

# Gratuity Liability Calculation Form

## Employee Details

Employee Name

Employee ID

Date of Joining

Date of Leaving / Calculation Date

Designation

Department

## Gratuity Calculation Details

Last Drawn Basic Salary + DA (per month)

Total Years of Service

Parameter	Value
Eligible Service Years	
Calculation Formula	Gratuity = (Basic + DA) ÷ 15 ÷ No. of Years × 26
Maximum Gratuity Limit	₹ 20,00,000
Gratuity Amount Payable	

## Authorization

Prepared By

Approved By

Date

## **Important Notes:**

- Gratuity is payable to employees who have rendered continuous service of at least 5 years.
- Any incomplete years of service exceeding 6 months are rounded up to the next year for calculation.
- Maximum gratuity payable under the Payment of Gratuity Act, 1972 is subject to government-notified limits.
- Calculation shown here is sample; consult with HR or finance department for accurate computation.
- Ensure all data is verified before processing gratuity payment.