

Rules under:—

**The Payment of Wages Act, 1936** (Central Act IV of 36)

**The Goa, Daman and Diu Payment of Wages Rules, 1964**, [Published in the Government Gazette, Series I No. 26 dated 25<sup>th</sup> June 1964].

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**Industries and Labour Department**

LC/5/63

**Payment of Wages Act, 1936**

In exercise of the powers conferred by Section 26 of the Payment of Wages Act, 1936 (IV of 36) the Government of Goa, Daman and Diu is pleased to make the following rules:—

**1. Title:** These rules may be called the Goa, Daman and Diu Payment of Wages Rules, 1964.

**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 (IV of 36).

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

(c) *'The Court'* means the court mentioned in sub-section 1 of section 17 of the Act.

(d) '*Deduction for breach of contract*' means a deduction made in accordance with the provisions of the proviso to sub-section 2 of section 9 of the Act.

(e) '*Deduction for damage or loss*' means a deduction made in accordance with the provisions of clause (c) of sub-section 2 of section 7 of the Act.

(f) '*Establishment*' means a factory, or an industrial establishment as defined in section 2 (ii) of the Act.

(g) '*Form*' means a form appended to these rules.

(h) '*Inspector*' means an Inspector authorised by or under section 14 of the Act.

(i) '*Labour Commissioner*' means the officer appointed as such by the Government of Goa, Daman and Diu in its Official Gazette.

(j) '*Section*' means a section of the Act.

(k) '*Pay Master*' means an employer or other person responsible under section 3 of the Act for the Payment of Wages.

(l) Words and expressions defined in the Act and not defined in these Rules shall have the meaning as assigned to them in the Act.

**3. Register of fines:** (1) In any establishment in respect of which the employer has obtained approval under sub-section 1 of section 8 to a list of Acts and omissions in respect of which fines may be imposed the Pay Master shall maintain a register of fines in form I.

(2) At the beginning of the Register of fines there shall be entered serially numbered the approved purpose or purposes on which the fines realised are to be expended.

(3) Vouchers or receipts in connection with any expenditure from the fines' fund shall be produced for the scrutiny of the Inspector when required by him.

**4. Register of deductions for damage or loss:** In every establishment in which deductions for damage or loss are made the Pay Master shall maintain the register required by sub-section 2 of section 10 in form II.

**5.** In every establishment to which this Act applies or is made applicable the Pay Master shall maintain the register of wages in form II-A:

Provided that if in the case of any establishment the Labour Commissioner is of the opinion that the existing wage sheets or registers maintained by that establishment or at the Head Office thereof, give all the particulars necessary for the enforcement of the Act he may, by order in writing exempt such establishments from maintaining a register of wages required under this rule.

**6. Maintenance of Registers:** The registers required by rules 3, 4, 5 and 16 shall always be made available for inspection by the Inspector and be preserved by the employer for three years after the date of the last entry made in them.

**7. Notice of dates of payment:** The Pay Master shall display in a conspicuous place at or near the main entrance of the establishment a notice in English and in the language of the majority of the persons employed therein showing the days on which the wages are to be paid.

**8.** The Labour Commissioner, shall be the authority competent to approve under sub-section (1) of section 8 of the Act, 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.

**9. Application in respect of fines:** Every employer requiring the power to impose fines in respect of any acts and omissions on the part of employed person shall send to the Labour Commissioner:

- (a) A list in English in duplicate clearly defining such acts and omissions and
- (b) in case where the employer himself does not intend to be the sole person empowered to impose fines, a list in duplicate showing those appointments of which the incumbents may pass orders imposing fines.

**10. Approval of list:** The Labour Commissioner on receipt of the list referred to in rule 9, may, 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 as amended by him shall be considered to be the approved list:

Provided that no order disapproving or amending any list shall be passed unless the employer is given an opportunity of showing cause in writing why the list as submitted by him should be approved.

**11. Posting of list:** The employer shall display at or near the main entrance of his establishment a copy in English together with a translation thereof in the language of the majority of the persons employed therein, of the list of acts and omissions approved under rule 10.

**12. Persons authorised to impose fines:** No fine may be imposed by any person other than the employer or a person holding an appointment named in the list submitted under rule 9.

**13. 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 in the presence of at least one other employed person.

**14. 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 the particulars so that the register prescribed in rule 3 or rule 4 may be duly completed.

**15. Deductions 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 15 years or is a woman.

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

- (a) There is provision in writing forming part of the terms of the contract of employment requiring him to give notice of the termination of his employment and
  - (i) the period of this notice does not exceed 15 days or the wage period, whichever is less and
  - (ii) the period of this notice does not exceed the period of notice which the employer is required to give of the termination of that employment.

(b) This rule has been displayed in English and in the language of the majority of the employed persons at or near the main entrance of the establishment and has been so displayed for not less than one month before the commencement of the absence in respect of which the deduction is made.

(c) A notice has been displayed at or near the main entrance of the establishment showing the names of the persons from whom the deduction is proposed to be made, the number of days wages to be deducted and the conditions if any on which the deduction shall be remitted:

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

(3) No deduction for breach of contract shall exceed the wages of the person employed for the period by which the notice of termination of services given falls short of the period of 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 any person who has complied with these conditions.

**16. 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 a person during the preceding 4 calendar months or if he has not been employed for that period the wages he is likely to earn during the four subsequent calendar months.

(2) The advance may be recovered in installments by deductions from wages spread over not more than 18 months. No installment shall exceed 1/4 of the wages for the wage period in respect of which the deduction is made.

(3) The amounts of all advances sanctioned and the repayments thereof shall be entered in a register in form III.

(4) The rate of interest charged for advances granted under sub-rule 1 of this rule shall not exceed 6 ¼ per cent per annum.

**17. Annual return:** The paymaster shall send a return in form IV in respect of his establishment so as to reach the Labour Commissioner not later than 15th February following the end of the calendar year to which the return relates.

**18.** In every establishment a notice shall be displayed by the paymaster specifying the rates of wages payable to all the persons employed in that establishment other than those who are employed in position of supervision or management.

**19.** (1) Where the authority or the court as the case may be directs that any cost shall not follow the event, he shall state his reasons for so doing in writing.

(2) The cost which may be awarded shall include:

(a) the charges necessarily incurred on account of Court fees;

(b) the charges necessarily incurred on subsistence 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, in any proceedings, may reduce the fee to a sum not 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 costs only.

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

Provided that the Authority or the Court, as the case may be, may, in consideration of the poverty of the applicant, grant copies free of costs.

**21. Fees:** The fees payable in respect of proceedings under the Act specified in column 1 of the Table below shall be at the rates specified against each of them in column 2 thereof:

TABLE

1.	2.
(i) An application to summon a witness	Twenty five naye paise in respect of each witness.
(ii) An application made to the Authority under section 15 of the Act.	One per cent of the amount of claim or Re. 1/-, whichever is less
(iii) An appeal preferred before the District Court under section 17 of the Act	The same rate of fees as is chargeable in respect of the memorandum of appeal if filed in accordance with the provisions of the Civil Law in force.

**22. Abstracts:** The abstract of the Act and of the rules made thereunder to be displayed under section 25 shall be in form V.

### 23. Penalties:

Any breach of any of these rules shall be punishable with fine which may extend to two hundred rupees.

FORM I  
Register of fines

Name .of the establishment:

Name of the workman fined	Ticket No.	Department	Act or omission for which fine was imposed	Amount of fine	Designation of officer imposing fine	Date on which fine was imposed	Whether workman showed cause against fine or not. If so, enter date	Wages payable*		Total amount of fine	Date or dates on which fines or total fines were recovered	Remarks
								Amount	Wage period +			
1	2	3	4	5	6	7	8	9	10	11	12	13

\* By "Wages Payable" is meant the gross wages earned by a workman: For time workers the wages due for the pay period less deductions for absence from duty: For piece workers the wages due on production in both cases without deductions for fines or for service rendered by the employer.

+ Here enter month if payment is made by the month. In the case of other pay periods, enter 'week', 'fortnight' or 'hapta' as the case may be, giving the dates covered by the pay period.

## FORM II

Register of deductions for damage or loss caused to employer through the neglect or default of employed person in respect of goods expressly entrusted to them for custody

Name .of the establishment:

Sr. No.	Name of the workman	Ticket No.	Department	Damaged or loss caused	Amount of deduction imposed	Designation of officer imposing deduction	Date when deduction imposed	Whether workman showed cause against deduction or not.	No. of installment, if any, in which deduction is proposed to be recovered	Date on which total amount of deduction imposed was realized	Remarks
1	2	3	4	5	6	7	8	9	10	11	12

FORM II-A  
(See Rule Five)

Name of the establishment: .....

Place: .....

Register of Wages

For the month of.....\*

Period from .....to.....

Name of Department

Serial Number	Ticket number	Name in full	Occupation	Actual rate of wages	Rate of dearness allowance if any**	Days present	Total days and Hours overtime worked	Rate of overtime	Total piece rate production \$	Normal earnings	Overtime earnings	Total wage earned	Dearness allowance earned if any	Wages for leave period
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Wages payable #		Fine	Absence from duty	Damage to or loss of goods	House accommodation supplied by the employer	Amenities and services	Recovery of advances or for adjustment of over payment	Income tax	Deductions required to be made by the order of a Court or the competent authority	Subscriptions to or repayment of advances from provident fund	Payment of co-operative societies or to a scheme of insurance maintained by the Indian Post office Indian Post office	Total deductions	Net amount due	Signature or thumb impression of the employed	Remarks
Amount (columns 13 & 14)	Other allowances														
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31

\* Here enter month if payment is made by the calendar month.. In the case of other wage periods, enter 'W', 'Fortnight' of 'Hapta' as the case may be, giving the dates covered by the pay period.

\*\* Where the rate of dearness allowance is uniform for all workers, the rate may be mentioned against the first name only\_

\$ To be filled in, if the worker is employed on piece rate basis.

# By "Wages payable" is meant gross wages earned by a workman.

## FORM III

## Register of advances made to employed persons

Name of the establishment:

Sr. No.	Name	Ticket Number	Department	Date and amount of advances made	Purpose(s) for which advances made	No. of installments by which advances to be repaid	Postponement granted	Date on which total amount re-paid	Remarks
1	2	3	4	5	6	7	8	9	10

## FORM IV

## Annual Return

## Wages and Deductions from Wages

Return for the year ending, 31st December, 19 ...

1. a) Name of the factory or establishment and postal address.

b) Industry.

2. Number of days worked during the year.

\*3. a) No. of man – days worked during the year.

Person receiving less than Rs. 200/-		Person receiving Rs.200/- and more but less than Rs. 400/-	
Adults			
Children			
\$3.b) Average daily No. of persons employed during the year		Person receiving less than Rs. 200/-	Person receiving Rs. 200/- and more but less than Rs. 400/-
Adults			
Children			

c) Gross amount paid as remuneration to persons getting less than Rs. 200/- including deduction under section 7(2) ..... of which the amount due to profit sharing bonus is ..... and what due to money value of concession £. is .....

d) Gross amount paid as remuneration to persons getting Rs. 200/- and more but less than Rs. 400/- including deductions under section 7 (2) ..... of which the amount due to profit sharing bonus is .....and that due to money value of concessions is .....

4. Total wages paid including deductions under section 7(2) on the following accounts:

Persons receiving less than Rs. 200/-	Persons receiving Rs. 200/- and more but less than Rs. 400/-
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a) Basic Wages including overtime wages and non-profit sharing bonus.

b) Dearness and other allowances in cash.

c) Arrears of pay in respect of previous year paid during the year.

Number of cases and amount realised as:

Persons receiving less than Rs. 200/-		Persons receiving Rs. 200/- and more but less than Rs. 400/-	
No. of Cases	Amount	No. of Cases	Amount
a) Fines			
b) Deductions for damage or loss			
c) Deductions for breach of contract			
6. Disbursement from the fine fund		Purpose	Amount
a)			
b)			
c)			
d)			

7. Balance of fines fund in hand at the end of the year ....

Signature .....

Designation .....

\* This is the aggregate number of attendances during the year

\$ The average daily number of persons employed during the year is obtained by dividing the aggregate number of attendances during the year by the number of working days.

£ Money value of concessions should be obtained by taking the difference of the cost price paid by the employer and the actual price paid by the employees for supplies of essential commodities given free or at concessional rates.

#### FORM V

#### **Abstract of the payment of wages Act, 1936, and the Rules made thereunder *To whom the Act Applies***

1. The Act applies to the payment of wages to persons in the establishment receiving less than Rs. 400 a month.

2. No employed persons can give up by contract, or agreement, his rights under the Act.

#### ***Definition of wages***

3. "Wages" means all remuneration payable to an employed person on fulfillment of his contract of employment.

It includes bonus or any remuneration if payable in terms of a settlement or an award, any remuneration for overtime work, or for holidays or leave period and any sum payable for want of a proper notice of discharge.

It excludes-

(a) the value of house accommodation, supply of light, water, medical attendance, or other amenity or of any service excluded by the State Government;

(b) the employer's contribution to a pension or provident fund;

(c) travelling allowance or concession or other special expenses entailed by the employment;

(d) any gratuity payable on discharge.

#### ***Responsibility for and method of payment***

4. The manager of the factory is responsible for the payment under the Act of Wages to persons employed under him, and any contractor employing persons is responsible for payment to the persons he employs and in the



case of an industrial establishment the person responsible, if any, and employer are jointly and severally responsible for such payment.

5. Wage-periods shall be fixed for the payment of wages at intervals not exceeding one month.

6. Wages shall be paid on a working day within 7 days of the end of the wage period (or within 10 days if 1,000 or more persons are employed).

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

7. Payments in kind are prohibited.

#### ***Fines and deductions***

8. No deductions shall be made from wages except those authorized under the Act (See paragraphs 9-15 below).

9. (1) Fines can be imposed only for such acts and omissions as the employer may, with the previous approval of the Labour Commissioner, specify by a notice displayed at or near the main entrance of the establishment and after giving the employed person an opportunity for explanation.

(2) Fines-

(a) shall not exceed three naye paise in the rupee;

(b) shall not be recovered by installments, or later than sixty days of the date of imposition;

(c) shall be recorded in a register and applied to such purposes beneficial to the employed persons as are approved by the Labour Commissioner;

(d) shall not be imposed on a child.

10. (a) Deductions for absence from duty can be made only on account of the absence of the employed person at times when he should be working, and such deductions must not exceed an amount which is in the same proportion to his Wages for the wage period, as the time he was absent in that period is to the total time he should have been at work.

(b) If ten or more employed persons, acting in concert, absent themselves without reasonable cause, and without due notice, the deduction for absence can include Wages for eight days in lieu of notice, but-

(1) no deduction for breaking a contract can be made from a person under 15 or a woman;

(2) there must be a provision in writing which forms part of the contract of employment, requiring that a specific period of notice of intention to cease work not exceeding 15 days or the period of notice which the employer has to give to discharge a worker, must be given to the employer and that wages may be deducted in lieu of such notice;

(3) the above provision must be displayed at or near the main entrance of the factory, or industrial establishment;

(4) no deduction of this nature can be made until a notice that this deduction is to be made has been posted at or near the main entrance of the factory or industrial establishment;

(5) no deduction must exceed the wages of the employed person for the period by which the notice he gives of leaving employment, is less than the notice he should give under his contract.

11. Deductions can be made for damage to or loss of goods expressly entrusted to an employed person or for loss of money for which he is required to account, where such damage or loss is due to his neglect or default.

Such deduction cannot exceed the amount of the damage or loss caused and can be made only after giving the employed person an opportunity for explanation.

12. Deductions can be made, equivalent to the value thereof, for house accommodation, amenities or services (other than tools and raw material) supplied by the employer, provided these are accepted by the employed person

as a part of the terms of his employment and have in the case of amenities and services authorized by order of Government.

13. (a) Deductions can be made for the recovery of advances, or for adjustment of over payment of wages.

(b) Advances made before the employment began can only be recovered from the first payment of wages for a complete wage period but no recovery can be made of advances given for travelling expenses before employment began.

(c) Advances of unearned wages can be made at the pay master's discretion during employment but must not exceed the amount of four months' wages without the permission of an Inspector.

These advances can be recovered by installments, spread over not more than 18 months and the installments must not exceed one-fourth of the wages for any wage-period.

14. Deductions can be made for subscription to and for repayment of advances from any recognized provident fund.

15. Deductions can be made for payment to co-operative societies approved by the State Government or to the postal insurance, subject to any conditions imposed by the State Government.

#### ***Inspections***

16. An Inspector can enter on 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.

#### ***Complaints of deductions or delays***

17. (1) Where irregular deductions are made from wages, or delays in payment take place, an employed person can make an application in the prescribed form within six months to the Authority appointed by the State Government for the purpose. An application delayed beyond this period may be rejected unless sufficient cause for the delay is shown.

(2) An Inspector under the Act or any legal practitioner, or when authorised in writing by the employed person any official of a registered trade union, or with the permission of the authority, any other person can also apply to the Authority for a direction under section 15(3) on behalf of an employed person. In case an employed person is dead, his legal representative can also make an application for a similar direction.

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

#### ***Action by the Authority***

18. The Authority may award compensation to the employed person in addition to ordering the payment or delayed wages or the refund of illegal deductions. It may also direct the payment of such compensation in cases, where the amount deducted or the delayed wages are paid by the employer to the employed person or his legal representative before the disposal of the application.

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

#### ***Appeal against the Authority***

19. An appeal against a direction made by the Authority may be preferred, within 30 days, to the District Court :-

- (a) By the paymaster if the total amount directed to be paid exceeds Rs. 300/-;
- (b) by an employed person or any legal practitioner or any official of a registered trade union authorised in writing to act on his behalf or any Inspector under the Act or any other person authorised by an authority to make an application under sub-section (2) of section 15 and in the case of death of the employed person, his legal representative, if the total amount of wages withheld from him or his co-workers, exceeds Rs. 50/-

- (c) by a person directed to pay a penalty for a malicious or vexatious application.

***Punishment for breaches of the Act***

20. Any one delaying the payment of wages beyond the due date, or making any unauthorised deduction from wages is liable to a fine up to Rs. 500/- but only if prosecuted with the sanction of the Authority or the appellate Court.

21. The paymaster who –

- (1) does not fix a wage-period , or
- (2) makes payments in kind, or
- (3) fails to display at or near the main entrance of the establishment this abstract in English and in the language of the majority of the employed persons, or
- (4) who contravenes any of the rules made under this Act, is liable to a fine which may extend up to Rs. 200/-

A complaint to this effect can be made only by the Inspector, or with his sanction.

By order and in the name of the Administrator of the Union Territory of Goa, Daman and Diu.

*A. F. Couto*, Secretary, Industries and Labour Department.

Panjim, 16th June, 1964.

## Government of Goa, Daman and Diu

### Notification

In exercise of the powers conferred by section 3 clause 2 of the Goa, Daman and Diu (Laws) Regulation, 1962, the Lieutenant Governor of Goa, Daman and Diu hereby appoints the 15<sup>th</sup> day of August, 1963, as the date on which the provisions of the Workmen's Compensation Act, 1923 and the **Payment of Wages Act, 1936** shall come into force throughout the Union Territory of Goa, Daman and Diu.

The Lieutenant Governor

*T. Sivasankar*

Panjim, 15<sup>th</sup> August, 1963.

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