

**<sup>1</sup>[THE SECOND SCHEDULE]**  
**<sup>2</sup> [See Section 4 (b)]**  
**COMPUTATION OF GROSS PROFITS**

Accounting Year :- 01.04.2011 TO 31.03.2012

Item no.	Particulars	Amount of sub-items Rs.	Amount of main items Rs.	Total	Remarks
1	Net Profit as per Profit & Loss Account.		<u>                    </u>	<u>                    </u>	<b>0</b>
2	Add back provision for :				
	[a] Bonus to employees.	<u>                    </u>			
	[b] Depreciation.	<u>                    </u>			
	[c] Direct taxes, including the provision (if any) for previous accounting year.	<u>                    </u>			
	3[d] Development rebate / investment allowance / Development allowance reserve.	<u>                    0</u>			See foot-note [1]
	[e] Any other reserves.	<u>                    </u>			-Do-
	<b>Total of Item No. 2</b>		<u>                    0</u>	<u>                    </u>	<b>0</b>
3	Add back also :				
	[a] Bonus paid to employees in respect of previous accounting years.	<u>                    </u>			-Do-
	4[[aa] The amount debited in respect of gratuity paid or payable to employees in excess of the aggregate of -				
	[i] the amount, if any, paid to or provided for payment to, an approved gratuity fund; and	<u>                    0</u>			
	[ii] the amount actually paid to employees on their retirement or on termination of their employment for any reason].	<u>                    </u>			
	[b] Donations in excess of the amount admissible for income-tax.	<u>                    0</u>			
	[c] Any annuity due, or commuted value of any annuity paid, under the provisions of Section 280-D of the Income-tax Act during the accounting year.	<u>                    0</u>			

Item no.	Particulars	Amount of sub-items Rs.	Amount of main items Rs.	Total	Remarks
	[d] Capital expenditure [other than capital expenditure on scientific research which is allowed as a deduction under any law for the time being in force relating to direct taxes] and capital losses on sale of capital assets on which depreciation has been allowed for income-tax or agricultural income-tax].	0			See foot-note [1]
	[e] Losses of, or expenditure relating to, any business situated outside India.	0			
	<b>Total of Item No. 3</b>		<u>0</u>	<u>0</u>	
<b>4</b>	Add also income, profits or gains (if any) credited directly to reserve, other than-				
	[i] Capital receipts and capital profits [including profits on the sale of capital assets on which depreciation has not been allowed for income tax or agricultural income-tax].	0			
	[ii] Profits of, any receipts relating to, any business situated outside India;	0			
	[iii] Income of foreign concerns from investments outside India.	0			
	Net Total of Item No. 4		<u>0</u>	<u>0</u>	
<b>5</b>	<b>Total of Item Nos. 1,2,3 and 4</b>			<u>0</u>	
<b>6</b>	Deduct				
	[a] Capital receipts and capital profits (other than profits on the sale of assets on which depreciation has been allowed for income-tax or agricultural income-tax.				See foot-note [2]
	[b] Profits of, and receipts relating to, any business situated outside India.	0			-Do-
	[c] Income of Foreign concerns from investments outside India.	0			-Do-
	[d] Expenditure or losses (if any) debited directly to reserves, other than -				
	[i] Capital expenditure and capital losses (other than losses on sale of capital assets on which depreciation has not been allowed for income-tax or agricultural income-tax);	0			
	[ii] Losses of any business situated outside India.	0			

Item no.	Particulars	Amount of sub-items Rs.	Amount of main items Rs.	Total	Remarks
	[e] In the case of Foreign concerns proportionate administrative (over-head) expenses of Head Office allocable to Indian Business.	0			See fote-note [3]
	(f) Refund of any direct tax paid for previous accounting years and excess provisions, if any, of previous accounting year relating to bonus, depreciation, taxation or development rebate or development allowance, if written back.	0			See fote-note [2]
	<b>5</b> [[g] Cash subsidy, if any, given by the Government or by any body corporate established by any law for the time bwing in force or by any other agency through budgetary grants, whether given directly or through any agency for specified purposes and the proceeds of which are reserved for such purposes.]	0			
	<b>Total of item No. 6</b>		<u>0</u>	<u>0</u>	
<b>7</b>	Gross Profits for the purposes of Bonus. (Item No. 5 minus Item no. 6)		<b>Rs.</b>	<u><u>0</u></u>	

**6**[Explanation. - In sub-item (aa) of item 3, "approved garuity fund" has the same meaning assigned to it in Clause (5) of Section 2 of the Income-tax Act].

**Foot-notes :**

- [1] If, and to the extent, charged to Profit & Loss Account.  
[2] If, and to the extent, credited to Profit & Loss Account.  
[3] In the Proportion of Indian Gross Profit (Item No. 7) to total World Gross Profit (as per Consolidated Profit & Loss Account, adjusted as in item No. 2 above only.

1. Re-numbered for "The First Schedule" by Act 66 of 1980 Section 19 (deemed to have come into force on 21st August, 1980).
2. Subs. Ibid., for "(See Section 4)".
3. Subs. By Act 66 of 1980, section 19 (deemed to have come into force on 21st August, 1980).
4. Inserted by Act 23 of 1976, Section 26.
5. Subs. By Act 23 of 1976 Section 26.
6. Explanation added by Act 23 of 1976 Section 26.

**1[THE THIRD SCHEDULE]**  
**[See Section 6 (d)]**

Accounting Year :- 01.04.2011 TO 31.03.2012

Item no.	Category of Employer	Further sums to be deducted	Amount of sub-items Rs.	Total
[1]	[2]	[3]	[4]	[5]
1	<b>2[ Company, other than banking company].</b>	<p>[i] The dividends payable on its preference share capital for the accounting year calculated at the actual rate at which such dividends are payable;</p> <p>[ii] 8.5 Percent of its paidup equity share capital as at the commencement of the accounting year;</p> <p>[iii] 6 Percent of its reserves shown in its balance-sheet as at the commencement of the accounting year, including any profits carried forward from the previous accounting year;</p> <p>Provided that where the employer is a foreign company within the meaning of Section 591 of the Companies Act, 1956 (1 of 1956), under this Item shall be 8.5 Percent of the aggregate of the value of the net fixed assets and the current assets of the company in of its current liabilities (other than any amount shown as payable by the Company to its advance made by the Head Office or otherwise or any interest paid by the company to its Head Office) in India.</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p style="text-align: right;">0</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p style="text-align: right;">0</p> <p>_____</p>
2	<b>3[Banking Company]</b>	<p>[i] The dividends payable on its preference share capital for the accounting year calculated at the rate at which such dividends are payable,</p> <p>[ii] 7.5 Percent of its paid up equity share capital as at the commencement of accounting year;</p> <p>[iii] 5 Percent of its reserves shown in its balance-sheet as at the commencement of the accounting year including any profits carried forward from the previous accounting year;</p> <p>[iv] any sum which, in respect of the accounting year, is transferred by it -</p> <p>[a] to a reserve fund under subsection (1) of section 17 of the Banking Regulation Act, 1949 (10 of 1949); or</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>

[b] to any reserves in India in pursuance of any direction or advise given by the Reserve Bank of India,

**Which ever is higher**

Provided that where the banking company is a foreign company within the meaning of Section 591 of the Companies Act, 1956 (1 of 1956), the amount to be deducted under this Item shall be the aggregate of -

[i] The dividends payable to its preference shareholders for the accounting year at the rate at which such dividends are payable on such amount as bears the same proportion to its total preference share capital as its total working funds in India bear to its total world working funds;

[ii] 7.5 Percent. Of such amount as bears the same proportion to its total paid up equity share capital as its total working funds in India bear to its total world working funds;

[iii] 5 Percent. Of such amount as bears the same proportion to its total disclosed reserves as its total working funds in India bear to its total world working funds;

[iv] any sum which in respect of the accounting year, is deposited by it with the Reserve Bank of India, under sub-clause (ii) of clause (b) of sub-section (2) of Section 11 of the Banking Regulation Act, 1949 (10 of 1949), not exceeding the amount required under the aforesaid provision to be so deposited

0

**3 Corporation**

[i] 8.5 Percent of its paid up capital as at the commencement of the accounting year;

[ii] 6 Percent of its reserves, if any, shown in its balance sheet as at the commencement of the accounting year, including any profits carried forward from the previous accounting year.

0

**4 Co-operative Society**

[i] 8.5 Percent of the Capital invested by such society in its establishment as evidenced from its books of accounts at the commencement of the accounting year;

[ii] such sum as has been carried forward in respect, of the accounting year to a reserve fund under any law relating to co-operative societies for the time being in force.

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5 **Any Other employer not falling under any of the aforesaid categories.**

8.5 Percent of the Capital invested by him in his establishment as evidenced from his books of accounts at the commencement of the accounting year;

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Provided that where such employer is a person to whom

Chapter XXII-A of the Income-tax Act applies, the annuity deposit payable by him under the provisions of that Chapter during the accounting year shall also be deducted;

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Provided further that where such employer is a firm, an amount equal to 25 Percent of the Gross Profits derived by it from the establishment in respect of the accounting year after deducting depreciation in accordance with the provisions of clause (a) of Section 6 by way of remuneration to all the partners taking part in the conduct of business of the establishment shall also be deducted, but where the partnership agreement, whether oral or written, provides for the payment of remuneration to any such partner, and-

[i] The total remuneration payable to all such partners is less than the said 25 Percent., the amount payable, subject to a maximum of 48,000/- rupees to each such partner, or

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[ii] The total remuneration payable to all such partners is higher than the said 25 Percent, such percentage, or a sum calculated at the rate of 48,000/- rupees, to each such partners, which ever is less, shall be deducted under this provision :

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Provided also that where such employers is an individual or a Hindu undivided family;-

[i] An amount equal of 25 Percent of the gross profits derived by such employer from the establishment in respect of the accounting year after deducting depreciation in accordance with the provisions of clause (a) o Section 6; or

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[ii] 48,000/- rupees which ever is less, by way of remuneration to such employer, shall also to deducted.

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6	<p>Any Employer falling under  Items No. 1 or Item No. 3 In addition to the sums deductible under any of  or Item No. 4 or Item No.5 the aforesaid Items, such sums as are required to  and being a licence within be appropriated by the Licensee in respect of the  the meaning of the accounting year to a reserve under the 6'th  Electricity Supply Act, Schedule to that Act shall also be deducted.  1948 (54 of 1948).</p>	0
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**Total C/f to Form A : -->**

**0.00**

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**Explanation.** - The expression "reserve" occurring in column [3] against Item No. 4[1 [iii], 2 [iii] and 3 [ii]] shall not include any amount set a part for the purpose of-

- [i] Payment of any direct tax which, according to the balance sheet, would be payable;
- [ii] meeting any depreciation admissible in accordance with the provisions of clause (a) of Section 6;
- [iii] Payment of dividends which have been declared, but shall include-

- (a) Any amount, over and above the amount referred to in clause(i) of this Explanation, set apart as specific reserve for the purpose of payment of any direct tax; and
- (b) Any amount set apart for meeting any depreciation in excess of the amount admissible in accordance with the provisions of clause(a) of section 6.

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1. Re-numbered for "Second Schedule" by Act 66 of 1980, Section 20 (deemed to have come into force on 21st August, 1980).
  2. Subs. ibid., for "companies" (deemed to have come into force on 21st August, 1980).
  3. Item 2 and the entries relating thereto added by Act 66 of 1980, Section 20 (deemed to have come into force on 21st August, 1980).
  4. Subs. By Act 66 of 1980, Section 20 (deemed to have come into force on 21st August, 1980).

## \*[THE FOURTH SHCEDULE]

[See Sections 15 and 16]

The 4<sup>th</sup> Schedule to the Payment of Bonus Act, is reproduced. The Schedule presumed that the minimum bonus payable at the rate of 8.33% of salary or wages to all employees would be Rs.1,04,167/- & the Maximum bonus equivalent to 20% of annual salary or wages of all employees; would be Rs.2,50,000/- [We note here that these 2 figures are inconsistent because if Rs.1,04,167/- is 8.33, the total Salary or Wage bill would be Rs. 12,50,504.20/- & 20% of which would be Rs.2,50,000/-. On the other hand, if Rs.2,50,000/- is the 20%, the total salary & Wage bill would be Rs.12,50,000/- & 8.33% of which would be Rs.1,04,125/-. Any way we would use the figures given in the 4<sup>th</sup> Schedule because it is for the purpose of demonstration only.

4<sup>th</sup> Schedule to the Act was also amended frequently & what is discussed in the following paragraph is the illustration introduced by the latest amendment.

Year	Amount equal to 60%, or 67% as the case may be, of available surplus allocable as Bonus	Amount Payable as Bonus	Set-on or Set-off of the year carried forward	Total set-on or Set-off carried forward	OF Year	Remarks
1	2	3	4	5	6	7
	Rs.	Rs.	Rs.	Rs.	SET-ON SET-OFF	
1	104167	104167	NIL	NIL	NIL	104167 - 104167 = 0
2	635000	250000	250000	{ + 250000 }	[2] SET-ON	635000 - 250000 = 385000 but maximum 20% of Bonus is taken i.e C/f. 250000
3	220000	250000 {220000 + 30000}	NIL	{ + 220000 } {250000 - 30000}	[2] SET-ON	220000 - 250000 = -30000 + 250000 of previous year closing = 220000
4	375000	250000	125000 {375000 - 250000}	{ + 220000 } { + 125000 } {375000 - 250000}	[2] [4] SET-ON	375000 - 250000 = 125000 is c/f. as as SET-ON for 4 <sup>th</sup> year along with 220000 of 2 <sup>nd</sup> Year
5	140000	250000 {140000 + 110000} from 2 <sup>nd</sup> Year	0	{ + 110000 } {220000 - 1100000} { + 125000 }	[2] [4] SET-ON	140000 - 250000 = -110000 + 110000 for 2 <sup>nd</sup> year c/f. so 2 <sup>nd</sup> yr will be nil in current year & 4 <sup>th</sup> year will be c/f.

6	310000	250000	60000 {310000 - 250000}	{ + 125000 } { + 60000 }	[4] [6] SET-ON	310000 - 250000 = 60000 is c/f as SET-ON for 6 <sup>th</sup> year along with 4 <sup>th</sup> year c/f.
7	100000	250000 {100000 + 125000 + 25000}	NIL	NIL NIL { + 35000 }	[2] [4] [6] SET-ON	100000 - 250000 = -150000 + 125000 of 4 <sup>th</sup> year + 25000 of 6 <sup>th</sup> year = 35000 c/f for 6 <sup>th</sup> year along with 4 <sup>th</sup> year will be nil.
8	Nil (Due to Loss)	104167	NIL	{ - 69167 } {104167 - 35000}	[8] SET-OFF	0 - 104167 = -104167 + 35000 for 6 <sup>th</sup> year c/f amount = -69167 c/f as 8 <sup>th</sup> year loss SET-OFF
9	10000	104167	NIL	{ - 69167 } { - 94167 }	[8] [9] SET-OFF	10000 - 104167 = -94167 as previous year is SET-OFF than both -69167 for 8 <sup>th</sup> year & -94167 for 9 <sup>th</sup> year will be c/f.
10	215000	104167	NIL	NIL { - 52501 }	[8] [9] SET-OFF	215000 - 104167 = 110833 + (-69167 of 8 <sup>th</sup> year) + (-41666 of th year) = -52501 c/f as SET-OFF

### Notes

[1] {+} (Positive balance in the SET-ON & SET-OFF Scheme)

[2] {-} (Negative balance in the SET-ON & SET-OFF Scheme)

[3] Figure in the Brackets [] in Col. 5 indicate the year to which the figure belongs. This is essential to note because of limitation of 4<sup>th</sup> year period.

[4] In the 1<sup>st</sup> year only minimum bonus was paid because allocable surplus was sufficient to pay minimum bonus only & no amount is left to carry to SET-ON & SET-OFF Scheme; hence no figures in Col. 4 & 5.

# FORM A

[See Rule 4 (a)]

## Computation of the allocable surplus under Section 2(4)

Name of the Establishment :-

Accounting Year Ending on the :- 31'st March 2012

Gross Profit for the accounting Year (Rs.)	Sums deducted from gross profits					Availabale surplus for the Accounting year (Col.1 minus Col. 6)	Amount of allocable surplus @ 67% or *60% of Col.7
	Depriciation under Section 6(a)	Development rebate or Development allowance [(Section 6(b))]	Direct Taxes [Section 6{c}]	Further sums as are specified under the Third Schedule to the Act.	Total of sums deducted under Cols. 2,3,4 & 5		
1	2	3	4	5	6	7	8

@ Section 2(4) (a)

\* Section 2 (4) (b)

# FORM B

[See Rule 4 (b)]

## Set-on and Set-off of allocable surplus under Section 15

Name of the Establishment :-

Accounting Year	Amount allocable as Bonus (in Rs.)	Amount Payable as Bonus (in Rs.)	Amount of Set-on or Set-off (in Rs.)	Total Set-on or Set-off carried forward
1	2	3	4	5
2008 2009				
2009 2010				
2010 2011				
2011 2012				

# 1[Form D]

[See Rule 5]

Annual Return - Bonus paid to employees for accounting year ending on the :-

31.03.2012

1. Name of the Establishment & its. Complete

Postal Address :-

2. Nature of Industry :-

3. Name of the Employer :-

4. Total Number of Employees :-

5. Number of Employees benefited by Bonus Payments :-

Nil

Total amount payable as Bonus under Section 10 or 11 of the Payment of Bonus Act, 1965, as the case may be	Settlement if any, reached under Section 18(1) or 12(3) of the Industrial Disputes Act, 1947 with date	Percentage of Bonus declared to be paid	Total amount of Bonus actually paid	Date on which Payment made	Whether bonus has been paid to all the employees; if not, reasons for non-payment	Remarks
	N.A.				Yes	

1. Inserted by S.O. 251 dated the 7th January, 1984 w.e.f. January 21, 1984.

Signature of the Employer