

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

LOK SABHA

**UNSTARRED QUESTION NO. 3991
TO BE ANSWERED ON 28.03.2022**

PAYMENT OF GRATUITY

3991. DR. VISHNU PRASAD M.K.:

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

- (a) whether the Government has received any representations for issuance of notification to provide gratuity up to Rs.20 lakh to the employees for the intervening period from January 2016 to March 2018;**
- (b) if so, the details thereof;**
- (c) whether Government would consider taking necessary action for issuing the said notification, as very few employees were left out with the financial burden not much and employers ready to make payment of enhanced gratuity; and**
- (d) if so, the details thereof?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) to (d): The Payment of Gratuity (Amendment) Act, 2018 was passed by the Parliament on 28.03.2018 enhancing the gratuity ceiling under the Act from ₹10 lakh to ₹20 lakh with effect from 29.03.2018.

Representations have been received from public representatives/associations/individuals asking for providing benefits of enhanced gratuity under the Payment of Gratuity Act, 1972 to give retrospective effect for enhancing the said ceiling.

For enhancing the ceiling on gratuity, the Payment of Gratuity Act, 1972 was required to be amended every time. However, the Payment of Gratuity Act, 1972 had been amended in 2018 empowering the Central Government to enhance the ceilings by notification, instead of amending the said Act, so that the limit can be revised from time to time as per felt need.
