

Key Acts For Compliance.

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Labour & Industrial Law Compliance.

- Statutory compliance under various Labour Laws has to be ensured by establishments.
- It is not just limited to the statutory deposits, returns & records to be maintained by the employer under various Labour Laws, but also to represent in case of prosecution.
- Hence the Labour related laws cast an obligation on the employer very careful & timely compliances.

Classification of Labour & Industrial laws in India

Laws related to working hours, conditions of service & employment :-

- 1) The Bombay Shops & Establishments Act, 1948.
- 2) The Contract Labour (Regulation & Abolition) Act, 1970.
- 3) The Factories Act, 1948.
- 4) The Industrial Employment (Standing Orders) Act, 1946.
- 5) The Private security Agencies (Regulation) Act, 2005.

Laws related to wages :-

- 1) The Payment of wages Act, 1936.
- 2) The Minimum wage Act, 1948.
- 3) The Payment of Bonus Act, 1965.

Classification of Labour & Industrial laws in India

Laws related to equality & empowerment of women :-

- 1) The Maternity Benefit Act, 1961.
- 2) The Equal Remuneration Act, 1976.
- 3) The Sexual Harassment of women at work place (Prevention, Prohibition & Redressal Act, 2013.

Laws related to social security :-

- 1) The Employees (Workman's) Compensation Act, 1923.
- 2) The Employees State Insurance Act, 1948.
- 3) The Employees Provident Fund & Miscellaneous Provisions Act, 1952.
- 4) The Payment of Gratuity Act, 1972.

Classification of Labour & Industrial laws in India

Laws related to Industrial Relations :-

- 1) The Trade Unions Act, 1926.
- 2) The Industrial Disputes Act, 1947.

Laws related to Deprived & Disadvantaged sections of the Society :-

- 1) The Child Labour (Prohibition & Regulation) Act, 1986.

The Bombay Shops & Establishments Act, 1948 & the Maharashtra Shops & Establishments Rules 1961.

Applicability :-

This Act is applicable to the employees working in different categories of establishments viz. Shops, Commercial Establishments, Residential hotels, Restaurants, Eating places, Theatres & other places of public amusement or entertainment.

Compliance Requirements :-

1. Registration Certificate.

The Contract Labour (Regulation & Abolition) Act, 1970 & The Maharashtra Contract Labour (Regulation & Abolition) Rules, 1971.

Applicability :-

To the establishments which employs 20 or more contract labours & to the Contractor who employs 20 or more contract labours as workmen's.

Compliance Requirements :-

1. Registration Certificate.
2. License.
3. Payment of wages.

4 Facilities – Rest rooms, canteen, drinking water, first-aid, latrines & urinals.

5 Submission of Returns – Annual Return.

6 Maintenance of Records – Mustor roll, wage register, register of contractors, register of damage or loss, register of fines, register of advances.

7 Display the Abstract of Act.

The Factories Act, 1948 & the Maharashtra Factories Rules 1961.

Applicability :-

It applies to all factories employing more than 10 people working with the aid of power & to the 20 or more people working without the aid of power.

Compliance Requirements :-

1. Licence.
2. Providing safety measures within the factory premises.
3. Provision of adequate welfare measures like creche, canteen, wash room etc. for workers.

- 4 Payment of wages as per the provisions of the Act.
- 5 Maintenance of Register.
- 6 Submission of Returns.

The Industrial Employment Standing orders Act, 1946 & the Maharashtra Standing Orders Rules.

Applicability :-

It applies to every industrial establishment where 100 or more workers are employed.

Compliance Requirements :-

1. Formulation of service conditions & rules & get them certify from concerned Labour Authority.
2. Display of standing orders in a conspicuous place for the knowledge of workers.

The Private Security Agencies Regulation Act 2005.

This is a central act which is enacted to provide for regulation of private security agency.

No person shall carry on or commence the business of Security Agency unless he holds a licence issued under this act .

Compliance Requirements :-

1. Licence (Valid for 5 years)
2. Display of Licence in a conspicuous place of its business place.



3 Maintenance of Records regarding information of security guards & persons managing Security Agency & their customer.

Note –

In the state of Maharashtra special act is enacted for the welfare of the Security Guards i. e. The Maharashtra Private Security Guards (Regulation of Employment) Act, 1981 under which private security agency has to take exemption under section 23. It is a permission to employ security guards through private security agency.

In the state of Maharashtra, PASARA Licence as well as Exemption under section 23 both are mandatory.

The Payment Of Wages Act 1936 & The Maharashtra Payment of Wages Rules 1963.

Applicability :-

It is applicable to any factory, any Railway Establishment & any Industrial or other establishment like tramway service, motor transport service, air, oilfield, plantation, workshop or other establishment producing, adapting or manufacturing any article, establishment engaged in construction, development & maintenance of buildings, roads, bridges or canals, irrigation or water supply, transmission, generation & distribution of electricity, power & any other establishment notified by Central or a State Government.

Compliance Requirements :-

- 1 Payment of wages without any unauthorized deductions.
- 2 Maintenance of Registers of Fines, deductions, advance, wages etc.
- 3 Display of Abstract of the Act.
- 4 Submission of Returns.

The Payment Of Minimum Wages Act 1948 & The Maharashtra Minimum Wages Rules 1963.

Applicability :-

It applies to all establishments employing one or more persons & engaged in any of the scheduled employments.

Object :-

The Act was formulated to provide for fixing minimum rates of wages in certain employments.

Compliance Requirements :-

1. Maintenance of Registers.
2. Submission of returns & display of Abstract of the Act.

The Payment Of Bonus Act,1965.

Applicability :-

It is applicable to every factory & to every establishment wherein 20 or more workers are employed.

Object :-

The Act was formulated to provide for payment of bonus linked with profit or productivity to persons employed in certain establishments.

Compliance Requirements :-

1. Payment of Bonus. (Minimum 8.33%, Maximum 20%)
2. Submission of returns & display of Abstract of the Act.

The Payment Of Gratuity Act, 1972 & Payment of Gratuity (Maharashtra) Rules.

Applicability :-

It is applicable to employees engaged in factories, mines, oilfields, plantations, port, railway companies, shops & commercial establishments.

Object :-

The Act was formulated to provide retirement benefit to every employee irrespective of his wages after rendering five years of continuous service.

Gratuity is payable to an employee on termination of his employment on his superannuation, or resignation or death or disablement due to employment injury or disease.

Compliance Requirements :-

- 1 Payment of gratuity to employees leaving his establishment after completion of five years.
- 2 Notice of opening & closure to concerned Labour Authority.
- 3 Display of Abstract of the Act.
- 4 Submission of Annual Returns.

The Employees Provident Fund & Miscellaneous Provisions Act, 1952.

Applicability :-

It is applicable to **Industries specified in Schedule I** employing 20 or more persons & any other class of establishments employing 20 or more person notified by the Government.

Object :-

The Act provides for compulsory institution of contributory Provident Funds, Pension Funds & Deposit linked insurance funds.

Compliance Requirements :-

1 Payment of contribution every month.

Employees contribution – 12%.

Employers contribution – 13.61%

Total – 25.61%

2 Maintenance of Registers.

4 Submission of Returns.

The Employees State Insurance Act, 1948.

Applicability :-

It is applicable to all employees including casual, temporary or contract employees drawing wages less than 10,000 per month.

Object :-

The Act provides for benefits to employees in case of sickness, maternity & employment injury.

Compliance Requirements :-

- 1 Remittance of contribution every month.
- 2 Submission of returns.

The Employees (Workmen's) compensation Act, 1923.

Applicability :-

It is applicable to factories, mines, docks, construction establishments, plantations, oilfields & other establishments listed in schedule II & III of the Act but excludes establishments covered by the E.S.I. Act.

Object :-

The Act aims to provide workmen & their dependents compensatory payment in case of accidents arising out of & in the course of employment causing either death or disablement of workmen.

Compliance Requirements :-

- 1 Payment of compensation in case of accident.
- 2 Submission of Returns.

The Maternity Benefit Act 1961 & Maternity Benefit Rules 1965.

Applicability :-

It is applicable to every factory, mine, or plantation including those belonging to Government irrespective of the number of employees & to every shop & establishment wherein 10 or more persons are employed or were employed.

Object :-

The Act aims to regulate the employment of women in certain establishments for certain periods before & after child birth & to provide for maternity benefits including maternity leave, wages, bonus, nursing breaks etc.

Compliance Requirements :-

- 1 Grant of leave with payment of wages after child birth or any other maternity related problems.
- 2 Submission of Returns.

The Equal Remuneration Act, 1976 & Rules 1976.

Applicability :-

It is applicable to almost every kind of establishment.

Object :-

The Act provides for payment of equal remuneration to men & women workers, for the same work & prevents discrimination on the ground of sex against women in the matter of employment, recruitment & for matter connected therewith.

Compliance Requirements :-

No discrimination in payment for the same work done by men & women workers. Maintenance of registers.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act & Rules, 2013.

Object :-

It is the duty of employer to prevent or deter the committing of any act of sexual harassment at the work place.

Compliance Requirements :-

Formation of Internal Committee.

Submission of Annual Report to concerned authority.

The Child Labour (Regulation & Prohibition) Act, 1986.

Object :-

The Act was enacted to prohibit the engagement of children below the age of fourteen years in factories, mines & hazardous employments.

No child shall be employed or permitted to work in any of the occupations set forth in **Part A** of the schedule or in any workshops wherein any of the processes set forth in **Part B** of the schedule.

Compliance Requirements :-

1 Form A –

The name & date of birth of every child, hours & periods of work, intervals of rest, nature of work.

2 Form B – Certificate of Age.