OFFICE MEMORANDUM

Subject: - Payment of Gratuity to the employees of CPSEs.

In continuation of this Department’s O.M. 2(9)95-DPE (WC) dated 27.07.1998 read with O.M No. 2(70)/08-DPE (WC) dated 26.11.2008 on the above mentioned subject, the undersigned is directed to state that the Payment of Gratuity Act, 1972 has been amended vide the Payment of Gratuity (Amendment) Act, 2010 (15 of 2010) notification dated 18.05.2010 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 “three lakhs and fifty thousand rupees” with the words “ten lakhs rupees”.

2. As per Ministry of Labour and Employment’s Notification No. S.O. 1217(E) dated 24.05.2010, the Central Government has appointed the 24th day of May, 2010, as the date on which the said Act shall come into force.

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.

Under Secretary to the Government of India

To
All administrative Ministries/Departments of the Government of India.

Copy to:
1. The Chief Executives of Central Public Sector Enterprises.
3. Department of Expenditure, E-II Branch, North Block, New Delhi.
5. NIC, DPE with the request to upload this OM on to the DPE website.

Under Secretary