

Compensation and benefits are two of the most contested areas of Indian employment law. Employees expect supplemental benefits on top of their base salary. Without these, you could have trouble bringing in new employees, or you may even unintentionally insult an employee with your initial offer. Instead, turn to Globalization Partners for India compensation and benefits outsourcing. We will make sure you meet and exceed every India employment law to stay compliant and attract top talent.

India Compensation Laws

India's minimum wage laws vary by state and sector. For example, the agriculture sector has a separate minimum wage set by state governments. Employers are required to give employees a payslip, and paying via an employee's bank account is common. Generally, an employer will pay employees on the 1st of every month. The Wages Act stipulates all companies with fewer than 1,000 employees should pay wages every month before the 7th, while companies with more than 1,000 employees should pay every month before the 10th.

Salary inflation is common in India, leaving employees to expect a title and wage increase of around 10% to 15% each year. Although India's compensation laws do not require this increase, employees who do not get one will typically look for other jobs, especially in the technology sector.

Guaranteed Benefits in India

A variety of guaranteed benefits must be a part of your India benefit management strategy. For example, health insurance is usually a mix of public and private. Employees are guaranteed public benefits but may request a private supplementary plan.

Employees also get paid time off including 10 paid public holidays, but these can vary by state, religion, and local custom. While the government mandates employees get 10 holidays off, workers can choose which holidays to use it for. Female employees also receive a guaranteed maternity leave of 12 weeks. The statutory minimum for paid vacation leave is

15 days.

India Benefits Management

When you decide to expand to India, you'll need to make sure you budget enough for supplemental benefits. Employees are highly concerned about allowances, so including these options in your India benefit management program is best:

- Medical allowance
- Special allowance
- Leave travel allowance of concession (LTA/LTC)
- Telephone/mobile phone allowance
- Conveyance allowance
- Vehicle allowance
- House rent allowance (HRA)

You'll need to keep several factors in mind when handling benefits for your employees in India. Globalization Partners can help by providing India compensation outsourcing services. We will do everything from paying your employees to sourcing the best benefits that make you competitive in the job market.

Restrictions for Benefits and Compensation

India's compensation laws also dictate certain restrictions, such as a typical workweek. The workweek is 40 hours with a workday of eight hours. Workers must get 10.5 hours between work days, and they shouldn't work more than 50 hours per week or nine hours a day. If you keep paying an employee who exceeds these hours, you could be found noncompliant.

Choose Globalization Partners Today

When you need help with India benefit outsourcing, contact Globalization Partners. We'll take care of benefits and compensation while you focus on building your company.