



EMPLOYER COMPLIANCE POSTER

Four Labour Codes, 2025

Effective 21 November 2025 | Code on Wages, 2019 · Industrial Relations Code, 2020 · OSH&WC Code, 2020 · Code on Social Security, 2020 | Central Government Sphere I

Prepared By- IT & Media Cell (O/o CLC (C))



CODE ON WAGES, 2019 (CoW)

Payment of Wages · Minimum Wages · Payment of Bonus · Equal Remuneration [4 Acts]

- Pay minimum wages notified by appropriate Govt. to every employee [S.5]
- No gender discrimination in wages and recruitment for same or similar nature of work [S.3]
- Fix wage period: daily/ weekly/ fortnightly/ monthly [S.16]
- Pay wages within timelines; within 2 working days of employee removal, dismissal, retrenchment or, as the case may be, employee resignation [S.17]
- Overtime wages: not less than twice the normal rate of wages [S.14]
- Maintain attendance, wages, overtime, fines & deductions registers [S.19-21]
- Issue wage slip to the employees in such form and manner as may be prescribed [S.50(3)]
- Display notice board: min. wages, work hours, wage period, ICF [S.50]
- Total deductions shall not exceed 50% of wages in any wage period [S.18(3)]
- Annual bonus: min 8.33% to max 20% for employees with 30+ working days [S.26]



INDUSTRIAL RELATIONS CODE, 2020 (IRC)

Trade Unions Act · Standing Orders Act · Industrial Disputes Act [3 Acts]

- Constitute Grievance Redressal Committees (GRC) in every establishment employing 20 or more workers [S.4]
- Constitute Works Committee (100+ workers) if directed by appropriate Govt. [S.3]
- Standing Orders: prepare within 6 months; applicable to 300+ workers [S.30 & S.28]
- Recognize Negotiating Union (51%+ workers) or constitute Negotiating Council [S.14]
- Give 21-day notice before changing service conditions in Third Schedule [S.40]
- Lay-off compensation: 50% of basic wages + dearness allowance [Ch. IX & X]
- Retrenchment notice: 1 month (50-299 workers); 3 months (300+) [Ch. IX & X]
- Retrenchment compensation: 15 days' avg. pay per completed year of service [Ch. IX & X]
- Contribute 15 days' wages per retrenched worker to Re-Skilling Fund [S.83]
- Strike/ lock-out: 60 days' prior notice mandatory; no action within 14 days [S.62]



OSH&WC CODE, 2020 (OSH)

Factories Act · Mines Act · Contract Labour Act + 10 Others [13 Acts]

- Register electronically within 60 days; for new establishment [S.3]
- Issue Appointment Letter to every employee before commencement of work. And issue within 3 months to all existing employees of the commencement of the Code [S.6]
- Provide free annual health check-up to employees who have completed forty years of age [S.6, Rule 5]
- Constitute Safety Committee; appoint Safety Officers as prescribed [S.22]
- Ensure clean, ventilated, safe workplace; separate toilets for all genders [S.23]
- Provide canteen (100+ workers).
- Women: night work (before 6 AM / after 7 PM) only with consent + safety [S.43]
- Contractor: 50+ contract workers must obtain licence, valid 5 years [S.47-48]
- Inter-State migrant workers: pay journey allowance once a year; fare for to and fro journey to his native place [S.61]
- Report accident / dangerous occurrence / notifiable disease promptly [S.10-12]



CODE ON SOCIAL SECURITY, 2020 (CoSS)

EPF & MP Act · ESI Act · Gratuity · Maternity Benefit · Compensation + 4 Others [9 Acts]

- Gratuity: 15 days' wages per completed year of service or part thereof in excess of six months after 5 years' continuous service [S.53]
- Employee employed on fixed term employment or a deceased employee, the employer shall pay gratuity on pro rata basis. [S.53(2)]
- Gratuity ceiling: subject to maximum notified by Central Govt. [S.53(3)]
- Pay gratuity within 30 days of it becoming payable [S.56(3)]
- Maternity leave: 26 weeks (1st/2nd child); 12 weeks (3rd child or adoption) [S.60].
- Medical bonus: Rs.3,500 to every woman entitled to maternity benefit or amount notified by Central Government, if no pre-natal confinement and post-natal care provided for by the employer free of charge. [S.64]; creche where 50+ employees are employed [S.67]
- BOCW Cess: 1%-2% of construction cost; pay within 60 days of commencement [S.100]
- Aggregators: contribute 1%-2% of annual turnover for gig/platform workers [S.113-114]

REFORMS AT A GLANCE | 29 Central Acts -> 4 Codes | 1,228 Sections -> 480 | 8 Registration -> Single | 4 Licence -> Single |

KEY WORKER-COUNT THRESHOLDS

1+ employee ESI applicable — hazardous/life-threatening establishments notified by Central Govt. [CoSS, First Sch.]

10+ workers OSH&WC registration | Gratuity & Maternity Benefit (shops/estts.) | ISMW provisions (10+ migrant workers)

20+ workers Grievance Redressal Committee (GRC) mandatory [IR Code S.4] EPF applicable

20/40+ workers(power/no power) Factory definition under OSH Code: 20 workers (manufacturing with power) or 40 workers (without power) [OSH S.2]

50+ workers Notice required before lay-off/retrenchment/closure [IR Code Ch.IX] | Contractor licence (50+ contract workers) [OSH S.47-48]

50+ Employees Creche facility where 50+ Employees ordinarily employed [CoSS S.67]

100+ workers Works Committee if directed by appropriate Govt. [IR Code S.3] | Canteen facility mandatory [OSH Code S.24]

250+ workers Safety Officers in building/construction works & Factory (hazardous process) [OSH S.22] | Welfare Officer in mines [OSH S.24] | Safety Committee in mines (100+)

300+ workers Standing Orders mandatory [IR Code S.28] | Prior Govt. permission for lay-off/retrenchment/closure [IR Ch. IX-X] | 1 months retrenchment notice [IR Code S.70]

500+ workers Safety Officers in Factory [OSH S.22] | Ambulance room mandatory in factory, mines and building/other construction works [OSH Code S.24]

WHAT TO DO & WHEN

FOUNDATIONAL

- ✓ Register on Shram Suvidha Portal — Register electronically within 60 days; for new establishment [OSH Code S.3]. Get LIN irrespective of applicability.
- ✓ Obtain common licence: factory / contract labour / beedi-cigar work as applicable [OSH Code S.119]
- ✓ Display mandatory notices in English, Hindi & local language: min. wages, hours, wage period, ICF name [Wages Code S.50]
- ✓ Maintain prescribed registers: attendance, wages, fines, deductions, overtime, employees, ISMW, dangerous occurrences
- ✓ Issue Appointment Letter to every employee before commencement of employment [OSH Code S.6, Rule 7]
- ✓ Register for EPF (20+ employees) with EPFO and ESIC (10+ employees) with ESIC [SS Code]
- ✓ Constitute Works Committee (100+ workers, if directed) & GRC (20+ workers) [IR Code S.3, S.4]

MONTHLY

- ✓ Pay wages by 7th of every month (S.17, CoW)
- ✓ Deposit EPF & ESIC contributions (both employers and employee's share) by prescribed due dates
- ✓ Issue wage slips
- ✓ Update all statutory registers regularly and ensure accuracy for inspection

PERIODIC / ANNUAL

- ✓ File Unified Annual Return electronically on Shram Suvidha Portal [OSH Code S.33]
- ✓ Conduct free annual health check-up for employees of prescribed age [OSH Code S.6]
- ✓ Update minimum wage display on notice board whenever appropriate Govt. revises rates [CoW, S.50]
- ✓ Renew contractor licence before expiry (licence valid for 5 years) [OSH Code S.47-48]
- ✓ Review salary/ CTC structures against the 50% wages cap.
- ✓ Conduct annual safety audit and update standing orders if required

EVENT-BASED

- ✓ Report accident/ dangerous occurrence / notifiable disease to prescribed authority within 48 hours [OSH Code S.10-12]
- ✓ Pay wages within 2 working days of separation — resignation/dismissal/retrenchment [Wages Code S.17(2)]
- ✓ Pay gratuity within 30 days from the date it becomes payable to the employee [CoSS S.56]
- ✓ Do not dismiss/ discharge woman employee during her absence on account of maternity leave [CoSS Ch.VI]
- ✓ Give 21-day notice before effecting any change in conditions of service in Third Schedule [IR Code S.40]
- ✓ Serve closure notice: at least 60 days (50-299 workers) or 90 days (300+ workers) in advance [IR Code Ch.IX/X]
- ✓ Contribute 15 days' wages per retrenched worker to Workers' Re-Skilling Fund. [IR Code S.83]
- ✓ Report strike/lock-out notice received or issued to appropriate Govt. & Conciliation Officer [IR Code S.62]

💡 DEFINITION OF 'WAGES' [Section 2(y), Wages Code]

"wages" means all remuneration and

INCLUDES -> Basic pay + Dearness Allowance + Retaining Allowance (if any)

EXCLUDES (common items) ->

Bonus not forming part of remuneration terms | HRA | Conveyance allowance | Overtime allowance | Employer's PF/pension contribution | Commission | Gratuity on termination | Retrenchment compensation or ex-gratia | Value of house-accommodation / amenities etc.

CRITICAL — 50% CAP RULE [S.2(y), First Proviso] ->

If excluded components in aggregate exceed 50% of total remuneration, the excess amount shall be deemed 'wages'. Review all CTC structures immediately.

MODE OF PAYMENT [S.15 & S.2(y)] ->

Coin / currency notes / cheque / bank credit / electronic mode. Wages in kind: not to exceed 15% of total wages payable.

⚡ PENALTIES FOR NON-COMPLIANCE

COMPOUNDING OF OFFENCES (First-time only) ->

Fine-only offence: compound at 50% of max fine. Fine + imprisonment (up to 1 yr): compound at 75% of max fine. Not available for repeat offences within 5 yrs (CoW) / 3 yrs (other Codes). [CoW, S.52-56 | IRC, S.85-89 | OSH, S.94-104 | CoSS, S.133-138]

✓ CoW, S.54(1)(a): Paying less than minimum wages / overtime wages -> **Fine up to Rs.50,000 (1st offence); up to Rs.1,00,000 + 3 months' imprisonment (repeat)**

✓ CoW, S.54(1)(C): Contravention of any other provision -> **Fine up to Rs.20,000 (1st offence); up to Rs.40,000 + 1 months' imprisonment (repeat)**

✓ CoW, S.54(2): Non-maintenance or improper maintenance of records -> **Fine up to Rs.10,000.**

✓ IR Code S.86: Non-compliance — Unfair labour practice -> **Fine up to Rs.2,00,000 (1st offence); Fine up to Rs.5,00,000 + 3 months' imprisonment (repeat)**

✓ IR Code S.86: Contravenes the provisions of S.78 or S.79 or S.80 -> **Fine up to Rs.10,00,000 (1st offence); Fine up to Rs.20,00,000 + 6 months' imprisonment (repeat)**

✓ OSH Code S.94: General penalty for offences -> **Fine up to Rs.3,00,000; continued contravention after conviction Rs.2,000 each day till such contravention continues.**

✓ OSH Code S.95: Punishment for causing obstruction to Chief Inspector-cum-Facilitator or Inspector-cum - Facilitator, etc-> **Fine up to Rs.1,00,000 + 3 months' imprisonment; Fine up to Rs.2,00,000 + 6 months' imprisonment (repeat)**

✓ OSH, S.103: Non-compliance causing death or serious bodily injury -> **Causing Death- Imprisonment up to 2 years + fine up to Rs.5,00,000; Serious bodily injury- Imprisonment up to 1 years + fine up to Rs.4,00,000; Repeat- Double the punishment provided.**

✓ CoSS S.133 (ii): Non-payment of Gratuity -> **Imprisonment up to 1 year + fine up to Rs.50,000.**

✓ CoSS S.133: Commits an offence under any of the clauses (d), (f), (i), (k), (l) or (o) -> **Imprisonment up to 6 month + fine up to Rs.50,000.**

✓ CoSS S.134: Enhanced punishment in certain cases after previous conviction (by Courts). -> **Imprisonment upto 2 year + fine up to Rs.2,00,000.** Provided that subsequent offence is for failure by the employer to pay any contribution, charges, cess, maternity benefit, gratuity or compensation which under this Code -> **Imprisonment up to 3 years + fine up to Rs.3,00,000.**

🔗 OFFICIAL PORTALS & CODES

PORTALS:

Shram Suvidha Portal — Registration · LIN · Licences · Annual e-Return
<https://shramsuidha.gov.in>

Samadhaan Portal — Claim, Grievance & Industrial Disputes
<https://samadhan.labour.gov.in>

Labour Codes

CLC (C) — Codes · Notifications · Draft Rules
<https://clc.gov.in>

EPFO Unified Employer Portal — PF Contribution · ECR Filing · Registration
unifiedportal-emp.epfindia.gov.in

ESIC Employer Portal — ESI Registration · Monthly Contribution [\[esic.in\]](https://esic.in)

DISCLAIMER: This poster is a reference guide only and does not constitute legal advice or a legal document. In case of any discrepancy between this poster and the provisions of the Labour Codes or Rules notified thereunder, the latter shall prevail. | Government of India, Ministry of Labour & Employment, O/o Chief Labour Commissioner (Central) |

| labour.gov.in |

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Code Wise important points

A. CODE ON WAGES, 2019

a. Timely Payment of Wages:

Ensure that contractors disburse wages strictly within the prescribed timelines under the Code on Wages, 2019:

Wage Period	Time limit for payment of wages
Daily wages	End of shift
Weekly	Before weekly Holiday
Fortnightly	Within 2 days of end of fortnight
Monthly	Within 7 days of next month

Further, in cases of separation of a worker from service, **final settlement of wages** and other dues may be ensured **within two working days**, in accordance with the provisions of the Code on Wages, 2019.

b. VDA Compliance:

It may be ensured that any revision in Variable Dearness Allowance (VDA), as notified from time to time, is implemented promptly and **reflected in wage disbursements without delay**.

c. Overtime Payment:

It should be ensured that overtime, wherever applicable, is paid at **not less than twice the ordinary rate of wages**, in accordance with applicable provisions.

d. Wage Verification:

Appropriate systems may be instituted for verification of wage payments through bank transfer records, digital proof and **periodic certification by the Principal Employer**, so as to ensure transparent and accountable disbursement of wages.

e. Attendance & Statutory Registers:

Attendance registers should invariably record the exact time of entry and exit of workers to enable proper verification of wages and overtime. It may also be ensured that all prescribed statutory registers (Wages, Overtime, fines & deductions) are duly maintained and updated in accordance with applicable provisions.

f. Issuance of Wage Slips:

It may be ensured that contractors **issue wage slips to all workers** in accordance with the Code on Wages, 2019, so as to ensure transparency in wage payments and deductions. Existing formats containing the requisite particulars may continue to be used.

g. Limit on Wage Deductions:

It may be ensured that total deductions from the wages of an employee in any wage period do **not exceed fifty per cent of such wages**, in accordance with applicable provisions.

h. Payment of Bonus:

It may be ensured that employees who have worked for at least thirty days in an accounting year are paid **annual bonus at not less than 8.33% of wages**, irrespective of the financial position of the establishment, in accordance with applicable provisions.

B. The Code on Social Security, 2020

a. EPF & ESI Compliance:

It may be ensured that all eligible establishments/workers are duly covered under EPF and ESI, wherever applicable, in accordance with relevant provisions.

b. Maternity Benefits:

It may be ensured that maternity benefits are extended to eligible employees who have worked not less than eighty days in the twelve months immediately preceding the expected date of delivery. Such employees shall be granted **maternity leave of up to twenty-six weeks without interruption in service benefits**, along with payment of medical bonus, in accordance with applicable provisions.

c. Gratuity Payment:

It may be ensured that gratuity is paid to eligible employees within 30 days of it becoming payable, including those engaged in **fixed-term employment**, as well as in cases of death, in accordance with applicable provisions.

d. Nomination for Gratuity and Wages:

It may be ensured that all employees submit duly filled nomination forms for gratuity and wages and that such records are properly maintained and kept updated.

c. THE OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE, 2020 (OSH Code)

a. Responsibility of Principal Employer (Health, Safety & Welfare):

It may be ensured that the **Principal Employer is responsible for providing the welfare facilities** and ensuring health, safety and working conditions of contract labour as specified under the relevant provisions of the above code.

b. Ensuring Valid Licensing of Contractors

Ensure that no contractor engages **50 or more contract labourers** in any establishment without obtaining a **valid licence** in accordance with the applicable provisions of the **Code** and the rules framed thereunder.

c. Issuance of Appointment Letters:

It may be ensured that **appointment letters are issued to all workers at the time of engagement**, clearly indicating terms and conditions of employment, so as to ensure transparency and accountability.

d. Annual Health Check-up:

It may be ensured that workers are provided **annual health check-ups free of cost**, in accordance with applicable provisions.

e. Weekly Rest:

It may be ensured that every worker is **granted a weekly day of rest** in accordance with statutory provisions, with no undue denial or substitution, and that work on rest days, wherever permitted, is duly compensated as per applicable norms.

f. Journey Allowance (Inter-State Migrant Workers):

In respect of inter-State migrant workers, it may be ensured that journey allowance,

including to and fro travel to the native place, is provided in accordance with applicable provisions.

g. Timely Reporting of Accidents and Dangerous Occurrences

Attention is invited to Rule 7 of the Occupational Safety, Health and Working Conditions (Central) Rules, 2021, which mandates timely reporting of fatal accidents, serious bodily injuries, and dangerous occurrences through the prescribed electronic portal to the Inspector-cum-Facilitator (IcF).

h. Constitution of Grievance Redressal Committee for Contract Labour

Under Rule 184 of the Occupational Safety, Health and Working Conditions (Central) Rules, 2026, every Principal Employer engaging contract labour is required to constitute a Grievance Redressal Committee to address and resolve grievances of contract workers in a timely manner.

i. Annual and Half-Yearly Returns

Attention is also invited to the provisions relating to submission of Annual Returns and Half-Yearly Returns under the Occupational Safety, Health and Working Conditions Code, 2020 and the Rules made thereunder.

j. Building and Construction Workers:

In respect of building and construction workers, it may be ensured that all applicable provisions of the OSH Code, 2020 are duly complied with, including registration, statutory contributions to the welfare fund for building and other construction workers, and provision of welfare facilities. Special attention may be given to **ensuring safe working conditions at construction sites**, provision of appropriate personal protective equipment, accident prevention measures, and compliance with prescribed safety standards for hazardous and high-risk activities.

D. The Industrial Relations Code, 2020

a. Grievance Redressal:

A grievance redressal mechanism must be established in every establishment engaging 20 or more workers, in accordance with applicable provisions.

b. Works Committee:

It may be ensured that a Works Committee is constituted wherever applicable in every establishment where one hundred or more workers are employed or have been employed with a view to promoting measures for securing and preserving amity and good relations between employers and workers, and for addressing matters of common interest.

c. Negotiating Union / Negotiating Council

Attention is invited to the provisions relating to the constitution of a Negotiating Union or Negotiating Council in industrial establishments having registered Trade Unions for negotiating with the employer, as per the prescribed provisions of the Industrial Relations Code and Rules.

d. Certification of Standing Orders.

Establishments covered under the Code are required to obtain certification of Standing Orders, wherever applicable, and ensure compliance with the prescribed provisions and procedures.

e. Notice of Change in Service Conditions:

It may be ensured that no change in the conditions of service relating to matters specified is effected without giving prior notice to the affected workers in the prescribed manner, and that such **change is not implemented within twenty-one days of issuing the notice**, in accordance with applicable provisions.

f. Lay-off Compensation:

It may be ensured that workers who are laid off are paid compensation for the period of lay-off at the rate of **fifty per cent of basic wages and dearness allowance**, in accordance with applicable provisions, and that proper records of such lay-off and payments are maintained.

g. Retrenchment – Notice & Compensation:

It may be ensured that no worker is retrenched without giving notice or wages in lieu thereof as applicable, and payment of retrenchment compensation at the rate of fifteen days' average pay for every completed year of continuous service or part thereof in excess of six months, in accordance with applicable provisions.

h. Contribution to Re-Skilling Fund:

It may be ensured that the employer makes the prescribed contribution to the Re-skilling Fund for each retrenched worker, equivalent to fifteen days' wages last drawn, within the stipulated time, in accordance with applicable provisions.

i. Recognition of Protected Workers

Employers are advised to ensure timely recognition of Protected Workers in accordance with the provisions of the Industrial Relations Code, 2020 and the rules framed thereunder, and to maintain due compliance with the prescribed procedure.

E. Other Important Points

To ensure effective implementation of the provisions of all four Labour Codes in respect of contract labour and outsourced workers, certain systemic and supervisory measures may be considered.

Since public procurement is ordinarily undertaken through competitive bidding under applicable Government rules, cost efficiency and competition shall be balanced with safeguards for compliance with statutory provisions relating to wages, social security, welfare, and working conditions of contract labour; accordingly, specific and enforceable conditions shall be incorporated in tender documents, contracts, and monitoring mechanisms.

a) Inclusion of Statutory Labour Costs and Scrutiny of Non-Viable Bids:

While preparing estimates, bid documents and NITs, it shall be ensured that all statutory labour costs are fully factored into the contract value; and any bids quoting below such costs or indicating non-compliance with labour laws shall be dealt with in accordance with tender conditions and applicable procurement rules.

b) Specific Labour Compliance Clauses:

All tenders, work orders and contracts may invariably incorporate clear and specific clauses requiring compliance with the Labour Codes and other applicable labour laws, instead of relying only on general declarations or undertakings.

c) Safeguarding Wage Components:

Release of contractor bills/payments may, wherever feasible, be linked with verifiable

proof of wage payment and statutory remittances. It may also be ensured that wage components are not diluted or compromised at any stage of execution or billing.

d. Prohibition of Coercive Wage Recovery:

The Principal Employer may ensure that contractors do not forcibly recover wages or retain workers' ATM cards, passbooks, PIN numbers or other banking credentials, which must remain with the workers themselves at all times. Any such violation may invite strict action against the defaulting contractor.

e) Regulation of Sub-contracting:

Wherever a subcontractor is engaged, it shall be ensured that all statutory obligations under applicable labour laws in respect of workers employed by such subcontractor are duly complied with.

f) Time-bound Grievance Redressal:

The Grievance Redressal Committee shall ensure that grievances of the following nature are examined and disposed of within the timelines specified hereunder, with a view to promoting and maintaining harmonious industrial relations.

Type of Grievance	Suggested Resolution Timeline
Delayed or unpaid wages	7 days
Minimum wage / VDA issue	10 days
Wage slip / appointment letter issue	15 days
EPF/ESI non-deposit	15 days
Overtime / weekly rest issue	15 days
Coercive recovery of wages	Immediate inquiry
Retaliation or termination after complaint	Immediate intervention