



**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Pension payment of interest on delayed payment of retirement gratuity and delegated powers to the Departments of Secretariat further instructions - Issued

FINANCE & PLG (FW PFN.I) DEPARTMENT

G.O.Ms.No.268

Dt. 7.10.86

Read the following.

- 1.G.O.Ms.No.116 Fin & Plg(FW Pen.I) Dept.Dt.7.4.80
- 2.Govt. of India, Ministry of Home Affair, Dept. of personal & Admn ,Reforms New Delhi OM.No.7/3/84-Pen.Unit 28.7.84.
- 3.From the Accountant General,ApDr.PVT/1/3-42/1980-81 Vol.II/83,Dt.5.7.86.

APUS

ORDER:

Government in the G.O. first read above issued orders allowing the 'interest on decayed payments of retirement gratuity subject to other conditions mentioned, therein.

2. The Govt. of India through their on 2nd read above have Issued orders allowing interest on delayed payment of gratuity at the rate of 7% per annum for the period beyond three months and up to one year and beyond one year 10% per annum.

According to these orders, the interest will be allowed only where it is clearly established that the payment of retirement gratuity was delayed on account Administrative lapse or for reasons beyond the control of the Govt. servant concerned, These rules are also contemplates fixing the responsibility and for taking necessary action against the person responsible for such delay in payment.

3. The Accountant General AP. Hyderabad in his letter 3rd read above has requested to consider the adoption of similar orders on state side. The suggestion of the AG, A.P. has been examined and after careful consideration, Govt. has decided

that interest may be allowed on delayed payments of retirement, gratuity at the rate of 7% per annum for the period beyond 3 months and up to 1 year and beyond 1 year 10% per annum after the gratuity becomes due and payable till the end of the month proceeding the month in which the payment is actually made. Accordingly the following further instructions are issued.

(a) The sanction of Govt. in the Administrative Dept. concerned should be obtained with the concurrence of the finance Dept. for payment of interest in every case, explaining the reasons for the delay in the payment of gratuity. In all cases where interest has to be paid to a retired Government servant and it was delayed, action should be taken against the officer responsible.

(b) Where disciplinary or judicial proceedings against the Government servant are pending on the date of his retirement, provisional pension is authorized under Art. 351-D of the pension code Vol.I/Rule 52 or A.P.R.P. Rules 1980. No gratuity is paid in such cases until the conclusion of proceedings and issue of final orders thereon. The gratuity, if allowed, to be drawn by the competent authority on conclusion of the proceedings will be deemed to have fallen due on the date of issue of orders by the competent authority.

(c) These orders shall not apply to arrears of gratuity which may become due as a result of enhancement of the emoluments after retirement or liberalization in the pension rules from a date prior to the date of retirement of the Govt. Servant.

4. These orders shall take effect from the date of issue of these orders and will apply to cases of Govt. servants who retired or died while in service after the date of issue of these orders.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**K. KRISHNA DAS
SPL. SECRETARY TO GOVERNMENT**