

No.F.1(4)-E.III(B)/65  
Government of India  
Ministry of Finance  
(Department of Expenditure)

...  
New Delhi, the 22nd May, 1968.

OFFICE MEMORANDUM

Subject: Grant of bonus to Government employees on  
deputation to Public Sector Undertakings.

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The undersigned is directed to invite a reference to para. 1 of this Ministry's Office Memorandum of even number dated 6.9.67 on the above mentioned subject. According to this, Government employees drawing pay not exceeding Rs.1600 p.m. and on deputation to Public Sector Undertakings which are legally required to pay bonus under the Payment of Bonus Act, 1965, may be allowed to accept such bonus declared by the Undertakings. The term "pay" in this para, shall have the same meaning as "salary or wage" as defined in Section 2(21) of the Payment of Bonus Act, 1965 and shall include pay, special pay, if any, and dearness allowance. As deputation (duty) allowance has been classified as special pay, it should also be taken into account. City compensatory allowance, house rent allowance and overtime allowance etc. should not be taken into account for the purpose.

2. It is further clarified that, for the grant of ex-gratia awards or bonus declared by the Public Sector Undertakings which are not under a legal obligation to pay bonus under the Payment of Bonus Act, 1965, referred to in para. 2 of the O.M. of 6.9.67 only Government Employees on deputation drawing salary as amplified in para. 1 above, not exceeding Rs.1600 p.m. in the scale of pay of deputation post will be allowed to accept such ex-gratia awards.

Where the salary of an employee exceeds Rs.750 p.m. the ex-gratia awards or bonus, as the case may be, shall be calculated as if the salary were Rs.750 p.m. The maximum amount of ex-gratia awards or bonus payable to Government employees on deputation in such undertakings should be limited to 20% of the salary not exceeding Rs.750/- p.m. as in the case of legally payable bonus.

3. In so far as the employees of the Indian Audit and Accounts Departments are concerned, these orders have been issued after consultation with the Comptroller & Auditor General of India.

*V. Doraiswamy*  
(V. DORAISWAMY)  
DEPUTY SECRETARY TO THE GOVT. OF INDIA.

To

All Ministries of the Govt. of India, etc., etc.