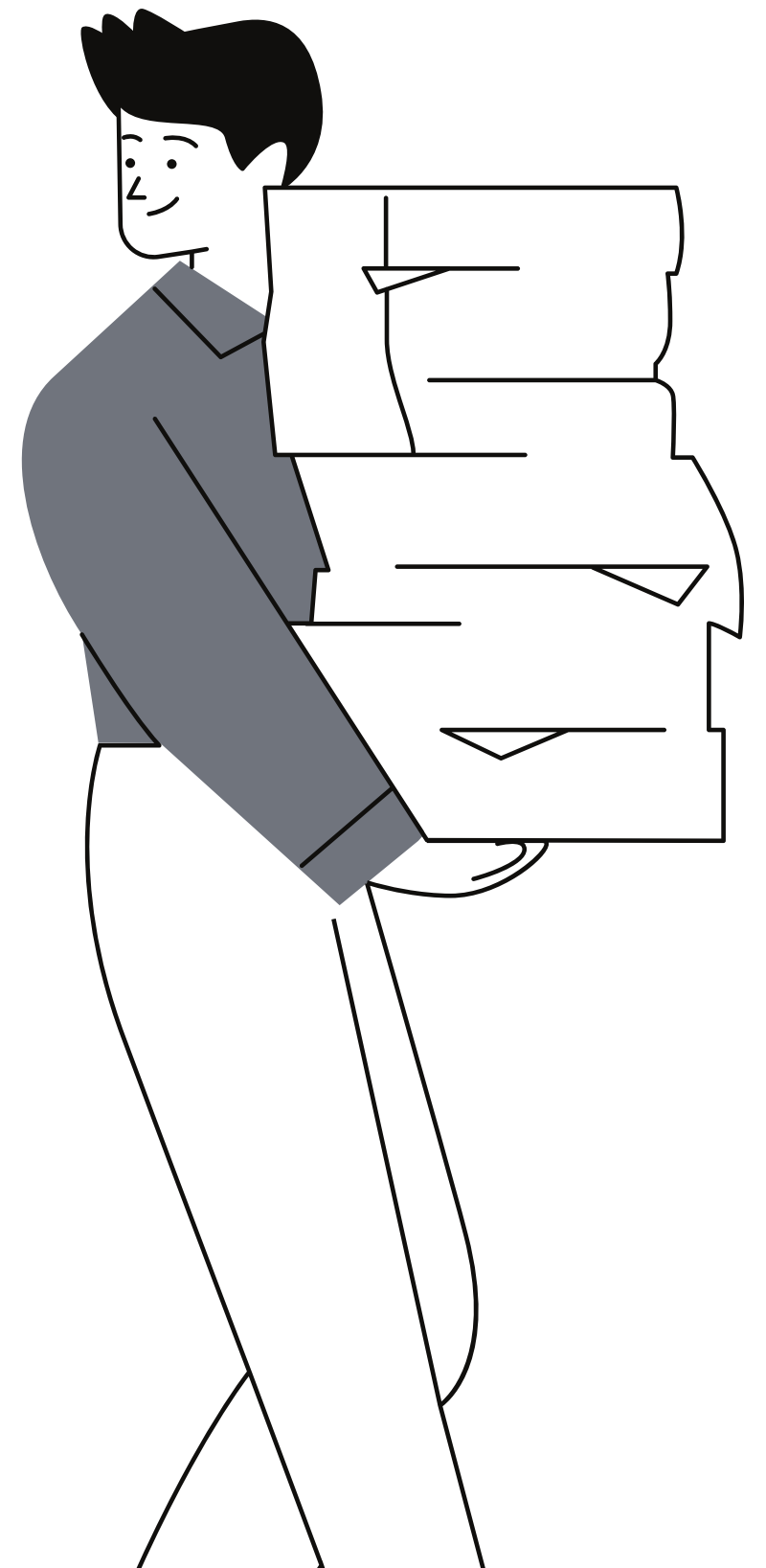


# The New Wage Code

The Code and its  
applications. What's  
right and what's not?



# The Code of Wages

- Combination of four Acts together.
- Bill was passed on Aug 2, 2019
- President's Assent on August 8, 2019. To come into effect from April 2021 but now, deferred.
- Broadened definition of Employees and Wages
- Basic Pay increased to 50% of the total CTC



# Positives

1

Covers both organised as well as unorganised sector employees

2

Increase in retirement benefits and gratuity payment

3

Online inspection and increased penalty for non adherence

4

Broader inclusion in the gender for Equal Remuneration. Right of contract employees also receive a boost

5

Specific timelines mentioned for settlement of resigned cases- within 2 working days

# Negatives

1

Decrease in total take home salary

2

Decrease in reimbursable amounts

3

Increased liability on the employers due to increased PF and retirement benefits

4

Nonuniform wage standards set by state governments

# IMPACT ON BUSINESS

1

Higher liability on the business in terms of retirement and gratuity payment

2

Inclusion of unorganised workers into the employee list

3

Payment of bonus – 20 employees – reduction in profitability

4

Compliance adherence – A responsibility and necessity

# We're done!

A green speech bubble with a tail pointing towards the bottom left, containing the text "THANK YOU!".

THANK YOU!