

Course Name: COMPENSATION MANANGEMENT AND LABOUR LAWS

Topic Name

- **The Payment of Wages Act 1936**
- **Minimum Wages Act**
- **Maternity Act**
- **QA on Provident Fund**

Semester: M. Voc- Management (HRM)-Sem II

Payment of Wages Act, 1936 - MCQs with answers

1. In which year was the first suggestion for the legislation in the act made?

- a. 1934
- b. 1925
- c. 1936
- d. 1937

ANSWER: b. 1925

2. The first suggestion for legislation in the act was made by a private member's bill called _____.

- a. Legislative Bill
- b. Wages Bill
- c. Weekly Payment Bill
- d. None of the above

ANSWER: c. Weekly Payment Bill

3. Choose the correct date and year on which payment of wages act was passed?

- a. 23rd April, 1936
- b. 28th March, 1937
- c. 25th April, 1937
- d. 27th April, 1936

ANSWER: a. 23rd April, 1936

4. In which year did the payment of wages act come into force?

- a. 23rd April, 1925
- b. 28th March, 1940
- c. 23rd April, 1936
- d. 28th March, 1937

ANSWER: d. 28th March, 1937

5. The power is vested in the _____ to make the act applicable to payment of wages to any class of persons employed in any establishment or class of establishments specified in section 2(h) by giving 3 month's notice to that effect.

- a. Central Government
- b. Acting Government
- c. State Government
- d. Judicial Court

ANSWER: c. State Government

6. State true or false.

- i. In a factory if a person has been named as manager of the factory under the clause (f) of sub section 1 of section 7 of the factories act, he is responsible to make the payments of the

employees.

- a. True
- b. False

ANSWER: a. True

7. What is the maximum wage period for the payment of wages?

- a. 1 month
- b. 40 days
- c. 45 days
- d. 60 days

ANSWER: a. 1 month

8. In any factory or industrial establishment where less than 1000 employees are employed the wages shall be paid before the expiry of the ____ day.

- a. 10th day
- b. 2nd day
- c. 7th day
- d. None of the above

ANSWER: c. 7th day

9. Which of these deductions under section 7 of payment of wages act is not authorised?

- a. Deduction for Fines
- b. Deduction for payment of Income tax
- c. Deduction for Payment of insurance
- d. Deduction for payment of uniform and property

ANSWER: d. Deduction for payment of uniform and property

10. What is the maximum limit of fine to be imposed on an employee?

- a. Should not exceed an amount equal to 5% of the wages payable
- b. Should not exceed an amount equal to 1% of the wages payable
- c. Should not exceed an amount equal to 3% of the wages payable
- d. Should not exceed an amount equal to 10% of the wages payable

ANSWER: c. Should not exceed an amount equal to 3% of the wages payable

11. Which section of the act covers deduction for damage or loss?

- a. Section 10
- b. Section 9
- c. Section 12
- d. Section 7

ANSWER: a. Section 10

12. Match the following deductions with their respective sections

- 1. Deduction for recovery of loans ----- A. Section 12 A
- 2. Deduction from wages ----- B. Section 9
- 3. Deduction for services rendered ----- C. Section 7
- 4. Deductions from absence of duty ----- D. Section 11

- a. 1-a, 2-c, 3-d, 4-b
- b. 1-c, 2-a, 3-b, 4-d
- c. 1-b, 2-d, 3-c, 4-a
- d. 1-d, 2-a, 3-b, 4-c

ANSWER: a. 1-a, 2-c, 3-d, 4-b

13. A single application may be presented under section ___ on behalf or in respect of any number of employed persons.

- a. Sub section 3 of section 15
- b. Section 15
- c. Section 14
- d. Section 10

ANSWER: b. Section 15

14. What is the penalty for those who contravene the provision of section 4 sub section (4) of section 5 or 10 or 25?

- a. 500 Rupees
- b. 5000 Rupees
- c. Upto 500 Rupees
- d. None of the above

ANSWER: c. Upto 500 Rupees

15. Which section takes care of payment of undisbursed wages in case of death of employed person?

- a. Section 25A
- b. Section 25
- c. Section 26
- d. Section 22A

ANSWER: a. Section 25A

Assessment Quiz on Minimum Wages Act

1. The Act prescribing minimum limit of wages in certain employment is known as _____

- a. Payment of Wages Act, 1936
- b. Factories Act, 1948
- c. Minimum Wages Act, 1948
- d. Child Labour (Prohibition and Regulation) Act, 1986

2. Minimum Wages Act, 1948 requires _____ to fix minimum rates of wages in respect of employment specified in the schedule.

- a. Central Government
- b. State Government
- c. Local Administration
- d. Appropriate Government

3. Since the respective State Governments have been empowered under the Minimum Wages Act, 1948 to independently fix minimum wages, disparities between wages in neighbouring states are common.

- a. True
- b. False because State Governments are not empowered to fix minimum wages independently.
- c. False because there are no disparities between wages in different States.
- d. False because of both (b) and (c).

4. Minimum Wages Act, 1948 extends to

- a. Whole of India
- b. Whole of India except Jammu and Kashmir.
- c. Whole of India except Union Territories

d. Whole of India except Andaman and Nicobar.

5. "Adolescent" under the Minimum Wages Act, 1948 means a person _____

a. Who has completed his fourteenth year of age but has not completed his eighteenth year

b. Who has completed his tenth year of age but has not completed his eighteenth year

c. Who has completed his fourteenth year of age but has not completed his twentieth year

d. Who has completed his twelfth year of age but has not completed his twentieth year

6. "Adult under the Minimum Wages Act, 1948 means a person who has completed his _____ year of age.

a. Fourteenth

b. Eighteenth

c. Twentieth

d. Twenty First

7. "Appropriate Government" under the Minimum Wages Act, 1948 has the same definition as

(a) Payment of Wages Act, 1936

(b) Companies Act, 1956

(c) Partnership Act, 1932

(d) Contract Act, 1872

8. According to Minimum Wages Act, 1948, a "Child" means a person who has not completed his

a. 10th year of age

b. 12th year of age

c. 14th year of age

d. 16th year of age

9. An index number in relation to employees in any scheduled employment in respect of which minimum rates of wages have been fixed under the Minimum Wages Act, 1948 is known as

a. Cost of living Index Number

b. Wholesale Price Index

c. Consumer Price Index

d. Cost of Products and Services

10. "Wages" under the Minimum Wages Act, 1948 has similar meaning as in the _____

a. Payment of Wages Act, 1936

b. Companies Act, 1956

c. Partnership Act, 1932

d. None of the above

11. "Wages" under the Minimum Wages Act, 1948 does not include _____

a. Value of house accommodation supply of light, water, medical attendance

b. Value of travelling allowance or the value of any travelling concession

c. Gratuity payable on discharge

d. All of the above

12. Which of the following is excluded from the definition of "Wages" under the Minimum Wages Act, 1948?

a. House Rent Allowance

b. Dearness Allowance

c. Basic Salary

d. All of the above

13. Which of the following is excluded from the definition of "Wages" under the Minimum Wages Act, 1948?

a. Leave Travel Allowance

b. Dearness Allowance

c. Basic Salary

d. All of the above

14. How many schedule(s) is/are there of the Minimum Wages Act, 1948?

- a. 1
- b. 2
- c. 3
- d. 4

15. How many parts are there in the schedule of the Minimum Wages Act, 1948?

- a. 1
- b. 2
- c. 3

16. Definition of “Employee” under the Minimum Wages Act, 1948 includes

- a. Skilled labour – Clerical labour
- b. Skilled and unskilled both labour – Manual labour
- c. Skilled and unskilled both labour – Manual and clerical both labour
- d. Unskilled labour – Manual labour

17. Definition of “Employee” under the Minimum Wages Act, 1948 _____ an out-worker.

- a. Includes
- b. Excludes
- c. Includes or excludes at the discretion of Appropriate Government
- d. The Act is silent on this provision

18. Under the Minimum Wages Act, 1948, a/an “_____” employee is one who does operations that involve the performance of simple duties, which require the experience of little or no independent judgment or previous experience although familiarity with the occupational environment is necessary.

- a. Unskilled
- b. Semi-skilled
- c. Skilled
- d. White collar

19. Whose work requires physical exertion and familiarity with variety of articles or goods?

- a. Unskilled employee
- b. Semi-skilled employee
- c. Skilled employee
- d. Out-worker

20. Under the Minimum Wages Act, 1948 a/an “_____” worker is one who does work generally of defined routine nature wherein the major requirement is not so much of the judgement, skill and but for proper discharge of duties assigned to him or relatively narrow job and where important decisions made by others.

- a. Unskilled
- b. Semi-skilled
- c. Skilled
- d. Out-worker

21. Whose work is limited to the performance of routine operations of limited scope?

- a. Unskilled
- b. Semi-skilled employee
- c. Skilled employee
- d. Out-worker employee

22. Under the Minimum Wages Act, 1948, a(an) “_____” employee is one who is capable of working efficiently of exercising considerable independent judgment and of discharging his duties with responsibility.

- a. Unskilled
- b. Semi-skilled
- c. Skilled
- d. Domestic

23. Who must possess a thorough and comprehensive knowledge of the trade, craft or industry in which he is employed?

- a. Unskilled employee

b. Semi-skilled employee

c. Skilled employee

d. Out-worker

24. A “_____” worker is one who is capable of working efficiently and supervises efficiently the work of skilled employees.

a. Unskilled

b. Semi-skilled

c. Skilled

d. Highly skilled

25. The responsibility of fixing minimum wages lies with

a. State Government

b. District Magistrate

c. Appropriate Government

d. Local Authorities

ANSWERS

1C 2D. 3A 4 A 5A. 6B 7A 8C 9A 10A 11D 12A 13A

14A 15B 16C 17A 18A 19A 20B 21B 22C 23C 24D 25C

[MCQs on Maternity Benefit Act 1961 \(1\)](#)

1. As per Maternity Benefit Act, the maximum period for which any woman shall be entitled to maternity benefit shall be

(A) twenty six weeks

(B) twelve weeks

(C) four months

(D) sixteen weeks

2. The condition of 80 days of employment in the 12 months immediately preceding the date of benefit has been made an eligibility condition for getting

- (A) Maternity Benefit under the Maternity Benefit Act
- (B) Disablement benefit under the ESI Act
- (C) Gratuity under the Payment of Gratuity Act
- (D) Sickness benefit under the ESI Act

3. The Royal Commission on Labour examined which of the two States' Maternity Benefit Acts and recommended enactment of similar laws all over the country?

- (A) Bombay and Madhya Pradesh
- (B) Madras and Mysore
- (C) Bihar and Bengal
- (D) Punjab and Assam

4. The Workmen's Compensation Act, 1923, the Maternity Benefit Act, 1965 and the Employees State Insurance Act, 1948

- (A) Together can be applicable.
- (B) The Maternity Benefit Act and the Employees State Insurance Act can be applicable at a time.
- (C) The Workmen's Compensation Act and the Employees State Insurance Act can be applicable at a time.
- (D) If the Workmen's Compensation Act and the Maternity Benefit Act are applicable, the Employees State Insurance Act is not applicable.

5. Assertion (A): Provisions of Employees' compensation Act and Maternity Benefit Act do not apply to all industries.

Reason (R): Employees' Compensation Act is a comprehensive social security legislation.

- (A) (A) is wrong, but (R) is right.
- (B) (A) is right, but (R) does not related to the (A).
- (C) (A) and (R) are right, and (R) validates the (A).
- (D) (A) and (R) are wrong.

6. In the maternity act, an inspector is appointed under which section?

- (A) Section 14
- (B) Section 2
- (C) Section 10
- (D) Section 15

7. No contribution is required for getting benefit under which of the following legislations?

- (A) Maternity Benefit Act
- (B) Employees' Compensation Act
- (C) Both under (A) & (B)
- (D) None of the above

8. Which section of the act states the conditions for eligibility of benefits?

- (A) Section 18
- (B) Section 5
- (C) Section 10
- (D) Section 8

9. Till what age of the child will a mother get 2 nursing breaks in the course of her daily work?

- (A) 12 months
- (B) 6 months
- (C) 18 months
- (D) 15 months

ANSWERS

1a, 2a, 3a, 4d, 5c, 6a, 7c, 8b, 9d, 10b

Employee Provident Fund Questions and Answers

- What is provident fund?

Provident fund (PF Act, 1952) is one of the main savings platforms in India, employees who are working in both private and government sector organisations. Provident fund will be calculated based on employee basic salary and dearness allowance, in case of private organisations there is no dearness allowance.

- What is the contribution for provident fund by the employee and employer?

The employee will contribute 12% from his basic salary and the same amount contributed by the employer.

- Which establishments are covered under PF Act?

In any organisation or establishment 20 or more persons employed then the organisations covered under EPF Act, 1952 and they can start provident fund scheme for the employees.

- What is the accounting year for provident fund?

Provident fund accounting years is from March to February

- What is the current ceiling threshold limit of provident fund?

The provident fund ceiling threshold limit has been increased to Rs.15,000 from Rs.6500.

- What is the employer contribution to the provident fund?

The employer contributes 12% on employee basic salary to the provident fund, however an employer contribution is bifurcated into 3.67% contribution to provident fund and 8.33% contribution to employees' pension scheme.

- Which form needs to fill while transferring provident fund?

You have to fill form no 13 to transfer your current PF amount.

- What is form 19 & 10C?

Form 19 is used for provident fund withdrawal and form 10C is used for pension scheme withdrawal.

- If the new employee has joined recently, what will happen his previous PF accumulation?

Accumulation of provident fund with the previous employer can be transferred to by filling form 13. The employee has to fill previous and present organisation details in form 13.

- Will employee get any interest on cumulative provident fund?

The employee can earn interest on the cumulative provident fund, but the percentage varies year to year and the same is declared by the PF board.