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Specialization

Human Resource Management

Industrial Relations & Labour Laws

Sub Code- MBEIV – 13

Unit - III

For Internal Circulation and Academic
Purpose Only

Programme Educational Objectives

Our program will create graduates who:

- 1. Will be recognized as a creative and an enterprising team leader.*
- 2. Will be a flexible, adaptable and an ethical individual.*
- 3. Will have a holistic approach to problem solving in the dynamic business environment.*

Course Objectives Of IRLL

- **CO1** : Students should able to elaborate the concept of Industrial Relations.
- **CO2** : The students should able to illustrate the role of trade union in the industrial setup.
- **CO3** : Students should able to outline the important causes & impact of industrial disputes.
- **CO4** : Students should able to elaborate Industrial Dispute settlement procedures.

Course Objectives Of IRL

- **CO5** : Student should be able to summarize the important provisions of Wage Legislations, in reference to Payment of Wages Act 1936, Minimum Wages Act 1948 & Payment of Bonus Act 1965
- **CO6** : Student should be able to summarize the important provisions of Social Security Legislations, in reference to Employees State Insurance Act 1948, Employees Provident Fund Act 1952, Payment of Gratuity Act 1972.

Unit III: Wage Legislations

- Unit III: Wage Legislations: Payment of Wages Act 1936, Minimum Wages Act 1948, Payment of Bonus Act 1965

Unit Objectives

- Explain and discuss importance of wage legislations.
- Explain and discuss important provisions of Payment of Wages Act 1936.
- Explain and discuss important provisions of Minimum Wages Act 1948.
- Explain and discuss important provisions of Payment of Bonus Act 1965.

What is Wage Legislation ?

- It is important for all Entrepreneurs and Business Owners to be aware of the employment laws relating to wages and benefits while operating a business in India.
- The major laws that regulate in India are
 - Minimum Wages,
 - Payment of Wages and
 - Payment of Bonus Act

Key Elements of Payment of Wages Act

- The Payment of Wages Act regulates the payment of wages to workers within the specified timeframe mentioned in the Act.
- The Act also prohibits employers from making unauthorized deductions.
- As per the Payment of Wages Act, payment of wages must be paid before the seventh day of a month, for businesses having less than 1000 workers.
- In case of businesses having more than 1000 workers, wages must be paid before the tenth day.

Key Elements of Minimum Wages Act

- The Minimum Wages Act, 1948 provides for fixing of minimum rates of wages in certain employments.
- The minimum wages are prescribed by States through notifications in the State's Gazette under the Minimum Wages Rules of the specific State.

Key Elements of Minimum Wages Act

- In terms of the provisions of the Minimum Wages Act, an employee means
- (i) any person who is employed for hire or reward to do any work, skilled or unskilled manual or clerical, in a scheduled employment in respect of which minimum rates of wages have been fixed;
- (ii) an outworker, to whom any articles 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 purposes of the trade or business of that other person; and
- (iii) an employee declared to be an employee by the appropriate Government.

Key Elements of Payment of Bonus Act

- The Payment of Bonus Act, 1965 provides for the payment of bonus to persons employed in certain establishments in India.
- The Bonus Act provides for the payment of minimum bonus of 8.33%.
- All bonus should be paid within 8 months from the close of the accounting year and a register showing the details of amount of bonus allocable and paid to each employee should be maintained.

Assessment Questions

1. Enlist the important provisions of Payment of Wages Act.
 - Student Should write important provisions of the Act
 - Student should write importance of this Act in reference to employees.

Assessment Questions

2. Enlist the important provisions of Minimum Wages Act.
 - Student Should write important provisions of the Act
 - Student should write importance of this Act in reference to employees.

Assessment Questions

3. Enlist the important provisions of Payment of Bonus Act .
 - Student Should write important provisions of the Act
 - Student should write importance of this Act in reference to employees.

Reference

- 1) Dynamics of Industrial Relations – Mamoria, Mamoria , Gankar, 3rd edition, Published by Himalaya Publishing House Pvt. Ltd.. 2012.
- 2) Industrial Relations & Labour Laws by BD Singh.
- 3) Industrial Relations By CS Venkata Ratnam Publisher – Oxford University Press - 2007