Chapter III - Payment of wages and deductions

Code on Wages, 2019 | Detailed statutory, Rule, compliance, remedy and evidence guide.

Review date: 2026-07-18Authors: CA Nikhil Gupta & Kajri SinghSections: 15-25Central Rules mapped: 9Local source-hashed Act text + linked Rules and implementation analysis
Download chapter PDFDownload 1-page summary
Current-law alert — 16 July 2026: A Gazette corrigendum to the Code on Wages (Central) Rules, 2026 has been identified. The corrigendum must be read with the 29 May 2026 Rules before deployment or advisory use.

On this page

> Code on Wages, 2019 Payment of wages and deductions four-step compliance flowchart
> Finin2min decision flow — identify the law, complete the statutory process and preserve evidence.

Publication-source status: Every mapped section of the parent Code is embedded locally from the retained official India Code PDF and carries the source SHA-256. Linked 2026 Central Rules, forms, notifications and operational analysis remain subject to the official Gazette and subsequent amendments.

Chapter decision flow

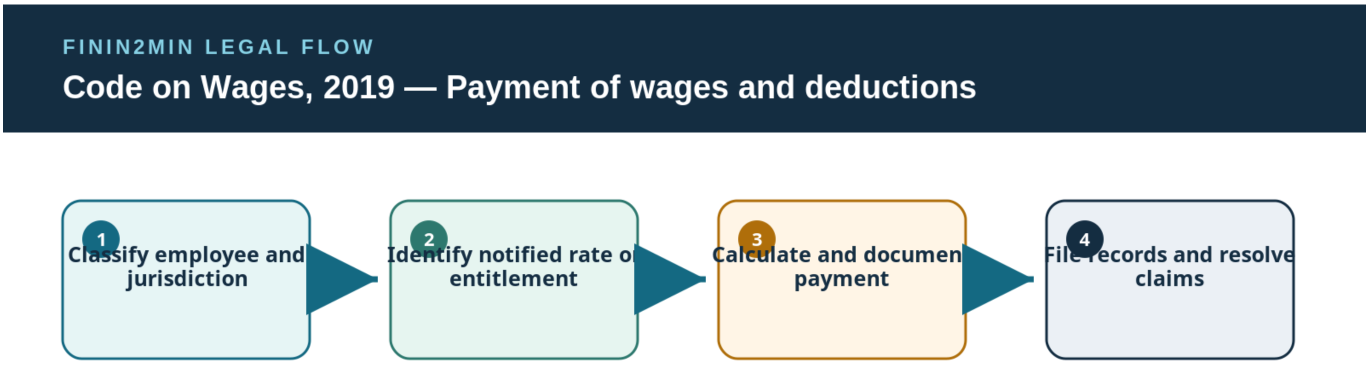
Classify establishment & person→Fix event date→Apply section and Rule→Complete form/record→Retain evidence & remedy file

Finin2min Summary - Chapter in 2 Minutes

This chapter turns payment of wages and deductions into an operational control file. It covers Mode of payment of wages, Fixation of wage period, Time limit for payment of wages, Deductions which may be made from wages; the practical

FININ2MIN CHAPTER DECISION FLOWCHART

Chapter III - Payment of wages and deductions



Law → trigger → procedure → evidence. Confirm the operative Central/State instrument on the event date.

Use this flow with the chapter provision map, implementation controls, evidence checklist, limitation/forum review and remedy framework. Confirm the operative Central and State instruments on the event date.

Chapter III - Payment of wages and deductions

Finin2min implementation explanation

Maintain a controlled implementation file for Chapter III - Payment of wages and deductions: coverage and event date, operative Central/State instrument, responsible owner, approval and authority, form/portal step, due date, calculation basis, supporting evidence, exception, escalation and closure proof. Reconcile payroll, HR, finance, contractor and legal records before sign-off.

Practical example

Classify the worker and establishment, identify the operative provision and notified instrument on the event date, compute the entitlement or exposure from source records, obtain approval, complete the filing/payment/action, and retain evidence. Do not use a portal value or payroll label as a substitute for the statutory test.

Calculation / control template

Control calculation: verified population or transaction base × applicable notified rate/amount × eligible period, adjusted for statutory inclusions, exclusions, ceilings, interest, compensation and prior payments. Reperform the calculation from retained source data.

Current-law control: verify the operative Central/State instrument, notification, form, portal and binding judgment on the event date. Numerical amounts in examples are illustrative unless expressly sourced.

sequence is to classify coverage and event date, apply the provision and mapped Rule, complete the form/register, calculate the entitlement or exposure, and retain evidence for inspection, claim or appeal.

Who is covered

Employers, employees, workers, contractors and payroll teams must first identify the appropriate Government, employment category and event date.

Main obligations and rights

- Section 15: Mode of payment of wages
- Section 16: Fixation of wage period
- Section 17: Time limit for payment of wages
- Section 18: Deductions which may be made from wages
- Section 19: Fines
- Section 20: Deductions for absence from duty

Key thresholds and timelines

- Use only the threshold, rate and limitation period effective on the event date; verify the Central/State instrument before acting.

Forms, registers and evidence

- Register
- Notice
- Retain classification, calculation, approval, communication, acknowledgement and payment/filing proof.

Employer risk snapshot

Highest practical risks: wrong wage base, late payment, unauthorised deduction or incomplete payroll evidence.

Employee/worker remedy snapshot

Core protection: timely and lawful wage payment, a transparent wage slip and a claims route for short-payment or unlawful deduction. Confirm the authority, limitation and appeal route stated in this chapter.

Old law / transition

Map the event date and savings position against: Payment of Wages Act, 1936; Minimum Wages Act, 1948; Payment of Bonus Act, 1965; Equal Remuneration Act, 1976.

Five-point professional checklist

1. Freeze the event date, establishment, location and person/worker classification.
2. Identify the controlling section/paragraph, mapped Rule, notification and appropriate Government.
3. Reperform the calculation or decision test and document every exception or approval.
4. Complete the prescribed form/register/portal step and retain acknowledgement, payment and communication evidence.
5. Record the remedy, forum, limitation, appeal path and State variation before sign-off.

Finin2min takeaway: for payment of wages and deductions, the defensible answer is not a policy label - it is the event-date law, the mapped procedure, the calculation and a complete evidence trail.

Download one-page Finin2min cheat sheet

Section-by-section provision map

Provision	Subject	Implementation focus
Section 15	Mode of payment of wages	Trigger, linked Rule/form, evidence, consequence and remedy
Section 16	Fixation of wage period	Trigger, linked Rule/form, evidence, consequence and remedy
Section 17	Time limit for payment of wages	Trigger, linked Rule/form, evidence, consequence and remedy
Section 18	Deductions which may be made from wages	Trigger, linked Rule/form, evidence, consequence and remedy
Section 19	Fines	Trigger, linked Rule/form, evidence, consequence and remedy
Section 20	Deductions for absence from duty	Trigger, linked Rule/form, evidence, consequence and remedy
Section 21	Deductions for damage or loss	Trigger, linked Rule/form, evidence, consequence and remedy
Section 22		

Provision	Subject	Implementation focus
	Deductions for services rendered	Trigger, linked Rule/form, evidence, consequence and remedy
Section 23	Deductions for recovery of advances	Trigger, linked Rule/form, evidence, consequence and remedy
Section 24	Deductions for recovery of loans	Trigger, linked Rule/form, evidence, consequence and remedy
Section 25	Chapter not to apply to Government establishments	Trigger, linked Rule/form, evidence, consequence and remedy

Section 15: Mode of payment of wages

Current statutory text

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15. Mode of payment of wages.—All wages shall be paid in current coin or c
cheque or by crediting the wages in the bank account of the employee or by

    Provided that the appropriate Government may, by notification, specify
establishment, the employer of which shall pay to every person employed in
establishment, the wages only by cheque or by crediting the wages in his b
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 15 applies.
2. Convert every condition in “Mode of payment of wages” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 15.

Section 16: Fixation of wage period

Current statutory text

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16. Fixation of wage period.—The employer shall fix the wage period for em
or weekly or fortnightly or monthly subject to the condition that no wage
employee shall be more than a month:

    Provided that different wage periods may be fixed for different establ
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Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 16 applies.
2. Convert every condition in “Fixation of wage period” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
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Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 16.

Section 17: Time limit for payment of wages

Current statutory text

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17. Time limit for payment of wages.—(1) The employer shall pay or cause t
employees, engaged on—

          (i) daily basis, at the end of the shift;

           (ii) weekly basis, on the last working day of the week, that is

           (iii) fortnightly basis, before the end of the second day after

         (iv) monthly basis, before the expiry of the seventh day of the s

    (2) Where an employee has been—

          (i) removed or dismissed from service; or

           (ii) retrenched or has resigned from service, or became unemplo
    establishment,
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the wages payable to him shall be paid within two working days of his remo
or, as the case may be, his resignation.

    (3) Notwithstanding anything contained  in sub-section  (1) or sub-sec
Government may, provide any other time limit for payment of wages where  i
having regard to the circumstances under which the wages are to be paid.

    (4) Nothing contained in sub-section (1) or sub-section (2) shall affe
wages provided in any other law for the time being in force.
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Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 17 applies.
2. Convert every condition in “Time limit for payment of wages” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/

officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 17.

Section 18: Deductions which may be made from wages

Current statutory text

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18. Deductions which may be made from wages.—(1) Notwithstanding anything
other law for the time being in force, there shall be no deductions from t
those as are authorised under this Code.

    Explanation.— For the purposes of this sub-section, —

        (a) any payment made by an employee to the employer or his agent s
    deduction from his wages;

        (b) any loss of wages to an employee, for a good and sufficient ca

               (i) the withholding of increment or promotion, including th

                (ii) the reduction to a lower post or time-scale; or

                (iii) the suspension, shall not be deemed to be a deductio
        provisions made by the employer for such purposes are satisfying t
        the notification issued by the appropriate Government in this beha

    (2) Deductions from the wages of an employee shall be made in accordan
this Code, and may be made only for the following purposes, namely:—

        (a) fines imposed on him;

        (b) deductions for his absence from duty;

         (c) deductions for damage to or loss of goods expressly entrusted
    for loss of money for which he is required to account, where such dama
    attributable to his neglect or default;

        (d) deductions for house-accommodation supplied by the employer or
    or any housing board set up under any law for the time being in force,
    such board is the employer or not, or any other authority engaged in t
   house-accommodation which may be specified in this behalf by the approp
    notification;


         (e) deductions for such amenities and services supplied by the em
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Government or any officer specified by it in this behalf may, by genera
and such deduction shall not exceed an amount equivalent to the value o

Explanation.—For the purposes of this clause, the expression "servic
supply of tools and raw materials required for the purposes of employme

(f) deductions for recovery of—

(i) advances of whatever nature (including advances for tra
allowance), and the interest due in respect thereof, or for adjust

(ii) loans made from any fund constituted for the welfare
the appropriate Government, and the interest due in respect thereo

(g) deductions for recovery of loans granted for house-building or
appropriate Government and the interest due in respect thereof;

(h) deductions of income-tax or any other statutory levy levied by
State Government and payable by the employee or deductions required to
or other authority competent to make such order;

(i) deductions for subscription to, and for repayment of advance
scheme constituted by law including provident fund or pension fund or h
fund known by any other name;

(j) deductions for payment of co-operative society subject to su
Government may impose;

(k) deductions made, with the written authorisation of the employ
contribution payable by him for the membership of any Trade Union regi
Unions Act, 1926 (16 of 1926);

(l) deductions for recovery of losses sustained by the railway a
acceptance by the employee of counterfeit or base coins or mutilated o

(m) deductions for recovery of losses sustained by the railway admi
failure of the employee to invoice, to bill, to collect or to account
the railway administration whether in respect of fares, freight, demur
in respect of sale of food in catering establishments or in respect of
otherwise;

(n) deductions for recovery of losses sustained by the railway adm
rebates or refunds incorrectly granted by the employee where such loss
neglect or default;

(o) deductions, made with the written authorisation of the employe
Minister's National Relief Fund or to such other fund as the Central G
specify.

(3) Notwithstanding anything contained in this Code and subject to the
for the time being in force, the total amount of deductions which may be m
any wage period from the wages of an employee shall not exceed fifty per c

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    (4) Where the total deductions authorised under sub-section (2) exceed
the excess may be recovered in such manner, as may be prescribed.

    (5) Where any deduction is made by the employer from the wages of an e
but not deposited in the account of the trust or Government fund or any ot
the provisions of the law for the time being in force, such employee shall
default of the employer.
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Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 18 applies.
2. Convert every condition in “Deductions which may be made from wages” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

Central Rule 13: Rule 13: Recovery of deductions

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 13. Recovery of deductions.— As per sub-section (4) of section 18, where the total deductions authorised under sub-section (2) of section 18 exceed fifty per cent. of the wages of an employee, the excess shall be carried forward and recovered from the wages of succeeding wage period, in instalments so that the recovery in any month shall not exceed the fifty per cent. of the wages of the employee in that month. Open official Gazette PDF ↗ Paragraph map Opening rule proposition Any embedded proviso/explanation Linked form or appendix, where stated Implementation control Translate Rule 13 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Central Rule 17: Rule 17: Intimation of deduction for absence from duty

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 17. Intimation of deduction for absence from duty.—(1) When an employer intends to make any deduction in pursuance of the proviso to sub-section (2) of section 20, the employer shall intimate electronically or in writing to the employee concerned regarding their intention of making such deduction seeking their reply within a period of seven days and on establishment of charges, deduction shall be made from the wages of the employee in accordance with sub- section (3) of section 18. (2) If no reply is received from the employee concerned within seven days, the employer shall make such deduction from the wages and the same shall be intimated to the employee within fifteen days of the date of such deduction. Open official Gazette PDF ↗ Paragraph map (2) Implementation control Translate Rule 17 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Central Rule 18: Rule 18: Procedure for deduction for damage or loss

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 18. Procedure for deduction for damage or loss.—(1) Any employer intending to make deduction for damages or loss under sub-section (1) of section 21 from the wages of an employee, shall give the employee an opportunity to submit explanation within a period of seven days, showing cause, the value of the damage caused or loss of goods expressly entrusted to the employee. (2) On establishment of the charges, deductions shall be made from the wages of the employee in accordance with sub-section (3) of section 18. (3) In case no reply is received from the employee concerned within seven days, the employer shall make such deduction from the wage of the employee concerned and the same shall be intimated to the employee within fifteen days of the date of such deduction. Open official Gazette PDF ↗ Paragraph map (2) (3) Implementation control Translate Rule 18 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 13, Rule 17, Rule 18 | Official source: section 18.

Section 19: Fines

Current statutory text

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19. Fines.—(1) No fine shall be imposed on any employee save in respect of
on his part as the employer, with the previous approval of the appropriate
authority as may be prescribed, may have specified by notice under sub-sec


    (2) A notice specifying such acts and omissions shall be exhibited in
prescribed, on the premises in which the employment is carried on.

    (3) No fine shall be imposed on any employee until such employee has b
showing cause against the fine or otherwise than in accordance with such p
for the imposition of fines.

    (4) The total amount of fine which may be imposed in any one wage-peri
not exceed an amount equal to three per cent. of the wages payable to him

    (5) No fine shall be imposed on any employee who is under the age of f

    (6) No fine imposed on any employee shall be recovered from him by ins
of ninety days from the day on which it was imposed.

    (7) Every fine shall be deemed to have been imposed on the day of the
which it was imposed.

    (8) All fines and all realisations thereof shall be recorded in a regi
form as may be prescribed; and all such realisations shall be applied only
the persons employed in the establishment as are approved by the prescribe
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Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 19 applies.
2. Convert every condition in “Fines” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

Central Rule 14: Rule 14: Authority for approving acts and omissions

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 14. Authority for approving acts and omissions.— The Deputy Chief Labour Commissioner (Central) having jurisdiction over the place of work of the employee concerned shall be the authority for approving acts and omissions for the purposes of sub-section (1) of section 19. Open official Gazette PDF ↗ Paragraph map Opening rule proposition Any embedded proviso/explanation Linked form or appendix, where stated Implementation control Translate Rule 14 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Central Rule 15: Rule 15: Manner of exhibiting notice specifying acts and omissions

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 15. Manner of exhibiting notice specifying acts and omissions.— A notice referred to in sub-section (2) of section 19 shall be displayed in physical form or electronically in Hindi, English and local language at the conspicuous place in the premises of the work place in which the employment is carried on and a copy of the notice shall be sent electronically or by speed post to the Inspector-cum-Facilitator having jurisdiction. Open official Gazette PDF ↗ Paragraph map Opening rule proposition Any embedded proviso/explanation Linked form or appendix, where stated Implementation control Translate Rule 15 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Central Rule 16: Rule 16: Procedure for imposing fines

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 16. Procedure for imposing fines.— (1) As per sub-section (3) of section 19, the employer shall give intimation electronically or in writing to the employee concerned specifying therein the particulars of acts and omissions done by the employee, warranting the imposition of fine, for showing cause within seven days. (2) On establishment of charges, fine shall be imposed on the delinquent employee. (3) Wherein no reply is received from the employee within the scheduled period, fine shall be imposed and the same shall be intimated to the employee within fifteen days of the imposition of such fine. Open official Gazette PDF ↗ Paragraph map (2) (3) Implementation control Translate Rule 16 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Central Rule 51: Rule 51: Form of register, etc

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 51. Form of register, etc.- (1) The employer of all establishments to which the Code applies shall maintain under sub-section (1) of section 50, electronically or in physical form in the formats appended to these rules, the following registers:— (i) Employee Register in Form I; (ii) Register of Wages, Overtime, Advances, Fines and Deductions for Damage and Loss in Form IV; and (iii)Attendance Register-cum-Muster Roll in Form IX. (2) All fines and all realisations referred to in sub-section (8) of section 19 shall be recorded in a register to be kept by the employer electronically or in physical form in Form - IV and the authority referred to in sub-section (8) shall be the Deputy Chief Labour Commissioner (Central) having jurisdiction. (3) All deductions and realisations referred to in sub section (3) of section 21 shall be recorded in a register to be kept by the employer electronically or in physical form in Form IV. (4) The registers maintained under these rules shall be preserved for a period of five years after the date of last entry made therein. Open official Gazette PDF ↗ Paragraph map (i) (2) (3) (4) Implementation control Translate Rule 51 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 14, Rule 15, Rule 16, Rule 51 | Official source: section 19.

Section 20: Deductions for absence from duty

Current statutory text

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20. Deductions for absence from duty.—(1) Deductions may be made under cla
section (2) of section 18 only on account of the absence of an employee fr
the terms of his employment, he is required to work, such absence being fo
period during which he is so required to work.

    (2) The amount of such deduction shall in no case bear to the wages pa
in respect of the wage-period for which the deduction is made in a larger 
which he was absent bears to the total period within such wage-period duri
employment he was required to work:

    Provided that, subject to any rules made in this behalf by the appropr
employed persons acting in concert absent themselves without due notice (t
the notice which is required under the terms of their contracts of employm
cause, such deduction from any such person may include such amount not exc
days as may by any such terms be due to the employer in lieu of due notice

    Explanation.— For the purposes of this section, an employee shall be d
place where he is required to work if, although present in such place, he 
strike or for any other cause which is not reasonable in the circumstances
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 20 applies.
2. Convert every condition in “Deductions for absence from duty” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

Central Rule 17: Rule 17: Intimation of deduction for absence from duty

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 17. Intimation of deduction for absence from duty.—(1) When an employer intends to make any deduction in pursuance of the proviso to sub-section (2) of section 20, the employer shall intimate electronically or in writing to the employee concerned regarding their intention of making such deduction seeking their reply within a period of seven days and on establishment of charges, deduction shall be made from the wages of the employee in accordance with sub- section (3) of section 18. (2) If no reply is received from the employee concerned within seven days, the employer shall make such deduction from the wages and the same shall be intimated to the employee within fifteen days of the date of such deduction. Open official Gazette PDF ↗ Paragraph map (2) Implementation control Translate Rule 17 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 17 | Official source: section 20.

Section 21: Deductions for damage or loss

Current statutory text

```
21. Deductions for damage or loss.—(1) A deduction under clause (c) or cla
(2) of section 18 for damage or loss shall not exceed the amount of the da
employer by negligence or default of the employee.

    (2) A deduction shall not be made under sub-section (1) until the empl
opportunity of showing cause against the deduction or otherwise than in ac
as may be prescribed for the making of such deductions.

    (3) All such deductions and all realisations thereof shall be recorded
form as may be prescribed.
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 21 applies.
2. Convert every condition in “Deductions for damage or loss” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

Central Rule 18: Rule 18: Procedure for deduction for damage or loss

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 18. Procedure for deduction for damage or loss.—(1) Any employer intending to make deduction for damages or loss under sub-section (1) of section 21 from the wages of an employee, shall give the employee an opportunity to submit explanation within a period of seven days, showing cause, the value of the damage caused or loss of goods expressly entrusted to the employee. (2) On establishment of the charges, deductions shall be made from the wages of the employee in accordance with sub-section (3) of section 18. (3) In case no reply is received from the employee concerned within seven days, the employer shall make such deduction from the wage of the employee concerned and the same shall be intimated to the employee within fifteen days of the date of such deduction. Open official Gazette PDF ↗ Paragraph map (2) (3) Implementation control Translate Rule 18 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/

establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Central Rule 51: Rule 51: Form of register, etc

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 51. Form of register, etc.- (1) The employer of all establishments to which the Code applies shall maintain under sub-section (1) of section 50, electronically or in physical form in the formats appended to these rules, the following registers:— (i) Employee Register in Form I; (ii) Register of Wages, Overtime, Advances, Fines and Deductions for Damage and Loss in Form IV; and (iii)Attendance Register-cum-Muster Roll in Form IX. (2) All fines and all realisations referred to in sub-section (8) of section 19 shall be recorded in a register to be kept by the employer electronically or in physical form in Form - IV and the authority referred to in sub-section (8) shall be the Deputy Chief Labour Commissioner (Central) having jurisdiction. (3) All deductions and realisations referred to in sub section (3) of section 21 shall be recorded in a register to be kept by the employer electronically or in physical form in Form IV. (4) The registers maintained under these rules shall be preserved for a period of five years after the date of last entry made therein. Open official Gazette PDF ↗ Paragraph map (i) (2) (3) (4) Implementation control Translate Rule 51 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 18, Rule 51 | Official source: section 21.

Section 22: Deductions for services rendered

Current statutory text

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22. Deductions for services rendered.—A deduction under clause (d) or clau
of section 18 shall not be made from the wages of an employee, unless the 
or service has been accepted by him as a term of employment or otherwise a
exceed an amount equivalent to the value of the house-accommodation amenit
shall be subject to such conditions as the appropriate Government may impo
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 22 applies.
2. Convert every condition in “Deductions for services rendered” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 22.

Section 23: Deductions for recovery of advances

Current statutory text

```
23. Deductions for recovery of advances.—Deductions under clause (f) of su
18 for recovery of advances given to an employee shall be subject to the f

        (a) recovery of advance of money given to an employee before the e
   made from the first payment of wages to him in respect of a complete wa
    shall be made of such advances given for travelling expenses;

        (b) recovery of advance of money given to an employee after the em
    subject to such conditions as may be prescribed;
```

```
      (c) recovery of advances of wages to an employee not already earn
conditions as may be prescribed.
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 23 applies.
2. Convert every condition in “Deductions for recovery of advances” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

Central Rule 19: Rule 19: Conditions regarding recovery of advance

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 19. Conditions regarding recovery of advance:— The recovery of,—– (i) advances of money given to an employee after the employment begins under clause (b) of section 23; or (ii) advances of wages to an employee not already earned under clause (c) of section 23, as the case may be, shall be made by the employer from the wages of the concerned employee in instalments determined by the employer, so as any or all instalments in a wage period, shall not exceed fifty per cent of the wages of the employee subject to the ceiling specified in rule 13 in that wage period and the particulars of such recovery shall be recorded in the register maintained in Form-IV. Open official Gazette PDF ↗ Paragraph map (i) Implementation control Translate Rule 19 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 19 | Official source: section 23.

Section 24: Deductions for recovery of loans

Current statutory text

```
24. Deductions for recovery of loans.—Deductions under clause (g) of sub-s
for recovery of loans granted to an employee, regulating the extent to whi
and the rate of interest payable thereon, shall be such as may be prescrib
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 24 applies.
2. Convert every condition in “Deductions for recovery of loans” into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

Central Rule 20: Rule 20: Deduction for recovery of loans:— As per section 24, deductions for recovery of loans granted

Extracted from the English part of the Gazette PDF bundled with the production repository. Formatting is normalised; the signed Gazette PDF prevails. 20. Deduction for recovery of loans:— As per section 24, deductions for recovery of loans granted and the interest due in respect thereof shall be as per extant instructions or guidelines of the Central Government regulating the extent to which such loans may be granted and the rate of interest that shall be payable thereon. CHAPTER V P AYMENT OF BONUS Open official Gazette PDF ↗ Paragraph map Opening rule proposition Any embedded proviso/explanation Linked form or appendix, where stated Implementation control Translate Rule 20 into a named owner, payroll/HR system control, prescribed form or register, due date, reviewer and retained evidence. Where the rule delegates criteria to a special or general order, verify that order rather than inventing a threshold. Evidence checklist current Gazette and later amendment check applicable employee/establishment classification calculation, register, form or notice required by the rule approval and submission/payment evidence exception and remediation log Failure consequence Failure can support a wage/bonus claim, an inspection observation, adjudication or prosecution depending on the linked Code provision. Apply sections 45, 49 and 51–56 as relevant. Primary sources Ministry of Labour — Code on Wages (Central) Rules, 2026 ↗ India Code — Code on Wages, 2019 ↗ Ministry Labour Codes library ↗ Last official-source review: 16 July 2026. ← Previous Next → Reliance note: Read the current Gazette/India Code text, the applicable Central or State rules and later notifications before acting. This repository is educational and does not replace matter-specific legal advice.

Practical example

A payroll team tests the employee category, wage period, notified rate, permitted exclusions and documentary proof before releasing payroll. It records the calculation, approval, bank output and wage slip so that every disputed limb can be reconstructed.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: Rule 20 | Official source: section 24.

Section 25: Chapter not to apply to Government establishments

Current statutory text

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25. Chapter not to apply to Government establishments.—The provisions of t
apply to the Government establishments unless the appropriate Government,
provisions to the Government establishments specified in the said notifica

                            CHAPTER IV

                              PAYMENT OF BONUS
```

Finin2min clause-by-clause decode

1. Identify the person or establishment to whom section 25 applies.
2. Convert every condition in "Chapter not to apply to Government establishments" into a dated checklist.
3. Map the applicable authority, State/Central jurisdiction and documentary evidence.
4. Test exceptions, provisos, deeming language and consequences separately.

Applicable Central Rules immediately below the provision

No direct Central Rule is mapped. Check general procedural Rules, State Rules and later notifications.

Practical example

A multi-location employer prepares a legal classification memo, identifies the appropriate Government, maps the operative provision and Rule, records the decision owner and retains the documents needed to prove compliance during inspection or litigation.

Controls and evidence

- Employer: assign owner, configure system and retain approval/payment proof.
- Employee/worker: retain contract, attendance, wage/benefit proof and communication.
- Professional: reconcile the Act, Rule, notification, form, limitation and State overlay.

Consequence, remedy and limitation

Identify the substantive default first, then separately map arrears or benefit, interest/damages, administrative penalty, prosecution, compounding, company/officer liability, forum, appeal and limitation. Do not infer a remedy from the heading alone.

Mapped Rules: No direct Central Rule mapped in the repository concordance | Official source: section 25.

Rules, forms, registers, portals and due dates

Rule	Subject	Text/control status
13	Rule 13: Recovery of deductions	Exact Gazette extract embedded
17	Rule 17: Intimation of deduction for absence from duty	Exact Gazette extract embedded
18	Rule 18: Procedure for deduction for damage or loss	Exact Gazette extract embedded
14	Rule 14: Authority for approving acts and omissions	Exact Gazette extract embedded
15	Rule 15: Manner of exhibiting notice specifying acts and omissions	Exact Gazette extract embedded
16	Rule 16: Procedure for imposing fines	Exact Gazette extract embedded
51	Rule 51: Form of register, etc	Exact Gazette extract embedded
19	Rule 19: Conditions regarding recovery of advance	Exact Gazette extract embedded
20	Rule 20: Deduction for recovery of loans:— As per section 24, deductions for recovery of loans granted	Exact Gazette extract embedded

Forms and registers must be confirmed from the appended 2026 Central Rules and the live portal applicable to the appropriate Government. A form is not treated as current merely because an earlier law used the same number.

Notifications and effective-date history

Control	Required action
Enactment	Record Act number, assent and Gazette publication.
Commencement	Use the provision-specific commencement notification; the four Codes became broadly operative from 21 November 2025 subject to earlier partial commencement and corrigenda.
Central Rules	Read the applicable 2026 Central Rules from their Gazette date and verify subsequent amendments.
State instrument	Check final State Rules, authority notifications, forms and rates where the State is appropriate Government.

Old-law/new-Code concordance

Predecessor law	Transition control
Payment of Wages Act, 1936	Classify the event date, accrued right, saved Rule/notification and pending proceeding before moving to the Code.
Minimum Wages Act, 1948	Classify the event date, accrued right, saved Rule/notification and pending proceeding before moving to the Code.
Payment of Bonus Act, 1965	Classify the event date, accrued right, saved Rule/notification and pending proceeding before moving to the Code.
Equal Remuneration Act, 1976	Classify the event date, accrued right, saved Rule/notification and pending proceeding before moving to the Code.

Practical calculations and control file

Calculation sequence

1. Freeze the employee/worker population and event date.
2. Apply the statutory wage/benefit base and notified threshold.
3. Reconcile attendance, service, payroll and contractor records.
4. Calculate principal amount, interest/damages and any statutory compensation separately.

5. Obtain legal/payroll approval and retain the versioned worksheet.

Three-owner sign-off

- **Employer/HR:** facts, classification, communication and workflow.
- **Employee/worker:** notice, records, nomination/claim and acknowledgement.
- **Professional:** source, formula, forum, limitation and evidence reconciliation.

Binding and highly relevant case-law principles

Older cases are included for principles only. Their continued application must be tested against the current Code wording, repeal-and-savings clause and later judgments.

Decision	Principle and present-use caution
People’s Union for Democratic Rights v. Union of India	Non-payment of the applicable minimum wage may engage constitutional and statutory consequences; use the principle only after aligning it with the universal Code coverage and current notification.
Airfreight Ltd. v. State of Karnataka	Minimum-wage components and neutralisation must be read from the governing notification and statutory scheme, not from payroll labels alone.
Manganese Ore (India) Ltd. v. Chandi Lal Saha	The legal character of an allowance or benefit depends on the governing provision and facts; nomenclature is not decisive.
Workmen v. Reptakos Brett & Co.	Needs-based wage principles remain relevant to wage fixation, but the current statutory floor and notified rates control compliance.

State-law variation alerts

- Confirm whether the Central or State Government is the appropriate Government.
- Central Rules do not automatically displace valid State Rules, rates, registers, authorities or portal procedures.
- Minimum-wage rates, holidays, working-hours permissions, licences and local welfare obligations require State-specific verification.
- Record Gazette number, effective date and supersession status in the location compliance register.

Practical transaction application

Use the chapter when drafting offer letters, wage structures, contractor work orders, payroll calendars, bonus workings, separation settlements and due-diligence requests. Classify the establishment, employee, wage components and relevant event date before applying the provision and linked Rule.

Authority, consent and execution controls

HR may prepare the computation, but the employer or duly authorised signatory should approve wage-period, deduction, bonus and claim responses. Contractor clauses must identify the principal employer, payment evidence owner and escalation authority; consent cannot validate a deduction prohibited by law.

Stamp duty and registration alerts

Ordinary payroll records do not attract registration. Employment, settlement, indemnity or service instruments should nevertheless be checked under the applicable State stamp law; an unstamped or insufficiently stamped instrument may face evidentiary or enforcement objections. Portal filing or statutory notice is not a substitute for stamping where independently applicable.

Evidence and document-retention checklist

Retain the operative law/rule version, classification note, approvals, signed instruments, statutory forms, portal acknowledgements, registers, calculations, bank proof, correspondence, inspection records, service proof, decision and appeal file. Apply the longer of the statutory retention rule, litigation hold, tax/audit need and contractual requirement; restrict access to personal and sensitive data.

Performance, delivery and payment controls

Link attendance, output and variable-pay conditions to objective records. Pay wages, overtime, bonus and final dues through traceable banking channels within the applicable statutory window; reconcile payroll, bank advice, ledger, return and employee acknowledgement.

Breach, loss, mitigation and remedy framework

On detecting a breach, stop continuing exposure, preserve evidence, quantify employee and government dues, identify affected persons, make lawful corrective payment/filing, notify the authorised decision-maker, assess self-disclosure or compounding where available, and reserve contractual recovery against responsible vendors without delaying statutory remediation.

Limitation and forum controls

Route statutory wage claims and appeals to the authority/appellate authority under the Code and Rules. Preserve the event date, service date and proof of payment because limitation and condonation are fact-sensitive. Contractual forum clauses cannot oust a mandatory statutory forum.

Arbitration and mediation interface

Mediation can resolve computation or factual disputes where lawful, but cannot contract out of minimum wages, prohibited deductions, statutory bonus or penal consequences. Record any settlement precisely and complete mandatory filing/approval steps.

Company, partnership, GST and tax overlays

For a company, align board/delegation and officer-in-default controls; for an LLP or partnership, identify the designated partner/partner and authorised employer representative. Labour dues can affect transaction price, indemnities, director/partner exposure and insolvency claims. Salary/TDS, perquisite, contractor TDS, GST on outsourced services and accounting provisions must be reconciled without treating tax treatment as proof of labour-law classification.

Finin2min Q&A

Which law and version should be applied?

Use the current text of Code on Wages, 2019, the commencement notification, the applicable Central or State Rules and any later instrument effective on the event date.

How is the appropriate Government identified?

Classify ownership/control, sector, establishment and contractor relationship before selecting the Central or State authority.

Can a company policy override the statutory protection?

No. A policy may improve a benefit or control, but it cannot contract out of a mandatory statutory floor.

What evidence should be retained?

Retain the classification memo, source instrument, form/portal record, calculation, approval, employee communication, acknowledgement and payment or authority proof.

Do the Central Rules apply to every establishment?

No. They govern the Central sphere. State Rules and State notifications must be checked where the State is the appropriate Government.

How should a historical event be tested?

Apply the law and subordinate instrument effective on the event date, then use the repeal-and-savings provision for pending rights and proceedings.

What happens when portal practice conflicts with the statute?

Record the conflict, follow the higher legal instrument, seek authority clarification where necessary and preserve screenshots and correspondence.

Can criminal and monetary consequences arise together?

They may. Separate wages/benefits, interest, damages, civil penalty, prosecution, compounding and director/officer liability.

Is a contractor arrangement enough to shift liability?

No. Principal-employer and contractor liabilities depend on the specific provision and facts; the contract should allocate evidence and recovery without diluting worker rights.

What is the first professional review step?

Freeze the event date and facts, identify the applicable provision, then map Rules, forms, notification status, authority, limitation and evidence.

What is the operational focus of section 15 - Mode of payment of wages?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 16 - Fixation of wage period?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 17 - Time limit for payment of wages?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 18 - Deductions which may be made from wages?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 19 - Fines?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 20 - Deductions for absence from duty?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 21 - Deductions for damage or loss?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

What is the operational focus of section 22 - Deductions for services rendered?

The section must be decomposed into actor, trigger, threshold, procedure, exception, consequence and evidence. Read the full official text and the mapped Rules before applying the Finin2min control summary.

← Previous: Minimum wages, floor wage, hours and overtimeNext: Payment of bonus →