



## GOVERNMENT OF KERALA

### Abstract

Labour & Skills Department - Payment of Bonus to the Employees of Public Sector Undertakings for the year 2015-16 - Guidelines Prescribed -orders issued.

### LABOUR AND SKILLS (D) DEPARTMENT

G.O.(P) No. 143/2016/LBR.

Dated, Thiruvananthapuram, 20.08.2016.

### ORDER

Government are pleased to lay down the following guidelines for payment of bonus by Public Sector Undertakings for the year 2015-16:

1. A minimum bonus of 8.33% will be paid by the Public Sector Undertakings including those in which the State Government holds majority shares. Public Sector Undertakings that declare more than 8.33% as bonus should ensure that the audited accounts for the year 2015-16 are finalized before such declaration.
2. Minimum bonus will be paid in the case of Public Sector Undertakings in which production started in any of the last five accounting years including the accounting year 2015-2016.
3. Public Sector Undertakings which made a profit in 2015-2016 will pay bonus as per the provisions of the Payment of Bonus Act. In case allocable surplus is over 20%, payment of any amount above 20% shall be made only with the prior approval of the Government.
4. In Public Sector Undertakings that were continuously making losses but made profit during 2015-16, mainly because of the budgetary support of State Government by way of grant, working capital assistance, etc, or if the net worth of a company as on 31-03-2016 is negative, the quantum of bonus shall be restricted to 8.33% only.
5. The Public Sector Undertakings which have sustained a loss in 2015-2016 shall not pay bonus in excess of 8.33%, admissible under the Payment of Bonus Act.
6. Bonus will be paid in all Public Sector Undertakings in accordance with the Payment of Bonus Act as amended till date. Only employees drawing salary upto ₹ 21,000/-per month are eligible for bonus ("Employee" does not include an apprentice).

*Acc (IR)*

*ps. circular  
for information*

*22/8/16*

*Labour Commissioner  
Thiruvananthapuram*

7. Labourers of coir and cashew establishments shall be paid bonus according to the decisions of the respective Industrial Relations Committees.
8. For employees drawing a salary of above ₹ 21,000/-, no payment of bonus or ex-gratia or incentive allowance or allowance by any other name shall be made, except the special festival allowance.
9. No decisions for payment deviating from these guidelines shall be taken by any Public Sector Undertakings, Boards, Co-operatives or other organisations. The Chief Executives and Heads of Finance wing of the organisations will be personally responsible for any violation of these conditions.
10. To allow time to the Government to issue a considered decision, in cases where any proposal for deviation from the guidelines is proposed, the same shall be sent to Government after approval by the Board of Directors, to be received in Government, latest 15 days before Onam. It will be the responsibility of the Chief Executive to ensure the time limit.
11. These guidelines shall be applicable to all the State Government Public Sector Undertakings.
12. The order shall also be applicable to production oriented co-operative institutions.
13. The co-operative institutions other than production-oriented co-operative institutions will be covered by separate instructions from the Registrar of Co-operative societies.
14. The decision taken by the Minister concerned, on bonus based on the 'Tripartite Conference' convened by the Labour Minister will be implemented and get ratified by the Council of Ministers"
15. The amount granted in excess violating the guidelines shall be recovered from the officers concerned.
16. Bonus by whatever nomenclature, such as ex-gratia, performance-linked incentive, incentive, festival gift, etc. shall be limited to the indicated amount and indicated category.

By Order of the Governor  
James Varghese,  
Principal Secretary to Government

To

All Principal Secretaries/Secretaries to Government.  
The Chief Executive of all Public Sector Undertakings in Kerala.

The Managing Director, KSRTC, Transport Bhavan,  
East Fort, Thiruvananthapuram.  
The Secretary, KSEB, Vidyuthi Bhavan, Pattom, Thiruvananthapuram.  
The Labour Commissioner, Thiruvananthapuram.  
The Director of Industries & Commerce, Vikas Bhavan, Thiruvananthapuram.  
The Registrar of Co-operative Societies, Thiruvananthapuram.  
The Finance (PU) Department (vide U.O.No.PUC1/109/2016/Fin dated, 16.08.2016)  
The Planning and Economic Affairs (BPE) Department  
(Vide U.O.No. PLGEA -BPE.2/92/2016-PLGEA Dated, 05.07.2016)  
All Departments (All Sections) in the Secretariat including Finance Department  
The Law Department.  
The Secretary, Kerala Legislature Secretariat, Thiruvananthapuram.  
The Principal Accountant General (A&E, Audit) Kerala, Thiruvananthapuram.  
The Director, Information and Public Relations Department, Thiruvananthapuram.  
The General Administration (SC) Department. (vide item No. 206 dated, 19.08.2016 )  
Stock File/Office Copy.

Forwarded/by Order

Sd/-  
Section Officer