

THE ANDHRA PRADESH PAYMENT OF WAGES RULES, 1937

In exercise of the powers conferred by sub-sections (2) and (3) of Section 26 of the Payment of Wages Act, 1936 (Central Act 4 of 1936) the Governor of Andhra Pradesh hereby makes the following amendments to the Andhra Pradesh Payment of Wages Rules, 1937, the same having been previously published in the Rules Supplement to Part I of the Andhra Pradesh Gazette, dated 27th January, 1961 as required by sub-section (5) of Section 1 of the said Act.

1. Title '[and local extent]':—²[(1)] These rules may be called the Andhra Pradesh Payment of Wages Rules, 1937.

²[(2)] They extend to the whole of the State of Andhra Pradesh.]

Note:— After formation of Andhra Pradesh, the Madras Payment of Wages Rules, 1937 and the Hyderabad Payment of Wages Rules, 1352 F., were in force in Andhra and Telangana regions. To have a uniform set of rules in respect of payment of wages, the Government vide G.O.Ms.No. 310, Home (Labour-IV), dated 6th February, 1959, published at page 175 of the Rules Supplement to Part I of the A.P. Gazette, dated 5.3.1959 amended the Madras Payment of Wages Rules, 1937 and extended them to the whole of the Andhra Pradesh and repealed the Hyderabad Payment of Wages Rules, 1352 F. These rules were also extended to the territories transferred under the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 and the Madras Payment of Wages Rules, 1937 as in force in those territories were repealed vide G.O.Ms.No. 111, Home (Lab-III), dated 7.4.1962.

2. Definitions:— In these rules, unless there is anything repugnant in the subject or context,—

(a) '*The Act*' means the Payment of Wages Act, 1936 (Central Act 4 of 1936);

(b) '*The Authority*' means the authority appointed under sub-section (1) of Section 15 of the Act;

1. Added by G.O.Ms.No. 310, Home (Lab. IV), dt. 6.2.1959.

2. Rule 1 was renumbered as sub-rule (1) thereof and sub-rule (2) which was inserted by G.O.Ms.No. 310, dt. 6.2.1959, was substituted by G.O.Ms. No.111, Home (Lab. III), dt. 7.4.1962, earlier sub-rule (1) as so renumbered was subs. by G.O.Ms.No. 2124, Home (Lab. III), dt. 23.10.1961, pub. at page 604 of R.S. to Part I of the A.P. Gazette, dt. 3.11.1961.

- ¹[(c) '*The Chief Inspector of Factories*' means the Chief Inspector of Factories appointed under sub-section (2) of Section 8 of the Factories Act, 1948 (Central Act 63 of 1948);
- (d) '*The Court*' means the Court mentioned in sub-section (1) of Section 17 of the Act;
- (e) '*Deduction for Breach of Contract*' means a deduction made in accordance with provisions of the proviso to sub-section (2) of Section 9;
- (f) '*Deduction for damage or loss*' means a deduction made in accordance with provisions of clause (c), sub-section (2) of Section 7;
- (g) '*Form*' means a form appended to these rules;
- (h) '*Inspector*' means the Inspector authorised by or under Section 14 of the Act;
- (i) '*Paymaster*' means an employer or other person responsible under Section 3 of the Act for the payment of wages;
- (j) '*Person Employed*' excludes all persons to the payment of whose wages the Act does not apply;
- (k) '*Section*' means a Section of the Act; and
- (l) Words and expressions not defined in these rules shall be deemed to have the same meaning as in the Act.

3. & 4. ²[x x x]

³[5. **Salaries or Wages register:**— (1) Every industrial establishment shall maintain a record of the salaries or wages paid to its employees in any convenient manner showing atleast the following particulars:

- (a) The wages earned for work in normal working time;
- (b) The overtime hours, if applicable, and the wages earned therefore;
- (c) The amounts earned in respect of any leave with wages allowed to the employee;
- (d) The earnings in respect of any other allowances or incentives;
- (e) The statutory deduction made under any law applicable;

1. Subs. by G.O.Ms.No. 310, Home (Lab. IV), dt. 6.2.1959.

2. Rules 3 & 4 omitted by G.O.Ms.No. 27, L.E.T.&F (Lab-II) dt. 7.6.1999.

3. Subs. by *ibid*.

- (f) Any other deductions made and nature thereof;
- (g) The net amount paid;
- (h) The date of payment;
- (i) An acquittance or receipt for the amount paid to and signed by the employee.

Explanation:— For the purpose of these rules, a statement, consolidation or binding of any wages slips issued to the employees shall be deemed to comply with the requirement of this rule].

6. Period of maintenance of registers:— The registers referred to in Rules 3, 4, 5 and 17 shall be preserved for a period of twelve months from the date of the last entry noted in them.

6-A. ¹[x x x]

Section 26(3)(c)

7. Weights and measures:— (1) All weights, measures, or weighing machines which are used in checking, or ascertaining the wages of persons employed in any factory, shall be examined atleast biennially by an Inspector who may prohibit the use of any weight, measure, or weighing machine which he finds to register incorrectly.

(2) If the Inspector considers that any action should be taken under the Indian Weights and Measures of Capacity Act, 1871 (XXXI of 1871) or the Indian Penal Code (XLV of 1860), he may seize the article in question and shall record his opinion and send it to the District Magistrate for such action as he may think fit.

8. ²[x x x]

Section 26(3)(c), (f) and (h)

9. Prescribed Authority:— The Chief Inspector of Factories, shall be the authority competent to approve, under sub-section (1) of Section 8, acts and omissions in respect of which fines may be imposed and under sub-section (8) of Section 8, the purposes on which the proceeds of fines shall be expended.

10. Application in respect of fines:— Every paymaster requiring the power to impose fines in respect of any acts and omissions on the part of employed persons shall send to the Chief Inspector of Factories—

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1. Rule 6A omitted by G.O.Ms.No. 27, L.E.T.&F (Lab-II) dt. 7.6.1999.
 2. Rule 8 omitted by *ibid*.

- (a) a list, in English, in duplicate, clearly defining such acts and omissions; and
- (b) in cases where the paymaster himself does not intend to be the sole person empowered to impose fines, a list in duplicate, showing those appointments in his factory the incumbents of which may pass orders imposing fines and the class of establishments on which the incumbent of each such appointment may impose fines.

11. Approval of list of acts and omissions:— The authority appointed under Rule 9 may on receipt of the list prescribed in clause (a) of the preceding rule after such enquiry as he considers necessary, pass orders either—

- (a) disapproving the list; or
- (b) approving the list either in its original form or as amended by him, in which case such list shall be considered to be an approved list, provided that no order disapproving or amending any list, shall be passed unless the employer shall have been given an opportunity of showing cause orally or in writing why the list as submitted by him should be approved.

12. Posting of list:— The paymaster shall display at or near the main entrance of the factory a copy in English, together with a correct translation thereof, in the language of the majority of the persons employed therein of the list approved under Rule 11.

13. Persons authorised to impose fines:— No fine may be imposed by any person other than the paymaster or a person holding an appointment named in a list submitted under Rule 10.

14. Procedure in imposing fines and deductions:— Any person desiring to impose a fine on an employed person or to make a deduction for damage or loss shall explain personally to the said person the act or omission, or damage or loss, in respect of which the fine or deduction is proposed to be imposed, and the amount of the fine or deduction, which it is proposed to impose, and shall hear his explanation ¹[in the presence of at least one witness]. The charge in respect of which it is proposed to impose the fine or deduction, and the explanation of the person concerned shall be reduced to writing, ²[the signature or thumb impression of such person and witness] being obtained to the latter.

1. Inserted by G.O.Ms.No. 310, dt. 6.2.1959.

2. Substituted by *ibid.*

15. Information to Paymaster:— The person imposing a fine or directing the making of a deduction for damage or loss shall at once inform the paymaster of all particulars, so that the register prescribed in Rule 3 or 4 may be duly completed.

Section 26(3)(g)

16. Deduction for breach of contract:— (1) No deduction for breach of contract shall be made from the wages of an employed person who is under the age of fifteen years.

(2) No deduction for breach of contract shall be made from the wages¹ of any employed person unless—

(a) there is provision in writing forming part of the terms of the contract of employment requiring the employer to give notice of the termination of such employment and the period of notice does not exceed either—

- (i) fifteen days or the wage-period, whichever is less; or
- (ii) the period of notice which the employer is required to give of termination of that employment;

'[x x x]

Provided that where the deduction is proposed to be made from all the persons employed in any department or sections of the factory, it shall be sufficient, in lieu of giving the names of the persons in such departments or sections, to specify the departments or sections affected.

(3) No deduction for breach of contract shall exceed the wages of the person employed for the period of the notice of termination of service given falls short of the period such notice required by the contract of employment.

(4) If any conditions have been specified in the notice displayed under clause (c) of sub-rule (2) no deduction for breach of contract shall be made from the wages of any person who has complied with those conditions.

Section 26(3)(i)

17. Advances:— (1) An advance of wages not already earned shall not without the previous permission of an Inspector exceed an amount equivalent to the wages earned by the employed person during the preceding two calendar months, or if he has not been employed for that period, twice the wages he is likely to earn during the subsequent calendar month.

1. Clauses (b) & (c) omitted by G.O.Ms.No. 27, L.E.T.&F (Lab-II) dt. 7.6.1999.

(2) Any advance may be recovered in instalments by deductions from wages, spread not more than twelve months.

¹[x x x]

²[Provided ³[x x x] that the sub-rule shall not apply to the case of an advance made, in which the employer either at the instance of or with the consent, of the employed person and with the approval of the Chief Inspector of Factories, postpones its recovery for a specified period on exceptional grounds (such as when full work could not be provided for the workers for causes beyond the control of the employer) which in the opinion of the Chief Inspector of Factories merit such postponement].

(3) Instalment by which an advance is repaid shall not exceed one-third or where the wages for any wage period are not more than twenty rupees, one-fourth of the wages for any wage-period in respect of which the deduction is made.

⁴[x x x]

⁵[17-A. Loans for House building:— (1) An amount not exceeding 36 months wages may be granted as loan to an employed person for construction of new house including cost of acquisition of site or for purchase of a ready built house.

(2) The loan so granted shall carry simple interest from the date of its payment, the amount of interest being calculated on balances outstanding on the last day of each month. The rate of interest shall not be more than 6 per cent per annum.

(3) The loan granted under sub-rule (1) and the interest calculated under sub-rule (2) shall be recovered in 116 and 28 monthly instalments respectively from the monthly wages of the employed person. The recovery of the loan shall be made first and then the interest.

(4) An amount equal to 20 per cent of 36 months wages of the employed person subject to a maximum of Rs. 2,000 or Rs. 1,000 or Rs. 500 as the case may be, may be paid as loan for purchase of house site as indicated below:—

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1. The first proviso was omitted by G.O.Ms.No. 310, dt. 6.2.1959.
 2. The proviso was inserted by G.O.Ms.No. 564, Development Department (Andhra Pradesh Government), dt. 3.4.1954.
 3. The word 'further' was omitted by G.O.Ms.No. 310, dt. 6.2.1959.
 4. Sub-rule (4) was omitted by G.O.Ms.No. 27, L.E.T.&F (Lab. II) dt. 7.6.1999.
 5. Added by G.O.Ms.No. 1792, dt. 23.10.1972.

Pay range and maximum loan:—

(a) Rs. 200 to Rs. 399 – Rs. 2,000

(b) Rs. 100 to Rs. 199 – Rs. 1,000

(c) Below Rs. 100 – Rs. 500.

(5) Loan granted under sub-rule (4) shall be recovered in 50 monthly instalments and the interest calculated as per sub-rule (2) shall be recovered in 10 monthly instalments from the monthly wages of the person employed. The recovery of the loan shall be made first and then the interest.

(6) After the payment of loan under sub-rule (4), the balance of 80 per cent of 36 months wages may also be paid to the person employed according to sub-rule (1) and its recovery shall be made in accordance with sub-rule (3).

¹[x x x]

(8) The employer may obtain necessary agreements and mortgages executed from the person employed for repayment of loan, and as security for the loan advanced.]

²[17-B. Manner of recovery of amount of deductions in excess of the limits specified in sub-section (3) of Section 7:— Where the total amount of deductions which have to be made under sub-section (2) of Section 7 of the Act in any wage-period from the wages of any employed person exceeds the limit specified in clause (i) or, as the case may be, clause (ii) of sub-section (3) of that Section, the excess shall be carried forward and recovered from the wages for succeeding wage-period in such instalments, not exceeding six, as may be necessary to enable the deductions to be made in compliance with the said limits.

Illustration:— The wages of a monthly rated employed person for January are one hundred rupees and deductions (which include deductions on account of dues of a co-operative society amount to ninety rupees. The maximum deduction from his wages for January will be seventy-five rupees. The excess amount of fifteen rupees will be carried forward and recovered in not more than six instalments by limiting other deductions for those months so that the total deduction does not exceed seventy-five rupees in any month.]

1. Sub-rule (7), omitted by G.O.Ms.No. 27, L.E.T.&F (Lab. II) dt. 7.6.1999.

2. Added by G.O.Ms.No. 491, Home (Labour-II), dt. 24.3.1970, published at pages 186-187 of RS to Pt. I of the A.P. Gaz., dt. 14.5.1970.

Section 26(3)(a)

[18. Annual Return:— Every Paymaster of a factory or an industrial establishment shall send a return in Form No. AR so as to reach the Inspector (or the Labour Officer) within whose jurisdiction the factory or the industrial establishment, as the case may be, is situated, not later than the 31st day of January following the end of the calendar year to which the return relates.]

18-A. Copies of notice referred to in Rule 6-A shall be sent in duplicate by the paymaster to the Inspector of Factories within whose jurisdiction the factory or industrial establishment is situated, every year not later than the 15th January:

Provided that any alteration in the notice that may be made in the course of the year shall be communicated to such Inspector not later than fortnight from the date on which the alteration was made.

Section 26(3)(j)

19. Costs:— (1) Where the authority or the Court as the case may be, directs that any costs shall not follow the event the reasons for the directions shall be stated in writing by such authority or Court.

(2) The costs which may be awarded shall include—

- (a) the charges necessarily incurred on account of Court-fees;
- (b) the charges necessarily incurred on substance money to witnesses; and
- (c) pleader's fees which shall ordinarily be Rs. 10 provided that the Authority or the Court (as the case may be), may in any proceedings reduce the fee to a sum not being less than Rs. 5 or increase it to a sum not exceeding Rs. 30.

(3) When a party engages more pleaders than one to defend a case, he shall be allowed one set of pleader's fees only.

20. The Authority or the Court, as the case may be, may fix the fees on the payment of which any person entitled to do so may obtain copies of any document filed with such Authority or Court:

Provided that such Authority or Court may, in consideration of the poverty of the applicant, grant copies free of cost.

Section 26(3)(k)

21. Court-fees:— The Court-fee payable in respect of proceedings under the Act shall be as follows—

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| (i) for every application to summon a witness | [Twenty five naye paise] in respect of each witness |
| (ii) For every other application made by or on behalf of an individual person before the Authority. | [Fifty naye paise] |
| (iii) For every other application made by or on behalf of an unpaid group before the Authority. | [Twenty-five naye paise] for each member of the group subject to a maximum of five rupees. |
| (iv) For every appeal lodged with the Court. | Five rupees. |

Provided that the Authority or the Court may, in consideration of the poverty of the applicant, reduce or remit this fee:

Provided further that no fee shall be chargeable in respect of an application presented by an Inspector.

22. ²[x x x]

Section 26(4)

23. Penalties:— Any contravention of Rules 3, 4, 5, 6, 6-A, 8, 12, 15, ³[17-A], 18, ⁴[18-A and 24(2)] of these Rules shall be punishable with fine which may extend to two hundred rupees.

24. ⁵[(1)] The provisions of foregoing rules as to factories except the proviso to sub-section (2) of Rule 17 shall *mutatis mutandis* apply to all industrial establishments to which the provisions of the Act have been extended under sub-rule (5) of Section 1:

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1. The bracketted words were substituted for the words 'four annas', 'eight annas', respectively by G.O.Ms.No. 310, dt. 6.2.1959.
 2. Omitted by G.O.Ms.No. 27, L.E.T.&F (Lab-II), dt. 7.6.1999.
 3. This figure was added by G.O.Ms.No. 1792, dt. 23.10.1967.
 4. Subs. for the figure and word and '18-A' by G.O.Ms.No. 629 Home (Labour-IV), dt. 18.3.1965, pub. at page 41 of RS to Pt. I of the A.P. Gaz., dt. 1.4.1965.
 5. Rule 24 was re-numbered as sub-rule (1) thereof and sub-rule (2) was added by G.O.Ms.No. 564, Development Department, dt. 3.4.1954.

¹[Provided that the provisions of the Rules 6-A, 8 and 12, clauses (b) and (c) of sub-rule (2) of Rule 16 shall not apply to an industrial establishment having no building:]

Provided further that in the case of plantations, tramways and motor omnibus services sub-rule (2) of Rule 17 shall not apply to advances which were made before the provisions of the Act were extended to them and the particulars relating to which are communicated before the 1st January, 1948 to the Inspector of Factories having jurisdiction over the plantation or tramway or omnibus services, as the case may be.

¹[(2) The provisions of Rules 3, 4 and 5 shall apply to an industrial establishment having no building with the modification that the registers specified in these rules shall be maintained in the house of the paymaster and produced at the office of the Inspector having jurisdiction, when required.]

²[**25. Repeal and savings:**— The Hyderabad Payment of Wages Rules, 1352 Fasli and the Madras Payment of Wages Rules, 1937 as in force in the State of Madras in their application to the territories specified in the First Schedule to the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act LVI of 1959) are hereby repealed:

Provided that such repeal shall not affect the previous operation of the rules so repealed and anything done or any action taken thereunder shall be deemed to have been done or taken under these rules.]

³[Forms I, II, III, IV, V and VI omitted.]

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1. Proviso and sub-rule (2) were added by G.O.Ms.No. 564, Development Department, dt. 3-4-1954.
 2. Subs. for the original rule by G.O.Ms.No. 111, Home (Labour-III), dt. 7-4-1962.
 3. Omitted by G.O.Ms.No. 27, L.E.T.&F (Lab. II), dt. 7-6-1999.