

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT**

LOK SABHA

**UNSTARRED QUESTION NO. 3275
TO BE ANSWERED ON 09.12.2019**

CEILING OF GRATUITY

3275. SHRI SHYAM SINGH YADAV:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the Government has enhanced ceiling of gratuity from 10 lakhs to 20 lakhs after the implementation of 7th pay commission making it effective from 1.1.2016 for all Central Government employees, if so, the details thereof;**
- (b) whether the Government has received several requests from workers' representatives belonging to Public Sector Units and the private sector for doubling the limit for gratuity payout on par with Central Government employees;**
- (c) if so, whether the Government has implemented increased gratuity for employees engaged in private and public sector effective from 29.3.2018;**
- (d) if so, the details thereof and the reasons for discrimination and double standard; and**
- (e) the corrective steps taken by the Government to extend enhanced ceiling of gratuity to workers from 1.1.2016 as done in the case of Central Government employees?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a): Yes, Sir. The maximum limit of retirement gratuity and death gratuity under the Central Civil Services (Pension) Rules, 1972, has been enhanced from Rs.10.00 lakh to Rs.20.00 lakh w.e.f. 01.01.2016 for Central Government civil employees in implementation of Government's decision on the recommendations of the Seventh Central Pay Commission.

(b) to (e): Letters/ representations/grievances etc. have been received, inter-alia, from individuals, associations, public representatives requesting to provide the benefit of enhanced gratuity under the Act retrospectively with effect from 01.01.2016.

Following the enactment of the Payment of Gratuity (Amendment) Act, 2018 by the Parliament on 28.03.2018, the corresponding notification was issued by the Government on 29.03.2018 enhancing the gratuity ceiling under the Act from Rs.10 lakh to Rs.20 lakh with effect from 29.03.2018. On the earlier occasions too, the ceiling of the gratuity amount was enhanced from the prospective date(s) only.
