

Form - I – (See rule 22)

ABSTRACTS OF THE MINIMUM WAGES ACT 1948, AND THE RULES MADE THEREUNDER

1. **Extent and purpose** : The Act provides for fixing minimum rates of wages and applies to every person who is employed or hire or reward to do any work skilled or unskilled, manual or clerical in an employment specified in the schedule and in respect of which minimum rates of wages have been fixed including an out-worker to whom any article 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 purpose of trade or business of that other person where the process is to be carried out either in the home of the outworker or in some other premises not being premises under the control and management of that other person. It also applies to any other person declared to be an employee by the appropriate Government. It does not, however, apply in respect of the wages payable by an employer to a member of his family who is living with him and is dependent on him.

2. **Wages** : Wages means all remuneration payable to an employed person on the fulfillment of his contract of employment, express or implied, but it does not include-

- (a) the value of house-accommodation, supply of light, water, medical attendance, or any other amenity or service excluded by general or special order of the appropriate Government;
- (b) the employer's contribution to a Pension or Provident Fund, or under any scheme of social insurance;
- (c) any traveling allowance or the value of any traveling concession or any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment;
- (d) any gratuity payable on discharge.

3. **Fixing and Revising of Minimum Rates of Wages under the Act:**

The minimum rates of wages fixed or revised under the Act shall come into force on the expiry of three months from the date of the notification fixing or revising the minimum rates of wages. as the case may be. unless the notification otherwise provides

4. **Responsibility for payment of minimum wages:** The following persons are responsible for payment of the minimum rates of wages fixed under the Act to the employees employed by them namely:-

The employer who employs whether directly or through another person or 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 the Act. and includes :-

- (a) in a factory. any person named as Manager of the factory:

(b) in any scheduled employment under the control of any scheduled employment under the control of any Government in India or any local authority. the person appointed by such Government or local authority. as the case may be, for the supervision and control of employees or in the- absence of any such appointment the head of the Department or the Chief Executive Officer of the local authority; and
(c) in any other case, any person responsible to the owner for the supervision and control of the employees or for the payment of wages.

5. Contracting out void .: A Contract or agreement whereby an employee relinquishes or reduces his right to a minimum rate of wages or any privilege or concession accruing to him under the Act is null and void in so far as it purports to reduce the minimum rate of wages fixed under the Act.

6. The mode of payment of wages-

(a) The wage period shall be fixed for the payment of wages at intervals not exceeding one month.

(b) Wages shall be paid before the expiry of the 7th day after the last day of the wages (period in respect of which the wages are payable in any such employment except employment in agriculture in which an employer has employed less than one thousand workers and in any other case shall be paid before the expiry of the 10th day. On respect of employment in agriculture. the wage period may be such as may be notified by the Maharashtra Government from time to time.

(c) The wages of a person whose employment is terminated by or on behalf of the employer shall be paid before the expiry of the second working day after the day on which his employment is terminated.

7. Deduction and Fines

(1) The person responsible for payment of wages shall pay to every employee engaged in a scheduled employment under him wages at a rate not less than the minimum rate of wages fixed

for that class of employees in that employment. No deductions shall be made from the wages of

an employee except those authorised under the rules.

(2) Fines-

(a) Shall not exceed three percent of the wages payable to an employee in respect of any wage period.

(b). Shall be imposed only in respect of the following acts and omissions on the part of the employed person :-

(i) absence from duty without leave, without sufficient cause (time may be Imposed only as an alternative to the deduction permissible under clause (ii) of sub-rule (2) 01 rule 21 for absence for duty)

(ii) negligence in work or neglect of work.

(iii) smoking on the premises of the work place except in places where smoking is permitted.

(iv) entering or leaving or attempting to enter or to leave the premises except for the rate for the purpose.

(vi) breach of any rules or instructions. for the maintenance and running of any department and maintaining its cleanliness:

(vii) damage to work in process or to any other property of the establishment or employer;

(viii) interference with any safety devices installed in the premises.

(ix) distributing or exhibiting inside the establishment premises handbills, pamphlets or posters without the previous sanction of the employer;

(x) misconduct (fine may be imposed only as an alternative to a heavier permissible punishment):

(c) shall not be imposed unless an opportunity for explanation is given to the employee, and

(d) shall be utilised only for the following purposes beneficial to the employees :-

(i) medical aid, if the standard is adequate other than that prescribed under any law for the time being in force;

(ii) facilities for literacy classes;

(iii) welfare activities including sports and recreation for the employees and their dependents.

(3) Deductions.- (a) Any employee whose minimum rate of wages has been fixed by the day is entitled to receive wages of the full day even though he works for less than the requisite number of hours constituting a normal working day provided his failure to work is not caused by his unwillingness to work.

(b) Deductions can be made for absence from duty. The amount of such deductions shall be such as may be specified by the State Government

(c) Deductions can be made for the damage to or loss of goods expressly entrusted to an employed person for custody or for loss of money for which he is required to account whether such damage or loss is directly attributable to his neglect or default.

(d) Deduction can be made for house accommodation, and for such other amenities and services (other than tools and protectives required for the purpose of employment) supplied by the employer as may be authorised by the appropriate Government.

(e) Deductions can be made for the recovery of advances or for adjustment of over payments of wages, provided that such advances do not exceed an amount equal to wages for two calendar months of the employee. In no case the monthly installment of deduction can exceed one fourth of the wages earned in that month.

(f) Deductions can be made for income-tax or by an order of a court or other competent authority.

(g) Deductions can be made for subscription to and for repayment of advances from any provident fund to which Provident Fund Act 1925, applies or which has been approved by Income-tax Authorities or by Government

(h) Deductions can be made for payment to co-operative societies or to a scheme of insurance approved by the State Government

(i) Deductions can be made with the written authorisation of the employees, such being given once generally, and not necessarily every time a deduction is made for the purchase of the securities of the Government of India or of any State or for being deposited in any Post Office Savings Bank, in furtherance of any Savings Scheme of any such Government

(j) Deductions can be made with the written authorisation of the employees himself, or 01 the President or secretary of the registered trade union, of which the employees is a member. for

contribution to the National Defence Fund, or to any other Fund, approved by the Government of India for the purpose of National Defence or for any purpose. as the State Government may, by notification in the Official Gazette specify.

4. Minimum Wages payable under the Act shall be paid in cash except where the State Government authorises the payment thereof either wholly or in part in kind or the supply of essential commodities at concessional rates.

8. Working hours, constituting a normal working day' holidays, Intervals for rest etc

(a) Subject to the provisions of rule 23. an employer in a scheduled employment in respect of which minimum rates of wages have been fixed under the Act, shall be allowed a day of rest in every week (which means a period of seven days beginning at midnight on Saturday night), which shall ordinarily be Sunday, but the employer may fix any other day of the week as rest day for any employee or class of employees in that scheduled employment. An employee would be entitled to a rest day only if he has worked for continuous period of not less than six days.

(b) Unless otherwise permitted by Government. substitution of the weekly holiday shall not result in any employee working for more than ten days consecutively without a holiday for a whole day.

(c) Where in accordance with clause (a) any worker works on the first day of the rest and has a holiday on one of the five days immediately preceding it, the said day shall, for the purposes of calculating his weekly hours of work be included in the preceding week.

(d) The provisions contained in clauses (a), (b), and (c) do not apply to a worker employed in agriculture.

(e) The number of hours of work which shall constitute a normal working day should be :-

(i) in the case of an adult 9 hours.

(ii) in the case of an adolescent 7 hours

(iii) in the case of a child (that is a person who had not completed his fifteenth year of age) 4 1/2 hours

(f) An interval for rest of at least half an hour shall be given to an each day before he works for more than five hours, and the periods of work shall be so arranged that inclusive of this interval for rest, they shall not spread over more than twelve hours. in respect of employment in Public Motor. Transport and ten and half hours in any day in any respect of any other scheduled employment : Provided that the State Government or any other officer not below the rank of the Deputy Commissioner of Labour may by an order in writing exempt any employee or category of employees employed in any scheduled employment from the provisions of rule 24 (3) relating to spread-over, regard being had to the nature of employment and the service conditions of the employee.

(g) Where a worker in a scheduled employment works on a shift which extends beyond mid-night.-

(a) a holiday for the whole day for the purposes of clause (a) shall, in his case mean a period of twenty-four consecutive hours beginning from the time when his shift ends; and

(b) the following day in such a case shall be deemed to be the period of twenty-four hours beginning from the time when such shift ends and the hours after mid-night during

which such worker was engaged In work shall be counted towards the previous day.

9. Extra Wages for overtime-When a worker works in an employment for more than nine hours on any day or in any employment other than an employment in public motor transport for more than forty-eight hours in any week for more than the hours of work notified under sub-rule (7) of rule 24 as the case may be, he shall In respect of overtime work, be entitled to wages-

- (i) in the case of employment in agriculture at one and half times the ordinary rate of wages;
- (ii) in the case of any other scheduled employment at double the ordinary rate of wages.

Explanation. - The term 'ordinary rate of wages' means the basic wage plus such allowances including the case equivalent of the advantages accruing through the concessional sale to the person employed of food grains and other articles as the person employed is for the time being entitled in but does not include a bonus.

10. The provisions of paragraphs 8 and 9 do not affect the provisions of the Factories Act. 1948.

11. **Procedure for payment of wages.**

(a) Where an employee is employed on piece work for which minimum time rate and not a minimum piece rate, is fixed, under the Act, the employer shall pay to such employee wages at not less than the minimum time rate.

(b) For two or more classes of work, an employee does, the employer shall pay wages at not less than the minimum rates in respect of each class of work for the time occupied in each class of work

(c) (i) every employer shall issue to his employee an extract of entry pertaining to him in the muster-roll-cum-wage-register as at1endance card cum-wage slip which shall be in the possession of the employee and entries therein shall be made by the employer or any person authorised by him in this behalf on each day and also at the end of the month.

(ii) Every employer shall get the thumb impression or signature of every employer on the wage slip and wages book and the entries in them shall be authenticated by the employer or by any person authorised by him in this behalf.

12. **Employer to exhibit notices:** Every employer shall keep exhibited at such places selected by the-Inspector, notices in English and in a language understood by, a majority or the workers of the following particulars in a clean and legible form:

(a).Minimum rate of wages.

(b) Abstracts of the Act and the Rules made there under.

(c) Name and address of the Inspector.

13. **Complaints for less payment.** - (1) Where an employee is paid less than the minimum rates of wages fixed for his class of work, or has not been paid wages in respect of work on

rest day or overtime wages under section 14, he can make an application in the prescribed form within six months from the date on which the minimum wages become payable to the authority appointed by the appropriate Government for the purpose. An application made after this period may be rejected unless sufficient cause for delay is shown.

(2) Such application can also be made on behalf of the employee by any legal practitioner, any official of a registered trade union authorised in writing by the employee concerned, to act on his behalf, or any Inspector under the Act or any other person acting with the permission of the Authority.

(3) A single application may be presented by or on behalf of any number of persons belonging to the same employment to whom the wages less than the minimum fixed under the Act are paid or to whom the wages in respect of work on next day or overtime wages under section 14 are not paid.

14: Acting by the Authority. - The authority may award compensation to the employee in addition to ordering the payment of the amount by which the minimum wages payable to him exceed the amount actually paid.

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