

## FORM XII Notice [Rule 23]

(To be fixed in a convenient place in a scheduled employment)

### Extracts from the Minimum Wages Act, 1948 and the rules made thereunder

#### I. Whom the Act effects

- (a) The Act applies to persons engaged on scheduled employment on specified class of work in respect of which minimum wages have been fixed.
- (b) No employee can give up by contract or agreement his rights in so far as it purports to reduce the minimum rates of wages fixed under the Act.

#### II. Interpretations

(16)

- (a) "Scheduled Employment" means an employment specified in the Schedule; it includes any employment whose process or branch of work forms part of such scheduled employment.
  - (b) "Employer" means any person who employs whether directly or through another person whether on behalf of himself or any other person, one or more employees in any scheduled employment in respect of which minimum rates of wages have been fixed under this Act and includes except in sub-section (3) of Section 26-
    - (i) in any factory where there is scheduled employment in respect of which minimum rates of wages have been fixed under this Act, any person named under Clause (n) of Sec. 2 of the Factories Act, 1948 (Central Act. 63 of 1948) as occupier of the factory;
    - (ii) in any scheduled employment under control of any Government in the State in respect of which minimum rates of wages have been fixed under this Act, the person or authority appointed by such Government for the supervision and control of employees or where no person or authority is so appointed, the head of the department;
    - (iii) in any scheduled employment under any local authority in respect of which minimum rates of wages have been fixed under this Act, the person appointed by such authority for the supervision and control of employees or where no person is so appointed, the Chief Executive Officer of the local authority ;
    - (iv) in any other case where there is carried on any scheduled employment in respect of which minimum rates of wages have been fixed under this Act, any person responsible to the supervision and control of the employees for the payment of wages.
  - (c) "Employee" means any person who is employed for hire or reward to do any work, skilled, or unskilled, manual or clerical is a scheduled employment in respect of which minimum rates of wages have been fixed, and includes an out-worker to whom any articles or materials are given out by another person to be made up, cleaned, washed, altered, ornamented, finished, repaired, adapted or otherwise processed for sale for the purposes of the trade or business of that other person where the process is to be carried out either in the home of the out-worker or in some other premises under the control and management of that other person, and also includes an employee declared to be an employee by the appropriate Government, and does not include any member of the Armed Forces, of the Government.
  - (d) "Wages" means all remuneration payable to an employed person on the fulfilment of his contract of employment and include house rent allowance. it excludes-
    - (i) the value of any house accommodation, supply of light, water, medical attendance or any other amenity or any service extended by general or special order of the appropriate Government;
    - (ii) contribution paid by the employer to any pension fund or provident fund or any scheme of Social Insurance ;
    - (iii) the travelling allowance or the value of any travelling concession ;
    - (iv) the sum paid to the person employed to defray special expenses entitled on him by the nature of his employment
    - (v) any gratuity payable on discharge.
- (2) The minimum rate of wages may consist of-
- (i) a basic rate of wages and a special allowance at a rate to be adjusted, at such intervals and in such manner as the appropriate Government may direct; to accord as nearly as practicable with the variation in the cost of living index number applicable to such workers ; or
  - (ii) a basic rate of wages with or without the cost of living allowance and the cash value of the concessions like supplies of essential commodities at concessional rate ; or
  - (iii) in all inclusive rates comprising of basic rate, cost of living allowance and cash value concession, if any ; or

(3) the minimum wages payable to employees of Scheduled employments notified under Section 5 read with Section 3 or as revised, from time to time, under Section 10 read with Section 3 may be-

- (i) a minimum time-rate.
- (ii) a minimum price-rate.
- (iii) a guaranteed time-rate.
- (iv) an overtime rate,

differencing with (1) different scheduled employments ; (2) different classes of work ; (3) different localities ; and (4) different wage periods ; (5) different wage groups :

#### III. Computation and conditions of payments

The employer shall pay to every employee engaged in scheduled employment under him wages at a rate not less than minimum rate of wages fixed by notification for that class of employee.

The minimum wages payable under this Act shall be paid in cash unless the Government authorise payment thereof either wholly or partly in kind.

Wage periods shall be fixed for the payment of wages at intervals not exceeding one month or such other larger period as may be prescribed.

Wages shall be paid on a working day within seven days of the wage period or within ten days if 1,000 or more persons are employed.

The wage of a person discharged shall be paid not later than the second working day after his discharge.

If an employee is employed on any day for a period less than the normal working day, he shall be entitled to receive wages for a full normal working day provided his failure to work is not caused by his unwillingness to work but by the omission of the employer to provide him with work for that period.

Where an employee does two or more classes of work to each of which a different minimum rate of wages is applicable the employer shall pay to such employee in respect of the time respectively occupied in each such class of work wages at not less than the minimum rate in force in respect of each such class.

Where an employee is employed in piece work for which minimum time rate and not a minimum piece-rate has been fixed, the employer shall pay to such employee wages at not less than the minimum time-rate.

#### IV. Hours of work and weekly day of rest

- (1) The number of hours which shall constitute a normal working day shall be
  - (a) in the case of an adult, 9 hours.
  - (b) in the case of a child, 4 1/2 hours.
- (2) The periods of work of an adult worker on each day shall be so fixed that no period shall exceed five hours and that no worker shall work for more than five hours before he has had an interval for rest of at least half an hour.
- (3) The period of work of an adult worker in a scheduled employment other than employment in any plantations shall be so arranged that inclusive of his intervals for rest, they shall not spread over more than ten and half hours in any day.

The employer shall allow a day of rest with wages to the employees every week. Ordinarily Sunday will be the weekly day of rest day, but any other day of the week may be fixed as such rest day. No employee shall be required to work on a day fixed as rest day, unless he is paid wage for that day at the overtime rate and also allowed a substituted rest day with wages. The employer shall give prior intimation to the employee if he is required to work on the rest day. [See Rule 24]

When a worker works an employment for more than nine hours on any day or more than forty-eight hours in any week he shall in respect of overtime worked be entitled to a wages—

- (a) in the case of employment in agriculture including plantation, at one and a halftimes the ordinary rate of wages ;
- (b) in the case of any other Scheduled employment at double the ordinary rate of wages.

#### V. Fines and deductions

No deductions shall be made from wages except those authorised by or under the rules. Deductions from the wages shall be one or more of the following kinds namely-

- (i) Fines :- An employed person shall be explained personally and also in writing the act or omission in respect of which the fine or deduction is proposed to be imposed and given the opportunity to offer any explanation in the presence of another person and also in writing. The total amount of fine which may be imposed shall not exceed in any one wage period on amount equal to three naye paise in the rupee of the wage payable to the employed person in respect of such wage period.
- (ii) Deductions for absence from duty.
- (iii) Deductions for damage to or loss of goods entrusted to the employee for custody, or of loss of money which he is required to account, where such damage or loss is directly attributable to his neglect or default. The employed person shall be explained personally and also in writing the damage or loss, in respect of which the deductions are proposed to be made and given an

opportunity to offer any explanation in the presence of another person and also in writing<sup>1</sup>[xxx].

<sup>2</sup>[The total amount of deduction for damage or loss shall not exceed the cost of replacing the article damaged or lost on the date of passing the order of recovery or the book value of the article, whichever is less. When the amount of deduction exceeds an amount equal to one-third of the wages payable to the employed person in respect of a wage period, the deduction shall be made in instalments in such a way that the amount of each instalment does not exceed one-third of the average wages payable to him between one instalment and the other.]

- (iv) Deductions for house accommodation supplied by the employer or by Government or any authority constituted by Government for providing housing accommodation.
- (v) Deductions for such amenities and services, supplied by the employer as the Government may by general or special order authorise.

Explanation: - The words "amenities and services" in this clause do not include the supply of tools and protectives required for the purposes of employment.

- (vi) Deductions for recovery of advances or for adjustment of over-payment of wages ; such advances shall not exceed an amount equal to wages for two calendar months of the employed person and the monthly instalment of deduction shall not exceed one-fourth of the wages earned in that month.
- (vii) Deduction of income tax or any tax that may be levied by the Government or local authority payable by the employed person.
- (viii) Deductions required to be made by order of a Court or other competent authority.
- (ix) Deductions for subscriptions to and for repayment of advances for any provident fund.
- (x) Deductions for payment to co-operative societies or deductions made with the written authorisation of the person employed, for payment of any premium on his life insurance policy to the Life Insurance Corporation of India established under the Life Insurance Act, 1956 (Central Act 63 of 1956).
- (xi) Deductions for recovery or adjustment of amounts other than wages paid to the employed persons in error or in excess of what is due to them:

Provided that approval of the Inspector or any other officer authorised by the Government in this behalf is obtained in writing before making the deductions, unless the employee gives his consent in writing to such deductions.

## VI. Maintenance of registers and records

Every employer<sup>3</sup>[shall maintain at the workspot or the principal office attached to it a register of wages in Form No X including therein the particulars showing the nature and amount of deductions and the date of payment of wages] specifying the following particulars for each employed person

- (a) The minimum rates of wages payable.
- (b) The number of days in which overtime was worked.
- (c) The gross wages.
- (d) All deductions made from wages with an indication of the kinds of deduction.
- (e) The wages actually paid and date of payment.

Every employer shall issue wage slips<sup>4</sup> [in Form No. XI] containing aforesaid particulars and such other particulars to every person employed at least a day prior to the disbursement of wages.

Every employer shall get the signature or the thumb impression of every person employed on the wage book or wage slips.

Entries in the wage books and wage slips shall be properly authenticated by the employer or his agent.

<sup>5</sup>[A Muster Roll, Register of Fines, Register of deductions for damage or loss and Register of overtime shall be maintained by every employer or at the workspot or at the principal office attached to it in the forms prescribed.]

Every employer shall keep exhibited<sup>6</sup>[at the main entrance to the establishment and its office] notices in English and language understood by majority of the workers of the following particulars in a clean and legible form, -

- (a) Minimum rate of wages.
- (b) Abstract of the Act and the rules made thereunder.
- (c) Name and address of the Inspector.

<sup>7</sup>[Register of Wages, Muster Roll, Register of fines, Register of deductions for damage or loss and Register of overtime, shall be preserved for a period of twelve months after the date of last entry made therein.]

All Registers and records required to be maintained by an employer under the rules shall be produced on demand before the Inspector provided that where an establishment has been closed, the Inspector may demand the production of registers and records in his office or such other public place as may be near to the employers.

## VII. Inspections

An Inspector can enter in any premises and can exercise powers of inspection (including examination of documents and taking of evidence) as he may deem necessary for carrying out the purposes of the Act.

## VIII. Claims and complaints

Where an employee is paid less than the minimum rates of wages fixed for his class of work, or less than the amount due to him under the provisions of this Act, he can make an application in the prescribed form within six months to the authority appointed for the purpose. An application delayed beyond this period may be admitted if the authority is satisfied that the applicant has sufficient cause for not making the application within such period.

Any legal practitioner, official of a registered trade union, Inspector under the Act, or other person acting with the permission of the authority can make the complaint on behalf of an employed person.

A single application may be presented by or on behalf of any number of persons belonging to the same factory, the payment of whose wages has been delayed.

A complaint under Section 22 (a) relating to payment of less than the minimum rates of wages or less than the amounts due to an employee under the provisions of the Act can be made to the Court only after an application in respect of the facts constituting the offence has been presented under Section 20 and has been granted wholly or in part and the appropriate Government or an officer authorised by it in this behalf has sanctioned the making of the complaint.

A complaint under Sec. 22 (b) regarding contravention of the provisions relating to hours of work and weekly day of rest or other miscellaneous offences relating to maintenance of registers, submission of returns etc., can be made to the Court by or with the sanction of an inspector. The time limit for making such complaints is one month from the date of grant of sanction by the Inspector, in the case of offences falling under Sec. 22 (b) and six months from the date on which the offence is alleged to have been committed, in the case of offences falling under Section 22-A.

## IX. Action by the authority

The authority may direct the payment of the amount by which the minimum wages payable exceed the amount actually paid together with the payment of compensation not exceeding ten times the amount of such excess. The authority may direct payment of compensation in cases where the excess is paid before the disposal of the application.

If any malicious or vexatious complaint is made, the authority may impose penalty not exceeding Rs. 50/- on the applicant and order that it be paid to the employer.

## X. Penalties for offences under the Act

Any employer who pays to any employee less than the amount due to him under the provisions of the Act or infringes any order or rules in respect of normal working day, weekly day of rest shall be punishable with imprisonment of either description for a term which may extend to six months or with fine which may extend to five hundred rupees or with both.

Any employer who contravenes any provision of the Act or of any rule or order made thereunder shall, if no other penalty is provided for such contravention by the Act, be punishable with fine which may extend to five hundred rupees. If the person committing any offence under the Act is a company, every person who at the time of the offence was committed, was incharge of, and was responsible to, the company for the conduct of the business of the company as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against the punished accordingly. No such person will be liable to punishment, if he proves that the offence was committed without his knowledge or that he exercised all the diligence to prevent the commission of such offence.

Any director, manager, secretary or other officer of the company with whose consent or connivance an offence has been committed is liable to be proceeded against and punished under the Act.

Note:-

- (a) "company" means any body corporate and includes a firm or other association of individuals.
- (b) "director" in relation to a firm means a partner in the firm.

## XI. Minimum rate of wages

Name of undertaking .....

Serial No.	Category of employees	Minimum Wages
(1)	(2)	(3)

## XII. Name and address of Inspector(s)

Name	Address
(1)	(2)

<sup>1</sup> Omitted by G.O.Ms.No.691, dt. 25-3-1965.

<sup>2</sup> Bracketed paragraph added by G.O.Ms.No.691, Home, (Labour-II) dated 25-3-1965 published at pages 55-56 of R.S. to part I of A.P. Gazette dated 15-4-1965

<sup>3</sup> The bracketed matter was substituted by G.O.Ms.No.691. dated 25-3-1965.

<sup>4</sup> The bracketed matter was substituted by G.O.Ms.No.691. dated 25-3-1965.

<sup>5</sup> The bracketed matter was substituted by G.O.Ms.No.691. dated 25-3-1965.

<sup>6</sup> The bracketed matter was substituted by G.O.Ms.No. 691, Lit. 25-3-1965.

<sup>7</sup> The bracketed matter was substituted by G.O.Ms.No. 691, Lit. 25-3-1965.