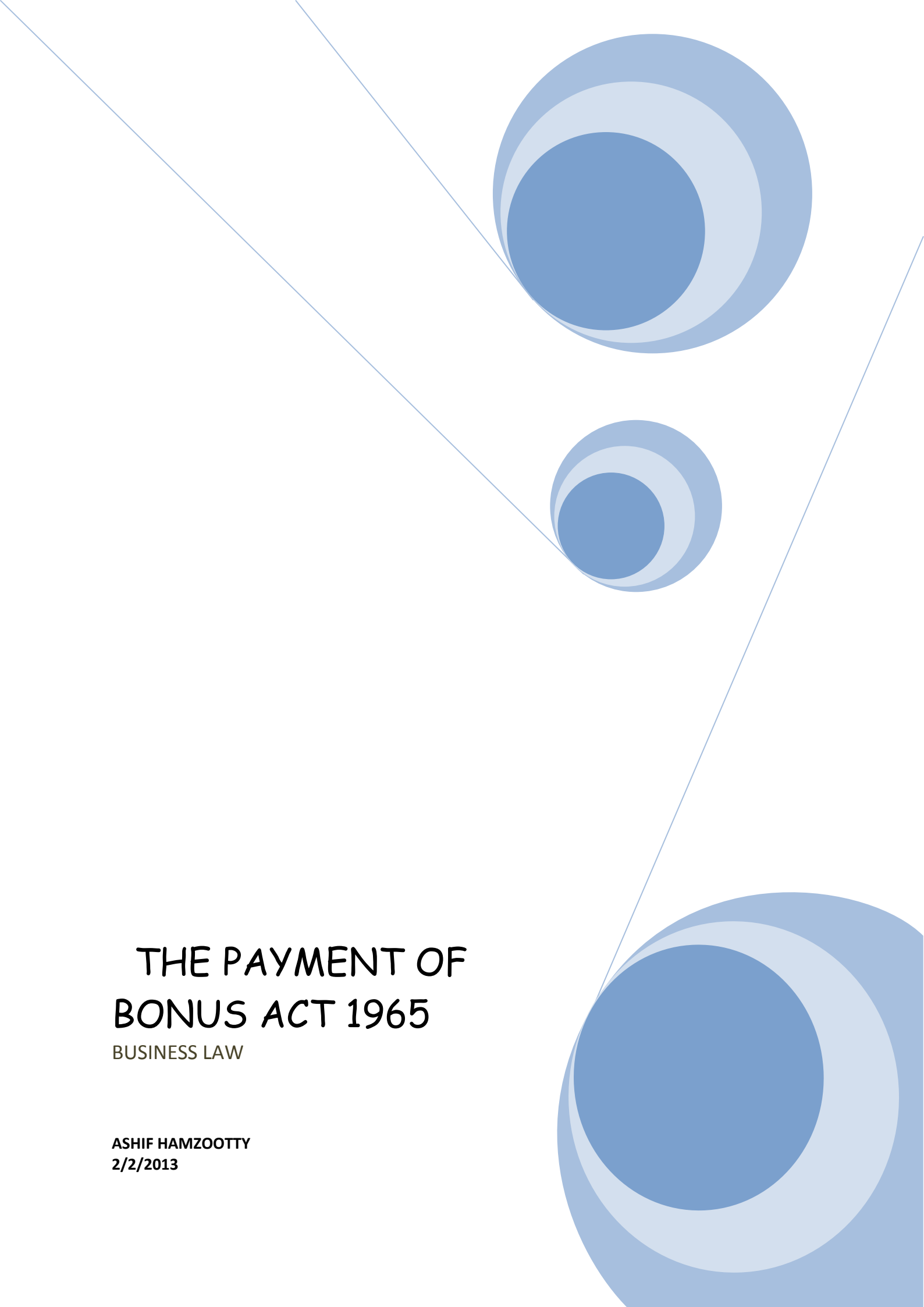


An abstract graphic featuring three blue circles of varying sizes. The largest circle is in the top right, a medium-sized one is in the center, and another large one is in the bottom right. Two thin, light blue diagonal lines cross the page, one from the top left to the center and another from the top right to the bottom right.

THE PAYMENT OF BONUS ACT 1965

BUSINESS LAW

ASHIF HAMZOOTTY
2/2/2013

THE PAYMENT OF BONUS ACT 1965

Act not apply to certain classes of employee

- **LIC**
- **SEAMEN** u/s Merchant shipping act
- **DOCK WORKERS**
- Authority of any **depart** of **CG or SG or LOCAL AUTHORITY**
- a) **Indian Red cross society**
b) **University** & other **education** institution
c) **Institution.**
- **Contracting** on building operation
- **RBI**
- **IFCI, UTI, IDBI, OTHER FINANCIAL INSTITUTION**
- ***Inland water transport*** establishment operating on routes passing through any other country

ALLOCABLE SURPLUS

67% of the available Surplus

BANKING 60% of the available Surplus

APPROPRIATE GOVT

Any person other than Apprentice employed or a wages or salary not exceeding 10000/month

SALARY

All emolument/remuneration other than OT WAGES

BASIC +DA+FOOD ALLOWANCE+CITY COMPENSATION ALLOWANCE

DISQUALIFICATION TO CLAIM

Employee *DISMISSED* from service for

- a) FRAUD b) RIOTOUS or VIOLENT behaviour in establishment
- c) Theft/ misappropriation or sabotage of any property of the establishment

Others –*APPRENTICE- CONTRACTOR EMPLOYEE- DISMISSED*

MINIMUM BONUS

8.33% OR RS 100 WHICH EVER HIGHER

8.33% OR RS 60 WHICH EVER HIGHER (AGE<15)

PRODUCTIVITY LINKED BONUS

Situation: employee agreement with employer

On a payment of bonus on agreed ratio

MAXIMUM BONUS

20% OF SALARY / WAGES

WORKING DAYS

Deemed working day

- Lay off (with Industrial Dispute Act)
- Leave with Salary/wages
- Temporary disablement Caused by Accident
- Maternity leave

SET ON /SET OFF OF ALLOCABLE SURPLUS