

**Press Information Bureau
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Ministry of Railways**

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Cabinet approves Productivity Linked Bonus for Railway Employees

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the payment of Productivity Linked Bonus (PLB) equivalent to 78 days' wages for the financial year 2017-18 for all eligible non-gazetted Railway employees (excluding RPF/RPSF personnel). The financial implication of payment of 78 days' PLB to railway employees has been estimated to be Rs.2044.31 crore. The wage calculation ceiling prescribed for payment of PLB to the eligible non-gazetted railway employees is Rs.7000/- p.m. The maximum amount payable per eligible railway employee is Rs.17,951 for 78 days. About 11.91 lakh non-gazetted Railway employees are likely to benefit from the decision.

The Productivity Linked Bonus on Railway covers all non-gazetted railway employees (excluding RPF/RPSF personnel) who are spread over the entire country. Payment of PLB to eligible railway employees is made each year before the Dusshera/ Puja holidays. The decision of the Cabinet shall be implemented before the holidays for this year as well. For the year 2017-18 PLB equivalent to 78 days' wages will be paid which is expected to motivate the employees for working towards improving the performance of the Railways.

Background:

Railways were the first departmental undertaking of the Government of India wherein the concept of PLB was introduced in the year 1979-80. The main consideration at that time was the important role of the Railways as an infrastructural support in the performance of the economy as a whole. In the overall context of Railway working, it was considered desirable to introduce the concept of PLB as against the concept of Bonus on the lines of 'The Payment of Bonus Act - 1965'.

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