

No.W-02/0020/2018-DPE (WC)-GL-XII/18
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan,
Block No.14, CGO Complex,
Lodhi Road, New Delhi-110003.
Dated, the 11th April, 2018


OFFICE MEMORANDUM

Subject :-Amendment in the Payment of Gratuity Act, 1972- enhancement of ceiling of the payment of Gratuity to the employees of CPSEs thereon -regarding.

In continuation of this Department's OM No 2(25)/10-DPE(WC)-GL-X/2010 dated 02.06.2010 on the subject cited above, the undersigned is directed to state that the Payment of Gratuity Act, 1972 has been amended vide the Payment of Gratuity (Amendment) Act, 2018 (No. 12 of 2018), Notification dated 29.03.2018 published in the Gazette of India. In pursuance of the Amendment, sub-section (3) of Section 4 of the Payment of Gratuity Act, 1972 has been amended to substitute the words "ten lakh rupees" with the words "such amount as may be notified by the Central Government from time to time".

2. Ministry of Labour & Employment(M/oL&E)'s Notification No S.O.1419(E) dated 29.03.2018 has indicated that Central Government hereby appoints the 29th day of March, 2018 as the date on which the said Act shall come into force. Further, M/o L&E vide Notification No. S.O. 1420(E) dated 29.03.2018 has notified that Central Government hereby specifies that the amount of gratuity payable to an employee under the Act shall not exceed twenty lakh rupees.

3. The administrative Ministries/Departments are requested to bring the above to the notice of all the CPSEs under their administrative control for information and compliance


(Samsul Haque)
Under Secretary

To

All administrative Ministries/Departments of the Government of India.

Copy to:

1. The Chief Executives of Central Public Sector Enterprises.
2. The Comptroller & Auditor General of India, 9 Dean Dayal Upadhayay Marg, New Delhi.
3. Financial Advisers in the Administrative Ministries.
4. Department of Expenditure, E-II Branch, North Block, New Delhi.
5. NIC, DPE with the request to upload this OM on the DPE website.


(Samsul Haque)
Under Secretary