

प्रधान कार्यालय: मणिपाल 576 104 (कर्नाटक)
Head Office: Manipal-576104(Karnataka)
संगठन एवं पद्धति प्रभाग
ORGANISATION & METHODS DIVISION



Circular No.405-2015-BC-PD-49-IRD

Date: 22-09-2015

TEMPORARY UTILITY

BONUS FOR THE YEAR 2014-2015

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It has been decided by the Bank to disburse Bonus for the Accounting Year 2014-15 to eligible employees at the rate of 20% under the provisions of the Payment of Bonus Act, 1965.

Eligibility to receive Bonus:

- (i) The employees in whose cases salary or wage payable does not exceed ₹10,000/- per month are entitled to receive Bonus for the months in which salary or wage does not exceed the above mentioned limit. Where the salary or wage of an employee exceeds ₹3,500/- but does not exceed ₹10,000/- p.m., the bonus payable to such employee shall be calculated as if the salary or wage was ₹3,500/- p.m. The maximum amount of Bonus payable in any case shall not exceed ₹8,400/-;

AND

- (ii) Employees who have worked for not less than 30 days (excluding Sundays and other holidays declared under N.I. Act) during the year.

There is no change in the procedure for payment of Bonus to employees including temporary employees/sweepers on consolidated/scale wages and those engaged on job basis for cleaning toilets, washrooms etc. (sanitary workers) for 2014-2015, which is explained in detail in **Annexure-I** to Cir. No.170-2004-BC-IRD dt. 06-09-2004. Branches / Offices are advised to scrupulously follow the same.

The Debit IBA along with the Schedule as per proforma in **Annexure-III** and original Bonus Chart as per proforma in **Annexure-II** of Cri. No. 170-2004-BC shall be forwarded to Personnel Cell (Bonus) of Regional Office concerned **within 10 days of the date of payment of Bonus for 2014-15, by Registered Post, duly superscribing on the envelope "Bonus 2014-15 Payment"**.

The salary for the purpose of computation of Bonus comprises of the following:

1. Basic Pay + Stagnation Increment
2. Special Pay (PQP, Graduation Pay, FPP excluding HRA component, etc.)
3. Dearness Allowance
4. City Compensatory Allowance
5. Rotation Allowance
6. Special Allowance

The minimum amount of Bonus shall be ₹100/- in case of those who have worked during the period from 01.04.2014 to 31.03.2015.

Where the salary payable to an employee in the normal course is more than ₹10,000/- p.m., he / she will not be entitled to Bonus even if the salary falls below ₹10,000/- in a particular month due to recovery of salary on account of availing sick leave, EOL on LOP or on account of deduction towards unauthorized absence, strike, etc. Again care should be taken to ensure that eligible components as per salary recently revised and implemented in the Bank, are to be reckoned for arriving at eligibility for payment of Bonus and / computing amount Bonus payable.

TAX DEDUCTION:

Bonus to be paid for the year 2014-2015 to employees is income for the current financial year 2015-2016 and is to be reckoned for calculating Income Tax wherever applicable.

Wherever **the Profession Tax Act** of the State/Union Territory prescribes Bonus as part of salary/wage/emoluments for tax purpose, Branches/Offices in that State/Union Territory shall compute and recover Profession Tax by reckoning Bonus in the manner prescribed in Act/Rules framed thereunder. The tax recovered shall be remitted to the Prof. Tax Authorities as per procedure in vogue.

SUBMISSION OF FORM `D' (Statutory Obligation):

Soon after payment of Bonus 2014-15 as per guidelines, **Branches/Offices shall submit Form `D' to their respective Labour Enforcement Officer as provided in Manual of Instruction Volume-V vide para 5.3.58 (H) and Annexure V-45 without awaiting credits from Regional Office for bonus payable to temporary employees/sanitary workers. In case none of the employees are eligible for bonus in a Branch/Office, then also NIL statement in Form `D' is to be submitted to Labour authorities concerned.**

COMPLIANCE:

Branches/Offices are advised to comply with the above instructions scrupulously and disburse the Bonus to all eligible employees on or before 31.10.2015, unfailingly.

The compliance report shall be sent to RO and HO: PD: PAD immediately thereafter to reach them **on or before 10.11.2015**.

Any failure in arranging to disburse Bonus within the statutory time limit and submission of Form `D' are viewed by the Labour Authorities seriously and would attract penalties under the Payment of Bonus Act 1965.

It shall be noted by all concerned viz. Heads of Branches / Offices (who are responsible for disbursing Bonus correctly and promptly to eligible employees) and Officers in Personnel / Establishment Cells at Controlling Offices (who are responsible for follow up, guidance and monitoring compliance) that costs of penalties and interest that may be awarded by the Enforcement Authority under Payment of Bonus Act for non payment/short payment/delayed payment of Bonus to eligible employees and incidental legal costs to the Bank will be recovered from them besides appropriate disciplinary action.

Hence all the Bonus disbursing authorities are advised to disburse Bonus to eligible employees well before the deadline, maintain Form `C' Register and submit Form `D' in time, without fail. The Officers at Controlling Offices shall monitor disbursement of Bonus correctly and promptly.

The Branches/Offices are requested to circulate this Circular among the employees besides displaying a copy in the Notice Board of the Branch/Office.

Clarifications required, if any, on this circular may be sought from **PERSONNEL DEPARTMENT - INDUSTRIAL RELATIONS DIVISION** at Head Office, Manipal through respective Regional Office, as per extant guidelines.

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(K SANTHOSH KAMATH)
GENERAL MANAGER (P)