

Licensing, Registration and Regulation under Labour Laws: A Compliance Blueprint for Viksit Bharat

This article throws light on the labour laws in India, their historical evolution and reforms undertaken over the years by the Government of India. Further the article explicates the compliance framework, key provisions and operational requirements of the laws governing welfare & working conditions of employees, Contract labour and Child and Adolescent Labour. The author depicts the Strategic role of Company Secretary in labour governance through a unique KGF model.



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INTRODUCTION

Bharat Bhagya Vidhata, a phrase that evokes India's sovereign spirit, reflects the nation's resolve to shape its own destiny. As India marches towards the goal of becoming a Viksit Bharat@2047, the transformation of its economy and society rests fundamentally on the empowerment of labour and human capital. With a youthful population and a growing workforce, India stands at a pivotal moment where strategic reforms and inclusive policies can unlock unprecedented growth and equity.

The Bhagavad Gita's Karma Yoga teaches duty without attachment to results, while the principle of "Swadharma" promotes self-reliance and indigenous development. These values inspire a nation where every citizen contributes meaningfully to its progress. The strategic roadmap for Viksit Bharat envisions skilling 100 crore youth, building a green and digital economy, and ensuring inclusive growth that leaves no one behind. In this vision, labour and human capital are not merely contributors—they are the creators of India's destiny. Through comprehensive reforms, inclusive policies, and a values-driven approach, India is truly becoming Bharat Bhagya Vidhata—a nation empowered by its people and guided by its aspirations. Philosophically, this transformation is rooted in India's civilizational ethos.

Recognizing this, the Government of India has undertaken consolidation of labour laws into four comprehensive Labour Codes—the Code on Wages (2019), the Industrial Relations Code (2020), the Code on Social Security (2020), and the Occupational Safety, Health and

Working Conditions Code (2020). These codes simplify compliance, enhance worker protection, and promote formal employment.

These reforms are complemented by initiatives such as Skill India, PMKVY, and the National Education Policy 2020, which aim to equip India's youth with future-ready skills. Employment-linked incentives, digital skilling platforms, and support for women and marginalized groups are creating pathways to formal employment and entrepreneurship. Health programs like Ayushman Bharat, along with nutrition and mental wellness schemes, ensure holistic development at the workforce.

LABOUR LAWS IN INDIA

- **Historical Evolution:** Labour law in India has evolved as a cornerstone of the country's socio-economic and industrial framework. It is not merely a set of legal provisions but a reflection of the nation's commitment to worker welfare, industrial harmony, and inclusive growth. From colonial origins to modern digital compliance platforms, the journey of labour legislation in India is both rich and transformative.
- **Definition and Scope of Labour Law:** The term 'labour' means productive work especially physical work done for wages. Labour law also known as employment law, governs the rights and responsibilities of workers and employers. It is divided into collective labour law, which regulates the relationship between employees, employers, and trade unions, and individual labour law, which focuses on workers' rights such as wages, working hours, and workplace safety.
- **Purpose and Objectives:** Influenced by social and economic factors, labour legislation aims to ensure fair treatment, social security, and safe working conditions. To improve clarity and enforcement, many jurisdictions have recently streamlined and unified multiple labour laws into broader, simplified legal codes.
- **Recent Reforms and Simplification:** Over the decades, India's labour laws expanded to cover various aspects of employment, including wages, social security, contract labour, and child protection. In 2020, the Government of India consolidated 29 central labour laws into four comprehensive Labour Codes to simplify compliance and enhance transparency:

- Code on Wages, 2019
- Industrial Relations Code, 2020
- Code on Social Security, 2020
- Occupational Safety, Health and Working Conditions Code, 2020
- **Key Features of the Labour Codes:** These reforms aim to simplify compliance, promote transparency, and support digitization and ease of doing business. The key objectives of these laws include protecting workers from exploitation, regulating employment terms like wages and working hours, promoting workplace welfare through facilities like crèches and restrooms, resolving industrial disputes through legal mechanisms, and ensuring access to social security benefits such as provident fund, insurance, and pensions. Together, these codes strive to balance industrial efficiency with the dignity and rights of workers.
- Employees' State Insurance Act, 1948 – provides health and social security benefits.
- Employees' Provident Fund Act, 1952 – ensures retirement savings.
- Factories Act, 1948 – regulates working conditions in factories.
- Industrial Disputes Act, 1947 – manages conflict resolution and industrial relations.
- Payment of Wages Act, 1936 and Minimum Wages Act, 1948 – ensure timely and fair wage payments.
- Maternity Benefit Act, 1961 and Equal Remuneration Act, 1976 – protect women workers and provide maternity benefits.
- Child Labour (Prohibition and Regulation) Act, 1986 – bans hazardous child labour.
- Contract Labour Act, 1970 – regulates outsourced employment.

OVERVIEW OF IMPORTANT LABOUR LAWS IN INDIA

India's labour laws are designed to regulate the relationship between employers, employees, and trade unions, ensuring fair treatment, workplace safety, and social security. These laws evolved from colonial-era regulations and were significantly reformed post-independence to promote industrial harmony and protect workers' rights. The Constitution of India supports labour welfare through Fundamental Rights and Directive Principles, making labour a concurrent subject for both central and state legislation.

Key laws include:

- Apprentices Act, 1961 – governs training of technical personnel.

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- Inter-State Migrant Workmen Act, 1979 - safeguards the rights and welfare of workers employed across state lines through licensed contractors.

LAW OF WELFARE AND WORKING CONDITIONS

A. The Factories Act, 1948 stands as the most comprehensive legislation governing working conditions in manufacturing establishments, covering approximately 40 million workers across various industrial sectors. This Act establishes detailed standards for health, safety, welfare, and working hours while creating institutional mechanisms for enforcement and compliance monitoring. The significance of this Act extends beyond its direct coverage, as many of its principles and standards have influenced other labour laws and continue to serve as benchmarks for good industrial practices.

Compliance Framework: Key Provisions and Operational Requirements

PARTICULARS	SALIENT FEATURES
Objective	To regulate working conditions in factories, ensure health, safety, and welfare of workers, prevent exploitation, and provide special provisions for women, children, and young persons. It aims to create a safe, clean, and humane industrial environment.
Applicability	Applies to any premises where: <ul style="list-style-type: none"> • 10 or more workers are employed with power • 20 or more workers are employed without power Excludes mines, armed forces mobile units, railway running sheds, hotels, and restaurants.
Health Provisions	<ul style="list-style-type: none"> • Cleanliness of premises (Sec. 11) • Disposal of waste and effluents (Sec. 12) • Adequate ventilation and temperature control (Sec. 13) • Dust and fume control (Sec. 14) • Drinking water (Sec. 18) • Latrines and urinals (Sec. 19) • Spittoons (Sec. 20)

Safety Measures	• Fencing of machinery (Sec. 21), 10+ (with power) or 20+ (without power)
	• Employment restrictions for young persons on dangerous machines (Sec. 23)
	• Fire safety and emergency exits (Sec. 38)
	• Safety officers in factories with ≥ 1000 workers (Sec. 40B)
	• Mandatory appointment of a Safety Officer to oversee compliance.
	• Workers' right to warn about imminent danger (Sec. 41H)
Welfare Facilities	• Washing facilities (Sec. 42)
	• Facilities for storing and drying clothing (Sec. 43)
	• Sitting arrangements (Sec. 44)
	• First-aid appliances (Sec. 45)
	• Canteens (Sec. 46) - 250+ workers
	• Rest rooms and Lunchrooms (Sec. 47) - 150+ workers
	• Creches for ≥ 30 women workers (Sec. 48)
	• Welfare officers (Sec. 49)
Working Hours & Overtime	• Maximum 48 hours/week, 9 hours/day (Sec. 51, 54)
	• Weekly holidays (Sec. 52)
	• Rest intervals (Sec. 55)
	• Overtime paid at double rate (Sec. 59)
	• No overlapping shifts or double employment (Sec. 58, 60)
Dispute Management	• Inspectors empowered to enforce compliance and mediate grievances (Sec. 9)
	• Safety Committees for hazardous processes (Sec. 41G)
	• Penalties for violations: up to Rs. 1 lakh and/or 2 years imprisonment (Sec. 92)
	• Enhanced penalties for repeat offences (Sec. 94)
Hazardous Processes	• Site Appraisal Committee (Sec. 41A)
	• Disclosure of hazardous materials (Sec. 41B)
	• Emergency standards and permissible exposure limits (Sec. 41E, 41F)
	• Workers' participation in safety management (Sec. 41G)

RRR Framework for Compliance: Registration, Returns & Records

PARTICULARS	SALIENT FEATURES
Registration & Licensing	• Section 6: Requires prior approval of factory building plans and layout from the Chief Inspector of Factories.
	• Section 7: Occupier must send a written notice at least 15 days before starting operations, including details like name, address, nature of manufacturing process, number of workers, and power usage.
	• Licensing is mandatory and issued by the State Labour Department. It must be renewed periodically and is subject to compliance with health, safety, and welfare norms.
	• Any changes in factory layout, nature of work, or workforce size must be reported.
	• Operating without registration or license can attract penalties under Section 92, including fines and imprisonment.
Returns & Records	• Section 110: Factories must submit Annual Returns to the Chief Inspector detailing: <ul style="list-style-type: none"> ♦ Total number of workers employed ♦ Number of days worked ♦ Hours of work and shift schedules ♦ Accidents and injuries ♦ Welfare facilities provided ♦ Safety measures implemented
	• Returns must be submitted in prescribed formats and within stipulated timelines.
	• Non-submission or incorrect reporting may lead to penalties and inspection notices.

Registers & Documentation	<ul style="list-style-type: none"> Section 61: Notice of periods of work for adult workers must be displayed and submitted to the Inspector.
	<ul style="list-style-type: none"> Section 62: Register of Adult Workers must include name, nature of work, group, and shift details.
	<ul style="list-style-type: none"> Section 79: Leave with Wages Register must record leave entitlements, availed leave, and wages paid during leave.
	<ul style="list-style-type: none"> Section 88 & 89: Accident Register must document all incidents and occupational diseases and notify authorities.
	<ul style="list-style-type: none"> Muster Rolls: Daily attendance and wage records.
	<ul style="list-style-type: none"> Overtime Register: Details of extra hours worked, and wages paid.
	<ul style="list-style-type: none"> Health & Safety Audit Logs: Especially for hazardous processes under Section 41B–41H. These records must be maintained in prescribed formats and made available during inspections.

B. Law of Contract Labour

The Contract Labour (Regulation and Abolition) Act, 1970 addresses one of the most complex challenges in modern employment relationships - the regulation of triangular employment arrangements involving principal employers, contractors, and contract workers. This legislation recognizes that while contract labour provides necessary flexibility for businesses to manage fluctuating demand and specialized requirements, it also creates potential for exploitation and denial of statutory benefits. The Act's approach of regulating rather than prohibiting contract labour reflects a pragmatic recognition of economic realities while ensuring that contract workers receive equal treatment and protection.

Compliance Framework: Key Provisions and Operational Requirements

PARTICULARS	SALIENT FEATURES
Objective of the Act	<ul style="list-style-type: none"> To regulate the employment of contract labour in certain establishments and provide for its abolition in specific cases.
	<ul style="list-style-type: none"> To prevent exploitation of contract workers and ensure humane working conditions.
	<ul style="list-style-type: none"> To define responsibilities of principal employers and contractors regarding wages, welfare, and safety.
Applicability	<ul style="list-style-type: none"> Applies to establishments and contractors employing 20 or more contract workers on any day in the preceding 12 months.
	<ul style="list-style-type: none"> Excludes work of an intermittent or casual nature.
	<ul style="list-style-type: none"> Applicability thresholds vary by state (e.g., 50 workers in Maharashtra, 5 in Assam).
Important Provisions	<ul style="list-style-type: none"> Registration of Establishments: Principal employers must register with the appropriate government authority.
	<ul style="list-style-type: none"> Licensing of Contractors: Contractors must obtain licenses to supply contract labour.
	<ul style="list-style-type: none"> Prohibition of Contract Labour: The Government may prohibit contract labour in specific operations if deemed necessary.
	<ul style="list-style-type: none"> Wages & Welfare: Contractors are responsible for timely payment of wages and provision of welfare amenities.
	<ul style="list-style-type: none"> Advisory Boards: Central and State Advisory Boards are constituted to advise on matters related to contract labour.
Facilities in Large & Medium Factories	<ul style="list-style-type: none"> Medium Factories (20–100 workers): Must provide basic amenities like drinking water, restrooms, and first-aid.
	<ul style="list-style-type: none"> Large Factories (>100 workers): Must provide canteens, crèches (if women are employed), rest rooms, and welfare officers.
	<ul style="list-style-type: none"> Facilities must be maintained by the contractor but supervised by the principal employer.
Safety Measures	<ul style="list-style-type: none"> Contractors must ensure safe working conditions, protective equipment, and compliance with safety norms.
	<ul style="list-style-type: none"> Principal employers are responsible for ensuring that contractors follow safety protocols.
	<ul style="list-style-type: none"> Inspectors appointed under the Act can inspect premises and enforce safety compliance.
Dispute Management	<ul style="list-style-type: none"> Disputes related to wages, working conditions, or employment status are handled under the Industrial Disputes Act, 1947.
	<ul style="list-style-type: none"> The Act empowers inspectors to investigate complaints and enforce compliance.

RRR Framework for Compliance: Registration, Returns & Records

PARTICULARS	SALIENT FEATURES
Registration & Licensing	<ul style="list-style-type: none"> Registration of Establishments (Section 7): Every principal employer must apply for registration of the establishment using Form I before engaging contract labour. Licensing of Contractors (Section 12): Contractors must obtain a license from the licensing officer using Form IV and renew it periodically. Revocation of Registration (Section 8): Registration may be revoked for non-compliance or misrepresentation. Effect of Non-Registration (Section 9): No principal employer can employ contract labour without registration. Display of License: Contractors must display the license prominently at the work site.
	<ul style="list-style-type: none"> Half-Yearly Return by Contractor (Rule 82, Form XXIV): Must be submitted to the licensing officer within 30 days of the close of the half-year. Annual Return by Principal Employer (Form XXV): Must be submitted to the registering officer by 15th February each year. Return on Commencement/Completion of Contract (Form VI-B): Submitted within 15 days of starting or ending a contract. Wage Slips (Form XIX): Issued one day before wage disbursement if wage period is one week or more. Certificate of Wage Payment: Principal employer's representative must certify wage payment in the wage register.
	<ul style="list-style-type: none"> Register of Contractors (Form XII): Maintained by the principal employer listing all contractors engaged. Register of Employees Employed by Contractor (Form XIII): Maintained by the contractor with details of all workers. Muster Roll (Form XVI): Daily attendance record. Wage Register (Form XVII): Details of wages paid. Overtime Register (Form XX): Records of extra hours worked and payment. Fine Register (Form XXI), Deduction Register (Form XXII), Advance Register (Form XXIII): Maintained for disciplinary and financial deductions. Display Requirements: Notice of wage rates and a copy of the Act and Rules must be displayed at the worksite. ESI & EPF Compliance: Contractors must deposit contributions and submit challans to the principal employer.

CLRA Registration & Licensing Process (Shram Suvidha Portal)

Process	Step
CLRA Registration (Principal Employer)	1. Login to Shram Suvidha Portal
	2. Select "New Registration" → Contract Labour Act
	3. Fill form: Employer, Establishment, Manager, Contractor & Work details
	4. Upload documents (e.g., Form V)
	5. e-Sign using Aadhaar OTP or DSC
	6. Pay registration fee
	7. Download registration certificate
CLRA Licence (Contractor)	1. Login to portal
	2. Click "Apply for New Licence" → Contract Labour Act
	3. Fill form: Contractor, Establishment, Work details
	4. Upload documents (e.g., Form III)
	5. e-Sign using Aadhaar OTP or DSC
	6. Pay licence fee & security deposit
	7. Download licence certificate
Benefits of Portal	Single window for multiple labour laws
	Real-time tracking
	Digital authentication
	Transparent fee structure
Support	help-shramsuvidha@gov.in
	Portal: registration.shramsuvidha.gov.in

C. Law for Child and Adolescent Labour

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 represents India's commitment to eliminating child labour while protecting adolescent workers from exploitation. This legislation adopts a comprehensive approach that combines complete prohibition of child labour with regulated permission for adolescent employment in non-hazardous occupations. The Act reflects evolving international standards on child rights and labour protection while recognizing the complex socio-economic factors that contribute to child labour in developing economies.

Compliance Framework: Key Provisions and Operational Requirements

PARTICULARS	SALIENT FEATURES
Objective of the Act	<ul style="list-style-type: none"> To prohibit the employment of children (below 14 years) in all occupations and processes. To prohibit the employment of adolescents (14–18 years) in hazardous occupations and processes. To regulate the conditions of work for adolescents in non-hazardous occupations. To ensure the right to education and protection from exploitation.
	<ul style="list-style-type: none"> Applies to all establishments across India including shops, workshops, farms, hotels, restaurants, and entertainment venues. Children: Complete prohibition in all occupations. Adolescents: Prohibited from working in hazardous occupations listed in the Schedule of the Act. Applies to both public and private sector establishments.
	<ul style="list-style-type: none"> Section 3: Prohibits employment of children in any occupation or process. Section 3A: Prohibits employment of adolescents in hazardous occupations. Section 7–9: Regulates working hours, weekly holidays, and rest intervals for adolescents. Section 11: Requires employers to notify inspectors and maintain registers. Section 14: Prescribes penalties for violations—minimum 6 months to 2 years imprisonment or fines from Rs. 20,000 to Rs. 50,000.
	<ul style="list-style-type: none"> Establishments employing adolescents must provide: <ul style="list-style-type: none"> Clean drinking water Restrooms and wash areas First-aid facilities Proper lighting and ventilation Facilities must be maintained as per prescribed standards under the rules framed by the appropriate government.
Safety Measures	<ul style="list-style-type: none"> Employers must ensure that adolescents are not exposed to hazardous machinery, chemicals, or unsafe environments. Safety gear and training must be provided wherever applicable. Inspectors are empowered to conduct surprise inspections and enforce safety compliance. Adolescents must not be employed during night shifts or in confined spaces.
	<ul style="list-style-type: none"> Disputes regarding age or employment status are resolved by the Inspector under the Act. Employers must maintain age verification documents (e.g., birth certificate, school records). Violations are prosecuted under Section 14, and offences are cognizable. The Act works in coordination with the Right to Education Act, 2009 and Juvenile Justice (Care and Protection of Children) Act, 2015 for rehabilitation.

RRR Framework for Compliance: Registration, Returns & Records

PARTICULARS	SALIENT FEATURES
Registration & Licensing	<ul style="list-style-type: none"> Notice to Inspector (Section 9): Every occupier of an establishment employing adolescents must send a written notice to the Inspector within 30 days of commencement of the Act or employment.
	<ul style="list-style-type: none"> The notice must include: <ul style="list-style-type: none"> Name and location of the establishment. Name of the person managing the establishment. Address for communication. Nature of occupation or process carried out.
	<ul style="list-style-type: none"> The Act does not prescribe periodic returns like other labour laws but requires notification of employment and maintenance of records.
	<ul style="list-style-type: none"> The occupier must notify the Inspector of any new adolescent employment within 30 days.
	<ul style="list-style-type: none"> In case of changes in management or nature of work, updated information must be submitted.
	<ul style="list-style-type: none"> Records must be available for inspection at all times during working hours.
Returns & Records	<ul style="list-style-type: none"> Register of Adolescents (Section 11): Every occupier must maintain a register showing: <ul style="list-style-type: none"> Name and date of birth of each adolescent employed. Hours and periods of work. Intervals of rest. Any other prescribed particulars. This register must be kept at the workplace and made available to inspectors. Age Verification Documents: Employers must maintain valid proof of age (e.g., birth certificate, school records) to resolve disputes regarding age (Section 10). Health & Safety Records (Section 13): Rules may require documentation of safety measures, training, and compliance with prescribed standards.

KGF Framework for Labour Law Compliance: Strategic Role of the Company Secretary

KGF Pillar	Focus Area	Notable Points
K – Knowledge	Understanding Labour Laws	<ul style="list-style-type: none"> Stay updated with amendments and notifications under the Factories Act, 1948; Contract Labour Act, 1970; and Child Labour Act, 1986. Understand applicability thresholds, registration/licensing requirements, and statutory obligations. Be aware of penalties, inspector powers, and documentation standards.
		<ul style="list-style-type: none"> Act as compliance officer for labour laws.
		<ul style="list-style-type: none"> Liaise with labour authorities and ensure timely filings.
	Role of Company Secretary	<ul style="list-style-type: none"> Advise the Board on labour law risks and obligations. Ensure contractors and vendors are compliant.
G – Governance	Corporate Governance Integration	<ul style="list-style-type: none"> Include labour law compliance in Board and Audit Committee agendas. Align labour practices with CSR and ESG goals. Promote ethical employment, workplace safety, and fair wages. Ensure grievance redressal mechanisms are in place.
		<ul style="list-style-type: none"> Communicate labour policies to employees, contractors, and regulators.
		<ul style="list-style-type: none"> Conduct awareness sessions and training on labour rights and obligations.
		<ul style="list-style-type: none"> Maintain transparency in employment practices.
	Stakeholder Engagement	

F – Formulation	Internal SOPs for Compliance	Factories Act, 1948 SOPs:
		♦ Factory registration and licensing checklist.
		♦ Health & safety audit schedule.
		♦ Registers: Adult workers, leave, accidents.
		♦ Annual return filing calendar.
		Contract Labour Act, 1970 SOPs:
		♦ Contractor onboarding and license verification.
		♦ Wage and attendance record formats.
		♦ Half-yearly and annual return templates.
		♦ Display of notices and compliance posters.
		Child Labour Act, 1986 SOPs:
		♦ Age verification protocol.
		♦ Employment prohibition checklist.
		♦ Register of adolescents with work hours.
		♦ Inspector notification format and timeline.

COMPANY SECRETARIES: ARCHITECTS OF ETHICAL COMPLIANCE IN VIKSIT BHARAT

In this transformative landscape, the Company Secretary emerges as a pivotal governance professional—bridging legal mandates with corporate responsibility. Through the **KGF** Framework—Knowledge, Governance, and Formulation—the Company Secretary ensures that compliance is not merely procedural but deeply embedded in the ethical DNA of the organization. From managing registrations and licenses to maintaining statutory registers, filing returns, and ensuring workplace safety, the Company Secretary plays a vital role in upholding the dignity and rights of every worker.

This journey is beautifully echoed in the spirit of “**Bharat Bhagya Vidhata**”—India as the architect of its own destiny. When every act of compliance becomes a step toward equity, and every workplace a space of empowerment, we move closer to realizing this vision. Labour laws, when implemented with integrity and foresight, become instruments of national transformation—enabling India to rise not just as an economic force, but as a socially responsible and ethically governed nation.

As custodians of corporate governance, Company Secretaries are not only ensuring legal adherence but also shaping the future of ethical business in India. Their evolving role promises continuous professional growth, deeper societal impact, and a meaningful contribution to the making of **Viksit Bharat@2047**.

Guided by the Gita’s wisdom—“**Swadharme nidhanam shreyah**”—they uphold their duty with integrity, ensuring ethical governance, worker welfare, and regulatory excellence. In doing so, they not only support national progress but also shape meaningful, future-ready careers rooted in purpose and responsibility.

CONCLUSION

Empowering Compliance, Enabling Transformation

India’s journey toward becoming a developed nation—*Viksit Bharat*—depends on strong labour laws that protect workers and promote fair practices. By following clear rules for Registration, Record-keeping, and Reporting (RRR), and focusing on Knowledge, Governance, and Formulation of internal processes (KGF), companies can build safe and equitable workplaces. Company Secretaries play a key role in making sure these laws are followed not just on paper, but in spirit. When compliance is done with honesty and care, it helps create a better future for workers and supports India’s growth as a fair and responsible nation.

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