



FINISHREE EQUIPMENTS PVT. LTD.

(Shot blasting division) - ISO 9001:2015

Plant 1 - Plot No. E-15/18, Chikalhana MIDC, Aurangabad, Plant 2 – PAP-I-4, Shendra MIDC, Aurangabad.

Aurangabad Office: B-52, Shiv Nagar, Aurangabad. **Pune Office:** Flat No. 602, Gandharv Exc. Moshi, Pune

Ph. : +91 9325503062 E-Mail : sales@finishreeshotblasting.com,

Date –
01.04.2023

AIRLESS & AIR OPERATED ABRASIVE BLASTING MACHINES, SHOT PEENING PLANTS, INDUSTRIAL BLAST ROOMS, DUST COLLECTORS, AIRLESS PAINT SPRAYING EQUIPMENTS & PAINTING BOOTH

Employment and Labour Laws and Regulations

1. Gratuity cost of companies to increase

The new labour law limits the maximum amount of basic pay to 50% of CTC, which effectively increases the gratuity bonus that the employees receive.

Also, the new wage code will calculate the number of gratuities based on the salary base, which will comprise basic pay and allowances, like a special allowance for wages. Also, it will likely increase the cost of gratuity for businesses.

While increasing Social Security (pension) elements of wages act, the new rules will likely reduce employees' salaries.

2. Basic pay to be 50% of CTC

The new wage code makes it mandatory for employers to ensure that at least 50 per cent of the employees' CTC is basic pay. In comparison, the remaining 50 per cent includes other allowances for employees, such as overtime, house rent, etc.

If the business pays additional allowances or exemptions which exceed 50% of the CTC, the amount is treated as an additional amount to the salary.

3. 15 Minutes overtime payment

Companies must pay overtime to the employees. Any time over 15 minutes of working is the subject of employee overtime payments after the shift of 8 hours is completed.

4. Provident contributions to the fund

Another major change coming under the new labour laws is the ratio between the take-home pay and the employer and employee's contribution to the Provident Fund.



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An employee's base salary will be 50% of their gross salary. In addition, the PF contributions of the employer and employee will rise, while the take-home pay will be lower, especially for employees working in the private sector.

5. 48 hours set work time for one week

The government clarified that 48 hours are the maximum time limit for the work week, and employers have the flexibility to select this time of work and offer it in four days, five days or a 6-day week-long schedule.

6. Leaves number

The amount of time off during the year will be the same, but employees now get an hour of leave for every 20 days of working instead of 45.

In addition, new employees will now be eligible to take leave after the first 180 days of employment contract. It won't be 240 working days like the current system.

7. Structure of salary for employees

The new labour law states that an employee's base wage must be at a minimum of 50% of their gross amount. This means that employees will make greater contributions toward their EPF accounts, and gratuity deductions will increase as well. It will reduce the take-home pay for the majority of employees.



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8. Hours of operation

The working hours of employees across all sectors are set to undergo a radical change.

Currently, working hours are based on Factories Act, 1948, at the national level for employees in factories and other workplaces.

It is also governed by each state's Shops and Establishment Acts for office employees and other workers. According to the new laws on labour, the working hours for a day are 12 hours, while the weekly hours of work are 48 hours.

That means that companies or factories can work a full week. The overtime has increased from 50 to 125 hours per quarter across different sectors.