

THE TAMIL NADU PAYMENT OF WAGES RULES, 1937

1. Title. – These rules may be called the Tamil Nadu Payment of Wages Rules, 1937.

1-A. Extent. – They shall extend to the whole of the State of Tamil Nadu including the Kanyakumari district and the Shencottah taluk of the Tirunelveli district and the territories specified in the Second Schedule to the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act 56 of 1959).

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 1936);

(b) "the authority" means the authority appointed under sub-section (1) of section 15 of the Act ;

(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 LXIII 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 the provisions of the proviso to sub-section (2) of section 9;

(f) "deduction for damage or loss" means a deduction made in accordance with the provisions of clause (c) of sub-section (2) of section 7;

(g) "Form" means a form appended to these rules ;

(h) "Inspector" means an 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) "section" means a section of the Act ;

(k) words and expressions defined in the Act shall be deemed to have the same meaning as in the Act.

Section 26 (3) (a)

3. Register of fines.- (1) In any factory 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 paymaster shall maintain a Register of Fines in Form I.

¹[Provided that no such Register of Fines need be maintained, if the particulars required in Form-XIII are contained in any other records maintained by the paymaster under any other Labour law.]

Proviso to sub-rule (1) of rule 3, added by G.O.(D) No. 1, Labour and Employment (H-1), dated the 2nd January, 2008.

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

(3) When any disbursements are made from the fines realised, a deduct-entry of the amount so expended shall be made in the Register of Fines. The vouchers or receipts in respect of the amounts so expended shall be serially numbered and kept separately, the serial number of each voucher or receipt and the amount to which it relates being noted in the remarks columns of the register. If more than one purpose has been approved, the entry of the disbursement shall also indicate the purpose for which it is made.

4. Register of deductions for damage or loss.- In every factory in which deductions for damage or loss are made, the paymaster shall maintain the Register required by sub-section (2) of section 10 in Form II.

¹[Provided that no such register of Deductions for damage or loss caused to the employer by the neglect or default of the employed persons need be maintained, if the particulars required in Form-II are contained in any other records maintained by the paymaster under any other labour law.]

5. Register of Wages. – A Register of Wages shall be maintained by every paymaster in such form as he finds convenient but which shall include the following particulars :-

- (a) Details of the persons employed ;
- (b) The work performed by the employed persons ;
- (c) The gross wages earned by each person employed for each wage-period ;
- (d) The total of all deductions made from these wages ;
- (e) The wages actually paid to each person employed for each wage-period ;
- (f) The date of payment ; and
- (g) The signature or left thumb-impression of the person employed in token of having received the payment :

²[***]

5-A. In the case of a plantation factory, the register shall be maintained in the principal office of the plantation but the manager thereof shall make the register available for inspection by the inspector at the factory.

³[5-B. Wage slip.- Wage slip containing the particulars specified in rule 5 above and such other particulars as may be notified by the Government shall be issued by every paymaster to every person employed in any factory or industrial establishment, as defined in clause (i) (b) and (ii) of section 2 of the Act as the case may be, atleast a day prior to the disbursement of the wages or atleast on the date of disbursement of wages or if the wages are paid daily along with the wages:

¹Proviso to rule 4, added by G.O. (D) No. 1, Labour and Employment (H-1), dated the 2nd January, 2008

²Proviso omitted by G.O. Ms. No. 2238, Labour and Employment dated the 10th October, 1988.

³Added by G.O. Ms. No. 625, Labour, dated the 8th April, 1988

Provided that no such wage slip need be issued where the paymaster issues a wage slip to the employed person with reference to sub-rule (2) of rule 27 of the Tamil Nadu Minimum Wages Rules, 1953.]

6. Maintenance or registers. –The registers referred to in rules 3, 4, 5 and 17 shall be preserved for a period of three years, from the date of the last entry noted in them and shall always be readily available in the factory for inspection during all working hours of the factory.

Section 26 (3) (b)

6-A. Notice of rates of wages to be paid to workers. – In every factory the paymaster shall display at or near the main entrance of the factory notices in Form VI specifying the rates of wages payable to different classes of workers employed therein. The notices shall be in English and in the language of the majority of the persons employed in the factory:

Provided that in the case of factories wherein one hundred or more persons are employed notices in Form VI shall be displayed separately for each section in the departments concerned instead of at or near the main entrance of the factory.

7. Omitted

Section 26 (3) (d)

8. Notice of dates of payment. – The Paymaster shall display in a conspicuous place at or near the main entrance of the factory, a notice, in English and in the language of the majority of the persons employed therein, giving for not less than two months in advance, the days on which wages will ordinarily be paid.

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

9. Prescribed authority. – The Chief Inspector of Factories in respect of factories governed by the Factories Act, 1948 (Central Act LXIII of 1948), the Chief Inspector of Plantations in respect of Plantations governed by the Plantations Labour Act, 1951 (Central Act LXIX of 1951), ¹[the Chief Inspector of Motor Transport Undertakings in respect of motor transport undertakings governed by the Motor Transport Workers Act, 1961 (Central Act 27 of 1961)] and the Deputy Commissioners of Labour in respect of other industrial establishments to which the provisions of the Act have been extended, 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 under sub-section (8) of section 8, the purposes to which the proceeds of the fines shall be applied ²[in the case of establishments to which the Tamil Nadu Labour Welfare Fund Act, 1972 (Tamil Nadu Act 36 of 1972) does not apply.]

¹Ins. by G.O. Ms. No. 319, Labour and Employment, dated the 17th April, 1976

²Ins. by G.O. Ms. No. 264, Labour and Employment, dated the 25th March, 1975

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 in respect of factories, the Chief Inspector of Plantations, in respect of Plantations, ¹[the Chief Inspector of Motor Transport Undertakings in respect of motor transport undertakings governed by the Motor Transport Workers Act, 1961 (Central Act 27 of 1961)] or the Deputy Commissioners of Labour, in respect of other industrial establishments, as the case may be –

(a) a list in English, in duplicate, clearly defining such acts and omissions ; and

(b) in cases where the employer 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 fine.

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 consider 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 paymaster 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 a 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, which it is proposed to be imposed, and the amount of the fine or deduction, which it is proposed to impose and shall hear his explanation. 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, the signature of such person being obtained to the latter.

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 rule 4 may be duly completed.

¹Ins. by G.O. Ms. No. 319, Labour and Employment, dated the 17th April, 1976

Section 26 (3) (g)

16. 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 fifteen years.

(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 the employee 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 paymaster 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 factory, 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; and

(c) a notice has been displayed at or near the main entrance of the factory giving the name of the persons from whose wages the deduction is proposed to be made, the number of days' wages to be deducted and the conditions (if any), on which the deduction will be remitted:

Provided that where the deduction is proposed to be made from all the persons employed in any departments 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 by which the notice of termination of service 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 the wages of any person who has complied with those conditions.

16-A. If the deduction which may be made under sub-section (2) of section 7 of the Act in any wage-period from the wages of any employed person, cannot be accommodated within the ceiling fixed under sub-section (3) of section 7, the ceiling shall be rounded off to the nearest higher Rs.5 and then recovered. The balance, if any, could be recovered during subsequent wage periods provided the total deductions satisfy this rule. In the case of recurring excesses due from a worker, the remedy would lie in the managements reducing the quantum of such advances.

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.

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

Provided that this sub-rule shall not apply to the case of an advance made before the commencement of the Act and particulars relating to which are communicated before the 31st March, 1938, to the Inspector having jurisdiction over the factory or industrial establishment, as the case may be:

Provided further that this sub-rule shall not apply to the case of any advance made, in which the employer, either at the instance or with the consent of the employed person and with the approval of the the Chief Inspector of Factories in respect of factories governed by the Factories Act, 1948 (Central Act LXIII of 1948), the Chief Inspector of Plantations in respect of Plantations governed by the Plantations Labour Act, 1951 (Central Act LXIX of 1951), ¹[the Chief Inspector of Motor Transport Undertakings in respect of motor transport undertakings governed by the Motor Transport Workers Act, 1961 (Central Act 27 of 1961)] and the Deputy Commissioners of Labour in respect of other industrial establishments to which the provisions of the Act have been extended, postpones its recovery for a specified period on exceptional grounds (such as when full work could not be provided for the workers or employees for causes beyond the control of the employer) which in the opinion of the Chief Inspector of Factories, or the Chief Inspector of Plantations, ¹[or the Chief Inspector of Motor Transport Undertakings in respect of motor transport undertakings governed by the Motor Transport Workers Act, 1961 (Central Act 27 of 1961)] or the Deputy Commissioners of Labour, as the case may be, merit such postponement.

(3) No instalment by which an advance is repaid shall 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) The amounts of all advances, whether made before the commencement of this Act or sanctioned after such commencement, and all repayments of such advances, shall be entered in a register in Form III.

²[Provided that no such Register of Advances and Repayments need be maintained, if the particulars required in Form-III are contained in any other records maintained by the paymaster under any other labour law.]

¹Ins. by G.O. Ms. No. 319, Labour and Employment, dated the 17th April, 1976

²Proviso to Rule 17 sub-rule (4), added by G.O.(D) No. 1, Labour and Employment (H-1), dated the 2nd January, 2008

(5) The monthly instalment of deduction towards recovery of an advance of money given after employment began, shall not exceed 1/4th (one fourth) of the wages earned during the wage period and the entire advance shall be recovered within a period of twelve wage-periods.

17-A. The loan that may be granted to an employed person for the purchase of house-building sites under clause (fff) fo sub-section (2) of section 7 of the Payment of Wages Act, 1936 (Central Act IV of 1936), shall not exceed Rs.10,000 (rupees ten thousand only) and the interest chargeable thereon shall not exceed 6 per cent, per annum.

¹**[17-B. Powers of Inspectors.-** In addition to the exercise of powers vested in him under section 14(4) of the Act, an Inspector may carry out any direction issued under section 17-A of the Act by the authority appointed under section 15 (1) of the Act.]

Section 26 (3) (a)

18. Annual Return - Every paymaster of a factory or an industrial establishment shall send a return in Form IV so as to reach the Inspector within whose jurisdiction the factory or the industrial establishment, as the case may be, is situated, not later than 31st January following the end of the calendar year to which the return relates.

²[Provided that no annual return in Form IV need be sent by the paymaster of a factory or an industrial establishment if a combined annual return in Form No.22 as required in clause (2) of rule 100 of the Tamil Nadu Factories Rules, 1950 ³[or Combined Annual Return in Form XXV under Schedule XIII as required in rule 242 of the Tamil Nadu Building and other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2006] is furnished.]

⁴[Provided further that no annual return in Form No. IV need be sent by an employer, if

(a) a combined annual return in Form No. XIII as required in rule 42 of the Tamil Nadu Catering Establishments Rules, 1959 is furnished; or

(b) a combined annual return in Form No. XII as required in sub-rule (ii) of rule 35 of the Tamil Nadu Beedi and Cigar Workers (Conditions of Employment) Rules, 1968 is furnished; or

(c) a combined annual return in Form No. 28 as required in rule 83 of the Tamil Nadu Plantations Labour Rules, 1955 is furnished; or

(d) a combined annual return in Form No. XIX as required in rule 43 of the Tamil Nadu Motor Transport Workers' Rules, 1965 is furnished.]

¹Ins by G.O. Ms. No. 811, Labour and Employment, dated the 29th July, 1978

²Added by G.O. Ms. No. 258, Labour and Employment (M-2), dated the 16th August, 2004 (deemed to have come into force from 18th August, 2004

³Ins by G.O. Ms. No. 181, Labour and Employment (H1), dated the 5th December, 2018.

⁴Added by G.O. Ms. No. 149, Labour and Employment (H1), dated the 29th October, 2018

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

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

18-B. Notice to Inspector. – Every paymaster of a factory or an industrial establishment shall send a notice in Form VII so as to reach the inspector within whose jurisdiction the factory or industrial establishment, as the case may be, is situated not later than the 31st January, every year :

Provided that any change in the office of the paymaster or in other particulars already furnished in the said notice shall be communicated to the said Inspector, within a fortnight from the date on which such change is effected.

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 direction 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 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, 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. Rate of fee payable for obtaining copies of documents. – 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 :-

- | | | |
|-------|---|---|
| (i) | For every application to summon a witness | 25 Paise in respect of each witness |
| (ii) | For every other application made by or on behalf of an individual person before the Authority | 50 Paise |
| (iii) | For every other application made by or on behalf of an unpaid group before the authority | 25 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 his fee :

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

Section 26 (3) (l)

22. Abstracts. – The abstract of the Act and of the rules made thereunder required to be displayed by section 25 shall be in Form V.

Section 26 (4)

23. Penalties. – Any contravention of rules 3, 4, 5, 6, 6-A, 8, 12, 15, 18, 18-A, 18-B and 22 of these rules shall be punishable with fine ¹[which shall not be less than seven hundred and fifty rupees, but which may extend to one thousand and five hundred rupees.]

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

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

Subs. by G.O. (D) No. 433, Labour and Employment (H-1), dated the 21st October, 2008 for "which may extend to two hundred rupees (w.e.f. 3rd December, 2008)

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

(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 those rules shall be maintained in the house of the paymaster and produced at the office of the Inspector having jurisdiction, when required.

FORM I

(See Rule 3)

Register of Fines

..... Factory / Establishment

Serial No.	Name	Father's or husband's name or workshop, departmental or gang number	Department or gang	Act or omission for which fine imposed	Whether workman showed cause against fine or not and if so, date on which cause was shown	Total wages for the wage period in which fine imposed	Amount of, and date on which, fine imposed	Date on which fine realised	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Form III

(See Rule 17)

Register of advances made to employed persons

..... Factory / Industrial Establishment

Serial No.	Name	Father's or husband's name or workshop, departmental or gang number	Department or gang	Amount of, and date on which advance made	Purposes for which advance made	No. of instalments by which advance to be repaid	Postponements granted	Date on which total amount repaid	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

FORM IV
(Prescribed under rule 18)
Annual Returns

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) Number of man-days worked during the year --
Persons earning less than Rs.1000[†] per month

Adults:

Children:

[†](b) Average daily number of persons employed
during the year –

Adult:

Children:

Total:

4 Gross amount paid as remuneration to persons
getting less than Rs.1000[†] per month including
deductions under section 7(2) of which the amount
due to profit sharing bonus is and that
due to money value of concession[†] is

5 Total wages paid including deductions under section 7(2) on the following accounts:- Persons receiving less than
Rs.1000[†] per month

(a) Basic wages

(b) Dearness allowance

(c) Overtime wages and non-profit sharing bonus

(d) Other allowances in cash

(e) Arrears of pay in respect of previous year paid
during the year

Total:

[†] Subs. by G.O. Ms. No. 163, Labour and Employment, dated the 17th February, 1977

6	Deduction:-	Persons receiving less than Rs.1000 [†] per month	
		Number of cases	Amount
	(a) Fines		
	(b) Deductions for damage or loss		
	(c) Deductions for breach of contract		
7	Disbursements from the fines fund-	Purpose	Amount
	(a)		
	(b)		
	(c)		
	(d)		
8	Balance of fines 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

[See rule 22]

**ABSTRACT OF THE PAYMENT OF WAGES ACT, 1936,
AND THE RULES MADE THEREUNDER**

Whom the Act affects

1. The Act applies to the payment of wages to persons in this factory/industrial establishment receiving less than Rs. 1,000* a month.

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

Definition of Wages

3. ' Wages ' means all remuneration (whether by way of salary, allowances or otherwise) payable to a person employed in respect of his employment or of work done in such employment.

It includes any remuneration — (a) payable under any award or settlement between the parties or order of a court ; (b) to which the person employed is entitled in respect of overtime work or holidays or any leave period ; (c) additionally payable under the terms of employment ; and also (d) being any sum payable under any law, contract or instrument by reason of the termination of the employment of the person employed ; and (e) to which the person employed is entitled under any scheme framed under any law for the time being in force.

It excludes —

(1) any bonus which does not form part of the remuneration payable under the terms of employment or which is not payable under any award or settlement between the parties or order of a court ;

(2) the value of any house accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the State Government ;

* Subs. by G.O. Ms. No. 163, Labour and Employment, dated the 17th February, 1977.

(3) any contribution paid by the employer to any pension or provident fund, and the interest accrued thereon ;

(4) any travelling allowance or concessions or any other special expenses entailed on him by the nature of his employment ; and

(5) any gratuity payable on the termination of employment other than any sum payable under any law, contract or instrument on such termination.

Responsibility for and method of payment

4. The manager of the factory/industrial establishment 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.

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 ten days if 1,000 or more persons are employed).

The wages of a person who is 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 authorised under the Act (*See* paragraphs 9 - 15 below).

9. (1) Fines can be imposed only for such acts and omissions as the employer has with the previous approval of the Chief Inspector of Factories, in respect of factories, the Chief Inspector of Plantations, in respect of plantations, the Chief Inspector of Motor Transport Undertakings in respect of motor transport undertakings governed by the Motor Transport Workers Act, 1961 (Central Act 27 of 1961) or the Deputy Commissioners of Labour in respect of other industrial establishments, as the case may be, specified by a notice displayed at or near the main entrance of the factory/ industrial establishment and after giving the employed person an opportunity for explanation.

(2) Fines —

- (a) shall not exceed three paise in the rupee ;
- (b) shall not be recovered by instalments, or after 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 Chief Inspector of Factories in respect of factories, the Chief Inspector of Plantations in respect of plantations, the Chief Inspector of Motor Transport Undertakings in respect of motor transport undertakings governed by the Motor Transport Workers Act, 1961 (Central Act 27 of 1961) or the Deputy Commissioners of Labour in respect of other industrial establishments, as the case may be ; and
- (d) shall not be imposed on persons who are under the age of fifteen years.

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 bearing the same proportion to his wages for the wage-period, as the period of his absence bears to the total period during which he should have been at work during the wage-period.

(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 the age of fifteen years.

(2) There must be a provision in writing forming part of the contract of employment, and requiring the employee to give notice of the termination of such employment the period of such notice not exceeding 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 the termination of that employment.

(3) The above provisions must be displayed at or near the main entrance of the factory/industrial establishment.

(4) No deduction of this nature can be made until a notice that this deduction is to be made has been pasted at or near the main entrance of the factory/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 deductions 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 —

(1) for house accommodation supplied by the employer or by Government or any statutory housing board or any other specified authority engaged in the business of subsidizing housing accommodation ;

(2) for amenities or services (other than tools and raw materials) supplied by the employer :

Provided that the house-accommodation, amenities or services have been accepted by the person employed as a part of the terms of his employment or otherwise and have, in the case of amenities, or services, been authorised by order of the State 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 paymaster's discretion during employment but must not exceed the amount of two months' wages without the permission of an Inspector.

These advances can be recovered by instalment, spread over not more than 12 months and the instalments must not exceed one-third, or if the wages are not more than Rs. 20/- 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 payments to co-operative societies approved by the State Government or to the Postal Insurance, subject to any conditions imposed by the State Government or for payment of any premium on life insurance policy to the Life Insurance Corporation of India or for the purchase of securities of the Government of India or any State Government for being deposited in any Post Office Savings Bank in furtherance of any savings scheme of any such 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 6 months to the Authority appointed by the Local Government for the purpose. An application delayed beyond this period may be rejected unless sufficient cause for the delay is shown.

(2) 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.

(3) A single application may be presented by, or on behalf of, any number of persons belonging to the same Factory/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 of delayed wages or the refund of illegal deductions.

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 in the prescribed form against an order or direction made by the Authority may be preferred within thirty days in the City of Madras to the Court of Small Causes and to the District Court elsewhere —

(a) by the paymaster, if the total amount directed to be paid exceeds Rs. 300/- ;

(b) by an employed person or any official of a registered trade union authorised in writing, if the total amount of wages withheld from him or from unpaid group to which he belongs exceeds rupees fifty ; and

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

19-A. Conditional attachment of property of employer or other person responsible for payment of wages. — The Authority or the Court, as the case may be, if it is satisfied that the employer or other person responsible for the payment of wages is likely to evade payment of any amount that may be directed to be paid be it may direct the attachment of so much of the property of the employer or other person responsible for the payment of wages, as in the opinion of the Authority or Court sufficient to satisfy the amount which may be payable under the direction.

Punishments 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 upto Rs. 500/- but only if prosecuted with the sanction of the Authority or the Appellate Court.

21. The paymaste, who —

- (1) does not fix a wage-period, or
- (2) makes payment in kind, or
- (3) fails to display at or near the main entrance of the factory/ industrial Establishment this abstract in English and in the language of the majority of the employed persons, or
- (4) breaks certain rules made under the Act,

is liable to fine not exceeding Rs. 200/-.

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

FORM VI
[See Rule 6-A]

Serial Number (1)	Class of Worker (2)	Maximum and minimum rates of wages (3)

FORM VII
[See Rule 18-B]

1.	Full name of the factory / industrial establishment	
2.	(a) Full postal address and situation of the factory/industrial establishment (b) Full postal address to which communications relating to the factory/industrial establishment could be sent.	
3.	Full name and residential address of the paymaster:- (i) The proprietor or partners of the factory/industrial establishment in the case of private firm/proprietary concern. (ii) Directors in the case of a public limited liability company/firm. (iii) Where a managing agent has been appointed, the name of the managing agent and directors thereof. (iv) Shareholders in the case of a private company where no managing agents have been appointed. (v) The Chief Administrative head in the case of a Government or local fund factory/industrial establishment.	
4.	If any person other than the Paymaster is responsible for payment of wages under the provisions of the proviso to section 3 of the Payment of Wages Act, 1936, his full name and residential address.	

Signature of the Paymaster
Date

This form should be completed in ink in block letters or typed.
Information required in item 3 shall be supplied only in respect of the person or persons so appointed. Strike out what is not applicable.

¹[FORM VIII
[See Rule 6-B]

Self-Certification by Information Technology Software Establishments and Information
Technology Software Enabled Services for the half year ending

1.	Name and address of the Information Technology Software Establishment or Information Technology Software Enabled Services— Phone No.: Fax: E-mail I.D.:	
2.	Name and address of the Paymaster:	
3.	Maximum number of persons employed on any day— (1) Male (2) Female (3) Total	
4.	Whether during the half-year, wages to the employed persons were paid before the expiry of the seventh day or tenth day, as the cases may be, after the last day of the wage period as per Section 5 of the Act?	
5.	Whether notice of date of payment of wages is displayed as per Rule 8?	
6.	Whether the Register of Wages is maintained under Rule 5?	
7.	Whether application, requiring the power to impose fines on the employed persons is sent to Deputy Commissioner of Labour as per Rule 10?	
8.	Whether an abstract of the Rule is displayed in Form V?	
9.	Whether the annual return in Form IV is sent within the time stipulated in Rule 18?	

[Note:- Information in respect of the items not applicable may be indicated as "Not applicable".]

[Signature of the Paymaster]

¹Added by G.O. (D) No. 394, Labour and Employment (H-1), dated the 29th September, 2008.

CERTIFICATE

Certified that during the half-year ending, we have complied with all the provisions under the Payment of Wages Act, 1936 and the Tamil Nadu Payment of Wages Rules, 1937 made thereunder, in addition to those specifically mentioned above.

2. This certificate is issued with full knowledge of the provisions of the said Act and the Rules. We are jointly and severally responsible for any information found incorrect subsequently and are liable for penalty under the provisions of the said Act and the Rules.

Signature of the Manager

Signature of the Paymaster

Name:

Name:

Designation:

Designation:

Office Seal:

Office Seal:

Date:

Date:

Accepted:
Assistant Inspector of Labour]