

$$\text{Gratuity} = \text{Average of 10 month salary} \times \frac{15}{26} \times \text{number of years of service}$$

$$= 65000 \times \frac{15}{26} \times 32 = \text{₹ } \underline{\underline{12,00,000}}$$

$$\text{Taxable Gratuity} = 17,00,000 - 12,00,000$$

$$= \underline{\underline{\text{₹ } 5,00,000}}$$