichever is higher, drawn by an employee at the time of retirement, resignation or death. In the case of officiating pay, the employee should have officiated continuously for 3 years.

9 Procedure:

(i) The claim for gratuity shall be initially prepared at the office to which the employee was attached at the time of retirement, resignation or death as the case may be. The claim shall be in form No. 1. Entries in the form should be made with reference to service book of the employee concerned. The claim form shall be signed by the Assistant Administrative Officer of the office concerned and the Head of the Unit and shall be audited by the Assistant Accounts Officer. There after it shall be forwarded along with the Service Book to the C.A.O for scrutiny. Finally, it shall be sent to the General Manager for sanction.

(ii). On receipt of the completed form, the General Manager shall issue a notice in form No.2 to the employee or any other person who appears to be entitled to the gratuity, intimating about the proposed sanction and calling for objections, if any, within 30 days from the date of notice.

(iii). Thereupon the employee or any other person claiming to be entitled to the gratuity, shall make an application in form No.3 stating his objections also, if any, to the proposed grant.

(iv). The General Manager shall, after the expiry of the period fixed for objections and after considering such objections as may be filed, pass final orders sanctioning gratuity (on form No.1) and forward the same to C.A.O for arranging payment early. Intimation of the sanction of payment may also be given to the person concerned intimating him to appear before the C.A.O. to receive payment.

(v). On receipt of the form, the office of the C.A.O shall arrange for disbursement of Gratuity after making deductions towards amounts if any proved to be due to the department from the employee.

10 Source of Expenditure :

The expenditure on account of gratuity shall be debited to the Revenue Account of the Department. Necessary provision shall be made in the Budget of the Corporation every year.

11 Interpretation:

The right of interpreting these regulations in case of dispute shall vest in the General Manager.

12 Amendment of the Regulations:

The General Manager may with the previous approval of the State Government, make such amendment to these regulations as may be considered necessary.

**KARNATAKA STATE ROAD TRANSPORT CORPORATION
CLAIM FOR GRATUITY**

FORM 1. [See Regulation 9(i)]

1. Name of the employee.
2. Section or Branch
3. Nature of last appointment held.
4. Date of Birth.
5. Age at the time of cessation of service.
6. Date of first appointment.
7. Date of cessation of service.
8. Number of extension granted
9. Number of years of service.
10. Period of continuous service and the date from which reckoned.
11. Period of active service excluding period of extraordinary leave and suspension, if any.
12. Break in service, Period with dates and reasons.
13. Reasons for cessation of service, certificate of medical officer, if any.
14. Reasons for resignation if resigned.
15. Whether his/her service has been thoroughly satisfactory.

16. Any special remarks as to quality of service and recommendation of the Head of the Department.
17. Certificate as to continuity of service stating the records on which such certificate is based.
18. Last pay drawn or pay or age at 55.
19. Amount in the Provident Fund Account at the time of retirement, Subscription with interest. Employer's contribution with interest.
20. Amount of Gratuity recommended.
21. Whether the employee is alive.
22. (1) If the employee is dead:
 - a. name of the nominee.
 - b. name of the widow or widower or children or other legal heir.
- (2) If the employee is of unsound mind:
Name of the lawful guardian.
23. Whether the employee died while in actual service or after retirement discharge etc.

Place
Date

Signature of Assistant.
Administrative Officer.

Verified with reference to entries in Service Book and found correct.

Assistant Accounts Officer.

No.

Forwarded to C.A.O for scrutiny of the claims.

Date

Head of the Unit

No.

Forwarded to General Manager duly scrutinized. The Amount of gratuity admissible under the regulation is Rs.

C.A.O

ORDERS OF GENERAL MANAGER:

Date

GENERAL MANAGER

KARNATAKA STATE ROAD TRANSPORT CORPORATION
CALCULATION SHEET ATTACHED TO FORM 1

Gratuity Resister No..... Reference No..... Date.....

Gratuity payable to Sri/Smt.

1. Date of birth.
2. Date of appointment.
3. Date of retirement or Cessation of service.
4. Age on appointment.
5. Age of retirement.
6. Total gross service.
7. Less non-qualifying service.
 - a. In other department.
 - b. Leave without allowance.
(unauthorized)
 - c. Suspension.
 - d. Apprentice Service. (unpaid)total (a) to (d)
8. Net service qualifying for Gratuity(6 minus 7)
9. Last pay drawn or pay at Age 55.
10. Amount of total gratuity.
11. The Regulation under which certified.
12. Particulars of person entitled to Gratuity.
13. Special remarks, if any, of the Department.

Signature of the Accounts Clerk

Signature of C.A.O

KARNATAKA STATE ROAD TRANSPORT CORPORATION

FORM 2. [See Gratuity Regulation 9 (ii)]

To

.....
.....
.....

Sri/Smt.

Consequent on the cassation of employment with the
Karnataka State Road Transport Corporation on and from
.....

Sri/Smt.....
who was working asattached to
..... of the Department, gratuity o Rs.
in consideration of service rendered by the employee is proposed to be
sanctioned.

This is at Rs.....() per month
being half month's pay drawn as at the end of
calculated for years of qualifying service.

The amount is payable to(applicant)
subject to the regulations of the department in this behalf and subject
to the recovery of any amount that might be due to the department by
the employee.

Objections if any along with form No.3 (enclosed herewith)
duly filled up shall be filled within a month's time from this date.

Yours faithfully,

GENERAL MANAGER.

KARNATAKA STATE ROAD TRANSPORT CORPORATION
FORM OF APPLICATION FOR GRATUITY

FORM 3. [See Regulation 9 (iii)]

1. Name and designation of the employee.
2. Last pay drawn.
3. Age at the time of cessation of service.
4. Length of continuous service.
5. Any special remarks in regard to Nature of service.
6. Provident Fund money if any.
7. Cause of cessation of service.
8. Objection, if any, to the proposed grant.

Place
Date

Signature of Applicant

If the applicant is not the employee the following particulars shall be furnished.

1. The name of the applicant.
2. His or her relationship to the employee.
3. Name of other near relatives if any.
4. The right of the applicant to claim the amount.
5. Documents if any, in support of the claim(copies the to be produced along with application).

KARNATAKA STATE ROAD TRANSPORT CORPORATION
NOMINATION FOR GRATUITY

FORM 4. (See Regulation 7)

(When the employee has a family and wishes to nominate one member thereof)

I, hereby nominate the person mentioned below who is a member of my family and confer on him/her the right to receive any gratuity that may be sanctioned by the Corporation.

Name & Address of nominee.

Relationship with employee.

Age

Contingencies on the happening of
Which the nomination shall become
invalid.

Name, address and relationship of the
Person if any, to whom the right
conferred on the nominee shall pass in
the event of the nominee predeceasing
the employee.

Day of

19

Dated this

At

Signature of witnesses.

- 1.
- 2.

Signature of the employee.

KARNATAKA STATE ROAD TRANSPORT CORPORATION
NOMINATION FOR GRATUITY

FORM 5. (See Regulation 7.)

(When the employee has a family and wishes to nominate more than
one member thereof)

I, hereby nominate the persons mentioned below who is a
member of my family and confer on them, the right to receive to the
extent specified below, any gratuity that may be sanctioned by the
Corporation in the event of my death.

Name & Address of nominee.

Relationship with employee.

Age

Amount of share of gratuity payable to
each.

Contingencies on the happening
of which the nomination shall become
invalid.

Name, address and relationship of the
person if any, to whom the right
conferred on the nominee shall pass
in the event of the nominee pre-deceasing
the employee.

N.B: The employee should draw lines across blank space below
the last entry to prevent the insertion of any name after he has signed.

Signature of witnesses.

Signature of the employee

KARNATAKA STATE ROAD TRANSPORT CORPORATION
NOMINATION FOR GRATUITY
FORM 6. (See Regulation 7)

(When the employee has no family and wishes to nominate one person.)

I, having no family hereby nominate the person mentioned below and confer on him/her the right to receive any gratuity that may be sanctioned by the Corporation in the event of my death.

Name & Address of nominee.

Relationship with employee.

Age

Contingencies on the happening of
Which the nomination shall become
invalid.

Name, address and relationship of the
person if any, to whom the right
conferred on the nominee shall pass
in the event of the nominee pre-decessing
the employee.

Dated this

Day of

19

At

Signature of witnesses.

- 1.
- 2.

Signature of the employee.

KARNATAKA STATE ROAD TRANSPORT CORPORATION
NOMINATION FOR GRATUITY

FORM 7. (See Regulation 7.)

(When the employee has no family and wishes to nominate more than one person.)

I, having no family hereby nominate the persons mentioned below, and confer on them , the right to receive to the extent specified below, any gratuity that may be sanctioned by the Corporation in the event of my death.

Name & Address of nominee.

Relationship with employee.

Amount of share of gratuity payable
To each.

Contingencies on the happening of
Which the nomination shall become
invalid.

Name, address and relationship of the
person if any, to whom the right
conferred on the nominee shall pass
in the event of the nominee predeceasing
the employee.

N.B: The employee should draw lines across blank space below
the last entry to prevent the insertion of any name after he has signed.

Dated this
at

Date of

19

Signature of witnesses.

Signature of the employee

KARNATAKA STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE

No. MST CO.ACC.PADT.GTY.8541: 72-73

Dated: 11-10-1972

CIRCULAR No. 499
(Issued by Accounts Department)

Ordinarily, the Gratuity Claims are taken up for processing in the Units after the retirement of the employees. The claim is preferred in Form 1 specified in the Gratuity Regulations with reference to service book of the employee concerned and after audit by the Unit Divisional Auditor/ Accounts Officer, sent to the Chief Accounts Officer for scrutiny and the General Manager for sanction.

With the receipt of this Circular, instructions contained herein shall be noted for strict adherence.

In Case Retirement:

A notice of retirement of the employee concerned shall be issued three months in advance of the actual date of retirement by the Establishment Section of the Unit which shall also contain a call for a 'No due Certificate' to be sent to the Unit Divisional Auditor/ Accounts Officer sufficiently well in the time and at any rate one month before the date of retirement. Three copies of the notice of retirement shall simultaneously be endorsed to the Unit Divisional Auditor/ Accounts Officers for use in the Pay, Gratuity and Provident Fund Sub-Section of the Establishment Accounts Section. The claim for gratuity in the prescribed form after taking into consideration, the increment due, if any before the actual date of retirement shall be put up by the Establishment Section of the Unit for the signature of the Assistant Administrative Officer of the Unit and later to the Divisional Auditor/ Accounts Officer two months before the actual date of retirement. The claim shall thereafter be scrutinized by the Divisional Auditor/ Accounts Officers within a fortnight of its receipt from the Establishment Section and forwarded to the Chief Accounts Officer immediately thereafter along with the service book, leave account etc. The Gratuity case shall be scrutinized in the Office of the Chief Accounts Officer and put up to the General Manager for sanction. The claim of gratuity with the sanction of the General Manager shall be sent back to the Unit so as to be in the Unit atleast 15 days before the actual date of retirement of the employees.

The Unit will verify the 'No due Certificate' and scrutinise the gratuity case once again to ensure the amount of gratuity passed for in advance does not require any change before effecting the payment which shall be arranged on the day of retirement without fail. The Unit Head will be responsible to see that this is done. A certificate of this verification done should be recorded by the Divisional Auditor on the Claim and recovery, if any, made and the balance amount passed for payment. In case any supplementary payment is to be made, the same should be done by preferring a supplementary gratuity claim after obtaining the sanction of the Central Office.

In case of Death

In the case of death of an employee, a notice of death of the employee concerned shall be issued within 24 hours of receipt of the official intimation of death in the office which also shall contain a call for a 'No due Certificate' to be sent to the Unit Divisional Auditor/Accounts Officers within a week of the incidence of the death.

Three copies of the notice of death shall simultaneously be endorsed to the Unit Divisional Auditor / Accounts Officer for use in the Pay, Gratuity and Provident Fund Sub-Sections of the Establishment Accounts Section. The Claim for Gratuity in the prescribed form shall be put up by the Establishment Section of the Unit for the signature of the Assistant Administrative Officer of the Unit and the Divisional Auditor within 2 days of the issue of the notice. The claim shall thereafter be scrutinised by the Divisional Auditor/Accounts Officer within two days of its receipt from the Establishment Section and forwarded to the Chief Accounts Officer immediately thereafter along with the Service Book, Leave accounts etc. and at any rate not later than a week after the death. The gratuity case shall be scrutinised in the office of the Chief Accounts Officer and put up to the General Manager for sanction. The claim of gratuity with the sanction of the General Manager shall be sent back to the Unit so as to be in Unit atleast within 15-20 days of the actual date of death of the employee.

The Unit will verify the 'No due certificate' and scrutinise the gratuity case once again to ensure that the amount of Gratuity passed for in advance does not require any change before effecting the payment to the Nominee/ legally authorized dependent which shall be arranged within 30 days of death. The Unit Head will be responsible to see that this is done. A Certificate of this verification done should be recorded by the Divisional Auditor on the claim and recovery if any, made and the balance amount passed for payment. In case any supplementary payment is to be made, the same should be done by

preferring a supplementary Gratuity Claim after obtaining the sanction of the Central Office.

Receipt of this Circular letter may please be acknowledged.

Sd/-
General Manager.

To
The Dy. G.M & Divisional Controller, MSRTC. Divl. Offices,
Hubli/Belgaum/ Bijapur/Gulbarga/Bellary/Sirsi/ Hassan/ Kolar/
Mysore/Bangalore/ B.T.S. Dn.

KARNATAKA STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE

No. MST.CO.ACC.PADT.GTY. 10403:72-73

Dt: 21-11-1972

To,
The Dy. G.M. & Divisional Controller,
MSRTC: B.T.S Division,
BANGALORE

Sir,

Sub:- Payment of Gratuity of deceased employees—procedure thereof.

Ref:- Your D.O. letter No. MST. BTS. ACC. PADT.GTY. 753.80/72-73 dt 30-9-72.

With reference to the D.O. letter referred to above, the true extract of article (81) (b) and (c) of M.F.C. is furnished below to enable you to take necessary action to finalise the outstanding claim of the deceased employees:-

(81) (b). Subject to the provisions of Clause (c) article 80, pay and allowances of all kinds claimed on behalf of a deceased Government servant may be paid without production of the usual legal authority:-

- (a). if the gross amount of the claim does not exceed Rs. 2,500/-, under the orders of the Head of Office in which the Government Servant was employed at the time of his death, provided that the Head of Office is otherwise satisfied about the right and title of the claimant: and
- (b) if the gross amount of the claim exceeds Rs. 2,500/-, under the orders of Government, on execution of an indemnity bond in Form M.F.C. 13, duly stamped for the gross amount due for payment with such sureties as may be deemed necessary.

Provided that, in case falling under Clause (b) the authority mentioned in Clause (a) may, subject to the condition prescribed in that Clause, make anticipatory payment of an amount not exceeding Rs. 2,500/-.

NOTE-1: In the case of a deceased Gazetted Government Servant, the hand of the office to which he was attached prior to death, or if he was himself a head of office, his immediate superior officer shall be

competent to take action under this Article. The amount will be drawn by such an officer from the Treasury on the appropriate Bill form application to Gazetted Officers, on the basis of an authorisation obtained from the Accountant General, and disbursed to the heirs. The acquittances of the legal heirs should be forwarded to the Accountant General soon after disbursement of the amounts.

NOTE-2. Normally there should be two sureties, both of known financial ability unless the gross amount of the claim is less than Rs. 5,000 in which case the authority accepting the indemnity bond, in Form No. MFC 13 for and on behalf of the Governor should decide, on the merits of each case, whether to accept only one Surety instead of two.

NOTE-3: The Obligor as well as the sureties executing the indemnity bond should have attained majority so that the bond may have legal effect or force. The bond is also required to be accepted on behalf of the Governor by an Officer duly authorised in that behalf.

(81) (c) In any case of doubt payment shall be made only to the person producing the legal authority. The pending Gratuity and P.F. Claims, if any, may be settled in accordance with the above mentioned provisions.

The receipt of this letter may be acknowledged.

Yours faithfully,
Sd/-
Chief Accounts Officer.

Copy for information & guidance to:

The Dy. G. M. & Divisional Controller, MSRTC. Divl. Officers,
Hubli/Belgaum/ Bijapur/Gulbarga/Bellary/N.K. Sirsi/ Mysore/
Kolar/ Hassan /Bangalore.

The Dy. G.M. & Works Manager, MSRTC. Regional Workshops
Hubli/Bangalore.

The Executive Engineer, C.E. Dn. Hubli/ Bangalore/Gulbarga.

The Dy. G.M. (

Est/Adm/Rules)./CSO/CL & WO/ Chief Stat. /L.O. /C.M.E/
S.V.O./OPS/C.T.M./C.E./PRO./Dy. G.M (PLN)./MSRTC. CO.BNG. The
Asst. Accts. Officer (BS/Est. Acs/ CADT/CASH), CO. BNG.

The receipt of this letter may be acknowledged.

Sd/-
Chief Accounts Officer.

MYSORE STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE

No. MST.CO.ACC-GTY.GM.13452.72-73

Dated:29-1-1973

“CIRCULAR No. 513”
(Issued by Accounts Department)

Detailed instructions on processing of gratuity claims were issued under Circular No. 499 dated 11-10-1972 with a view to ensure payment of gratuity amount on the date of retirement/superannuation of the employees and in the case of sad demise whilst in service, within 30 days of the occurrence of death. It is observed, however, that delays in the payment of gratuity continue and evidently the instructions contained in the Circular No. 499 dated 11-10-1972 are not adhered to by the Units processing the claims.

With a view to pin point responsibility for the delay caused in each gratuity case, it is hereby ordered that from the date of receipt of this Circular, the Establishment Section of the Units shall cyclostyle the form appended to this Circular which shall be enclosed to the gratuity claim and the form along with the Gratuity claim should move from Establishment to Account of the Unit and from the Unit to Central Office and pack to the Unit, attested with dates by the concerned offices/ Officials at each stage so that delay at any particular stage is detected. The last item in the form being, Date on which disbursement of gratuity is effected', after recording the date, the form shall be sent to the Chief Accounts Officer for record. It is proposed to take severe action on those responsible for the delay, if any, caused at any stage.

Receipt of this Circular letter may please be acknowledged per return.

Sd/-
General Manager

Encl: Two

To
The Dy. G. M. & Divisional Controller, Hubli/Belgaum/
Bijapur/Bellary/N.K. Sirsi/ Mysore/ Kolar/ Hassan/ B.T.S
/Bangalore Dn. The Dy. G.M. & Works Manager, Regional Workshops,
Hubli/Bangalore.
The Executive Engineer. C.E-DN. Hubli/ Gulbarga/ Bangalore.

The Dy.General Manager (PLN/EST/ADM)./ C.S.O/C.L. & W.O./Chief Stat./
 C.M.E./P.R.O./C.T.M/ Secretary to C.B O.P.S/C. O.S.P./ S.V.O./Spl. Officer(E)/L.O/C.E.
 P.A. to General Manager. CO. BNG.
 Dy. C.A.O. (G.A. Dt.)

Sd/-
 Chief Accounts Officer.

INITIAL DATA:

Name of the Employee:
 Date of Death:
 Designation:
 Depot./ Sub-Unit:
 Unit:

Sl. No	Particulars	Period Prescribed	Ref. Date	Dated initials of
1	2	3	4	5
1	Reference and date under which the D.E.O is issued removing the name of the employee from the rolls of the Division.	Within 8 days of the date of death*	.....	Est. Supr.
2	Date of which claim of Gratuity is actually sent to the Accounts Section.	Within 10 days of the date of death	.....	Est. Supr.
3	Date of which claim of Gratuity is actually received in the Accounts Section.	-----do-----	.....	A/cs. Supr.
4	Reference and date under which gratuity claim is sent to C.A.O	Within 15 days of the date of death	.....	AO/AAO

5	Date on which Gratuity claim is actually received in C.A.O.'s Office.	-----do-----	.....	A/cs Supr.
6	Reference and date under which gratuity claim is sent back to Unit.	Within 25 days of the date of death.	.....	A.A.O.
7	Date on which claim duly passed is received in the Unit.	-----do-----	.....	A.O/A.A.O.
8	Date on which disbursement of Gratuity is effected.	Within one month from the date of death.	.....	A.O/A.A.O.

NOTE: 1. The death claim form "A" and "B" duly completed in all respected and signed by the Dy. G.M./D.C. (in case of Form "B" only) together with the Death Certificate/ Attested copy of death Certificate should be sent to C.A.O.'s office within 8 days of the date of death in order to process the death claim and to get death benefit from the L.I.C. of India.

2. This sheet should be attached to the claim of Gratuity by the Establishment Section duly completing the initial data, item No. 1 & 2 and should be attested with date at each stage by the officials mentioned in Column No. 5. The form should accompany the Gratuity Claim to facilitate completing Col. No.4 and 5 till the date of payment (Sl. No. 9) whereafter the form should be sent to the C.A.O. for record.

INITIAL DATA:

Name of the Employee:	Date of retirement
Designation:	Superannuation
Depot/ Sub-Unit:	termination.
Unit:	etc.* [*]

Sl. No	Particulars	Period Prescribed	Ref. Date	Dated initials of
1	2	3	4	5
1	Reference and date under which notice of retirement/ Superannuation/ termination etc./ by Establishment Section.	3 months in advance of *	.....	Est. Supr.
2	Date of which claims of Gratuity is actually sent to the Accounts Section.	2 months in advance of *	.....	Est. Supr.
3	Date of which serial No. 1 is actually received in the Accounts Section.	3 months in advance of *	.....	A/cs. Supr.
4	Date of which claims of Gratuity is actually received in the Accounts Section.	2 months in advance of *	.....	A/cs. Supr.
5	Reference and date under which gratuity claim is sent to C.A.O.	1 1/2 months in advance of *	.....	AO/AAO.
6	Date on which claim of gratuity actually received in C.A.O.'s Office.	-----do----- ---	.....	A/cs Supr.
7	Reference and date under which gratuity claim is sent back to Unit.	1 month in advance of *	.....	A.A.O.
8	Date on which claim duly passed is received in the Unit.	-----do-----	.....	A.O/A.A.O.

9	Date on which disbursement of Gratuity is effected.	On the date of retirement/ A.O/A.A.O. Superannuat ion.
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NOTE: This sheet should be attached to the claim of Gratuity by the Establishment Section duly completing the initial data, item No. 1 & 2 and should be **attested with date** at each stage by the officials mentioned in Column No. 5. The form should accompany the Gratuity Claim to facilitate completing Col. Nos.4 and 5 till the date of payment (Sl. No. 9) whereafter the form should be sent to the C.A.O. for record.

MYSORE STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES : BANGALORE

Ref. No. MST.CO.ACC.GTY. I.T. 14230:72-73

Dated: 13-2-1973

CIRCULAR No. 517
(Issued by the Accounts Department)

Sub:- Recovery of Income Tax on gratuity.

1. Consequent to amendment to the Income TAX Act 1961 in accordance with the Finance Act, 1972 Section 10(10) of the Income Tax Act. 1961 read as follows.

Section: 10 Incomes not included in total income:-

In computing the total income of a previous year of any person, any income falling within any of the following clauses shall not be included:-

(10) Any death- cum- retirement gratuity received under the revised Pension Rules of the Central Government or under any similar scheme of a State Government, (or a local authority) or any payment of retirement gratuity received after the first day of June, 1953, under the new Pension Code applicable to the members of the Defense Services; (any other gratuity received by an employee on his retirement or on his becoming incapacitated prior to such retirement or on termination of his employment, or any gratuity received by his widow, children or dependants on his death, to the extent it does not, in either case, exceed one-half month's salary for each year of completed service, calculated on the basis of average salary for the three years immediately preceding the year in which the gratuity is paid, subject to a maximum of twenty-four thousand rupees or fifteen months. salary so calculated, which ever is less:)

2. The effect of this amendment to section 10(10) is that from 1-4-1973.

(i) The exemption from income-tax in respect of gratuities received by employees of statutory corporations and employees in the private sector will be available only if such gratuities are received on retirement , incapacitation or death of the employee or on termination of his employment.

(ii) The exemption amount of gratuities in the case of all categories of employees will be subject to a ceiling limit of one-half month's salary for each year of completed service, calculated on the basis of the average salary for the three years immediately preceding the year in which the gratuity is paid, or 15 month's salary so calculation, or Rs. 24, 000/- whichever is less.

3. This change is scheduled to take effect from 1st April, 1973 and will accordingly apply in relation to the assessment year 1973-74 financial year 1972-73) and subsequent years.

4. Gratuity in excess of one-Half month's salary (pay plus Dearness Allowance) for each year of completed service, calculated on the basis of the average salary for the three years immediately preceding the year in which the Gratuity is paid, or 15 month's salary so calculated or Rs. 24,000/- whichever is less to be aggregated with the salary paid in the relevant year upto the date of employment, in order to arrive at the taxable income. The income tax due is thereafter to be worked out after giving the appropriate relief. The tax deducted will have to be remitted to the Income Tax Authorities within 10 days of the date of recovery.

5. Receipt of this Circular may please be acknowledged immediately.

Sd/-

Chief Accountant Officer.

Copy for necessary action to :-

The Dy. G. M. & Divl. Controller, MSRTC,
Bangalore/Hubli/B.T.S/Belgaum/ Bijapur/Gulbarga/ Hassan /
Mysore/ Bellary/N.K. (Sirsi)/ Kolar/ Raichur. (5 copies each).
The Dy. G.M. & Works Manager, MSRTC, Regional Workshops,
Bangalore/ Hubli. (5 copies each).

The Executive Engineer, MSRTC, C.E. Dn. Bangalore/ Hubli/Gulbarga.
(5 copies each).

Copy to the Chief Mechanical Engineer/ Civil Engineer/ Chief Security Officer/ Chief Labour & Welfare Officer/ Chief Statistician/ Controller of Stores & Purchases/ Deputy General Manager (Adm)/ (Est /Rules)/ Secretary, Corporation Board/ Stock Verification officer for information.

Copy the Assistant Accounts Officer(BS/GADT/CASH/ Est A/cs (F) MSRTC, Central Offices; Bangalore for information.

Copy to: Chief Accounts Officer (GADT) for information.

Copy to: Officer, Printing & Stationery, MST, Press, Bangalore.

KARNATAKA STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE

No. KST.CO.ACC.GTY.IT.5721 74-75 Dated:28-8-1974.

CIRCULAR No. 579
(Issued by the Accounts Department)

Sub:- Recovery of Income Tax on Gratuity.

Ref:- Circular No. 517. Issued under No. MST.CO.ACC.
GTY.IT. 14230. 72-73 dated 13-2-1973.

In continuation of the instructions issued under above mentioned Circular recovery of Income Tax on Gratuity, extracts of Section 10, 10(ii) and (iii) of the Income Tax Act. 1961 in accordance with amendments passed in the Finance Bill 1974, are produced below for necessary action by the Unit Heads.

SECTION 10: Income not included in total income: In computing the total income of a previous year of any person any income falling within any of the following clauses shall not be included.

- (ii) any gratuity received under the payment of Gratuity Act. 1972 (39 of 1972), to the extent it does not exceed an amount calculated in accordance with the provisions of Sub-Sections (2) and (3) of section 4 of that Act;
- (iii) any other gratuity received by an employee on his retirement or on his becoming incapacitated prior to such retirement or on termination of his employment, or any gratuity received by his widow, children or dependants on his death to the extent it does not, in either case, exceed one -half month's salary for each year of completed service, calculated on the basis of the average salary for the three years immediately preceding the year in which the gratuity is paid, subject to a maximum of thirty thousand rupees or twenty month's salary so calculated, whichever is less:

Provided that where any gratuities referred to in this clause are received by an employee from more than one employer in the same previous year, the aggregate amount exempt from income-tax under this clause shall not exceed thirty thousand rupees:

Provided further that where any such gratuity or gratuities was or were received in any one or more earlier previous years also and the whole or any part of the amount of such gratuity or gratuities was not included in the total income of the assessee of such previous year or years, the amount exempt from income tax under this clause shall not exceed Thirty Thousand Rupees as reduced by the amount or, -as the case may be, the aggregate amount not included in the total income of any such previous year or years”.

Further, it is clarified that Gratuity in excess of one half month's salary (Pay +D.A) for each year of completed service, calculated on the basis of the average salary for the three years immediately preceding the year in which the Gratuity is paid or 20 month's Salary so calculated or Rs. 30,000/- whichever is less is to be aggregated with the Salary paid in the relevant year upto the date of retirement, in order to arrive at the taxable income. The income Tax due is thereafter to be worked out after giving the appropriate relief. The tax so deducted will have to be remitted to the Income Tax authorities within 10 days of the date of recovery.

The provisions of the above sections shall be effective from 1-4-1974 for all Gratuity payments made/to be made from 1st April, 1974.

Receipt of this circular may please be acknowledged.

Sd/-
Chief Accounts Officer.

To

The Dy. G. M. & Divisional Controller, KSRTC, Divisional Offices,
Hubli/ Belgaum/ Bijapur/Gulbarga/ Raichur / Bellary/ N.K. Sirsi/
B.T.S/ Bangalore/ Kolar/ Mysore/ Hassan .

The Dy. G.M. & Works Manager, KSRTC, Regional Workshops,
Bangalore/ Hubli.

The Executive Engineer. KSRTC, C.E- SUB- DN.
Hubli/Gulbarga/Bangalore.

The Dy. General Manager (Est/Adm/Pin) C.T.M/ C.S.O/ Chief Stat./
C.E/ L.O/CLWO./SVO/OPS/CME/PRO/COSP/S.O.(Economy),
KSRTC. C.O. BNG. The Dy. Chief Accounts Officer(GADT), MSRTC, CO.
BNG.

MYSORE STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE.

No. MST/CO/ACC/GTY/15443 /72-73.

Dt:12-3-1973

“CIRCULAR No. 525”
(Issued by Accounts Department)

Sub:- Recording of Certificate regarding continuous
service during daily wages period.

It is observed that the Certificate regarding continuous service during daily wages period, recorded in the Service Book of the employees, is being attested by the Officers other than the Unit Head.

The Unit Heads are, therefore, requested to attest the Certificates themselves in future before sending the Gratuity Claims to Central Office. The Unit Heads are advised to Countersign all the Certificates signed by Officers other than the Unit Heads in the past and report compliance by 20-3-1973.

It is also observed that the works contained in the Certificates are not uniform. The Certificates to be recorded on the Service Book shall be as under: “ Appointed on Daily Wages w.e.f.
vide D.E.O. No. and continued without break till he was absorbed on Time Scale w.e.f. vide
D.E.O. No.....“UNIT HEAD”

Receipt of this Circular may please be acknowledged.

Sd/-
Chief Accounts Officer.

The Dy. G. M. & Divl. Controller, Hubli/Belgaum/ Bijapur/Bellary/
Hassan / N.K. /Mysore/ Kolar/ B.T.S/Bangalore/ Raichur.
The Dy. G.M. & Works Manager, MSRTC, RWs, Bangalore/ Hubli.

The Executive Engineer, C.E-Dn. Hubli/Gulbarga/ Bangalore.
The Dy. General Manager (Est/Adm) C.S.O/ C.L.W.O./ Chief Stat./
C.M.E./PRO/CTM/ Secretary to C.B/ O.P.S./COSP/S.V.O/Spl. Officer
(Economy)/L.O./C.E.
The P.A. to General Manager
The Dy C.A.O (Est. A/cs).

KARNATAKA STATE ROAD TRANSPORT CORPORATION
CENTRAL OFFICES: BANGALORE.

No. KST.CO.ACC.PADT.11214 : 73-74.

Dated:20-12-1973.

“CIRCULAR No. 551”

Sub:- Payment of dues of deceased Employees.

It has been represented to this office that when payment of dues of deceased employees is to be made, the nominees/ legal heirs are asked to call at the Divisional Offices, and the Cheque is then handed over to them in the presence of the Unit Head. This procedure is said to cause hardship to the claimants, who in many cases have to travel a long journey in case their residence does not happen to be at the Divisional Headquarters.

As per the instructions in force, all payments of amounts from the Corporation are to be made by cheque only, duly crossed as “Account Payee only”

In view of this, the method of payment to the nominees or legal heirs now followed, as detailed in para-1, above will be unnecessary. Hereafter, the cheques DULY CROSSED AS “ACCOUNT PAYEE ONLY” should be handed over by the cash Branch of the Divisional Office to the concerned person, and no further identification will be necessary.

Please acknowledge receipt and report compliance.

Sd/-

Chief Accounts Officer.

To

The Dy. G. M. & Divisional Controller, KSRTC. Divisional Offices,
Hubli/ Belgaum/ Bijapur/ Gulbarga/ Bellary N.K. Dn. Sirsi /Bellary /
Raichur/ Bangalore / B.T.S./ Mysore /Hassan/Kolar
The Dy. G.M. & Works Manager, KSRTC, RWs, Hubli/ Bangalore
The Executive Engineer, C.E-Dn. Hubli / Bangalore /Gulbarga
Copy to:- The Dy. Chief Accounts Officer(CASH/PF/GADT) KSRTC. CO.
Bangalore.