

1. User Inputs

- Gross Wage (Total salary before deductions)
- State (e.g., Uttar Pradesh, Delhi, etc.)
- Worker Category: Unskilled, Semi-Skilled, Skilled

2. Minimum Wage Validation

- System fetches minimum wage based on State and Worker Category
- If Gross Wage \geq Minimum Wage \rightarrow Proceed with calculations
- If Gross Wage $<$ Minimum Wage \rightarrow Show error and stop processing

3. Salary Structure Calculation

3.1 Basic + DA

- Default: 50% of Gross Wage
- If 50% \geq Minimum Wage \rightarrow Use 50%
- If 50% $<$ Minimum Wage \rightarrow Use Minimum Wage

3.2 Remaining Salary Distribution

- Remaining = Gross - (Basic + DA)
- HRA = 60%
- Conveyance = 30%
- Special Allowance = 10%

4. Statutory Calculations

4.1 Employee Contributions

- EPF = 12%
- ESI = 0.75%

4.2 Employer Contributions

- EPF = 12%
- ESI = 3.25%

4.3 Bonus

- 8.33% of Basic + DA

5. Final Outputs

- Minimum Wage
- Basic + DA
- HRA
- Conveyance Allowance
- Special Allowance
- Employee EPF
- Employee ESI
- Employer EPF
- Employer ESI
- Bonus
- Net Salary
- CTC

6. Explanation Summary

- Entered Gross Salary
- 50% calculation
- Minimum wage comparison
- Final Basic + DA selection
- Remaining salary calculation
- Distribution into allowances
- Statutory deductions
- Final Net Salary and CTC

7. Admin Module (Mandatory)

Purpose

- Manage minimum wage data dynamically

Features

- Add/Edit/Delete States
- Add/Edit/Delete Worker Categories
- Set Minimum Wages
- Define Effective Dates

8. Calculation Flow

- User enters inputs
- System validates inputs
- Fetch minimum wage
- Compare wages
- Calculate Basic + DA
- Calculate remaining
- Distribute allowances

- Calculate EPF, ESI, Bonus
- Compute Net Salary and CTC
- Display results with explanation