

A Study on the Benefits of Payment of Bonus Act among Industrial Workers in Chennai

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Abstract: Profit-sharing in the form of bonuses has sparked considerable debate in Indian labor relations, a debate that has not died down since the Payment of Bonus Act was passed in September 1965, but has become even more entangled as a result of the Supreme Court's decision in August 1966 declaring some of the Act's clauses unconstitutional. The tradition, which began as an ex gratia payment by the proprietors of Bombay's textile mills during World War I, has since evolved into a legal requirement imposed on all employers. The aim of this research is to make an analysis on the existing laws relating to the payment of bonus to employees and unravel the controversies around it. During this research, a total of 204 responses were collected through convenient sampling method. It has been found that the existing laws seem to provide for enough bonus to the employees. It was further observed that the enactment of the Payment of Bonus Act and its amendments have aided the economic growth of the country. An empirical research method was followed for the purpose of the study and a total of 204 samples were collected using convenient sampling method. The results indicate that the enactment of Payment of Bonus Act has aided the economic growth of the country.

Keywords: Bonus, Ex-gratia, Employer, Employee, Labor

