

All Offices/Branches of  
State Bank of India

Madam / Dear Sir,

**PROJECT: GRATUITY AUTOMATION**  
**PAYMENT OF GRATUITY IN HRMS**

**EXISTING INSTRUCTIONS:**

At present 'Payment of Gratuity' is processed manually at Local Head Offices, Corporate Centre Establishments and amount thereof is debited to Central Accounts Office, Kolkata through IBTS for appropriation against Gratuity Trust Fund.

**REVISED INSTRUCTIONS:-**

**I. Application for Payment of Gratuity**

Members/employee will apply for Payment of Gratuity in HRMS Portal through Employee Self Service (ESS) → HR Initiatives → PPFG → Apply Gratuity Payment Request. In case of Normal Retirement, they can apply three months prior to date of retirement whereas in other cases i.e. resignation, voluntary retirement etc., they can apply one month prior to date of separation, if their date of separation is marked in the HRMS system.

In addition, there is a facility for Branch Head/ Recommending authority/designated (maker) official at LHO to apply on behalf of employee through Manager Self Service (MSS) (maker can apply from the link available in ESS), if employee is not able to apply through HRMS system.

After submitting the application through HRMS Portal, applicant has to take the print of application and submit, duly signed and witnessed, to next authority for recommendation / approval. A detailed user guide with screen shots is available at HRMS Portal.

**II. Recommendation**

Gratuity Payment Application request after submission by applicant will move to recommending authority viz. Branch Head / designated official at OAD (in

case of administrative offices). Recommending authority will thoroughly check/verify the particulars through Manager Self Service by comparing with hard copy received from applicant to ensure that data submitted by the applicant are correct in all respect. After checking/verifying the application, recommending authority can either recommend or reject in HRMS system. The recommending authority will take a print out and submit two copies in original duly recommended to PPG Department of respective Circle or to the approver of the respective CC establishments as per the authority structure after signing and affixing branch/establishment stamp on the forwarding letter attached to the print outs .A detailed user guide with screen shots is available at HRMS Portal.

### **III. Approval**

After recommending in the HRMS system, Gratuity Payment request will move to the designated official (Approver) identified by Circles/ CAO/ Corporate Centre for approval.

Designated Official(Approver) at LHO/CAO/ CC will thoroughly check the hard copy received to ensure that data filled by the applicant are correct in all respect. After checking the application by designated official, if is in order, will take sanction for payment of Gratuity from the appropriate authority and will mark approval in the HRMS system.

In case application is not in order, designated official (approver) can send this application for correction by marking edit option or reject the application. On selection of edit option the application will move to maker for correction. Or if rejected, fresh application to be initiated by the applicant. A detailed user guide with screen shots is available at HRMS Portal.

### **IV. Accounting**

On approval the intermediary account opened at CAO for the purpose will be debited on the next date of retirement/separation, or if already retired/separated then next day of approval. Branch System Suspense Accounts will be credited. The head of the Branch/OAD has to obtain necessary documents viz. stamped receipt, etc. before disbursement of the Gratuity amount by reversing the entry parked in System Suspense Account No. 3199930019992. The Branch/OAD officials can also generate Gratuity Payment Advice through HRMS Portal.

Based on the report generated through SAP, the designated Officer at CAO Kolkata will check the payments made during the day and zeroise the intermediary account by reversing the entries and debiting the same to Gratuity Trust Fund account.

## V. Miscellaneous

- i) On Invocation of Rule 19(3) or in case of death before retirement:  
If there is any change in the type of retirement, the Circle HRMS team should change the same while updating separation action, LHO functionary has to take utmost care to reject the proposal. If proposal is already approved in the system, facility is provided to stop the payment permanently, which is treated by system as rejection. On rejection/permanent stop, no payment will be effected and the proposal is to be re-initialised under different Rule.
- ii) Recalculation of Gratuity on the last day of retirement :  
There is a provision in the HRMS system to apply Gratuity Payment application prior to three months from the date of retirement (one month for resignation and voluntary retirement provided the separation action has already been run). HRMS system generates a draft calculation at the time of application, which may differ on the date of retirement due to changes in Salary, Increment, D.A. rate change, Extraordinary leave taken etc. The system will automatically re-calculate Gratuity amount on the last day of retirement and actual amount as per revised calculation will be paid. Circles/CAO/CC will generate a report through SAP, where sanctioned Gratuity amount and Paid Gratuity amount differs, and obtain post facto sanction for the same.
- iii) There is no change in the procedure and sanctioning powers in the revised process for payment of Gratuity.

2. In this connection, Bank has already released a service for 'Nomination of Gratuity in HRMS' to record the nomination for Gratuity. Every employee/member of the Gratuity Fund must ensure that his/her nominee(s) is/are properly recorded in the HRMS system so that in case of death, payment of Gratuity made through this service reaches to actual beneficiary (ies).

3. Please bring the contents of this circular to the notice of all concerned and note that with effect from 1<sup>st</sup> March, 2015, payment of Gratuity should be strictly through HRMS only.

Yours faithfully,

(Ashwini Mehra)  
**Deputy Managing Director  
& Corporate Development Officer.**

