



# ALL INDIA BANK PENSIONERS' & RETIREES'



## CONFEDERATION

( A.I.B.P.A.R.C.)

C/O BANK OF INDIA OFFICERS' ASSOCIATION  
(EASTERN INDIA BRANCHES)

BANK OF INDIA, KOLKATA MAIN BRANCH  
23A, NETAJI SUBHAS ROAD, KOLKATA – 700 001  
Mobile : 9830403145, E-mail : [aibparc@gmail.com](mailto:aibparc@gmail.com)

**Circular No. 29/18**

09.04.2018

(For circulation among all the members of the Managing Committee as well as the Governing Council of AIBPARC, Special Invitees, State Secretaries and Advisors of AIBPARC.)

Dear Comrades,

**Effective date for raising employees gratuity limit to Rs.20 lakhs**

We reproduce hereunder the letter of CBPRO dated 05.04.2018 addressed to Hon'ble Minister of Labour, Govt. of India on the above subject for favour of information of members.

With best wishes,

( SUPRITA SARKAR )  
GENERAL SECRETARY

**QUOTE :**

Dated: 05.04.2018

**Shri Santosh Kumar Gangwar,  
Hon'ble Minister for Labour,  
Government of India,  
Shram Shakti Bhawan,  
New Delhi.**

Respected Sir,

**Effective Date for Raising Employees Gratuity limit to Rs. 20 Lakhs**

We have been taking up the issue of raising the Employees Gratuity limit from Rs. 10 lakhs to Rs. 20 Lakhs w.e.f. 01.01.2016 as the same was done in respect of Government Employees. It may be recalled that the notification for raising the limit for Government Employees to Rs. 20 lakhs was issued in July 2016 but was made retrospectively effective from 01.01.2016. The benefit of retrospective effect was the natural corollary of implementation of Central pay Commission. Bank Employees and Officers have been demanding implementation of enhanced Gratuity limit of Rs. 20 Lakhs w.e.f. 01.01.2016 by amending the Payment of Gratuity Act suitably.

The amendment to the payment of Gratuity Act was passed by both the Houses of Parliament empowering Government of India to notify the maximum amount of Gratuity payable and also the date

of its effect from time to time. Such an amendment by the Parliament raised the hopes of working class to get fair and equitable treatment with regard to revised amount of Gratuity and its date of effect. However the notification issued by the Government on 29.03.2018 could meet the expectation of working class only

partly. While we welcome the decision of the Government to enhance the Gratuity amount from Rs. 10 lakhs to Rs. 20 Lakhs, we make an earnest appeal to Your Good-self to modify the effective date to 01.01.2016 instead of 29.03.2018 and render justice to the Employees who had retired between 01.01.2016 and 28.03.2018.

It is very pertinent to mention here that the services of Bank Employees and Officers after nationalisation were treated as Career Service like the service of Government Employees and Officers as stated in the Pillai Committee Report which was implemented in Banks in 1979. Hence it is unfair to deny the benefit of enhanced gratuity to Bank Employees from the date it was extended to Government Employees.

Sir, with a humane person like you being at the helm of affairs as the Hon'ble Minister for Labour, we are confident that our genuine request for revision of the effective date to 01.01.2016 will be considered sympathetically and all the Employees covered under the Gratuity Scheme shall be treated at par with Government Employees without any discrimination.

Kindly help the Bank Employees and Officers by re-notifying the fresh effective date as 01.01.2016.

Thanking you in anticipation.

With regards,

Yours faithfully

A.Ramesh Babu    K.V.Acharya  
Joint Conveners