

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6093  
ANSWERED ON:03.05.2013  
GRATUITY PAY UNDER NPS  
Jawale Shri Haribhau Madhav

**Will the Minister of FINANCE be pleased to state:**

- (a) whether Death-cum-Retirement Gratuity is paid/proposed to be paid to Central Government employees under New Pension System (NPS) as it is paid under the old pension scheme;
- (b) if so, the details thereof and the rate at which it is payable under NPS; and
- (c) if not, the reasons therefor?

**Answer**

The Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a & b) Yes, sir. The monthly annuity under the New Pension System (NPS) is only a replacement of pension on retirement and family pension on death after retirement. The benefits of Death cum Retirement Gratuity (DCRG) and pension / family pension have been provisionally allowed, vide the Office Memorandum of the Department of Pension and Pensioners' Welfare No.38/41/06-P & PW (A) dated 5.5.2009 in respect of Central Government servants covered under NPS in cases where a Government Servant is retired on invalidation / disability and in the case of death of a Government servant in service on the same rates as are applicable under the old pension scheme Central Civil Service (Pension) Rules, 1972 The retirement gratuity is payable to the retiring Government servant. A minimum of 5 years' qualifying service and eligibility to receive service gratuity / pension is essential to get this one time lump sum benefit. Retirement gratuity is calculated @ 1/4 of a month's Basic Pay plus Dearness Allowance drawn before retirement for each completed six monthly period of qualifying service. The maximum retirement gratuity payable is 16 14 times the Basic pay, subject to a maximum of Rs.10 lakh. If the Government Servant dies while in service, the death gratuity shall be paid to his family at rates furnished in the table below:

S.No	Length of Qualifying Service	Rate of Death Gratuity
1.	Less than one year	2 times of emoluments
2.	One year or more but less than 5 years	6 times of emoluments
3.	5 years or more but less than 20 years	12 times of emoluments
4.	20 years or more	Half of emoluments for every completed six monthly period of qualifying service subject to a maximum of 33 times of emoluments.

Maximum amount of Death Gratuity admissible is Rs.10 lakh with effect from 1.1.2006.

- (c) In view of reply to (b) above, does not arise.