



ABSTRACT

State Public Sector Undertakings / Statutory Boards / Co-operative institutions etc. -
Sanction of Bonus as per Payment of Bonus Act, 1965 to the employees for the year
2007-08 - Payable during 2008-09 - Orders issued.

FINANCE (BPE) DEPARTMENT

G.O.Ms.No.388

Dated: 11.09.2008

ORDER:

As per Sec. 19 of The Payment of Bonus Act, 1965, Statutory Bonus is to be paid to the eligible employees of State Public Sector Undertakings / Statutory Boards / Co-operative institutions etc., before 8 months from the closure of the accounting year. These organizations claim this expenditure while filing their return of income. Government of India have advanced the due date for filing of return of income for the year 2007-08 to 30th of September as per the amendment made to Sec.139 of the Income Tax Act by the Finance Act, 2008 w.e.f. 01.04.2008. In view of this, the Bonus for the year 2007-08 shall have to be paid in cash to the eligible employees before 30.09.2008 so as to claim it as an item of deductible expenditure u/s 43(B) and 36 (1) (ii) of the Income Tax Act, by these organizations.

2. The Government, after careful examination, issue the following orders for the payment of Bonus as per the Payment of Bonus Act, 1965 for the year 2007-08 payable during 2008-09 to the employees of State Public Sector Undertakings / Statutory Boards / Co-operative institutions etc.:-

- i) All the State Public Sector Undertakings / Boards / Co-operative institutions etc., who do not have allocable surplus for 2007-08 and who are thus liable to pay minimum bonus strictly as per the Payment of Bonus Act, 1965 may pay Bonus @ 8.33% subject to the salary ceiling of Rs. 3500/- before 30.09.2008 to all the eligible employees. (i.e. Pay + DP + DA = Rs. 10,000 & below)
- ii) All other State Public Sector Undertakings / Boards / Co-operative institutions etc., who have allocable surplus may be permitted to pay Bonus as per the allocable surplus to all those who are eligible for Bonus (Pay + DP + DA = Rs. 10000 & below) under the Payment of Bonus Act, 1965 before 30.09.2008.

- iii) In the case of employees falling under the above salary limit, who worked for the part of the year 2007-08 the Bonus may be proportionately reduced.

(By order of the Governor)

K. Gnanadesikan,
Principal Secretary to Government.

To
The Chief Executives of all State Public Sector Undertakings / Boards
The Registrars / Managing Directors / Special Officers of all Co-operative institutions

Copy to:

All Secretaries to Government
All Departments of Secretariat (except Law and Legislative Assembly)
The Accountant General, Chennai - 6.
The Accountant General, Chennai - 18.
All Finance Directors.

// Forwarded // By order //


Assistant Director.