

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

LOK SABHA

**UNSTARRED QUESTION NO. 436
TO BE ANSWERED ON 18.12.2017**

GRATUITY ACT, 1972

436. SHRIMATI KAVITHA KALVAKUNTLA:

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

- (a) whether the Government has amended/proposes to amend the payment of Gratuity Act, 1972;**
- (b) if so, the details thereof;**
- (c) whether the cap of Rs. 10 lakh on the amount of gratuity paid to a worker has been increased to 20 lakh;**
- (d) if so, the details thereof; and**
- (e) whether this will be applicable to employees working in the private sector as well and if so, the details thereof?**

ANSWER

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

(a) to (e): Yes, Madam. The Government has proposed to amend the Payment of Gratuity Act, 1972, which *inter-alia* envisages to increase the period of twelve weeks of maximum maternity leave presently provided in section 2A of the said Act for the purpose of calculating continuous service and to enhance the maximum amount as gratuity payable under section 4 of the said Act (the present limit is Rs.10 lakh under the Act). It has been proposed to empower the Central Government to notify the said period of maternity leave and amount of gratuity from time to time by notification in the Official Gazette. This will benefit the employees engaged in private and public sector.
