

EASE-OF-DOING-BUSINESS-All-CODES



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EASE OF DOING BUSINESS TO BE MADE MORE EASIER

- **Businesses, on their part, need to be more responsible and forthcoming to ensure greater compliance. The new Codes when implemented would need industries to file just one compliance return for all four Codes.**

- **The Code on Social Security merged nine Acts will allow firms to maintain in 1-2 registers as compared to 20 earlier.**

- **When there is one enactment it is called as 'Act' whereas a combination of number of Acts and laws is called 'Code'.**

- **4 CODES SIMPLIFY, SUBSUME AND RATIONALISE THE PROVISIONS OF OVER 29 ACTS**

THE CODES OF WAGES, 2020

EXISTING ACTS BEING REPEALED

NEW CODE REPLACING THE REPEALED ACTS	EXISTING ACTS BEING REPEALED
THE CODE ON WAGES, 2019 PRESIDENT'S ASSENT RECEIVED ON 8TH AUGUST, 2019	• THE PAYMENT OF WAGES ACT, 1936
	• THE MINIMUM WAGES ACT, 1948
	• THE PAYMENT OF BONUS ACT, 1965
	• THE EQUAL REMUNERATION ACT, 1976
<i>Code on Wages, 2019 along with three other Codes passed by the Parliament are second generation amendments in the process of reforms in labour laws, and will help in boosting ease of doing business</i>	

THE CODE ON WAGES, 2019

APPLICABILITY

PER CODE ON WAGES, 2019	EXISTING LAWS
A	A
APPLICABLE TO WHOLE OF INDIA	SAME
IT IS APPLICABLE TO ALL EMPLOYEES INCLUDING IN ORGANISED AND UNORGANISED SECTORS	APPLICABLE TO EMPLOYEES EMPLOYED IN SCHEDULED EMPLOYMENTS
<i>Extending applicability of labour laws to earlier deprived categories is a very progressive step forward.</i>	

THE CODE ON WAGES, 2019

CONTRACT LABOUR

AS PER CODE ON WAGERS, 2019	AS PER EXISTING LAWS
• IT INCLUDES - INTER-STATE MIGRANT WORKER	NO SUCH PROVISION
• IT DOES NOT INCLUDE (OTHER THAN PART-TIME EMPLOYEE) - PERSONS REGULARLY EMPLOYED BY THE CONTRACTOR	
• ON MUTUALLY ACCEPTED TERMS AND CONDITIONS	
• AND GET PERIODICAL INCREMENTS, SOCIAL SECURITY AND WELFARE BENEFITS FROM THE CONTRACTOR	
<i>The four Codes are result of recommendations of 2nd National Commission on Labour.</i>	

EMPLOYEE

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
• INCLUDES (OTHER THAN APPRENTICE) :-	<ul style="list-style-type: none"> • SAME • NEW INCLUSIONS
• SKILLED, SEMI-SKILLED, UNSKILLED, MANUAL, OPERATIONAL, SUPERVISORY, TECHNICAL, CLERICAL	
• MANAGERIAL , ADMINISTRATIVE	
<i>Unity of interest between workers and work-takers together as a team is beneficial in achieving common objectives of the organization.</i>	

EMPLOYER

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
• NOW IT INCLUDES :-	<ul style="list-style-type: none"> • NO SUCH PROVISION
• OCCUPIER	
• CONTRACTOR	
• LEGAL REPRESENTATIVE OF DESEASED EMPLOYER	
<i>New Code will improve the competitiveness of Indian industry, make it manufacturing hub and pursue the 'Make in India' agenda successfully.</i>	

THE CODE ON WAGES, 201

WORKER

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • INCLUDES (OTHER THAN APPRENTICE) :- 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • MANUAL, UNSKILLED, SKILLED, TECHNICAL, OPERATIONAL, CLERICAL, SUPERVISORY 	
<ul style="list-style-type: none"> • ALSO INCLUDES :- 	
<ul style="list-style-type: none"> • WORKING JOURNALIST 	
<ul style="list-style-type: none"> • SALES PROMOTION EMPLOYEE 	
<ul style="list-style-type: none"> • BUT IT DOES NOT INCLUDE :- 	
<ul style="list-style-type: none"> • EMPLOYED IN MANAGERIAL AND ADMINISTRATIVE CAPACITY 	<ul style="list-style-type: none"> • IT IS RS. 10,000 PER MONTH
<ul style="list-style-type: none"> • PERSON EMPLOYED IN SUPERVISORY CAPACITY, DRAWING WAGES EXCEEDING RS. 15,000 PER MONTH, OR AS NOTIFIED 	
<ul style="list-style-type: none"> • CONCEPT OF 'WORKMAN' OMITTED - 'SEMI-SKILLED MISSING 	
<ul style="list-style-type: none"> • <i>Definition of Wage will have impact on the financial anvil of employer as some part of various Allowances will be treated as Wage</i> 	

OCCUPATIONS DEFINED

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • HIGHLY SKILLED OCCUPATION 	<ul style="list-style-type: none"> • NO SUCH CATEGORY EXISTS
<ul style="list-style-type: none"> • SKILLED OCCUPATION 	<ul style="list-style-type: none"> • THIS CATEGORY EXISTS
<ul style="list-style-type: none"> • SEMI-SKILLED OCCUPATION 	
<ul style="list-style-type: none"> • UNSKILLED OCCUPATION 	
<p><i>The enactment of four Code is a big leap forward in labour reforms, but protection of interest of workers in changing conditions is a continuous process.</i></p>	

THE CODE ON WAGES, 2019

INSPECTOR-CUM-FACILITATOR

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • NEW ROLE ASSIGNED TO ERSTWHILE 'INSPECTOR' 	IT IS 'INSPECTOR', AND CONDUCTS INSPECTIONS
<ul style="list-style-type: none"> • HIS ROLE IS ENLARGED TO ENCOMPASS NOT JUST INSPECTION 	
<ul style="list-style-type: none"> • BUT ALSO TO ADVISE THE EMPLOYERS AND WORKER 	
<ul style="list-style-type: none"> • WITH REGARD TO THE VARIOUS COMPLIANCES PRESCRIBED UNDER THE CODES. 	
<i>The reforms in labour laws to ease the compliance burden is a positive move. Hopefully, these reforms would start a progressive chain-reaction in the economy.</i>	

WAGES

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS	
<ul style="list-style-type: none"> • INCLUDES :- • BASIC PAY • DEARNESS ALLOWANCE • RETAINING ALLOWANCE 	<ul style="list-style-type: none"> • SUCH PROVISION EXISTS 	
<ul style="list-style-type: none"> • DOES NOT INCLUDE :- • ANY BONUS • VALUE OF ANY HOUSE-ACCOMMODATION • ANY CONTRIBUTION TO PENSION OR PROVIDENT FUND • CONVEYANCE ALLOWANCE • ANY SOME PAID TO DEFRAID SPECIAL EXPENSES 		
<i>Exclusion of 'House Rent Allowance' from the definition of Wage is a little surprise.</i>		

THE CODE ON WAGES, 2019

WAGES

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • HOUSE RENT ALLOWANCE 	<ul style="list-style-type: none"> • IT IS WAGE
<ul style="list-style-type: none"> • AREMUNERATION UNDER AWARD OR SETTLEMENT • ANY OVERTIME ALLOWANCE • ANY COMMISSION • ANY GRATUITY • ANY RETRENCHMENT COMPENSATION, EX-GRATIA PAYMENT 	<ul style="list-style-type: none"> • PROVISION EXISTS
<ul style="list-style-type: none"> • PROVIDED :- 	
<ul style="list-style-type: none"> • OTHER ALLOWANCES EXCEEDING 50%, OR AS NOTIFIED, OF ALL REMUNERATION WILL BE TREATED AS WAGE 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • ANY PAYMENT IN KIND EXCEEDING 15% OF ALL REMUNERATION WILL BE TREATED AS WAGE 	
<p><i>If the workers desire more wages and more benefits, first they should deserve for the more.</i></p>	

MINIMUM WAGES

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • IT APPLIES TO ALL EMPLOYEES IN ALL EMPLOYMENTS 	<ul style="list-style-type: none"> • APPLICABLE IN SCHEDULED EMPLOYMENTS ONLY
<ul style="list-style-type: none"> • MINIMUM WAGES TO BE ORDINARILY REVIEWED IN A PERIOD NOT EXCEEDING FIVE YEARS 	<ul style="list-style-type: none"> • THIS PROVISION EXISTS
<p><i>Wage is the driving force behind happiness and motivation of any worker. Introduction of Minimum Floor Wage is a good vaccine for the ailing workforce.</i></p>	

DEARNNESS ALLOWANCE

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • TO BE COMPUTED BEFORE :- 	<ul style="list-style-type: none"> • NO SUCH MANDATE
<ul style="list-style-type: none"> • 1ST APRIL 	
<ul style="list-style-type: none"> • 1ST OCTOBER 	
<p><i>The Codes also protect the interest of the working class and provide a fillip to Government's employment formalization drive. Contractors employing less than 50 persons, not required to obtain the license.</i></p>	

THE CODE ON WAGES, 2019:

➤ FLOOR WAGE

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • CENTRAL GOVERNMENT WILL FIX FLOOR WAGE • CENTRAL GOVERNMENT MAY TAKE PRE-ADVISE OF ADVISORY BOARD AND STATE GOVERNMENT • DIFFERENT FLOOR WAGES MAY BE FIXED FOR DIFFERENT GEOGRAPHICAL AREAS • MINIMUM WAGE RATES FIXED BY APPROPRIATE GOVERNMENTS SHALL NOT BE LESS THAN THE FLOOR WAGE 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<p><i>Migrant workers will be able to port ration facilities and avail of benefits from the Building and Other Construction Workers' Cess.</i></p>	

➤ NO DISCRIMINATION

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • NO DISCRIMINATION ON GENDER BASIS IN WAGES FOR SAME WORK, OR FOR WORK OF SIMILAR NATURE • EMPLOYER NOT TO REDUCE WAGES OF ANY EMPLOYEE • NO DISCRIMINATION ON GROUND OF SEX WHILE RECRUITING EMPLOYEES FOR SAME WORK, OR FOR WORK OF SIMILAR NATURE, UNLESS EMPLOYMENT OF WOMEN IS PROHIBITED OR RESTRICTED UNDER ANY LAW 	<ul style="list-style-type: none"> • SUCH PROVISIONS EXIST
<p><i>The monopoly of 'manpower' will be matched by 'womanpower', with equi-gender opportunity in employment and service conditions, for upliftment of standard of family at micro level and that of the nation at macro level.</i></p>	

THE CODE ON WAGES, 2019

FLOOR WAGE

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • CENTRAL GOVERNMENT WILL FIX FLOOR WAGE • CENTRAL GOVERNMENT MAY TAKE PRE-ADVISE OF ADVISORY BOARD AND STATE GOVERNMENT • DIFFERENT FLOOR WAGES MAY BE FIXED FOR DIFFERENT GEOGRAPHICAL AREAS • MINIMUM WAGE RATES FIXED BY APPROPRIATE GOVERNMENTS SHALL NOT BE LESS THAN THE FLOOR WAGE 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<p><i>Migrant workers will be able to port ration facilities and avail of benefits from the Building and Other Construction Workers' Cess.</i></p>	

NO DISCRIMINATION

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • NO DISCRIMINATION ON GENDER BASIS IN WAGES FOR SAME WORK, OR FOR WORK OF SIMILAR NATURE • EMPLOYER NOT TO REDUCE WAGES OF ANY EMPLOYEE • NO DISCRIMINATION ON GROUND OF SEX WHILE RECRUITING EMPLOYEES FOR SAME WORK, OR FOR WORK OF SIMILAR NATURE, UNLESS EMPLOYMENT OF WOMEN IS PROHIBITED OR RESTRICTED UNDER ANY LAW 	<ul style="list-style-type: none"> • SUCH PROVISIONS EXIST
<p><i>The monopoly of 'manpower' will be matched by 'womanpower', with equi-gender opportunity in employment and service conditions, for upliftment of standard of family at micro level and that of the nation at macro level.</i></p>	

THE CODE ON WAGES, 2019

PAYMENT OF WAGES

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> NOW ALL EMPLOYEES ARE PROTECTED WITHOUT ANY WAGE LIMIT, INCLUDING SUPERVISORS AND MANAGERS 	<ul style="list-style-type: none"> THE WAGE CEILING IS RS. 24,000 PER MONTH
<ul style="list-style-type: none"> PAYMENT OF WAGES IN CURRENT COIN OR CURRENCY NOTES OR THROUGH BANK TRANSFER BY ELECTRONIC MODE 	<ul style="list-style-type: none"> NO EMPHASIS ON ELECTRONIC MODE
<ul style="list-style-type: none"> WAGES TO BE PAID WITHIN 2 DAYS OF HIS REMOVAL, DISMISSAL, RETRENCHMENT AND RESIGNATION 	<ul style="list-style-type: none"> RESIGNATION IS NOT INCLUDED
<p><i>Payment of wages electronically or through transfer to bank account will largely help in containing malpractices of less payment.</i></p>	

TIMELY PAYMENT TO CONTRACTOR

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> WHERE EMPLOYEES ARE EMPLOYED THROUGH A CONTRACTOR 	<ul style="list-style-type: none"> NO SUCH PROVISION
<ul style="list-style-type: none"> HE WILL BE PAID THE WAGE AMOUNT BY THE PRINCIPAL EMPLOYER 	
<ul style="list-style-type: none"> BEFORE THE DATE OF PAYMENT OF WAGES 	
<ul style="list-style-type: none"> SO THAT EMPLOYEES ARE PAID WAGES IN TIME 	
<p><i>By increasing threshold from 20 to 50 workers, small entrepreneurs will benefit by employing more workers through contractor, rather than employing them directly.</i></p>	

THE CODE ON WAGES, 2019

FINE

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> EMPLOYER CAN IMPOSE FINE ON AN EMPLOYEE, ONLY WITH THE APPROVAL OF THE DLC ©, WHO WILL GIVE OPPORTUNITY OF HEARING THE EMPLOYER AND THE EMPLOYEE, BEFORE REJECTING OR GIVING APPROVAL 	<ul style="list-style-type: none"> NO SUCH PROVISION
<ul style="list-style-type: none"> DISPLAY NOTICE SPECIFYING OMISSIONS ON WHICH FINE CAN BE IMPOSED 	
<p><i>The Code will bring in transparency and rationality in dealing with acts of misdemeanor of workers.</i></p>	

DEDUCTION FROM WAGES

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> FOR DEDUCTION FROM WAGES FOR ABSENCE FROM DUTY, UNDER SUB-SECTION 2 OF SECTION 20, EMPLOYER SHALL INTIMATE TO THE INSPECTOR-CUM-FACILITATOR 	<ul style="list-style-type: none"> NO SUCH PROVISION
<ul style="list-style-type: none"> INSPECTOR-CUM-FACILITATOR SHALL EXAMINE IF THE EXPLANATION IS IN CONTRAVENTION OF ANY PROVISION OF THE CODE, AND SHALL INITIATE APPROPRIATE ACTION AGAINST THE EMPLOYER 	
<p><i>Business need to be more responsible and forthcoming to ensure greater compliance. The new Codes, when implemented, would need industries to file just one compliance return for all Codes.</i></p>	

THE CODE ON WAGES, 2019

➤ **BONUS:**

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • AN EMPLOYEE NOT WORKING ALL DAYS IN AN ACCOUNTING YEAR, HIS BONUS WILL BE PROPORTIONATELY REDUCED 	<ul style="list-style-type: none"> • MIN. 30 DAYS' WORK. MIN BONUS RS. 100
<ul style="list-style-type: none"> • DISQUALIFICATION FROM RECEIVING BONUS - ON CONVICTION FOR SEXUAL HARASSMENT 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • BONUS AMOUNT TO BE CREDITED IN BANK ACCOUNT OF THE EMPLOYEE WITHIN 8 MONTHS FROM THE CLOSE OF ACCOUNTING YEAR 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<i>Parity in wages and recruitment between men and women employees is a welcome initiative.</i>	

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • PROVIDED - IF THERE IS DISPUTE FOR PAYMENT OF BONUS AT HIGHER RATE, THE EMPLOYER WILL PAY 8.1/3 % OF BONUS WITHIN 8 MONTHS OF CLOSE OF ACCOUNTING YEAR 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • A DISPUTE FOR FIXATION, ELIGIBILITY AND PAYMENT OF BONUS UNDER THE CODE AND TO PUBLIC SECTOR WILL BE DEEMED AS THE INDUSTRIAL DISPUTE WITHIN THE MEANING OF INDUSTRIAL DISPUTES ACT, 1947 	
<i>Expansion of definition of inter-state migrant workers to include such individual workers is a good initiative so that no one is left out from receiving benefits under the Code</i>	

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • WHERE EMPLOYEES ARE EMPLOYED THROUGH A CONTRACTOR, AND THE CONTRACTOR FAILS TO PAY MINIMUM BONUS, THE COMPANY SHALL BE RESPONSIBLE TO PAY THE MINIMUM BONUS TO SUCH EMPLOYEES 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • BONUS TO BE CALCULATED ON WAGE AMOUNT AS DETERMINED BY APPROPRIATE GOVERNMENT OR MINIMUM WAGE, WHICHEVER IS HIGHER 	<ul style="list-style-type: none"> • EXISTS THROUGH A NOTIFICATION
<i>The Code re-enforces the provision that daily working hours will remain 8 hours and weekly hours as 48 hours, with spread over of maximum 12 hours on any day.</i>	

THE CODE ON WAGES, 2019

➤ **BONUS:**

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • IN A PUBLIC SECTOR ESTABLISHMENT • SELLING GOODS PRODUCED BY IT • IN COMPETITION WITH PRIVATE SECTOR ESTABLISHMENT • AND EARNING INCOME NOT LESS THAN 20% OF GROSS INCOME FOR THAT YEAR • PROVISIONS OF THIS CODE WILL APPLY • ON THE PUBLIC SECTOR ESTABLISHMENT LIKE A PRIVATE SECTOR 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<i>As earlier, Wage has been defined in the Code, Minimum Wage has not been defined.</i>	

➤ **PAYMENT OF DUES**

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • EVERY EMPLOYER SHALL PAY ALL AMOUNTS REQUIRED TO BE PAID UNDER THIS CODE TO EVERY EMPLOYEE EMPLOYED BY HIM • IF THE EMPLOYEE DIES BEFORE RECEIPT OF ALL PAYMENT DUE TO HIM, THE EMPLOYER WILL PAY HIS DUES TO THE NOMINEE • IF NO NOMINATION IS MADE BY THE DECEASED EMPLOYEE, THE EMPLOYER WILL DEPOSIT HIS DUES WITH THE CONCERNED AUTHORITY, WHO WILL DEAL WITH IT, AS PRESCRIBED 	<ul style="list-style-type: none"> • NO SUCH PROVISION • SUCH PROVISION EXISTS • SUCH PROVISION EXISTS
<i>Consolidation of several Acts into just four Codes will help in easier understanding and easier implementation.</i>	

THE CODE ON WAGES, 2019

➤ CLAIM:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • APPROPRIATE GOVERNMENT MAY APPOINT AUTHORITIES (GAZETTED OFFICERS) TO HEAR AND DETERMINE THE CLAIMS 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • THE AUTHORITY MAY IN ADDITION TO DETERMINATION OF CLAIM, ALLOW PAYMENT OF COMPENSATION ALSO UPTO 10 TIMES OF CLAIM DETERMINED, AND TO DECIDE THE CLAIM WITHIN 3 MONTHS 	<ul style="list-style-type: none"> • SUCH PROVISION IS THERE, EXCEPT THE TIME LIMIT
<ul style="list-style-type: none"> • IF EMPLOYER FAILS TO PAY THE CLAIM, RECOVERY CERTIFICATE WILL BE ISSUED AND THE COLLECTOR WILL RECOVER THE CLAIM AS ARREARS OF LAND REVENUE 	<ul style="list-style-type: none"> • SUCH PROVISION EXISTS
<p><i>Consolidation of labour laws in four Codes has standardised multiple definitions.</i></p>	

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • THE APPLICATION OF CLAIM CAN BE FILED BY :- • (A) THE EMPLOYEE CONCERNED, • (B) REGISTERED TRADE UNION, • (C) THE INSPECTOR-CUM-FACILITATOR 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<ul style="list-style-type: none"> • APPLICATION FOR CLAIM CAN BE FILED WITHIN 3 YEARS 	<ul style="list-style-type: none"> • IT IS 6 MONTHS UNDER THE MINIMUM WAGES ACT, 1948
<p><i>Encouragement to electronic medium will help in faster and accurate compliances.</i></p>	

THE CODE ON WAGES, 2019

➤ INSPECTION:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> INSPECTION OF ESTABLISHMENTS WOULD BE DECIDED ON WEB-BASED SCHEME. NO PRE-DEFINED TERRITORIAL JURISDICTION OF INSPECTORS NOW. 	<ul style="list-style-type: none"> NO SUCH PROVISION
<p><i>New role of Inspector-cum-Facilitator will establish relationship of mutual trust and confidence with Employers and Workers.</i></p>	

➤ PENALTIES:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> FOR LESS PAYMENT TO EMPLOYEE - FINE OF RS. 50,000 	<ul style="list-style-type: none"> PENALTIES ARE MUCH LOWER
<ul style="list-style-type: none"> FOR REPEAT OFFENCE WITHIN 5 YEARS - IMPRISONMENT UPTO 3 MONRHS, OR FINE OF UPTO RS. ONE LAKH RUPEES, OR BOTH 	
<ul style="list-style-type: none"> FOR CONTRAVENTION OF OTHER PROVISION OF CODE OR RULE - FINE UPTO RS. 20,000. 	
<ul style="list-style-type: none"> FOR REPEAT OFFENCE WITHIN 5 YEARS - IMPRISONMENT UPTO 1 MONRH, OR FINE OF UPTO RS. 40,000, OR BOTH 	
<ul style="list-style-type: none"> FOR NON-MAINTENANCE OR IMPROPER RECORDS - FINE UPTO RS. 10,000. 	
<p><i>One of the objectives of the Codes is to provide flexibility and simplicity in doing business.</i></p>	

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> BEFORE INITIATING PROSECUTION, INSPECTOR-CUM-FACILITATOR WILL GIVE 	<ul style="list-style-type: none"> NO SUCH PROVISION
<ul style="list-style-type: none"> OPPORTUNITY TO EMPLOYER TO COMPLY WITH PROVISIONS OF THE CODE WITHIN GIVEN TIME 	
<ul style="list-style-type: none"> AND IF COMPLIED BY EMPLOYER, NO PROSECUTION OF EMPLOYER WILL BE INITIATED 	
<ul style="list-style-type: none"> IF CONTRAVENTION REPEATED WITHIN 3 YEARS, PROSECUTION WILL BE INITIATED. 	
<p><i>Enhanced penalties will encourage better compliance and fatter Social Security Fund.</i></p>	

THE CODE ON WAGES, 2019

➤ COMPOSITION OF OFFENCE:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • A GAZETTED OFFICER BY APPROPRIATE GOVERNMENT • ON APPLICATION BY THE ACCUSED, BEFORE OR AFTER INSTITUTION OF PROSECUTION • MAY COMPOUND THE OFFENCE ON PAYMENT OF 50% OF THE MAXIMUM FINE PAYABLE • IN CASES WHERE THE PUNISHMENT FOR OFFENCE DOES NOT INVOLVE IMPRISONMENT ONLY, OR IMPRISONMENT WITH FINE • THE BENEFIT OF COMPOSITION WILL NOT BE AVAILABLE IN CASE OF SECOND OFFENCE WITHIN 5 YEARS 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<p><i>Fixation of minimum floor wage for different geographical areas by the Central Government by use of common yardsticks will result in balanced floor wages devoid of regional biases.</i></p>	

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • IF THE APPLICATION FOR COMPOSITION IS MADE AFTER INITIATION OF PROSECUTION, THE OFFICER WILL BRING IT TO THE NOTICE OF THE COURT IN WRITING, WHERE PROSECUTION IS PENDING; AND THE PERSON WILL BE DISCHARGED • IF THE PERSON FAILS TO COMPLY WITH THE ORDER OF THE OFFICER, THE PERSON SHALL BE PUNISHED WITH 25% OF MAXIMUM FINE AMOUNT FOR THE OFFENCE, IN ADDITION TO THE FINE 	<ul style="list-style-type: none"> • NO SUCH PROVISION
<p><i>Appropriate Government will be empowered to fix wage ceiling for eligibility and payment of bonus.</i></p>	

➤ MISCELLANEOUS

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • IN CASE OF A CLAIM FOR LESS PAYMENT OF MINIMUM WAGES, OR NON PAYMENT OF WAGES OR BONUS; ONUS TO PROVE THAT PAYMENT HAS BEEN MADE WILL BE ON EMPLOYER 	<ul style="list-style-type: none"> • NORMALLY ONUS OF PROOF OF PAYMENT IS ON EMPLOYER
<p><i>Compounding of first offence shows that the intention of the authorities is to allow correction and compliance by the employer and not his punishment.</i></p>	

THE CODE ON WAGES, 2019

➤ HOURS OF WORK & SPREADOVER:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • 9 HOURS WILL CONSTITUTE A NORMAL WORKING DAY, INCLUSIVE OF REST INTERVAL(S) 	<ul style="list-style-type: none"> • SUCH PROVISION EXISTS
<ul style="list-style-type: none"> • SPREADOVER NOT MORE THAN 12 HOURS ON ANY DAY 	<ul style="list-style-type: none"> • DIFFERENT SPREADOVERS
<p><i>Preponing the last date of payment of wages to employees from 10th to 7th of the month is a good gesture in favour of working class.</i></p>	

➤ WEEKLY REST DAY:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • EMPLOYER MAY FIX REST DAY, OTHER THAN SUNDAY 	<ul style="list-style-type: none"> • SOME LIMITATIONS EXIST IN CHANGING THE WEEKLY REST DAY
<ul style="list-style-type: none"> • FOR ANY EMPLOYEE OR CLASS OF EMPLOYEES 	
<ul style="list-style-type: none"> • SUBSEQUENT CHANGES BY DISPLAY ON THE NOTICE BOARD 	
<ul style="list-style-type: none"> • NO EMPLOYEE SHALL WORK CONTINUOUSLY FOR MORE THAN 10 WITHOUT A REST DAY 	
<p><i>Different penalties for different offences commensurate with gravity is a balanced approach.</i></p>	

➤ DEPOSIT OF UNPAID DUES:

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> • ALL UNPAID DUES TO THE EMPLOYEE OR TO HIS NOMINEE 	<ul style="list-style-type: none"> • AT PRESENT SUCH UNPAID AMOUNTS ARE TO BE DEPOSITED WITH WELFARE FUND COMMISSIONER OF THE CONCERNED STATE AFTER A PERIOD OF 3 YEARS
<ul style="list-style-type: none"> • FOR MORE THAN 6 MONTHS 	
<ul style="list-style-type: none"> • SHALL BE DEPOSITED WITH DY.CLC (C) 	
<ul style="list-style-type: none"> • BEFORE EXPIRY OF 15TH DAY AFTER THE LAST DAY OF 6 MONTHS 	
<p><i>For various practical reasons the time limit for deposit of unpaid money with concerned authority after six months is a very short period. Three years period could have been retained.</i></p>	

THE CODE ON WAGES, 2019

➤ RECORDS

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> EMPLOYER SHALL MAINTAIN REGISTER CONTAINING DETAILS REGARDING PERSONS EMPLOYED, MUSTER ROLL, WAGES AND SUCH OTHER DETAILS 	<ul style="list-style-type: none"> MORE RECORDS TO BE MAINTAINED
<ul style="list-style-type: none"> EMPLOYER SHALL DISPLAY IN THE ESTABLISHMENT ABSTRACT OF THE CODE, CATEGORY WISE WAGE RATES, WAGE PERIOD, DAY OR DATE OF TIME OF PAYMENT OF WAGES AND THE NAME AND ADDRESS OF INSPECTOR-CUM-FACILITATOR OF THE AREA 	<ul style="list-style-type: none"> SIMILAR PROVISION EXISTS
<i>Enhancing period of making claim upto three years is a pro-worker initiative.</i>	

➤ FORMS

AS PER CODE ON WAGES, 2019	AS PER EXISTING LAWS
<ul style="list-style-type: none"> FORM-I REGISTER FOR ATTENDANCE, WAGES, OVERTIME, FINE, CODE 	<ul style="list-style-type: none"> THERE ARE SEVERAL REGISTERS, FORMS, RETURNS ETC.
<ul style="list-style-type: none"> FORM-IV FORMAT OF EMPLOYEE REGISTER 	
<ul style="list-style-type: none"> FORM-V WAGE SLIP 	
<ul style="list-style-type: none"> FORM-VI APPLICATION FOR COMPOUNDING OF OFFENCE 	<ul style="list-style-type: none"> NO SUCH FORM EXISTS
<i>Timely payment of wages is applicable to all employees irrespective of any category or wages amount.</i>	

Contact Us



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THANK YOU!