7.23 Death-cum-Retirement Gratuity - Revised rates of interest on delayed payment of DCRG - Guidelines

Finance (Pension) Department

Letter No. 21397/PENSION/91 Dated: 19-5-1991.

From

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To

All the Departments

Sir,

Sub: Death-cum-Retirement Gratuity – Revised rates of interest on delayed

payment of DCRG-Guidelines issued

Ref: 1.G.O.Ms.No. 517, Finance (Pension) dated 12.6.1987

2.G.O.Ms.No. 527, Finance (Pension) dated 15.6.1987 3.G.O.Ms.No. 818, Finance (Pension) dated 1.12.1988

4. From the Government of India, O.M.No.7/20/89-P&PW dated 22.1.1991

The Government of India in its O.M. cited above have issued certain guidelines for regulating the payment of interest on delayed payment of Death-cum-Retirement Gratuity in the case of those retired otherwise on superannuation. After careful consideration, Government have decided to adopt the above Government of India orders. Accordingly, the following guidelines are issued:

- i) Cases in which Gratuity is withheld will the conclusion of the disciplinary proceedings:
- a) If the Government Servant is exonerated of all charges and where the gratuity is paid on the conclusion of such proceedings and if payment is made beyond three months from the date of his retirement, interest shall be allowed.
- 2. In cases where the disciplinary proceedings, are dropped on account of the death of the Government Servant and if the payment of gratuity has been delayed, interest shall be allowed for the period of delay beyond 3 months from the date of death.
- c) In cases where the Government servant is not fully exonerated on the conclusion of disciplinary proceedings and where the competent authority decides to allow payment of gratuity and if the payment of gratuity is delayed in such cases. interest shall be allowed for the period of delay beyond 3 months from the date of issue of orders by the competent authority allowing payment of gratuity.
 - ii) On retirement other than on Superannuation:

In respect of those who retired other than on superannuation under FR 56(2) or 56(3) or Rules 33, 36, 38, 39, 42 of Tamil Nadu Pension Rules 1978 where the payment of gratuity is delayed. In such cases, interest shall be allowed, for the period of delay beyond 6 months from the date of retirement.

iii) On death of the Government Servant while in service:

In cases where payment of death gratuity is delayed beyond 6 months from the date of death, interest shall be allowed for the period of delay beyond 6 months from the date of death. In any case the payment of death gratuity is held up on account to more than one claimant, such cases shall not qualify for payment Departments of Secretariat in consultation with the Finance Departments on the merits of each case.

iv) Cases where the amount of gratuity already <u>paid is enhanced on account of revision of emoluments:</u>

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- If the payment on account of arrears of gratuity is delay in such cases, interest shall be allowed for the delay beyond the period of 3 months from the date of issue of orders revising the emoluments.
- v) In cases of permanent absorption in Public Sector Undertakings /Autonomous bodies otherwise than on mass transfer on conversion of Government Department or a part there of into Public Sector <u>Undertakings /Autonomous body:-</u>

If the payment of gratuity in these cases is delayed, interest shall be allowed for the period of delay beyond 6 months from the date of absorption.

for JOINT SECRETARY TO GOVERNMENT