LEGAL COMPLIANCE MANAGEMENT

Labour & Employment Laws
LABOUR & EMPLOYMENT LAW REGIME IN INDIA

• Labour & Employment laws are enacted & enforced by both the Central as well as State Governments. Labour Laws fall within Concurrent List (Sl. No. 22, 24) of the Constitution of India.

• Labour Laws Compliance Management is both “significant” & “monetarily advantageous” to the corporate sector.

• Labour Laws in India are influenced by human rights and the conventions and standards that have emerged from the United Nations

• As per a survey carried out by the National Sample Survey Organization (NSSO) in the year 2009-10, the total employment, in both organized and unorganized sectors in the country was 46.5 crore comprising around 2.8 crore in the organized sector and the balance 43.7 crore workers in the unorganized sector (agriculture; construction; manufacturing and service)
LABOUR & EMPLOYMENT LAWS
(ILLUSTRATIVE LIST) - FOR CORPORATE SECTOR

[Excluding Acts Applicable On Mining, Shipping, Plantation Sectors; Unorganized Sector; Working Journalists; Cine Workers; Cigar & Beedi Workers]
LABOUR & EMPLOYMENT LAWS ENACTED AND ENFORCED BY CENTRAL GOVERNMENT (Manufacturing & Services Sector)

- The Employees’ State Insurance Act, 1948
- The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
LABOUR & EMPLOYMENT LAWS ENACTED BY CENTRAL GOVERNMENT AND
ENFORCED BY BOTH THE CENTRAL AS WELL AS THE STATE GOVERNMENTS
(*Manufacturing & Services Sector*)

<table>
<thead>
<tr>
<th>Law</th>
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<tbody>
<tr>
<td>The Payment of Wages Act, 1936</td>
</tr>
<tr>
<td>The Industrial Employment (Standing Orders) Act, 1946</td>
</tr>
<tr>
<td>The Industrial Disputes Act, 1947</td>
</tr>
<tr>
<td>The Minimum Wages Act, 1948</td>
</tr>
<tr>
<td>The Apprentices Act, 1961</td>
</tr>
<tr>
<td>The Maternity Benefit Act, 1961</td>
</tr>
<tr>
<td>The Motor Transport Act, 1961</td>
</tr>
<tr>
<td>The Payment of Bonus Act, 1965</td>
</tr>
<tr>
<td>The Contract Labour (Regulation and Abolition) Act, 1970</td>
</tr>
</tbody>
</table>
LABOUR & EMPLOYMENT LAWS ENACTED BY CENTRAL GOVERNMENT AND ENFORCED BY BOTH THE CENTRAL AS WELL AS THE STATE GOVERNMENTS

(Manufacturing & Services Sector)

<table>
<thead>
<tr>
<th>Law</th>
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<tbody>
<tr>
<td>The Payment of Gratuity Act, 1972</td>
<td></td>
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<tr>
<td>The Equal Remuneration Act, 1976</td>
<td></td>
</tr>
<tr>
<td>The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979</td>
<td></td>
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<tr>
<td>The Child Labour (Prohibition and Regulation) Act, 1986</td>
<td></td>
</tr>
<tr>
<td>The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988</td>
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<tr>
<td>The Building and Other Constructions Workers’ (Regulation of Employment and Conditions of Service) Act, 1996</td>
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</tbody>
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LABOUR & EMPLOYMENT LAWS ENACTED BY CENTRAL GOVERNMENT AND ENFORCED BY THE STATE GOVERNMENTS

(Manufacturing & Services Sector)

<table>
<thead>
<tr>
<th>Act</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Employees’ Compensation Act</td>
<td>1923</td>
</tr>
<tr>
<td>The Employers’ Liability Act</td>
<td>1938</td>
</tr>
<tr>
<td>The Weekly Holidays Act</td>
<td>1942</td>
</tr>
<tr>
<td>The Factories Act</td>
<td>1948</td>
</tr>
<tr>
<td>The Employment Exchange (Compulsory Notification of Vacancies) Act</td>
<td>1959</td>
</tr>
</tbody>
</table>
LABOUR & EMPLOYMENT LAWS ENACTED & ENFORCED BY THE RESPECTIVE STATE GOVERNMENTS

(*Manufacturing & Services Sector*)

- Law on Shops & Commercials Establishments
- Law regarding Labour Welfare Fund
WHY
LABOUR & EMPLOYMENT LAW
COMPLIANCE MANAGEMENT
Obligation of Board of Directors of Listed entity includes [regulation 17(3)]:

“The board of directors shall periodically review compliance reports pertaining to all laws applicable to the listed entity, prepared by the listed entity as well as steps taken by the listed entity to rectify instances of non-compliances”
DUTIES OF COMPANY SECRETARY

Functions of the Company Secretary [Section 205(1)] shall include:

- (a) to report to the Board about compliance with the provisions of this Act, the rules made there under and other laws applicable to the company;
- (b) to ensure that the company complies with the applicable secretarial standards;
- (c) to discharge such other duties as may be prescribed

Mandate of Ensuring Legal Compliances by Companies has thus been created vide Companies Act, 2013, by vesting the responsibility of ensuring legal compliance on the ‘Company Secretary’
SECRETARIAL AUDIT

• Every listed company and company belonging to other class of company shall annex with its boards report, a secretarial audit report given by a company secretary in practice. [Section 204(1)]

Other class of companies –
• Every public company having paid- up share capital of 50 crores rupees or more.
• Every public company having a turnover of 250 crores rupees or more.

Scope of Secretarial Audit inter-alia includes: “Examining and reporting whether the adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, competition law, environmental laws.”
DIRECTOR’S RESPONSIBILITY STATEMENT

• Directors had devised *proper systems to ensure compliance with the provisions of all applicable laws* and that such *systems were adequate and operating effectively*. [Section 134(5)(f)]
BROAD AREAS FOR LABOUR & EMPLOYMENT LAWS COMPLIANCE MANAGEMENT

- Maintenance of Statutory Registers & Records (Illustrative List depicted in this presentation)

- Filing of Statutory Forms & Returns (Illustrative List depicted in this presentation)

- Ensuring Statutory Displays at Notice Boards

- (Generally in English & local/vernacular language understood by majority of workmen/employees) (Illustrative List depicted in this presentation)

- Adherence to Substantive Legal Provisions (Illustrative List depicted in this presentation)
SHOPS & COMMERCIAL ESTABLISHMENTS LAW, READ WITH STATE RULES
SHOPS & COMMERCIAL ESTABLISHMENTS LAW, READ WITH STATE RULES

- Illustrative Law:

PUNJAB SHOPS & COMMERCIAL ESTABLISHMENT ACT, 1958, READ WITH PUNJAB SHOPS & COMMERCIAL ESTABLISHMENT RULES, 1958 (APPLICABLE TO THE STATE OF HARYANA)
SHOPS & COMMERCIAL ESTABLISHMENTS LAW

KEY COMPLIANCE ISSUES

• This Act is applicable to all shops, establishments & commercial establishments.

Mandatory Registration of & Grant of Registration Certificate for

SHOP

“Means any premises where any trade or business is carried on or where services are rendered to customers and includes offices, store-rooms, godowns, sale depots or warehouses, whether in the same premises or otherwise, used in connection with such trade or business but does not include a commercial establishment or a shop attached to a factory where the persons employed in the shop are allowed the benefits provided for workers under the Factories Act, 1948” [Section 2(xxv)]
“Means any premises wherein any business, trade or profession is carried on for profit, and includes journalistic or printing establishment and premises in which business of banking, insurance, stocks and shares, brokerage or produce exchange is carried on or which is used as hotel, restaurant, boarding or eating-house, theatre, cinema or other place of public entertainment or any other place which the Government may declare, by notification in the Official Gazette, to be a commercial establishment for the purposes of this Act”[Section 2(iv)]
“Means a shop or a commercial establishment” Section 2(viii)

Employment Conditions:

Hours of employment

- 48 Hours in a week & 9 hours in a day (excluding overtime)
- Period of work fixed should include rest intervals
- Spread over (means the period between the commencement and the termination of work of an employee on any day) - not more than 12 hours in a day
- Maximum overtime hours in one quarter- 50 hours
**Employment Conditions:**

**General Conditions of Employment**

- Rest Interval of at least 30 minutes, after at least every 5 hours [except security guards, watchman]
- Observe Sunday or any other day as Close day
- Grant of 3 National Holidays & 5 Festival Holidays as declared by the State Government (Double rate to be paid in case of employment on these days)
Employment Conditions:

Conditions of Employment for Women (during Night Shifts)-

✓ Women can work at night (8 pm to 6 am), only if Management obtains Exemption under Section 30 from the State Government AND Complies with certain mandatory provisions, including *inter-alia*:
  - Pick & Drop facility
  - Security during Pick & Drop
  - The management shall submit the security contract executed by the company with an appropriately licensed/Registered security agency, to the Labour Department
  - Compliance with laws on prevention of Sexual Harassment Of Women At Workplace
### Employment Conditions:

**Conditions of Employment for Women (during Night Shifts)-**

- Conduct an Annual self-defense Training workshop for women employees
- A Pepper spray (self defense spray) & mobile phone shall be placed at the disposal of the women employees in every Vehicle.
- Various prescribed Registers (e.g. Boarding Registers (Arrival & Departure), Movement Register (Arrival & Departure), Record Register of Women Employees etc. need to be maintained
SHOPS & COMMERCIAL ESTABLISHMENTS LAW
KEY COMPLIANCE ISSUES

**Employment Conditions:**

**Overtime Wages/Salary**
- √ Overtime Wages/Salary at twice the normal wages/salary, calculated on hourly basis

**Leaves**
- √ 7 casual leaves; 7 Sick Leaves; 1 day earned leave for every 20 working days

**Payment of Salary** - by 7th of next month
**Employment Conditions:**

**Notice of Removal by Employer & Notice Period by Employee**

- No employee shall be removed from service unless and until 1 month’s previous notice or pay in lieu thereof has been given to him (provided he has been in service for continuous 3 months).
- In cases of ‘Misconduct established on record’, employee shall not be entitled to Notice or pay in lieu thereof.
- Within 2 months of removal, employee may approach Judicial Magistrate & may be awarded 2 months’ salary as compensation.
- Minimum 30 days’ notice shall be served by employee or he/she needs to get deducted/adjusted, 30 days’ salary, in lieu of the ‘short notice’.
Employment Conditions:

Maintain First Aid Box with following contents

- Six medium sterilized dressings;
- Six 2-1/2” bandages;
- One ounce bottle containing 2 per cent alcoholic iodine;
- One ounce bottle containing selvolatile having the dose and mode of administration indicated on the label;
- One pair of scissors;
- One tube of burnol;
- One ounce olive oil to be used as eye drops
- One role of sticking plaster;
- One copy of the first-aid leaflet issued by the Chief Inspector
Employment Conditions:

Take adequate precautions in case of fire

Adequate means of escape to be provided, buckets/chemical fire extinguishers shall be provided in suitable & appropriate sites as per the nature of work carried on.
Form C- Register of Employees
Form D- Register of Wages of Employees
Form E- Register of Deductions
Notice exhibiting date of last white wash & varnishing
Any change in particulars filled in the forms for Registration (Form F & Form B), e.g. Details of Managing Director/Director, Manager, Working Hours, Close Day, **Number of Employees** etc. need to be intimated to the jurisdictional Labour Department within 7 days of the change - Form G to be filed Online.
SHOPS & COMMERCIAL ESTABLISHMENTS LAW

STATUTORY DISPLAYS

- Registration Certificate
- Notices to exhibit:
  - Close Day
  - Working Hours &
  - Rest Intervals
Registration & Renewal under the Act is done online in Haryana (Also in Delhi & most other States in India)

Computerised statutory records can be maintained, however following conditions need to be complied:

- Format and information should comply with the Act & Rules; and
- Hard copy should be maintained, signed by the occupier every month for statutory inspections; and
- Certificate from concerned banks should be obtained and submitted to inspecting officer - if the establishment is making online payment.
- Wage slips should be issued to the employee.
MODEL SHOPS AND ESTABLISHMENTS (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICES) BILL, 2016

✓ This Model Law (to be adopted by states) has been Cleared by the Cabinet (on 29th June, 2016).

✓ **Key Highlights:**

- Applicable to shops and establishments employing 10 or more workers (except manufacturing units).

- Provides for freedom to operate 365 days in a year and opening/closing time of establishment.

- Women to be permitted during night shift, if the provision of shelter, rest room, ladies toilet, adequate protection of their dignity and transportation etc. exists.

- No discrimination against women in the matter of recruitment, training, transfer or promotions.

- Online one common Registration through a simplified procedure.

- Powers of Government to make rules regarding adequate measures to be taken by the employer for the safety and health of workers.
This Model Law (to be adopted by states) has been Cleared by the Cabinet (on 29th June, 2016).

Key Highlights:

- Clean and Safe drinking water.
- Lavatory, creche, first aid and canteen by group of establishments, in case, it is not possible due to constraint in space or otherwise by individual establishment
- Five paid festival holidays in addition to national holidays etc.
- Exemption of highly skilled workers (for example workers employed in IT, Biotechnology and R&D division) from daily working hours of 9 hours and weekly working hours of 48 hours - subject to maximum 125 over-time hours in a quarter.
FACTORIES ACT, 1948, READ WITH STATE RULES
FACTORIES ACT, 1948, READ WITH STATE RULES

• Illustrative Law:

FACTORIES ACT, 1948, READ WITH PUNJAB FACTORY RULES, 1952
Applicable to all factories wherein

- 10 or more persons are/were employed with the aid of power or
- 20 or more workers are/were employed without the aid of power,

On any day in the preceding 12 months

(State Governments may prescribe different number of workers to attract applicability of this Act).
The Act/Rules deal in various aspects of factories, including *inter-alia*:

**Factory License / Renewal:**

- Factory license is applied online in most states (including Haryana)
- Renewal is also done online & is required to be generally done by 31st December
FACTORIES ACT, 1948, READ WITH STATE RULES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

The Act/Rules deal in various aspects of factories, including *inter-alia*:

<table>
<thead>
<tr>
<th>Working Hours/ Leaves/ Holidays:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of hours of work in a week - shall not exceed 60</td>
</tr>
<tr>
<td>Maximum 9 hours of daily work with minimum 30 minutes of rest interval in every 5 hours</td>
</tr>
<tr>
<td>Prohibition of women to work except between 6 a.m. and 7 p.m.</td>
</tr>
<tr>
<td>Daily maximum spread over of 12 hours a day (13 with prior permission of State Govt.)</td>
</tr>
<tr>
<td>Compensatory holiday to be provided when worker is deprived of weekly holiday - within 1 month in which holiday was due</td>
</tr>
<tr>
<td>Every worker, who has worked for 240 days or more will be entitled for leave of 1 day in every 21 days of work</td>
</tr>
</tbody>
</table>
FACTORIES ACT, 1948, READ WITH STATE RULES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

The Act/Rules deal in various aspects of factories, including *inter-alia*:

<table>
<thead>
<tr>
<th>Working Hours/ Leaves/ Holidays:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sick Leave:</strong></td>
</tr>
<tr>
<td>Sick leave is to be granted - even if prior application is not made: Medical Certificate signed by Registered Medical Practitioner stating the cause of absence &amp; period of absence from work - to be produced by the worker</td>
</tr>
<tr>
<td><strong>Casual Leave:</strong></td>
</tr>
<tr>
<td>Application for leave - at least 15 days before the date of leave Such leave can be availed - maximum 3 times in a year</td>
</tr>
</tbody>
</table>

*fppt.com*
The Act/Rules deal in various aspects of factories, including *inter-alia*:

**Overtime Hours & Payment for Overtime:**

Overtime of any factory shall not exceed the following limits:

- ✓ Total number of hours of overtime in a quarter - shall not exceed 50 (100 hours via Factories Amendment Act as passed by Lok Sabha on 1st August, 2016)

- ✓ Total number of Overtime hours of work in a quarter (with prior permission of State Govt, subject to conditions)- shall not exceed 75 (115 hours via Factories Amendment Act as passed by Lok Sabha on 1st August, 2016)

- ✓ Wage to be provided at twice the ordinary wage rate for ‘Overtime Hours’.

  *(Ordinary rate of wage = Basic Wage + Allowance (including cash equivalent of advantage accruing through concessional sale to workers of food grains & other articles) Does not include bonus & wage for overtime work)*
The Act/Rules deal in various aspects of factories, including *inter-alia*:

<table>
<thead>
<tr>
<th>Welfare:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequate drinking water facility, washing &amp; lightening facilities, adequate ventilation etc. to be provided</td>
</tr>
<tr>
<td>Rest Room to be provided - more than 150 workers</td>
</tr>
<tr>
<td>Employment of Welfare Officer - 500 or more workers</td>
</tr>
<tr>
<td>Notice of appointment/change of occupier should be filed in prescribed form - Within 15 days of appointment/change</td>
</tr>
<tr>
<td>Notice of appointment/change of manager should be filed in prescribed form - Within 7 days of appointment/change</td>
</tr>
<tr>
<td>Creche- more than 30 women are employed</td>
</tr>
<tr>
<td>Canteen - On employment of more than 250 workers</td>
</tr>
<tr>
<td>✓ Canteen Management Committee should be formed for the governance of canteen</td>
</tr>
<tr>
<td>✓ Medical examination of canteen staff for fitness should be conducted annually</td>
</tr>
<tr>
<td>✓ Minutes of Meetings of Committee should be drafted</td>
</tr>
</tbody>
</table>
The Act/Rules deal in various aspects of factories, including *inter-alia*:

### HEALTH & SAFETY:

Detailed Health & Safety Policy should be made (in case of factories involved in hazardous process) covering following aspects:

- Declared intention and commitment of the top management to health, safety and environment and compliance with all the relevant statutory requirements;
- Organisational set-up to carry out the declared policy clearly assigning the responsibility at different levels; and
- Arrangements for making the policy effective

Young persons should be prohibited to work on dangerous machines.

Screens & suitable goggles should be provided for protection of eyes.

First-Aid facilities should be provided. First Aid box to be maintained (*contents of the box to be provided as per the prescribed Punjab Factories Rules*)
The Act/Rules deal in various aspects of factories, including *inter-alia*:

**HEALTH & SAFETY:**

<table>
<thead>
<tr>
<th>Adequate number of fire extinguishers should be provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance of machines should be done periodically along with examination report e.g.,-</td>
</tr>
<tr>
<td>✓ Hoist and lifts (Half Yearly)</td>
</tr>
<tr>
<td>✓ Pressure plants (Half Yearly)</td>
</tr>
<tr>
<td>✓ Lifting machines, Ropes, Chains (Yearly)</td>
</tr>
<tr>
<td>✓ Plant &amp; Machinery (Yearly)</td>
</tr>
</tbody>
</table>
Illustrative list:

- Register of Adult Workers – Form 12
- Notice of period of work for adults – Form 11
- Register of leave with wages – Form 36
- Certificate of Fitness – Form 39
- Certificate of fitness for Dangerous operations – Form 32
- Register of Compensatory Holidays – Form 25
- Inspection Book – Form 35
Illustrative list:

- Annual Return of Accidents (Form 31) - Before 31st January of each year
- Half yearly Return (Form 22) - Before 15th July & 15th January of each year
- Annual Return (Form 21) - Before 15th January of each year
Illustrative list:
- Abstract of the Factories Act, 1948 & Rules (Form 20)
- Health & Safety Policy (in case of Hazardous Process)
- Wage Scheme for leave period
- Notice of compensatory holidays
- Notice of provisions of spits and its penalty
- Charges of food stuff in Canteen
- Notice regarding first-aid box
- Provision of Ambulance room - where more than 500 workers are employed
CONTRACT LABOUR
(REGULATION AND ABOLITION) ACT, 1970
(‘CLRA’),
READ WITH STATE RULES
It applies to:

- Establishment, where 20 or more workman are employed on any day of the preceding 12 months as contract labour;
- Contractor, who employs or who employed on any day of the preceding 12 months, 20 or more workmen;
- It shall not apply to establishments in which work only of an intermittent or casual nature is performed.
PRINCIPAL EMPLOYER (P.E.)

- Registration of Establishment by P.E. - in case it employees 20 or more workman as contract labour & Registration Certificate to be obtained by P.E.

- P.E. is liable for salary/wages, statutory dues e.g. PF, ESI etc., payable to Contract Labour [based on definition of principal employer as per Section 2(g) of CLRA, read with definition of employee under section 2(f) of PF Act, 1952 & definition of employee under section 2(9) of ESI Act 1948]

- Advisable to engage contract labour for non- perennial & incidental/ancillary work. Contract Labour should not be engaged for main activities of establishment, but for ancillary activities – else same wages/salary and conditions of service need to be provided to Contract labour as is provided to Regular Workmen [Reason: Standard Condition in the License granted to Contractors – pursuant to CLRA State Rules]
Section 10

State Governments may, having regard to the conditions of work and benefits provided for the contract labour in an “establishment” and other relevant factors (as below), prohibit the employment of contract labour in certain industry, trade business etc.:

a) whether the process, operation or other work is incidental to, or necessary for the industry, trade, business, manufacture or occupation that is carried on in the establishment;

b) whether it is of perennial nature, that is to say, it is of sufficient duration having regard to the nature of industry, trade, business, manufacture or occupation carried on in that establishment;

c) whether it is done ordinarily through regular workmen in that establishment or an establishment similar thereto;

d) whether it is sufficient to employ considerable number of whole-time workmen.
Section 10

- Except Andhra Pradesh & Maharashtra (which have made some amendments) and prohibited contract labour deployment in ‘core activities’ or expressly permitted contract labour deployment in certain industries, no other state seems to have introduced such prohibition.

- Post deployment of contract labour (by certain establishments in ‘core activities’) & not providing same wages, service conditions etc., there would be non-compliance of one of the Standard Condition in CLRA Licenses (stated below – extract from License Format under Punjab Contract Labour Rules):

  *In cases where the workmen employed by the contractor perform the same or similar kind of work as the workmen directly employed by the principal employer of the establishment, the wage rates, holidays, hours of work and other conditions of service of the workmen of the contractor shall be the same as applicable to the workmen directly employed by the principal employer of the establishment on the same or similar kind of work provided that in the case of any disagreement with regard to the type of work the same shall be decided by the Deputy Labour Commissioner, Punjab whose decision shall be final.*
PRINCIPAL EMPLOYER (P.E.)

- Appropriate agreement should be drafted between P.E & Contractor.
- Statutory Obligations w.r.t Contract Labour should be incorporated in contracts with Contractors – makes Contractors contractually liable to P.E.
- Contractor should be engaged for the purpose as stated in the RC of PE & should provide workers within maximum limit as stated in P.E.’s RC.
- P.E’s representative should be present & should sign the Payment Register- in token of Contractor having disbursed the salary in his presence. *(Ultimate Liability of P.E.- if contractor does not pay to contract labour)*
PRINCIPAL EMPLOYER (P.E.)

- P.E. should not exercise excessive control/supervision w.r.t. workers/employees of contractor, deputed to fulfill obligation of contractor’s contract & should deal with Contractor directly for all major issues. In the case of Steel Authority of India Ltd. vs National Union Water Front Workers, 2001 LLR 961, the Supreme Court, over-ruled the judgement on Air India Statutory Corporation and held that:

  ✓ The Scheme of the Contract Labour (Regulation & Abolition) Act stipulates that the principal employer will not be supervising the workers of the contractor otherwise the contract labour system will be rendered as sham, ruse and camouflage.

  ✓ Neither Section 10 of the Act nor any other provision in the Act expressly or by necessary implication provides for automatic absorption of contract labour on issuing a Notification by the appropriate Government prohibiting employment of contract labour in any process or operation or other work in any establishment.

  ✓ The Principal employer cannot be required to order absorption of the contract labour working in the concerned establishment.
CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970
(‘CLRA’), READ WITH STATE RULES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

CONTRACTOR

- License to be obtained by Contractor (If he deputes 20 or more workman with the P.E.).
- Contractor should immediately get license amended, where no. of workers deployed by him crosses the limit stated in licence.
- Liability of contractor to provide Canteen, Rest Rooms, Drinking Water, First Aid box etc. (Ultimate Liability of P.E.- if contractor does not provides & is recoverable from Contractor)
- Liability of Contractor for payment of timely & minimum wages, deposit of statutory dues e.g. Provident Fund (PF), Employee State Insurance (ESI) etc. – else it may be held liable under law

*Group 4 Securitas Guarding Ltd. & Another vs. Employees’ Provident Fund Appellate Tribunal & Ors., 2012 LLR 22*

Hon'ble Delhi High Court has held that where the contractor, being employer providing services of man-power, is having control over the personnel being supplied by him to the establishments by way of issuance of appointment letters, making payment of wages and other allowances etc, the relationship between such a contractor and the establishment where the man-power is supplied by him will be of ‘principal to principal’ and not that of employer contractor.
CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970 (‘CLRA’), READ WITH STATE RULES
STATUTORY REGISTERS & RECORDS

BY P.E

• Register of Contractors

BY CONTRACTOR

• Muster Roll
• Wages Register
• Deductions Register
• Register of fines
• Register of Advances
• Register of Overtime
BY P.E

- Filing of Annual Return by P.E. before 15\textsuperscript{th} February following close of the year

BY CONTRACTOR

- Half Yearly Returns (within 30 days of end of half year i.e. June & December)
- Notice of Commencement & Completion of contract work to be filed by the Contractor in prescribed form
CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970
(‘CLRA’), READ WITH STATE RULES

STATUTORY DISPLAYS

- Registration Certificate of P.E.;
- Abstract of Act (In English & Hindi)
- Rates of Wages
- Hours of Work
- Wage Period
- Date, Time & Place for disbursement of wages
- Canteen (Menu with Price)
INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1946, READ WITH STATE RULES
Applicable to:

- Every *industrial establishment wherein 100 or more workmen* are employed (State Govt. may prescribe for a lower no. of workmen e.g. State of Haryana; State of Delhi – 50 workmen)

- Submission of draft Standing Orders to the Certifying Officer and getting the same approved

- Certification Process of Standing Orders:
  - *After receiving the draft Standing Orders, Certifying Officer will forward the copy to workman/trade union, with a notice in prescribed form for objections to be submitted within 15 days of receipt of notice.*
  - *It is discretion of the Certifying Officer to either accept or reject the objections.*
  - *Certifying officer will then certify the Standing Orders and within 7 days send a copy of Certified Standing Orders to employer/Trade Union/ Representative of workman*
Standing orders to cover all matters such as classification of workmen, hours of work, holidays, leaves, misconduct, suspension/termination rules etc. All disciplinary matters/proceedings vis-a-vis workmen need to be adjudicated as per the Certified Standing Orders of the Establishment / provisions of the Act.

As per Section 2(i) of Industrial Employment & Standing Orders Act - "wages" and "workman" have the meanings respectively assigned to them in clauses (rr) and (s) of section 2 of the Industrial Disputes Act, 1947.
As per Section 2(s) of Industrial Disputes Act, 1947 "workman" means any person (including an apprentice) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, and for the purposes of any proceeding under this Act in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched in connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute, but does not include any such person

- Who is subject to the Air Force Act, 1950 (45 of 1950), or the Army Act, 1950 (46 of 1950), or the Navy Act, 1957 (62 of 1957); or
- Who is employed in the police service or as an officer or other employee of a prison; or
- Who is employed mainly in a managerial or administrative capacity; or
- Who, being employed in a supervisory capacity, draws wages exceeding ten thousand rupees per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature"

As per Section 12A of this Act, in case of non-certification of Standing Orders, Model Standing Orders will apply.
INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1946, READ WITH STATE RULES

STATUTORY DISPLAYS

- Display of Certified / Model Standing Orders
SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013
**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

**KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS**

- This Act is applicable in case there is an “aggrieved women” who alleges to have been subjected to an act of sexual harassment (whether employed in that workplace or not).

- As per the Act, Sexual Harassment includes any one or more of the following unwelcome acts or behaviour (whether directly or by implication) namely:
  - Physical contact and advances; or
  - Demand or request for sexual favours;
  - Making sexually coloured remarks; or
  - Showing pornography; or
  - Any other unwelcome physical, verbal or nonverbal conduct of sexual nature
The Act mandates the Constitution of an Internal Committee (‘Internal Complaints Committee’ has been replaced with ‘Internal Committee’ effective 6th May, 2016) (‘IC’), with **majority constitution of women**, such Committee **to be individually constituted at each of the Employers’ workplace**.

<table>
<thead>
<tr>
<th>Members of IC to include:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Presiding Officer- Women employee of senior level (If not available at that workplace, then officer nominated from other offices or administrative units of workplace) or any other workplace of the same employer or other department or organization)</td>
</tr>
<tr>
<td>2. 2 Members-among the employees working for cause of women/ experience in social work/legal knowledge</td>
</tr>
<tr>
<td>3. 1 Member- From NGO/ associations working for women causes/ person familiar with issues of sexual harassment</td>
</tr>
</tbody>
</table>
SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

Note:

- There should be no representation of “Management” in IC [“Management” includes the person or board or committee responsible for formulation and administration of polices for such organisation]

- IC to follow the principles of natural justice, in conducting its proceedings

- Issuance of Order of IC Constitution

- Minimum 50% of members of IC to be women

- Committee to be re-constituted every 3 (three) years from the date of nomination

- Employer to pay such fees or allowances for holding proceedings to such external nominated members

- Employer should preferably have a Policy to deal with all issues arising out of this law and such policy (or other awareness generating document) should be communicated to all employees of the Employer, via e-mail or by any other mode (so as to create evidence of service as well)

- Employer is mandated to conduct Awareness Programs/ Training Workshops at regular intervals – to sensitize the employees on this law.
SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

STATUTORY DISPLAYS

- Order constituting the Internal Committee (providing all relevant contact details of Members of the Committee)

- Penal consequences of sexual harassment
SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

STATUTORY REPORTS

• IC to submit an annual report, containing following details to Employer :-
  ✓ Number of complaints received in a year
  ✓ Number of complaints disposed off during the year
  ✓ Number of workshops or awareness programmes carried out, during the year
  ✓ Nature of action taken by the employer

• Details of complaints received and disposed off during the year, Number of workshops or awareness programmes carried out during the year, needs to be published every year in the Annual Report of the Company.
MINIMUM WAGES ACT, 1948, READ WITH STATE RULES
• Applicable to all scheduled employments (as specified in the schedule of the Act and the entries of the state government in the schedule, e.g. factories, commercial establishments etc.)

• Act mandates fixing minimum rates of wages in scheduled employments
Minimum wages as per latest notification by Haryana & Delhi Government are as under:

**Delhi Government**

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Category of Worker</th>
<th>Minimum Wage Rate per-month (Amount in Rupees)</th>
<th>Minimum Wage Rate per-day (Amount in Rupees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Un-Skilled</td>
<td>9,568</td>
<td>368</td>
</tr>
<tr>
<td>2</td>
<td>Semi Skilled</td>
<td>10,582</td>
<td>407</td>
</tr>
<tr>
<td>3</td>
<td>Skilled</td>
<td>11,622</td>
<td>447</td>
</tr>
</tbody>
</table>

**Haryana Government**

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Category of Worker</th>
<th>Minimum Wage Rate per-month (Amount in Rupees)</th>
<th>Minimum Wage Rate per-day (Amount in Rupees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Un-Skilled</td>
<td>7,600</td>
<td>292.31</td>
</tr>
<tr>
<td>2</td>
<td>Semi-Skilled</td>
<td>8,379</td>
<td>322.27</td>
</tr>
<tr>
<td>3</td>
<td>Skilled</td>
<td>9,237</td>
<td>355.30</td>
</tr>
</tbody>
</table>
MINIMUM WAGES ACT, 1948, READ WITH STATE RULES

STATUTORY REGISTERS & RECORDS

• Overtime Register
• Register of wages
• Wage Slip
• Muster roll to be filled within 3 hours of commencement of shift
• Record of all fines imposed and deductions made
• Annual return showing deductions from wages, before 1st Feb following end of the year
MINIMUM WAGES ACT, 1948, READ WITH STATE RULES

STATUTORY DISPLAYS

- Notice regarding Rest Day
- Notice containing following details:
  - Minimum rates of wages
  - Extracts of Act & Rules
  - Name & address of inspector
- **Note**: All details to be displayed at main entrance of the establishment & office in English & Hindi in clean & legible condition
PAYMENT OF WAGES ACT, 1936,
READ WITH STATE RULES
PAYMENT OF WAGES ACT, 1936, READ WITH STATE RULES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• It is applicable to Factories, Industrial Establishment, Air transport services, inland vessels etc
• It regulates payment of wages of certain classes of employed persons
• Payment of wages
  ✓ if less than 1000 workmen are employed- before expiry of 7th day after last day of wage period
  ✓ If more than 1000 workmen are employed- before expiry of 10th day after last day of wage period
PAYMENT OF WAGES ACT, 1936, READ WITH STATE RULES

STATUTORY REGISTERS & RECORDS

- Register of wages, fine, damage, deductions & advances
- Register of Fines
- Register of Deductions for damage or loss
- Register of Wages
PAYMENT OF WAGES ACT, 1936, READ WITH STATE RULES

STATUTORY DISPLAYS

• Display of Abstract of Act & Applicable Rules
• Display of day of payment of wages
EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952, READ WITH APPLICABLE SCHEMES
EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952, READ WITH APPLICABLE SCHEMES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

- Applies to entire India (except Jammu & Kashmir)
- Applies to every establishment which is a factory engaged in any industry specified in Schedule 1 & in which 20 or more persons are employed
- Any other establishment employing 20 or more persons which Central Government may, by notification, specify in this behalf.
- Any establishment employing even less than 20 persons can be covered voluntarily u/s 1(4) of the Act.
EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952, READ WITH APPLICABLE SCHEMES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• Equal contribution of 12% (10% in certain cases) of Wages (Basic wages, dearness allowance and retaining allowance, if any) is required to be paid by employer and employee (Whether employed directly or through contractor).

• Employees can opt to contribute more than 12% of their wages (Voluntary contribution)

• Option of Voluntary Provident Fund (VPF) to be provided to employees/workers – in writing (although Employer not obliged to contribute equal amount)

• Rate of 10% is applicable for following industries
  – For establishments having less than 20 employees, or
  – Sick Industrial Company declared by Board for Industrial and Financial Reconstruction, or
  – Establishment which has at the end of any financial year, accumulated losses equal to or exceeding its entire net worth or
  – Any establishment in following industries:-(a) Jute (b) Beedi (c) Brick (d) Coir and (e) Guar gum Factories
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

- Contribution by employer is subject to present threshold of Rs. 15,000/- per month, beyond which there is no obligation by employer to contribute.
- Establishment will include all department and branches in any location.
- In respect of employees employed through Contractor, Contractor shall recover the contribution payable by such employee and pay to Principal Employer amount of contribution along with administrative charges or Contractor may deposit such contribution directly to EPFO – after taking a separate EPF Code No.
- Employer needs to deposit its statutory contribution by 15th of every month. (with respect to wages of immediate preceding month)
- If the employee leaves the existing establishment and obtains re-employment to the establishment in which this act is applicable, it is the duty of the employer to transfer the accumulations to the credit of such employee’s account in the fund in which he is re-employed.
EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS
ACT, 1952, READ WITH APPLICABLE SCHEMES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• In case the employer has made default in transferring of the accumulated amount, he is required to pay damages as follows:
  – If period of default is less than 2 months- 5 % of arrears per annum
  – If period of default is 2 -4 months- 10 % of arrears per annum
  – If period of default is 4 -6 months- 15 % of arrears per annum
  – If period of default is more than 6 months- 25 % of arrears per annum

• With Effect from 01.04.2012, employers need to make remittance only after generating challan (ECR) from the Employer Portal of EPFO
EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS
ACT, 1952, READ WITH APPLICABLE SCHEMES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• No requirement to submit paper returns viz. Form 5/10/12A/3A and 6A
• Salary for PF calculation should not be less than the ‘Minimum Wages’ – as per directions issued by Central Provident Fund Commissioner to all Regional Provident Fund Commissioners *(to be checked particularly in case of ‘Contract Labour’ deployed through Contractors).*
• Once a PF Member in any organization, cannot be left out of coverage, merely because he draws remuneration above the prescribed wage/salary ceiling (presently Rs. 15,000/- per month).
• Principal Employer statutorily responsible for default of Contractor, w.r.t. statutory payments of PF contribution of Contract Labour *(this is however subject to judicial review).* In *Madurai District Central Co-operative Bank Ltd. rep. by its Special Officer vs. Employees’ Provident Fund Organisation*, 2012 LLR 702, the Madras High Court has held that when a separate code number was allotted, the employees of the contractor, by no stretch of imagination can be treated to be employees of the principal employer.
EMPLOYEES STATE INSURANCE ACT, 1948, READ WITH EMPLOYEE STATE INSURANCE RULES, 1950
EMPLOYEES STATE INSURANCE ACT, 1948, READ WITH EMPLOYEE STATE INSURANCE RULES, 1950

KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• Applicable to all factories and establishments other than seasonal factories (in which 10 or more workers are employed)
• Establishment to be registered on having 10 employees/workers \((\text{irrespective of the fact whether there is not even 1 eligible employee} - \text{i.e. Drawing salary/wages as prescribed under the Act, for applicability of this Act} - \text{presently Rs. 15,000/- per month which has been revised to Rs 21,000/- per month, effective 1\textsuperscript{st} October, 2016})\)
• Updation of registration particulars in case of change.
• Calculations & deposit of ESI contribution (ESI) within prescribed statutory period, at the following rates presently:
  – 4.75% of salary/wages as employers contribution &
  – 1.75% of salary/wages as employees contribution
Salary/Wages have been defined under the ESI Act as

“Section 2(22) "wages" means all remuneration paid or payable in cash to an employee, if the terms of the contract of employment, express or implied, were fulfilled and includes any payment to an employee in respect of any period of authorised leave, lockout, strike which is not illegal or Layoff and other additional remuneration, if any, paid at intervals not exceeding two months], but does not include

a) Any contribution paid by the employer to any pension fund or provident fund, or under this Act;
b) Any travelling allowance or the value of any travelling concession;
c) Any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or
d) Any gratuity payable on discharge;”

Principal Employer responsible for default of Contractor, w.r.t. statutory payments of ESI contribution of Contract Labour (since definition of Employee under the ESI Act includes contract labour)
EMPLOYEES STATE INSURANCE ACT, 1948, READ WITH EMPLOYEE STATE INSURANCE RULES, 1950
STATUTORY FORMS & RETURNS

- Form 5 - Return for Contribution
- Other paper returns have been discontinued since 2012
EMPLOYEES STATE INSURANCE ACT, 1948, READ WITH EMPLOYEE STATE INSURANCE RULES, 1950
STATUTORY REGISTERS & RECORDS

• Registers of Employees (Form 6)
• Accident Book (Form 11)
• Inspection Book
• Generation & Issue of temporary identification certificate (TIC)
• Issue of permanent identity cards for employees (with photo of self and family)
• Report of Accident (Form 12) to be filed to the nearest ESI Branch Office and the nearest medical officer
PAYMENT OF BONUS ACT, 1965, READ WITH PAYMENT OF BONUS RULES, 1975
PAYMENT OF BONUS ACT, 1965, READ WITH PAYMENT OF BONUS RULES, 1975
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

Applicable to:

- Every factory (as defined under Factories Act, 1948)
- Establishment in which 20 or more persons are employed on any day during an accounting year. (CG may specify lesser no. of employees)

Eligibility of Bonus:

- Employees/workers who have worked for more than 30 days in a month and drawing salary/remuneration of Rs. 21,000/- per month
  - As per Payment of Bonus Amendment Act, 2015, eligibility limit was enhanced from Rs 10,000/- per month to Rs 21,000/- per month & Calculation ceiling from Rs. 3,500/- to Rs. 7,000/- per month (with retrospective effect from 1st April, 2014)
  - As per the orders passed by Bombay High Court, Karnataka High Court, Allahabad High Court, Kerala High Court, Gujarat High Court, Punjab & Haryana High Court - the retrospective effect of the notification stands stayed throughout India and no coercive steps to be taken against any corporate for recovery of amounts due prior to 31st March, 2016)

Salary or wage means all remuneration (other than remuneration in respect of overtime work) capable of being expressed in terms of money, and Dearness allowance (that is to say, all cash payments, by whatever name called, paid to an employee on account of a rise in the cost of living)
PAYMENT OF BONUS ACT, 1965, READ WITH PAYMENT OF BONUS RULES, 1975

KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• Mandatory for employer to pay Minimum Bonus of 8.33% of Salary & Maximum Bonus of 20% of Salary from the accounting year in which establishment has profits (excluding First 5 years of existence)
• Payment of statutory bonus- within statutory time limit of 8 months of close of financial year
• Company is entitled to adjust any customary or interim bonus/puja bonus, against bonus payable under this Act
PAYMENT OF BONUS ACT, 1965, READ WITH PAYMENT OF BONUS RULES, 1975

STATUTORY REGISTERS & RECORDS

• Form A-Showing the computation of the allocable surplus
• Form B-Showing the set-on and set-off of the allocable surplus
• Form C -Showing the amount of bonus due to each of the employees and the amount actually disbursed
PAYMENT OF BONUS ACT, 1965, READ WITH PAYMENT OF BONUS RULES, 1975

STATUTORY FORMS & RETURNS

• Form D- Annual Return
PAYMENT OF GRATUITY ACT, 1972, READ WITH STATE RULES
PAYMENT OF GRATUITY ACT, 1972, READ WITH STATE RULES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

It is applicable to
- Factories (as registered under Factories Act, 1948)
- Company (As registered under Companies Act, 1956/2013),
- Shop & Establishment (As registered under State Shops & Establishment Act),
- Education institution, employing 10 or more employees
PAYMENT OF GRATUITY ACT, 1972, READ WITH STATE RULES
KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• Registration of establishment
• Intimation in prescribed Form for any change in the name, address of employer or nature of business - within 30 days of such change
• Employee to submit his nomination in Form F - within 30 days of appointment
• Payment of Gratuity (15 days salary for every completed year of service) to be payable to an employee after rendering services of 5 years on his:
  – Superannuation
  – Retirement or resignation
  – Death or disablement due to accident or disease
PAYMENT OF GRATUITY ACT, 1972, READ WITH STATE RULES

KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• Section 6 which mandates employers (having more than 500 employees) to obtain insurance policy from LIC or any other recognized policy – has not yet been notified by the Central Government till date.
PAYMENT OF GRATUITY ACT, 1972, READ WITH STATE RULES

STATUTORY DISPLAYS

• Abstract of the Act & Rules
LABOUR LAWS (SIMPLIFICATION OF PROCEDURE FOR FURNISHING RETURNS & MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988
Establishment includes:

- an 'industrial or other establishments' as defined in section 2 of the Payment of Wages Act, 1936 (4 of 1936);
- a 'factory' as defined in section 2 of the Factories Act, 1948 (63 of 1948);
- a factory, workshop or place where employees are employed or work is given out to workers, in any scheduled employment to which the Minimum Wages Act, 1948 (11 of 1948.), applies;
- a 'plantation' as defined in section 2 of the Plantations Labour Act, 1951 (69 of 1951); and
- a 'newspaper establishment' as defined in section 2 of the Working Journalists and other
LABOUR LAWS (SIMPLIFICATION OF PROCEDURE FOR FURNISHING RETURNS & MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988

KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

• Small Establishment- Establishment in which not less than 10 and not more than 40 persons are employed or were employed on any day of the preceding 12 months;

• Very Small Establishment- Means an establishment in which not more than 9 persons are employed or were employed on any day of the preceding 12 months
LABOUR LAWS (SIMPLIFICATION OF PROCEDURE FOR FURNISHING RETURNS & MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988

KEY COMPLIANCE ISSUES & LEGISLATIVE AMENDMENTS

- Such Small Establishments & Very Small Establishments to maintain following Registers & file following Returns:
  - Annual Return in Form - I (To be filed in either physical or electronic form)

- To Maintain following Registers:-
  - Registers in Form II (Register of persons employed-cum-employment card),& Form III (Muster Roll-cum-Wage Register) for Small Establishments (To be maintained in either physical or electronic form)
  - Register in Form E (Monthly Register Of Muster Roll-cum-wages)- Very Small Establishments (To be maintained in either physical or electronic form)

- Issue Wage Slips as per Minimum Wages Act, 1948
LABOUR LAWS (SIMPLIFICATION OF PROCEDURE FOR FURNISHING RETURNS & MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988

**STATUTORY FORMS & RETURNS**

<table>
<thead>
<tr>
<th>Exemption to file Returns &amp; Maintain Registers under the following Labour Laws:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>7</td>
</tr>
<tr>
<td>8</td>
</tr>
<tr>
<td>9</td>
</tr>
</tbody>
</table>
**Exemption to file Returns & Maintain Registers under the following Labour Laws:**

<table>
<thead>
<tr>
<th>No.</th>
<th>Act Title</th>
<th>Act Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>The Contract Labour (Regulation and Abolition) Act, 1970 (37 of 1970)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>The Sales Promotion Employees (Conditions of Service) Act, 1976 (11 of 1976)</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 (30 of 1979)</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>The Dock Workers (Safety, Health and Welfare) Act, 1986 (54 of 1986)</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>The Child Labour (Prohibition and Regulation) Act, 1986 (61 of 1986)</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (27 of 1996)</td>
<td></td>
</tr>
</tbody>
</table>
LABOUR LAWS (SIMPLIFICATION OF PROCEDURE FOR FURNISHING RETURNS & MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988

STATUTORY FORMS & RETURNS

- Such Small Establishments & Very Small Establishments need to however File Returns related to accidents under Section 88 & 88A of Factories Act, 1948
UNIFIED SHRAM SUVIDHA PORTAL
A Move towards further Digitalization of Labour & Employment Laws

Unified Shram Suvidha Portal is developed to:

✓ facilitate online reporting of Inspections and submission of Returns.
✓ to act as single point of contact between employer, employee and enforcement agencies, for integration of data among various enforcement agencies, each inspectable unit under any Labour Law has been / shall be assigned one Labour Identification Number (LIN)
✓ Haryana State is now on-board of Shram Suvidha Portal. Total 168283 establishments have been allotted LIN (Factories Act-10255, Shops & Establishments Act-158028).
✓ Facility for filing “Online Single Annual Return (Returns to be filed under 10 Central Rules)” shall be launched soon; Draft Notification has been issued in this regard.
UNIFIED SHRAM SUVIDHA PORTAL
A Move towards further Digitalization of Labour & Employment Laws

- Digitalisation of labour related records /registers of establishment
  - As per Ministry of Labour & Employment (*quoted in this web-portal*), information required by various Labour Laws registers overlap & are being recorded in multiple registers resulting in **duplicity, inconsistency, inaccuracy etc.**

  - This portal aims at **Online maintenance of 14 central labour related registers/records**, so that the information is available in real time to both establishment and the Labour Ministry
UNIFIED SHRAM SUVIDHA PORTAL
A Move towards further Digitalization of Labour & Employment Laws

- Digitalisation of labour related records /registers of establishment
  - It aims in consolidating more than **80 Registers into about 9 electronic registers** with the objective of removing data duplicity by following 2 methods:

<table>
<thead>
<tr>
<th>Uniform Registers present in various Acts with more or less similar information:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Employee Register</td>
</tr>
<tr>
<td>- Wage Register including overtime, damage, fine and advances</td>
</tr>
<tr>
<td>- Attendance Registers for daily attendance and leaves</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Act Specific Registers</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Accidents under Mines Act 1952 and Employees State Insurance Act 1948</td>
</tr>
<tr>
<td>- Bonus under Payment of Bonus Act 1965</td>
</tr>
<tr>
<td>- Contractors under Contract Labour Act, 1970 and Inter State Migrant Labour Act 1979</td>
</tr>
<tr>
<td>- Health under Building and Construction Workers Act 1996</td>
</tr>
<tr>
<td>- Journey Allowance under Inter State Migrant Labour Act 1979</td>
</tr>
<tr>
<td>- Nominations under Payment of Wages Act 1936</td>
</tr>
</tbody>
</table>
14 central labour laws are as under:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Employees State Insurance Act, 1948 &amp; general regulations 1950</td>
</tr>
<tr>
<td>2</td>
<td>The Contract Labour (Regulation &amp; Abolition) Act, 1970 &amp; Central Rules, 1971</td>
</tr>
<tr>
<td>3</td>
<td>The Equal Remuneration Act, 1976</td>
</tr>
<tr>
<td>4</td>
<td>The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 &amp; Central Rules 1980</td>
</tr>
<tr>
<td>5</td>
<td>The Maternity Benefit Act, 1961 and Mines and Circus Rules, 1963</td>
</tr>
<tr>
<td>6</td>
<td>The Minimum Wages, Act, 1948 and Central Rules, 1950</td>
</tr>
<tr>
<td>7</td>
<td>The Payment of Bonus Act, 1965 &amp; Central Rules 1975</td>
</tr>
<tr>
<td>8</td>
<td>The Payment of Wages Act, 1936 and Mines Rules 1956, ATS 1968 Railway 1938</td>
</tr>
<tr>
<td>9</td>
<td>The Mines Act, 1952 and Rules 1955</td>
</tr>
</tbody>
</table>
## CENTRAL LABOUR LAWS

### 14 central labour laws are as under:

<table>
<thead>
<tr>
<th>No.</th>
<th>Act and Rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 &amp; Central Rules, 1998</td>
</tr>
<tr>
<td>11</td>
<td>The Factories Act, 1948</td>
</tr>
<tr>
<td>12</td>
<td>The Plantation Labour Act, 1951</td>
</tr>
<tr>
<td>13</td>
<td>The Sales Promotion Employees (Conditions of Service) Act, 1976 &amp; Rules 1976</td>
</tr>
<tr>
<td>14</td>
<td>The Working journalists and other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 and rules 1957</td>
</tr>
</tbody>
</table>
IF YOU THINK COMPLIANCE IS EXPENSIVE

TRY NON-COMPLIANCE

FORMER U.S. DEPUTY ATTORNEY GENERAL PAUL MCNULTY
THANK YOU!!

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