

**GOVERNMENT OF INDIA
PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA**

UNSTARRED QUESTION NO:2
ANSWERED ON:02.12.2003
EX GARATIA BONUS
SHEESH RAM SINGH RAVI

Will the Minister of PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

- (a) Whether it is a fact that bonus or ex-gratia payment is regulated by the payment of Companies Act, 1965 according to which a salary limit has been prescribed for the purpose of drawing bonus;
- (b) If so, the details thereof;
- (c) Whether employees of Kendriya Bhandar drawing salary above the limit are being paid bonus or ex-gratia; and
- (d) If so, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS.(SHRI HARIN PATHAK)

(a) to (d) : Payment of bonus to the employees of Kendriya Bhandar is regulated under the Payment of Bonus Act, 1965 which, inter alia, provides for payment of bonus to employees receiving salary or wages upto Rs. 3,500/- per month. The employees, who are not eligible for bonus as per the Payment of Bonus Act, are being paid ex-gratia in lieu of bonus as gesture of appreciation of their contribution towards the profitability of the Organisation.