

# PAYMENT OF WAGES ACT, 1936

## CHECKLIST

<p><b>Applicability of Act</b></p> <ul style="list-style-type: none"> <li>• Factory industrial Establishment</li> <li>• Tramway service or motor transport service engaged in carrying passengers or good or both by road for hire or reward. • Air transport service Dock, Wharf or Jetty • Inland vessel, mechanically propelled</li> <li>• Mine, quarry or oil-field Plantation</li> <li>• Workshop or other establishment etc.</li> </ul>	<p><b>Object of the Act</b></p> <p>To regulate the payment of wages of certain classes of employed persons</p>	<p><b>Wages to be paid in current coins or currency notes</b></p> <ul style="list-style-type: none"> <li>•All wages shall be paid in current coins or currency notes or in both.</li> <li>•After obtaining the authorization, either by Cheque or by crediting the wages in employees banks Account Sec. 6</li> </ul>
<p><b>Coverage of Employees</b></p> <p>Drawing average wage upto Rs.10000 pm as amended w.e.f. 27.10.07.</p>	<p><b>Time of payment of wages</b></p> <p>The wages of every person employed is paid. When less than 1000 persons are employed shall be paid before the expiry of the 7<sup>th</sup> day of the following month. When more than 1000 workers, before the expiry of the 10<sup>th</sup> day of the following month. <b>Sec. 5</b></p>	
<p><b>Fines as prescribed by</b></p> <ul style="list-style-type: none"> <li>•Not to imposed unless the employer is given an opportunity to show cause</li> <li>•To record in the register</li> </ul> <p style="text-align: right;"><b>Sec.8</b></p>	<p><b>Deduction made from wages</b></p> <p>Deductions such as, fine, deduction for amenities and services supplied by the employer, advances paid, over payment of wages, loan, granted for house-building or other purposes, income tax payable, in pursuance of the order of the Court, PF contributions, cooperative societies, premium for Life Insurance, contribution to any fund constituted by employer or a trade union, recovery of losses, ESI contributions etc.etc.</p> <p style="text-align: right;"><b>Sec. 7</b></p>	<p><b>Deduction for absence from duties for unauthorized absence</b></p> <p>Absence for whole or any part of the day – If ten or more persons absent without reasonable cause, deduction of wages upto 8 days.</p> <p style="text-align: right;"><b>Sec. 9</b></p>
<p><b>Deductions for service rendered</b></p> <p>When accommodation amenity or service has been accepted by the employee.</p> <p style="text-align: right;"><b>Sec.11</b></p>	<p><b>Deduction for damage or loss</b></p> <p>For default or negligence of an employee resulting into loss. Show cause notice has to be given to the employee.</p> <p style="text-align: right;"><b>Sec.10</b></p>	
<p>On contravention of S.5 (except sub-sec.4), S.7, S.8 (except Ss.8), S.9, S.10 (except Ss.2) and Secs.11 to 13.</p>	<p>Fine not less than Rs.1000, which may extend to Rs.5000. On subsequent conviction fine not less than Rs.5000, may extend to Rs.10,000. On contravention S.4, S.5 (4), S6, S.8 (8), S.10 (2) or S.25 fine not less than Rs.1000. – may extend to Rs.5000. On subsequent On conviction fine not less.</p>	
<ul style="list-style-type: none"> <li>• For failing to maintain registers or records; or</li> <li>• Willfully refusing or without lawful excuse neglecting to furnish information or return; or</li> <li>• Willfully furnishing or causing to be furnished any information or return which he knows to be false or</li> <li>• Refusing to answer or willfully giving a false answer to any question necessary for obtaining any information required to be furnished under this Act.</li> </ul>	<ul style="list-style-type: none"> <li>• Fine which shall not be less than Rs.1000 but may extend to Rs.5000 – On record conviction fine not less than Rs.5000, may extend to Rs.10,000.</li> <li>• For second or subsequent conviction, fine not less than Rs.5000 but may extend to Rs.10,000</li> </ul>	
<ul style="list-style-type: none"> <li>• Willfully obstructing an Inspector in the discharge of his duties under this Act; or</li> <li>• Refusing or willfully neglecting to afford an Inspector any reasonable facility for making any entry, inspection etc.</li> <li>• Willfully refusing to produce on the demand of an inspector any register or other document kept in pursuance of this Act; or preventing any person for appearance etc.</li> </ul>	<p>Fine not less than Rs.1000 extendable Upto Rs.5000 – On subsequent conviction fine not less than Rs.5000 – may extent to Rs.10,000</p>	
<ul style="list-style-type: none"> <li>• On conviction for any offence and again guilty of Contravention of same provision.</li> <li>• Failing or neglecting to pay wages to any employee</li> </ul>	<ul style="list-style-type: none"> <li>• Imprisonment not less than one month extendable upto six months and fine not less than Rs.2000 extendable upto Rs.15000.</li> <li>• Additional fine upto Rs.100 for each day.</li> </ul>	