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PAYMENT OF BONUS

Dated: 19/9/2020

ACT 1965.

21/1965, 25th Sept 1965.

Subject by: MD. FIROZ ALAM.

Introduction: payment of bonus act concept was introduced in practise during first world war. When a textile mills in ahmedabad introduce bonus 10% of wages as known as a war bonus to their employees in 1917. In industrial disputes demand for payment of bonus was also included.

In 1950, the full bench of the labour appellate involved to determination of formula of bonus. ultimately a plea was made to raise the formula in 1959.

In march 1960, in new Delhi was organised 2nd & 3rd meeting 18th session of Standing Labour Committee. In this session was agreed that Commission be appointed in respect of bonus and suitable terms & conditions.

Government of india was setup Tripartite Commission to Consider Comprehensive manner. The question of payment of bonus based on profits to employees employed in establish-ment and to make recommendation to the government.

The government of india accepted the recommendation to Commission to certain modifications. To implement recommen-dation the payment of bonus ordinance ~~1965~~ was period of 29th May 1965.

Finally replace the said ordinance the ²⁰²⁰ payment of bonus act was introduced in parliament.

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Dated: 19/9/2020

Payment of bonus act 1965

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STATEMENT OF OBJECTS AND REASONS:

A Tripartite Commission was setup by the government of india by their resolution NO - WB - 20 (9) 61 dated 6th December 1961.

The question of payment of bonus based on profits to employees employed in establishment and make recommendation to the govt.

The Commission, received their recommendation by the govt on 24th january 1964.

In their resolution NO WB 20 (3) 64 dated 2th September, 1964, the govt announced acceptance of the Commission recommendation subject to certain modifications as were mentioned therein.

With a view to implement the recommendation Commission as accepted by the

govt, the payment of bonus act 15 SUN 1965, was introduce on 29th may 1965.

ACT 21 OF 1965.

The payment of bonus bill having been passed by the both the houses of parliament received the Consent of the president on 25th September, 1965.

It came to existence on the Status Book

2020 as THE PAYMENT OF BONUS ACT, 1965.

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Dated: 19/9/2020.

Payment of Bonus Act

List of Amending Acts:

1. The Insurance (Amendment) Act, 1968
(62 of 1968)
2. The Payment of Bonus (Amendment) Act 1969
(8 of 1969)
3. The Central Labour Laws (Extension of
Jammu and Kashmir) (51 of 1970)
4. The Payment of Bonus (Amendment) Act 1972
(68 of 1972)
5. The Payment of Bonus (Amendment) Act 1973
(39 of 1973)
6. The Payment of Bonus (Second Amendment) Act 1973
(55 of 1973)
7. The Payment of Bonus (Amendment) Act, 1974
(42 of 1974)
8. The Payment of Bonus (Amendment) Act, 1976
(23 of 1976)
9. The Payment of Bonus (Amendment) Act 1977
43 of 1977 [as amended by the Payment
of Bonus (Amendment) Act 1978, (48 of 1978)
and the Payment of Bonus (Amendment) Act, 1980
10. The Payment of Bonus (Second Amendment)
Act, 1980.
11. The National Bank of Agriculture and
Rural Development Act, 1981 (61 of 1981)

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Payment of bonus Act, 1965

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12. The payment of bonus (Amndt) Act 1980

13. The payment of bonus (Second Amndt) Act 1985

14. The national Housing bank Act 1987 (53/1987)

15. The Small industries Development Bank of india Act 1989 (39/1989)

16. The payment of Bonus (Amndt) Act 34/1995

17-10-11-14 - Corrigendum in the notif no: 784, (E) dt 10 Nov 2014

2006-12-2016 - Payment of bonus amendment rules 2016

29-01-2019 - Payment of bonus (Amendment) rules 2019.

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The payment of bonus act, 1965

21/1965

25th September 1965

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BONUS ACT 1965

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sec-01.

- ① This act may be called the payment of bonus Act 1965
- ② It extends to the whole of india
- ③ This act shall apply to
 - (a) every factory
 - (b) every other establishment in which 20 twenty or more employees are employed on any during the an accounting year.
- ④ The appropriate govt Central govt and State govt has power to giving not less than 2 months notice to apply this act to any establishment. ~~Small~~ However that the number of persons specified in case of less than 20 employees
- ⑤ This act applies in any establishment with effect from any day or any accounting year.
- ⑥ This act also applies by wide notification NO: SO 3912 E dated 30th October 2019, this act made applicable to the union territory of Jammu and Kashmir, and the union territory of Ladakh.