

Government of West Bengal
Finance Department
Audit Branch
Writers' Buildings, Kolkata-700001

No. 6734-F(P)

Kolkata, the 3rd August, 2012.

From : A. K. Das
OSD & ex-officio Joint Secretary to the
Government of West Bengal

To : Shri/Smt.....
The Addl. Chief Secretary/Principal Secretary/Secretary,
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Sub : Payment of Bonus/Ex-gratia grant to the Employees
of Public Undertakings for the year 2011-12

Sir,

You are aware that payment of Bonus/Ex-gratia/recoverable festival advance is made every year to the employees of different Public Undertakings and that such payment are generally made before the autumnal festivals.

2. I am directed by the order of the Governor to say that the Governor has been pleased to take the following decisions :-

(a) Where the payment of Bonus Act 1965 as amended upto date is applicable, bonus for the year 2011-2012 will be payable according to the statutory provisions of the said Act as amended upto date. The employees who drew salary or wages upto Rs.10,000/- per month will be entitled to the bonus in the current year, subject to the condition that the maximum amount payable to an employee in such case will be restricted to the amount admissible to those drawing emoluments upto Rs.3,500/- per month. Similarly, where ex-gratia is paid in lieu of bonus under the payment of Bonus Act, 1965 the same provisions will have to be followed for the purpose of payment of ex-gratia.

(b) (i) The employees of the Public Undertakings who are guided by the Payment of Bonus Act, 1965, as amended upto-date, but are not eligible to get Bonus/ex-gratia in lieu of bonus under the said Act on account of their revised emoluments having been exceeded Rs.10,000/- per month as on 31st March, 2012 may be allowed to draw an ex-gratia grant of Rs.2500/- per head provided their revised emoluments as on 31st March, 2012 did not exceed Rs.22,000/- per month.

(ii) In the Public Undertaking/Statutory Bodies where the payment of Bonus Act, 1965, as amended upto-date is not applicable, but ex-gratia in lieu of bonus is sanctioned to the employees strictly following the provisions of the payment of Bonus Act, 1965, the employees of the said Undertakings/Statutory Bodies may also be granted an ex-gratia grant of Rs.2500/- per head provided their revised emoluments as on 31st March, 2012 exceeded Rs.10,000/- per month but did not exceed revised emoluments of Rs.22,000/- per month.

Recoverable advance of maximum limit of Rs.2000/- may be sanctioned to the employees of Public Undertakings/Statutory Bodies not coming under the purview of Bonus/Ex-gratia provided their revised emoluments exceeded Rs.22,000/- per month but did not exceed Rs.30,000/- per month as on 31.3.2012 and also provided that the advance paid last year has been recovered in full.

3. While sanctioning Bonus/Ex-gratia in lieu of Bonus, the following principles shall be observed :-

(i) Bonus at the statutory minimum rate will be paid to the employees of Public Undertakings/Statutory Bodies, who come under the purview of the payment of Bonus Act, 1965 as amended upto-date.

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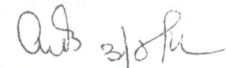
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- (ii) No excess Bonus i.e. over and above the statutory minimum will be paid to the employees of Public Undertakings/Statutory Bodies under any circumstances, if the said Public Undertakings/Statutory Bodies are running under loss.
- (iii) For payment of statutory Bonus under the payment of Bonus Act, 1965, as amended upto-date and also for payment of ex-gratia payment in lieu of Bonus, final report of accounts of the previous year in respect of the concerned organization will have to be furnished to the Government.
- (iv) For justification of the additional rate of Bonus the previous year's audited accounts should be furnished and quantum of Bonus should be computed according to the provision of the payment of Bonus Act.
- (v) The rate of ex-gratia payment in lieu of Bonus shall be 8.33 per cent of the emoluments earned by the employees during the accounting year in question irrespective of allocable surplus (as defined in the payment of Bonus Act, 1965, as amended upto-date). If the proposal in any rate about the aforesaid limit, the proposal should be justified on the basis of "Allocable Surplus" (as defined in the Payment of Bonus Act, 1965 as amended upto-date) during the account year in question. Here also the calculation will have to be made according to the principles for calculation of Bonus as laid down in the Payment of Bonus Act.
- (vi) For conversation of ex-gratia payment in lieu of Bonus so long paid into bonus under the payment of Bonus Act, specific views of the Labour Department may be obtained. Labour Department is requested to clearly give their views in such cases in consultation with I.d. I.R. as to whether the concerned organization would come under the purview of the payment of Bonus Act (Under Section 31 of the Said Act).

4. I am, therefore, to request you kindly to take necessary action accordingly and issue orders in respect of the concerned organizations under your administrative control at an early date so that the payment of Bonus/ex-gratia to the eligible employees is completed by the 30th September, 2012.

5. For payment of Bonus/ex-gratia under this order and ex-gratia @ Rs.2500/- per head as per this order, no sanction of the Finance Department will be necessary, if there is no requirement of fund for release of the benefit.

Yours faithfully,



OSD & ex-officio Joint Secretary to the
Government of West Bengal
Finance Department.