

State Bank of India
Corporate Centre, Mumbai

e-Circular

P&HRD

Sl. No. : 358/2010-11

Circular No. : CDO/P&HRD-PM/27/2010-11

Tuesday, August 17, 2010.

26th Shravan, 1932 (S)

All Branches and Offices of
State Bank of India

Madam / Dear Sir,

**STAFF : MISCELLANEOUS
PAYMENT OF GRATUITY
INCREASE OF CEILING**

Gratuity is payable to Bank's employees in terms of provisions contained in SBI Employees' Gratuity Fund Rules and Regulations, 1991. In terms of Rule 7, Gratuity is payable to the employees of the Bank in terms of provisions of the Payment of Gratuity Act, 1972 read with the payment of Gratuity (Central) Rules 1972, as amended from time to time.

2. The Ministry of Law and Justice vide Gazette Notification dated 18-08-2010 notified that in section 4 of the Payment of Gratuity Act, 1972, in sub-section (3), for the words "three lakhs and fifty thousand rupees", the words "ten lakh rupees" shall be substituted. This Act may be called Payment of Gratuity (Amendment) Act, 2010 (No.15 of 2010). Further, Ministry of Labour and Employment vide Gazette Notification dated 24.05.2010 [S.O.1217(E)] notified that in exercise of powers conferred by sub-section (2) of Section 1 of the Payment of Gratuity Act, 2010 (15 of 2010), the **Central Government hereby appoints the 24th day of May, 2010 as the date on which the said Act shall come into force.**

3. In this connection, it is advised that all salary disbursing branches/offices and all concerned, in respect of payment of gratuity to employees of State Bank of India, shall be guided by the provisions as mentioned in para - 2 above. The other instructions in this regard shall remain unchanged.

4. Please arrange to advise all concerned and be guided accordingly.

Yours faithfully,

**for Dy. Managing Director &
Corporate Development Officer**