

No.7/3/2013-P&PW (F)
Ministry of Personnel, PG & Pensions
Department of Pension & Pensioners' Welfare

3rd Floor, Lok Nayak Bhavan,
Khan Market,
New Delhi-110003
Dated the, 2, December, 2014.

OFFICE MEMORANDUM

Subject: Payment of Death Gratuity to a minor – regarding
.....

In accordance with the existing instructions, the payment of a portion of death gratuity could be made to the guardian, in the absence of a natural guardian, without production of a guardianship certificate. As per the existing orders, an amount of Rs.10,000/- (or the first Rs.10,000/- where amount exceeds Rs.10,000/-) in favour of a minor could be made to his/her guardian, in the absence of a natural guardian, without production of a formal guardianship certificate but subject to production of an indemnity bond.

2. The above issue has been examined and in modification of the above orders, it has been decided that the payment of death gratuity in respect of a minor to the extent of 20% or Rs.1.50 lakh, whichever is less may be paid to his/her guardian, in the absence of natural guardian, without the production of a formal guardianship certificate but subject to the production of an indemnity bond with suitable sureties. The balance in excess of 20% or Rs.1.50 lakhs, as the case may be, would become payable on the production of a certificate of guardianship.

3. It is essential however, that there should be adequate prima facie grounds for making payment as in paragraph 2 above, to the person claiming it. Such ground can exist only if he is shown by a declaration to be a *de facto* guardian and his bona fides have been ascertained. Even if a guardian has not yet been appointed by the Court, if the minor and his property are in the custody of some person, such person is in law a *de facto* guardian. The authorities making the payment, should, therefore, require the person who comes forward to claim payment on behalf of the minor, to satisfy themselves by a form that he is in charge of the property of the minor and is looking after it or that, if the minor has no property other than the gratuity, the minor is in his custody and care. The form so to be produced is in addition to the indemnity bond with suitable sureties.

4. The indemnity bond which is required to be produced by a de-facto guardian of minor(s) for payment of retirement/death gratuity to the extent of Rs.1.50 lakh or 20% whichever is less should be executed in the form appended below.

5. It has been decided that the stamp duty payable on the indemnity bond will be borne by the Government. The indemnity bond, should, therefore, be executed on any durable plain paper.

6. The indemnity bond should be signed by the obligor and the surety/sureties or their respective attorneys appointed by power(s) of attorney. The indemnity bond on behalf of the President should be accepted by an officer duly authorized under Article 229(1) of the Constitution.

7. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders have been issued after consultation with the Comptroller and Auditor General of India.

8. This issues is with the concurrence of Department of Expenditure vide their ID note No. 359/EV/2014 dated 04.07.2014.

9. Hindi version will follow.



(Tripti P Ghosh)
Director
Tel.No.24624802

To,

1. All Ministries/Departments of the Government of India.
2. President Secretariat
3. UPSC
4. Office of C&AG, DDU Marg, New Delhi.

INDEMNITY BOND

KNOW ALL MEN by these presents that we (a).....
(b).....the widow/son/brother, etc., of (c).....deceased, resident of
.....of (hereinafter called "the Obligor") and (d)
son/wife/daughter of resident ofand.....son/wife/daughter
of..... Resident of the sureties for and on behalf of the Obligor
(hereinafter called "the Sureties") are held firmly bound to the President of India (hereinafter called "
the Government") in the sum of Rs..... (Rupees.....only) well and truly to
be paid to the Government on demand and without a demur for which payment we bind ourselves
and our respective heirs, executors, administrators, legal representatives, successors and assigns by
these presents.

Signed thisday oftwo thousand and
.....

WHEREAS (c).....was at the time of his death in the employment of the
Government/receiving a pension at the rate of Rs.....(Rupees.....only) per
month from the Government.

AND WHEREAS the said (c).....died on theday of 20.... and
there was due to him at the time of his death the sum of Rs.....(Rupees
..... only) for and towards share of his minor son/daughter in the death/retirement
gratuity.

AND WHEREAS the Obligor claims to be entitled to the said sum as de facto guardian of the
minor son/daughter of the said (c).....but has not obtained till the date of these presents
the certificate of guardianship from any competent Court of Law in respect of the said minor(s).

AND WHEREAS the Obligor has satisfied the (e).....that he/she is entitled to the
aforesaid sum and that it would cause undue delay and hardship if the Obligor be required to
produce the certificate of guardianship from the competent Court of Law before payment to him of
the said sum of Rs.....

AND WHEREAS the Government has no objection to the payment of the said sum to the Obligor
but under Government Rules and Orders, it is necessary for the Obligor to first execute a bond with
one surety/two sureties to indemnify the Government against all claims to the amount so due as
aforesaid to the said (c).....before the said sum can be paid to the Obligor.

AND WHEREAS the Obligor and at his/her request the surety/sureties have agreed to execute the
bond in the terms and manner hereinafter contained.

NOW THE CONDITION OF THIS BOND is such that if after payment has been made to the
Obligor, the Obligor and/or the surety/sureties shall in the event of a claim being made by any other
person against the Government with respect to the aforesaid sum of Rs. refund to the Government
the said sum of Rs.....and shall otherwise indemnify and keep the Government
harmless and indemnified against and from all liabilities in respect of the aforesaid sum and all costs
incurred in consequence of the claim thereto THEN the above written bond or obligation shall be
void and of no effect but otherwise it shall remain in full force, effect and virtue.

AND THESE PRESENTS ALSO WITNESS that the liability of the sureties hereunder shall not be impaired or discharged by reason of time being granted by or any forbearance act or omission of the Government whether with or without the knowledge or consent of the surety/sureties in respect of or in relation to the obligations or conditions to be performed or discharged by the Obligor or by any other method or thing whatsoever which under the law relating to sureties, shall but for this provision have the effect of so relating the surety/sureties from such liability nor shall it be necessary for the Government to sue the Obligor before suing the surety/sureties or either of them for the amount due hereunder, and the Government agrees to bear the stamp duty, if any, chargeable on these presents.

IN WITNESS WHEREOF the Obligor and the surety/sureties hereto have set and subscribed their respective hands hereunto on the day, month and year above written.

Signed by the abovenamed 'Obligor' in the presence of

1.
2.

Signed by the abovenamed 'Surety/Sureties'

1.
2.

Accepted for and on behalf of the President of India by

.....
 [Name and designation of the Officer directed or authorised, in pursuance of Article 299 (1) of the Constitution, to accept the bond for and on behalf of the President] in the presence of

.....
 (Name and designation of witness)

NOTE 1. -	(a)	Full name of the claimant referred to as the 'Obligor'.
	(b)	State relationship of the Obligor to the deceased.
	(c)	Name of the deceased Government Officer.
	(d)	Full name or names of the sureties with name or names of the father(s)/husband(s) and place of residence.
	(e)	Designation of the officer responsible for payment.
NOTE II. -	The Obligor as well as the sureties should have attained majority so that the bond may have legal effect or force.	