



## S. K. Jain & Associates

Labour Laws Practitioner & Consultant

Dear All,

**Sub: Circular & Notification of Revision of Basic Rates of Wages (Minimum Wages) for the period of 01/10/2023 to 31/03/2024 for Gujarat Location**

With reference to the above subject, we would like to draw your kind attention that, Labour Ministry has revised the Minimum Wages by Notification dated 27/03/2023 for different types of Industries & workers. You are requested to take the note of the below given factors into consideration while setting the gross salary of the worker. The below given basic rates of wage is monthly wage multiplied by 26 Days for the period of 01.10.2023 to 31.03.2024. There after every six months Government will declare the Special allowance considering the increase and decrease of cost of living Index. The data is given for the per day wage rate.

| Scheduled Employment  | Category     | Zone | Basic rates of Minimum Wages Per day | V.D.A | Total Wages | Basic Rates of Monthly Wages |
|-----------------------|--------------|------|--------------------------------------|-------|-------------|------------------------------|
| All schedule Industry | Unskilled    | I    | 452                                  | 21.0  | 473         | 12298                        |
|                       | Semi-Skilled | I    | 462                                  | 21.0  | 483         | 12558                        |
|                       | Skilled      | I    | 474                                  | 21.0  | 495         | 12870                        |
|                       | Unskilled    | II   | 441                                  | 21.0  | 462         | 12012                        |
|                       | Semi-Skilled | II   | 452                                  | 21.0  | 473         | 12298                        |
|                       | Skilled      | II   | 462                                  | 21.0  | 483         | 12558                        |

- **Unskilled:**

An unskilled 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. His work may thus require in addition to physical exertion familiarity with a variety of articles or goods.

- **Semi-skilled:**

A semi-skilled worker is one who does work generally of defined routine nature wherein the major requirement is not so much of the judgment, skill but for proper discharge of duties assigned to him or relatively narrow job and where important decisions are made by others. His work is thus limited to the performance of routine operations of limited scope.



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- **Skilled:**

A skilled employee is one who can work efficiently by exercising considerable independent judgment and of discharging his duties with responsibility. He must possess a thorough and comprehensive knowledge of the trade, craft or industry in which he is employed.

- **Part Time Employees:**

Employees employed on a Part-time basis shall be paid 50% of the minimum wages of the allowance, if he/she works up to Four hours & if he works more than Four Hours, He shall be paid full minimum wages rate plus special allowance.

- **Contractual Employees:**

An employee employed by a contractor or other agencies shall not be paid less than wages plus special allowances payable to the category of the employees to which they belong.

- **Apprentice Employees:**

The Minimum Wages payable to an apprentice employed on skilled or semi-skilled work shall be 70% first year, 80% second year & 90% third and fourth year of the minimum rates of the wages & special allowance fixed for the class of the employees to the belong for the First three months. After three months shall be paid in FULL.

**Zone-I** shall comprise the area in the State of Gujarat within the limits of the Municipal Corporation as constituted under the Gujarat Municipal Corporation Act-1949 & the areas within the limits of the Municipality as Constituted under the Gujarat Municipalities Act 1963 & the area falling within the jurisdiction of concerned Urban Development Authority.

**Zone- II** shall comprise all the areas in the state of Gujarat other than those included in Zone-I.

### **Other Important Points**

- 1) (a) Zone-I shall comprise the area in the State of Gujarat within the limits of the Municipal Corporation as constituted under the Gujarat Provincial Municipal Corporations Act, 1949 and the areas within the limits of the Municipality as constituted under the Gujarat Municipalities Act, 1963 and the areas falling within the jurisdiction of concerned Urban Development Authority and Nagar Palika.  
  
(b) Zone-II shall comprise all the areas in the State of Gujarat other than those included in Zone-I.
- 2) In case of an employee employed on piece rate basis, the minimum rate of wages shall be so fixed that the minimum rates of wages plus special allowance payable to him, for the number of hours of work which constituted normal working day, shall not be less than the daily wages fixed for the class of employees to which he belongs.



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- 3) The University Campus, the Agricultural University Campus and the Cantonment Area shall pay the minimum rates of wages of the scheduled employment of the nearest Zone.
- 4) The employees employed on part-time basis shall be paid 50% of the minimum rates of wages plus special allowance, if he works up to four hours and if he works more than four hours, he shall be paid full minimum rates of wages plus special allowance.
- 5) The employees employed by contractor or other agencies shall not be paid less than the wages plus special allowance payable to the category of the employees to which they belong.
- 6) The perquisites or facilities given to an employee shall not be withdrawn and no deduction shall be made in respect of such perquisites or facilities given to an employee after fixation of minimum rates of wages plus special allowance.
- 7) Male, Female and Transgender employees should be given equal wages for equal work.
- 8) The minimum rates of wages payable to an apprentice employed on skilled or semi-skilled work shall be 75 percentage of the minimum rates of wages and special allowance fixed for the class of employees to which he belongs for the first three months. After three months he shall be paid in full.
- 9) The Labour and Employment Department Notification No. KHR/30-MWA-1097-833-M(2) dated 23rd January, 2001 is applicable to employment in any residential hotel, restaurant or eating house covered under the Gujarat Shops and Establishments Act, 2019 for computation of cash value.

### **Wages Definition under The Minimum Wages Act 1948 under section 2(h)**

"wages" means all remuneration, capable of being expressed in terms of money, which would, if the terms of the contract of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, **1\*[and includes house rent allowance],**

#### **But does not include—**

- a) The value of— (a) any house-accommodation, supply of light, water, medical attendance, or
- b) (b) Any other amenity or any service excluded by general or special order of the appropriate Government;
- c) Any contribution paid by the employer to any Pension Fund or Provident Fund or under any scheme of social insurance;
- d) Any travelling allowance or the value of any travelling concession;
- e) Any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or
- f) Any gratuity payable on discharge;



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### Note:

The DA has been increased **Rs.21.00** for the period of **01/10/2023 to 31/03/2024**. Please find the notification and minimum wage rates as under. Establishment cannot pay the below minimum wages which please note.

(Earlier the Basic Rates of wages was declared on 26/12/2014 and thereafter a span of **8 years** The Government of Gujarat has revised the Basic Rates of Salary. Please find the notification and minimum basic rate of wages as attached. Establishments cannot pay below the minimum wages which please note. Payment of Salary below the minimum wages may attract criminal cases by the Labour Ministry against the employer and 10 times penalty.)

Thanks

For S. K. Jain & Associates

Sharad Jain (Advocate)

