



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered Under the Trade Unions Act 1926 - Registration No.B-2334)

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All letters to be addressed to the General Secretary

NCBE/GS/2026/137

Date: 20.07.2026

To
Dr. Mansukh Mandaviya,
Honourable Minister,
Ministry of Labour & Employment,
Room no. 120, Shram Shakti Bhavan,
Rafi Marg, New Delhi - 110001

Respected Sir,

**ENHANCEMENT OF GRATUITY CEILING TO RS. 25 LAKHS FOR BANK
EMPLOYEES IN LINE WITH CENTRAL GOVERNMENT EMPLOYEES**

We invite your kind attention to our earlier letter No. NCBE/GS/2025/14 dated 05.03.2025, wherein we had requested enhancement of the gratuity ceiling for bank employees from the existing limit of ₹20 lakh to ₹25 lakh, in line with the gratuity ceiling applicable to Central Government employees.

2. Gratuity payment has been a crucial social security measure for employees, recognizing their long and dedicated service. Over the years, the Payment of Gratuity Act, 1972, has undergone several amendments to ensure better retirement benefits for employees.

3. In this regard, we respectfully invite your attention to the following notifications and orders issued by the Government of India:

- Payment of Gratuity (Amendment) Act, 2010 and Gazette of India dated 18.05.2010, wherein it was mentioned in section 4 and in sub section (3) for the words “three lakhs and fifty thousand,” the words “**ten lakhs rupees**” shall be substituted.
- The Gazette of India dated 29.03.2018, In exercise of the powers conferred by sub-section (3) of section 4 of the Payment of Gratuity Act, 1972 (39 of 1972), the Central Government hereby specifies that the amount of gratuity payable to an employee under the said Act shall not exceed **twenty lakh rupees**.
- The Government of India's office memorandum No. 28/03/2024-P&PW (B)/Gratuity/9559, dated May 30, 2024. It was notified that as per the Government's decisions in the implementation of the recommendations of the

seventh CPC, the maximum limit of Retirement Gratuity and Death Gratuity under the Central Civil Services (Pension) Rules, 2021 or the Central Civil Services (Payment of Gratuity under National Pension System) Rules, 2021 would be increased by 25% i.e. **from Rs.20.00 Lakh to Rs.25.00 Lakh, with effect from 01st January 2024.**

4. The banking fraternity has been at the forefront of implementing various government schemes, including financial inclusion initiatives, Direct Benefit Transfers (DBT), and emergency economic measures during critical times such as the COVID-19 pandemic. Despite working in a high-pressure environment, facing increasing workloads and risks, bank employees have remained committed to delivering financial services across the length and breadth of the country. Given their relentless commitment and service, it is only justifiable that they receive similar superannuation benefits in line with the Central Government employees.

5. It has been the consistent policy of the Government that whenever the gratuity ceiling applicable to Central Government employees is enhanced, a corresponding enhancement is subsequently extended to employees covered under the Payment of Gratuity Act, 1972. This principle was followed while enhancing the ceiling from ₹3.5 lakh to ₹10 lakh and again from ₹10 lakh to ₹20 lakh. Currently, Bank employees are subject to a gratuity payment limit of Rs. 20 lakhs, which, in light of inflation and increasing financial responsibilities, does not provide adequate post-retirement support. In recognition of the dedicated service rendered by bank employees, we earnestly request your August office to consider extending the enhanced gratuity payment limit of Rs. 25 lakh to bank employees as well.

6. We understand that several banks have already approached your esteemed Ministry seeking the necessary amendment to extend the enhanced gratuity ceiling to their employees. In view of the above developments, we earnestly request your esteemed office to take up this matter and facilitate the necessary amendments to extend this benefit to bank employees. An early decision in this regard would provide much-needed financial security to lakhs of bank employees and would reaffirm the Government's commitment towards ensuring equitable social security benefits across sectors.

With best regards,

Yours sincerely,



(L. CHANDRASEKHAR)
GENERAL SECRETARY