

India

Wage Limit Under the Payment of Wages Act, 1936 Increased to INR 18,000

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Effective September 11, 2012, the wage ceiling under the Payment of Wages Act, 1936 ("Act") was increased to an average wage ceiling of INR 18,000 per month from INR 10,000 per month, pursuant to a notification by the Indian Government. As a result of such increase, the Act, which applies only with respect to employees who earn less than the wage ceiling, will become applicable to a larger number of employees.

The Act regulates the payment of wages to certain classes of employed persons, and contains provisions in relation to, *inter alia*, the responsibility for payment of wages, fixing of wage-periods, time of payment of wages, and maintenance of registers and records. The Act defines the term "wages," which term is referred to in some of the other Indian labour enactments. The Act also includes provisions regarding the deductions that may be made from wages.