### **Construction Workers and Associated Labour Laws**

### **Compliance in Construction Industries**

The general problems of construction worker are highlighted, and the associated statutory compliances have been presented in text form as well as in the form of Exemplified Compliance Sheets.

Construction and Building workers signify the largest part of the unorganised sector in India consist of all type of skill sets (most of them are unskilled labour) and represents both, male and female workers.

Most of Construction workers are rural migrants either landless or very small landowners who come to the construction sites in search of work. Their characteristic like to come from poor families with low or no level of education, migration to urban areas from villages in search of work, ignorance, poor health, frequent employment of whole family at most of building erection work, high involvement of female labourers in road making, stone breaking, bricklaying etc. at any street or at construction site, makes them one of the most vulnerable group of the unorganized labour in India.

### **General Problems of workers engaged in Construction Industries**

Construction Industries is 'labour – intensive' which employs around 40 million people of unorganised sectors in India. The term unorganised labour can be defined as those workers who have not been able to organise themselves in pursuit of their livelihood and basic common interests due to certain constraints like casual nature of their employment, their migration from one state to another states in want of employment, ignorance and illiteracy among people, small and scattered size of establishments near their hometown etc.

### Some of the major problems which are common to Construction workers are as follow:

### a. Delayed Payment to workers employed in Construction Projects

No timely payment is one of the major problems of the construction worker. In fact, the construction workers need timely payment for their daily bread water and survival. This is the actual reason that most of the times they are agreed to work on a lesser rate.

There are a lot of factors which cause delays in construction projects.

Most of Construction Projects get delayed due to certain environmental factors i.e. construction activities go slower in rainy season or stoppage of a construction project due to shortage of water in the summer season, in winter seasons due to chilled waves and dense fog etc. and such factors are the cause of delayed payment. The most of labour disputes in India among the construction sector are due to delayed wage payments by the contractors and construction companies.

### b. Workplace Injuries due to Lack of Safety Awareness and no Use of PPEs

In Construction Industries, moderately lack awareness is found among most of the construction workers about their safety, wellbeing and working conditions. The basic PPEs (Personal Protective Equipment) are not issued to construction workers due to their employment through Contractor agencies. Most of the Construction workers are illiterate and fail to understand the hidden workplace risk. Sometimes they are not aware about their daily working hours and due to continuous work, with no rest breaks, sometimes they get acute tiredness which causes unwanted injuries or sometimes, accident. Due to lack of awareness about construction-related hazards, the accident percentage is quite high at construction sites

The nature of employment in the construction sector remains casual and uncertain due to short duration of construction projects, frequent changing of construction sites and sometimes hasty work with lack of appropriate supervision may cause major loss to construction.

- **c.** Lack of Social Security: it is the duty of concerned contractor and principal employer of the construction site to provide social security to their workers in terms of Labour insurance, first aid facilities, restroom, drinking water availability, accidental benefits, canteens and pensions etc. But most of the construction workers are far away from all these facilities.
- **d.** Contractor workers are **less paid** in comparison to workers of the same skillset employed in factories. At most of the construction sites, the labour is supplied by the labour contractor on commission basis ignoring compliance obligations. Construction workers employed in most of the sites are not paid any overtime payment. Thus, the problem of low wages is an unsolved and a significant problem in construction industries.

### e. Poor Conditions of Migrant labour

Percentage of Migrant people in a construction project is always high. They receive comparatively less payment than local workers and have to work at high-risk posing areas due to having no safety as well as social awareness. Even sometimes no accommodations and basic amenities are provided to them due to their temporary nature of the job.

### f. Drug Addiction

Most of the construction workers are addicted of Pan padki, smoking, Chewing tobacco, eating Gutkha, drinking alcohol, cannabis etc. at the time of work which creates indiscipline and cause major health loss to workers and it is very harmful to the construction businesses. Sometimes, they are involved in adultery/ unprotected sex and due to lack of awareness, they invite vulnerable diseases like HIV Aids. Most of the times, their quarrelling habit after drink or addiction cause unrest at the workplace.

**g. Problems to female construction workers:** Female Construction workers face multiple problems due to their feminine status and are always in danger of physical and financial exploitation by their male co-workers. There is gender discrimination at construction sites. They are paid relatively less than a male worker and no availability of basic facilities/benefits/amenities for female workers at construction sites, ruin their social respect and legal rights. The health and safety of female workers are deteriorated due to their working in life-threatening and unhygienic work environment at Construction sites.

### h. Bonded Labour and Child labour

Bonded labour can be defined as a social agreement between a debtor and creditor under which the debtor agrees to render labour or personal services to the creditor without remuneration in lieu of the satisfaction of the debt or part of the debt on interest on principal amount for a specific period or till the debt is satisfied or repaid.

There are many such construction sites where no one is bothering to comply with legal compliances and at such places the risks of bonded labour and child labour are high.

Article 23 of the Indian Constitution expressly prohibits human trafficking, forced or bonded labour like "Begar" and other similar activities. It states that any violation of this provision will be considered as an offence and any person acting in contravention of the law will be penalized in accordance with the law.

Similarly, Article 24 of the Indian Constitution prohibits the employment of children below the age of 14 years in factories, mines or any other hazardous employment

### **Associated Labour Laws Compliance in Construction Industries in India**

The construction projects are the symbol of development, growth and service to our Nation. There are thousands of construction industries who are providing an important ingredient for the growth of our economy in the form of timely execution of its projects and contributing their best in order to make our nation stronger day by day.

In India, there are thousands of constructions projects owned by the government, semi-government and private companies like Petrochemical/Power/Coal/Thermal/Hydro projects/Nuclear/Road and Highways/Dams / Heavy Engineering / Real estate/housing etc.

All construction industries want their projects completed within a stipulated time frame without facing any delay. All the resources can be procured in advance but the availability of competent labour for any construction project is always challenging.

Accordingly, the actual growth of all industries (including building and construction industries) depends upon timely **availability of competent workforce** on economic price value, hence following two compliance requirements becomes imperative for its stakeholders:

- Adequate Provisions of Health, Safety and Welfare measures at construction work
- Better and timely payment for keeping workers socially secured

These two requirements look a quite simple and easy task, but the fulfilment of these two requirements is a major issue since majority of building workers and construction labour sustain workplace injuries due to poor safety management at sites and major labour disputes are arise due to no equal remunerations as well as no timely payments to these workers.

Keeping in view above two requirements, some of key Labour laws applicable to construction industries are hereunder:

Applicable Labour laws relating to Provisions of Health, Safety and Welfare measures at construction work

There are many legislature sections and provisions providing safeguards for construction workers in India. In addition to the other safety-related acts applicable over building work (except, construction of residential houses for private purposes with a cost not exceeding INR 10 lakhs) and other construction (except, those construction projects where provisions of the Factories Act, 1948 and the Mines Act, 1952 are not applicable), there are **two major pieces of legislation governing health and safety laws**. These areas:

- 1. **THE BOCW ACT** The Building and Other Construction Workers (Regulation of Employment and Condition of Services) Act, 1996.
- 2. The Building and Other Construction Workers (Regulation of Employment and Condition of Services) Central Rules, 1998

### About the BOCW Act, 1996 and Rules

Specific to Construction Industrial activities which may not exactly fall within the definition of "Manufacturing" as per the provisions laid down under The Factories Act, 1948, The BOCW Act, 1996 was enacted on date 20th August 1996 for building and construction workers in India with a purpose to safeguard them against the high risks of life that is inherent in the nature of construction, alteration, rectification, maintenance, repair and demolition work.

It is applicable to every such establishment in which 10 or more workers in any building or other construction work are employed, or had employed on any day of the preceding twelve months.

It extends to the whole of India.

**The objective** of this BOCW Act and Rules is to standardize the service conditions of BOCW Workers and to provide for their safety, their health conditions, welfare measures and for other matters connected to their job work i.e. Social Security of labourers.

### Who is responsible to ensure the safety of the construction workers

Likewise, the Factories Act, an Employer shall be responsible for Safety, health and Welfare provisions for Construction workers. Every employer of an establishment to which the BOCW Act applies is required to register the establishment with the registering officer.

### Who is an Employer as per The BOCW Act 1996

- The Head of Department or the authority specified (in case of construction work is carried out directly by any department of the Government)
  - The Chief Executive Officer (in case of construction work is carried out directly by local authorities or other establishments), or
  - The Contractor (in case of construction work is carried by or through contractors)

### Key Health, Safety and Welfare-related provisions as per the BOCW Act and Rules

**Rule 34:** Protection against harmful effects of excessive noise, the permissible noise limit shall not go beyond 90 dBA within 8 working hours

**Rule 35:** Provisions of Fire Extinguishing Equipment sufficient to extinguish any possible fire at every construction sites. There should be the availability of adequate water that can be used for Fire extinguishing at ample pressure as per the National building code or applicable fire safety standards

There should be a sufficient number of trained persons at the site in order to deal with such fire emergency situations for the operation of the fire extinguishing equipment

There shall be adequate provisions of regular maintenance and inspection of firefighting equipment by a responsible person at the frequency of one year.

**Rule 36:** Emergency Action Plan for such construction establishments which employ labours more than 500 construction workers. The employer of such construction establishments shall prepare an emergency action plan in order to curb following emergency situations:

- 1. Any fire or any explosion
- 2. Any collapse of lifting appliances and /or transport equipment
- 3. The collapse of any building shed, or structure etc.
- 4. Any leakages of gas and spillage of dangerous chemicals or goods
- 5. Drowning of building workers or sinking into any vessel
- 6. Landslides which cause building workers buried or any Natural calamities i.e. Heavy rain, storms, earthquake, flood etc.

Rule 37: Adequate Fencing of Motors, revolving machinery etc.

**Rule 38:** Lifting and carrying of excessive weight: This rule prohibits construction worker to lifts excessive weight (any material, article, tool, or appliance etc) by hands or to carry over his head, back or shoulders exceeding weight limits. The Limit is 55 Kilograms for Adult man and 30 Kilograms for Adult woman

Rule 39: Health and Safety Policy

Rule 45: Eye Protection

Rule 46: Head Protection and other protective apparel

Rule 47: Electrical Hazards

Rule 54: Use of Safety Helmets and Shoes

Rule 56(1): Test of Lifting Appliances

**Rule 56(2):** Periodical Examination of lifting appliances

Rule 61: Identification and marking of safe working load

**Rule 64:** Operation of lifting appliances

Rule 108-118: Safety precautions during demolition of walls, partition etc

Rule 208: Safety Committee

Rule 209: Safety Officer over every 500 workers

**Rule 213:** Precautions during handling of explosives

Rule 223: Medical examination of building workers

Rule 225: Safety Precautions in Hazardous process

Rule 230: Notifiable Occupational diseases to building workers, etc.

### Welfare related provisions as per the BOCW Act and Rules

Provisions of facilities related to availability of Drinking water at workplace/Accommodation for workers with separate cooking place, washing, bathing and lavatory facilities/canteen wherever up to 250 workers are working / crèche for looking after children up to age 06 years wherever 50 or more female workers are employed / Latrines and Urinals / Suitable Provisions of First Aid measures as per BOCW Act and Rules.

### **Entitlement of benefits under Welfare Schemes**

Every such construction worker (within the age group of 18 up to 60 years) who has been engaged in any building or other construction work for not less than ninety days (90) in the preceding twelve months(12) shall be eligible for registration as a beneficiary.

Every such building worker registered as a beneficiary shall be entitled to get the benefits (like reimbursement of medical expenses, benefits of maternity benefits, group insurance premium, educational benefits to dependent children, payment of pension, free medical care and financial assistance in case of an accident etc.) from the welfare fund under the control of BOCW's Welfare Board constituted under the provisions of this Act.

This fund is collected in the form of 1-2 % welfare cess from the establishments employing 10 or more workers and having projects costing more than Rs 10 lakh with the intervention of appropriate government.

The **weekly rest** of Building construction workers, their wage hours, their minimum basic payment, their overtime payment shall be in accordance to the provision laid down under the BOCW Act with the intervention of the Appropriate Government as it may decide.

### At Every Construction Site, there shall be the mandatory Display of:

- a) **Registration Certificate** A copy of the certificate of registration shall be displayed at the conspicuous places at the work premises
- **b) Abstract of the BOCW Act-** In English/ Hindi ( language understood by the majority of workers) at a prominent place of construction Site wherever workers get assemble in routine work ( i.e. Security Gate / Nearby Attendance Punching machine/canteen etc).

- c) Health and safety policy- In English/Hindi ( language understood by the majority of workers)
- d) Awareness About Electrical hazards- In English/Hindi (language understood by the majority of workers)
- e) Display of Danger / Warning signs, barricades/ Marking of Safe Working Load (SWL)/ signals etc
- f) Marking at outside of Toilets as "Men Only"/"Women Only" in a language understood by the majority of people
- (g) Register of Periodical Test, Examination and Certificates thereof: Register in Form number XXVI, Form number V, Form number VI, Form number VI, Form number VII, Form number VIII, Form number IX, Form number XXVI to be maintained by Employer at Construction Site.

## Key Record and Registers required under the BOCW Act to be kept by the employer:

- a) Muster-roll
- b) Register of wages
- c) Register of deductions
- d) Register of overtime
- e) Register of fines
- f) Register of advances
- g) Combined register of wages-cum-muster-roll.

In addition to the above, some more other labour laws as applicable to construction industries in India are as follow:

**3.** The other applicable Laws relating to working hours, conditions of service and employment i.e. The Contract Labour (Regulation & Abolition) Act, 1970, The Interstate migrant workmen (regulation and employment and conditions of service) Act, 1979, The Dock Workers (Safety, Health and Welfare) Act, 1986 etc.

Compliance for The Contract Labour Act, 1970	
Relevant Provision Number and Text of th Provision Imposing Responsibility on the Principa Employer	Relevant Form number No. and Purpose

### 1. This Act is applicable to

- a) Establishment, where 20 or more workman are employed on any day of the preceding 12 months as contract labour
- b) Contractor, who employs or who employed on any day of the preceding 12 months, 20 or more workmen

### 2. Registration of Establishment

- a) Registration of Establishment by Principal Employer in case it employees 20 or more workman as contract labour and Registration Certificate to be obtained by the Principal Employer
- **b**) Principal Employer is Legally responsible for salary, wages, statutory dues like PF, ESI et cetera, payable to Contract Labour [based on definition of a principal employer as per Section 2 (g) of Contract Labour Act 1970, to be read with definition of employee under section 2(f) of Provident Fund Act, 1952 and the definition of employee under section 2 (9) of Employees' State Insurance Act, 1948]
- c) Suggested to engage contract labour for "non- permanent (Temporary) and non-significant or supplementary work. Contract Labour should not be engaged for main activities of establishment, other than for auxiliary activities. Remuneration/wages and working conditions (Conditions of services) payable to Contract labour shall be the same as is provided to Regular Workmen.

### 3. PRINCIPAL EMPLOYER (P.E.)

- The appropriate agreement should be drafted between the Principal Employer and the Contractor.
- Statutory Obligations with respect to Contract Labour should be incorporated in contracts with the

Contractors as it shall be made to Contractors contractually and Legally responsible to Principal Employer.

• The contractor should be engaged for the purpose as stated in the Registration Certificate of Principal Employer and should provide workers within the maximum limit as it was stated in the Registration Certificate of Principal Employer.

# 1) STATUTORY FORM NUMBERS and RETURNS ( by P.E. i.e Principal Employer) :

 a) Annual Returns to be filled by Principal Employer before every 15 February of Calendar Year.

Form number— XXV to be submitted to Assistant Commissioner of Labour

### **REGISTERS and RECORDS**

### **BY Principal Employer:**

• Register of Contractors

## STATUTORY DISPLAYS:

- Registration Certificate of P.E.,
- Abstract of Act (In English &Hindi, both languages)
- Rates of Wages
- Hours of Works
- Wage Period
- Date, Time and Place for disbursement of wages
- Canteen (Menu with Price rate)

## 2) STATUTORY FORM NUMBERS and RETURNS (by Contractors):

- a) Half-yearly Returns to **be filled by Contractor** (within 30 days at end of half-year i.e. June and December of Calendar Year)
- 2) Notice of Commencement and Completion of contract work to be filed **by the Contractor** in a prescribed Form number

• A representative of Principal Employer should be present REGISTER TO BE KEPT BY during the disbursement of salary of contractor workers and **CONTRACTOR**: should sign the Payment Register due to his presence. (It is the legal responsibility of Principal Employer in case • Muster Roll contractors do not pay to their contract labour)

### 4. CONTRACTOR

License to be obtained by the Contractor (If he deputes 20 or more than twenty workmen with the Principal • Register of fines Employer)

Wherever the number of workers deployed by him increases and crosses the limit stated in license then Register of Overtime Contractor should immediately get license amended.

Liability of contractor is to provide Canteen, Rest Rooms, Drinking Water, First Aid box etc. (However, the ultimate responsibility shall be of Principal Employer, in case any contractor does not provides and in such case the charges paid by Principal Employer shall be recoverable from that defaulter Contractor)

Legal responsibility of Contractor for the payment of timely and minimum wages as prescribed by the appropriate government, deposit of all applicable statutory dues like Provident Fund (PF), Employee State Insurance (ESI) etc because in case of contravention, He may be held legally responsible under the law.

- Wages Register
- Deductions Register
- Register of Advances

**4.** The laws relating to Wages i.e. The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, These laws are applicable for the construction workers employed in the organised sector.

<b>Exemplified Compliance sheet For Payment of</b>	
Relevant Provision Number and Text of the Provision Imposing Responsibility on the Principal Employer	Relevant Form number No. and Purpose
Payment of wages:	Annual Returns ( Form number IV ) to be submitted to Inspector of factories / Labour Inspector
a) In Case, less than 1000 workmen are employed- before the expiry of 7th day after last day of wage period	STATUTORY REGISTERS / RECORDS:

b) In Case, more than 1000 workmen are	
employed- before the expiry of 10th day after last	deductions and advances
day of wage period	B) Register of Fines
	C) Register of Deductions for damage or loss
	D) Register of Wages
	STATUTORY DISPLAY:
	A) Display of Abstract of Act and Applicable Rules
	B) Display of day of payment of wages

Exemplified Compliance sheet for Minimum Wages Act, 1948, and The Minimum Wages	
(Central) Rules, 1950 as applicable to Haryana	ı

### Relevant Provision Number and Text of the Relevant Form number No. and the Purpose Provision Imposing Responsibility Principal Employer

Annual Returns showing deductions from wages Annual Returns (Form number III) to be on every 01 February following the end of the submitted to Labour Inspector vear

### **Obligations of Employers as per this Act**

- 1. To make payment for overtime [case law Sri Dharma Motor Services, Atur Industrial Tribunal, Madras, 1959 91) LLJ 380 day as per the category of workers A worker can be asked to work for more than 6 (Skilled / Semi-Skilled / Unskilled) days a week provided he is paid extra on the overtime rate
- 2. To pay wages in Cash
- 3. To pay Minimum Rates of Wages
- 4. To maintain Registers and Records

### NOTICE TO BE DISPLAYED

a) Abstract, Rate of Minimum Wages (Forma) Muster roll to be filled within 3 hours number – XI)

### STATUTORY DISPLAYS(English Hindi – a language understood the majority of person):

- **Versus** a) Minimum wage rate per month and per
  - b) Extracts of Act and Rules as applicable to Haryana
  - c) Name and address of the inspector
  - d) Notice regarding Rest Day

### STATUTORY REGISTERS/RECORDS

of commencement of shift

b) Address of Inspector (Form number-XI)	e) Overtime Register
	f) Register of wages
	g) Wage Slip
	h) Record of all fines imposed and deductions made
	Form numbers applicable to Haryana state are as under:
	FORM NUMBER I as Register of Fines
	FORM NUMBER II as Register of deductions for damage or loss caused to the employer by the neglect or default of the employed persons
	FORM NUMBER III as Annual Return
	FORM NUMBER IV as Overtime

**5. Laws relating to Equity and Empowerment of Women are** The Maternity Benefits Act, 1961, The Equal Remuneration Act, 1976.

Exemplified Compliance sheet For Maternity Benefits Act, 1961	
Relevant Provision Number and Text of the Provision Imposing Responsibility on the Principal Employer	Relevant Form number No. and Purpose
Annual Returns on every 31 January  b) Compliance of Prohibition of employment of Women just after her delivery or miscarriage	Form number <b>K L</b> and <b>M</b> to be submitted to Inspector of factories/Commissioner BOCW
(As every employer is supposed to have knowledge of prospective women employees having delivered child or sustained miscarriage)	
[Section 4(1) of The Maternity Benefit Act, 1961]	Registers of Maternity benefit, Records and Muster-rolls (in an
c) Compliance of maternity benefit leaves by Employer: Maximum period of maternity benefit Leave entitlement – shall be 26 weeks i.e. 8 weeks before the expected delivery date and extending up to 18 weeks after the	the Maternity Benefit Act, 1961

childbirth as per Section 5(3) of THE MATERNITY BENEFIT (Amendment) ACT – 2017

- d) **Display of Abstract** of the Act into establishment wherever women are employed/ (Form number – K) in the language understood by most of a person
- e) Facilities of Crèche under Section 11 (A) 1 which explain as compulsory for every establishment employing 50 numbers or more employees, within such distance as may be prescribed, either separately or along with common facilities. Woman employee should be permitted to visit the crèche 4 times during the day, which includes the regular rest interval
- 6. The Laws relating to Prohibitive Labour Laws are The Bonded Labour System (Abolition) Act, 1976, The Child Labour (Prohibition and Regulation) Act, 1986, The Beedi and Cigar Workers (Conditions of Employment) Act, 1966, The Sexual Harassment at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, etc.

Exemplified Compliance sheet for Child Labour (Prohibition and Regulation) Act, 1986 Relevant **Provision** Number and Text of the Provision Imposing Relevant Form number No. and Purpose Responsibility on the Principal **Employer** 

### **DISPLAY OF ABSTRACT:**

As per this act, a "child" means a fourteenth year of age.

person who has not completed his Every occupier shall display in the establishment the abstract of section-3 and 14 in Form number-D of the Act

Compliance Requirements are as following:

### NOTICE TO INSPECTOR:

Section 3 – Prohibition of employment Every occupier shall within 30 days send a written of children in certain occupations and notice in Form number-A (Register detailing **children employed** ) to the Inspector within whose processes. local limits the establishment is situated. (Section-8)

Exemplified Compliance sheet for Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	
Relevant Provision Number and Text of the Provision Imposing Responsibility on the Principal Employer  Relevant Form number No. and Purpose	
This Act is applicable in case there is an "aggrieved woman" who alleges to have been subjected to an act	

of sexual harassment (whether employed in that work	a) Order constituting the Internal
or not).	Committee (providing all relevant
	contact details of Members of the
As per this Act, Sexual Harassment includes any one	Committee)
or more of the following unwelcome acts or behaviour	,
	<b>b</b> ) Penal consequences of sexual
(whether directly of by implication) hamely.	harassment
a) Physical contact and advances on Demand on	
a) Physical contact and advances, or Demand or	
request for sexual favours.	Compliance Requirements
b) Making sexually coloured remarks, or	IC to submit an annual report to
	district officer containing:
c) Showing pornography, or	
	a) Number of complaints received in
d) Any other unwelcome physical, verbal or nonverbal	a year
conduct of sexual nature, etc.	
	b) Number of complaints disposed off
Compliance Measures	during the year
a) Constitution of an Internal Complaint Committee	c) Number of workshops or awareness
constituting women members as presiding officer and	
other members	programs carried out, during the year
other memoers	d) Natura of action taken by the
h) Assessment and assessment asse	d) Nature of action taken by the
b) Awareness programs at employer's cost	employer
	Delication of share 4 th C
	e) Publication of above details for
	awareness of all at company/
	interested party

**7. The Laws relating to social security i.e.** The Employee's Compensation Act, 1923, The Employees State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provision Act, 1952, The Payment of Gratuity Act, 1972, The Employers Liability Act, 1938, The Fatal Accidents Act, 1855, The Unorganized workers social securities Act, 2008, The Limestone and Dolomite Labour Welfare Fund Act, 1972, The Mica Mines Labour Welfare Fund Act, 1946, The Iron ore mines, Manganese ore mines and Chrome ore mines Labour Welfare Cess Act, 1976, The Personal Injuries (compensation insurance) Act, 1963 etc.

Exemplified Compliance sheet For Workmen's Compensation Act, 1923 And, The Workmen's Compensation Occupational Diseases (Punjab) Rules, 1964	
Relevant Provision Number and Text of the Provision Imposing Responsibility on the Principal Employer	Relevant Form number No. and Purpose
<ul> <li>a) Applicability: To those employers employing persons listed in Schedule II of the Act and to whom ESI Act, not applicable.</li> <li>b) Coverage of Workmen</li> </ul>	

All workers are irrespective of their status or salaries 2. To maintain a notice book which either directly or through contractor or a person recruited is required to be maintained under to work abroad.

c) Section 3 – Employer's liability for compensation

If personal injury is caused to a workman by accident **EE** (in case fatal accident) within arising out of and in the course of his employment, his seven days of death or serious employer shall be Legally responsible to pay bodily Injury. compensation in line with the provisions of this Chapter, Provided that the employer shall not be so Legally 4. Registration of agreements responsible in case accident due to the willful noncompliance of the workman or under the influence of Section 28 makes it compulsory drink or drugs or the willful removal or disregard by the for the employer to send workman of any safety guard or other device which he memorandum knew to have been provided for the purpose of securing Commissioner where amount of the safety of workman.

d) To maintain notice book as per Section 10(3) and to agreement. send to the commissioner a statement in case of death of an employee arising out of and in the course of employment within the stipulated time and as per detail in Section 10A(1) and to submit report as per section 10B and intimation of rights under the act to the employees as per section 17A.

- Section 10(3).
- 3. To send the accident report to commissioner in Form number

to the any lump sum payable compensation has been settled by

Exemplified Compliance sheet for Employees' Provident Funds and Miscellaneous Provisions Act, 1952

Relevant Provision Number and Text of the Provision Imposing Responsibility on the Principal Employer

Relevant Form number No. and Purpose

- a) Annual individual Returns every 30 April
- b) Monthly Return of employee's qualifying or leaving and monthly remittance statements

## **Applicability**

Applies to every establishment which is a factory engaged in any industry specified in Schedule 1 and in which 20 or more persons are employed.

- a) Equal contribution of 12% 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).
- b) Option of Voluntary Provident Fund(VPF) to be provided to employees/workers who seek to contribute more in writing (although Employer not obliged to contribute equal amount)
- c) 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.
- d) Employer needs to deposit its statutory contribution by 15th of every month. (with respect to wages of immediate preceding month)
- e) 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
- f) Employers to make remittance after generating challan (ECR) from the Employer Portal of EPFO and to keep record thereof.
- g) Salary for PF calculation shall not be less than the 'Minimum Wages' (needs to be checked particularly in case of 'Contract Labour' deployed through Contractors).

- a) Form number 3 A and 6 A to Regional PF Commissioner
- b) Challans through SBI / Form number 5 / 10 / 12 A to Regional PF Commissioner

Previous level of compliance by checking monthly challans which are supposed to be filed by 15th of every month for the previous month.

Copy of uploaded monthly ECR with employees' names

### **Important**

Principal Employer(PE) is statutorily responsible for default of Contractor, with respect to statutory payments of PF contribution of Contract Labour as PE is getting services on contract labour in his Premises / Context.

<b>Exemplified Compliance sheet for Employees' State</b>	Insurance Act, 1948
Relevant Provision Number and Text of the Provision Imposing Responsibility on the Principal Employer	Relevant Form number No. and Purpose
	STATUTORY REGISTERS AND RECORDS
a) Compliance on due date (i.e. 15th day after end of month) Whereas Employee Contribution is 0.75% of Wages as well as Employer's Contribution is 3.25% of wages (Applicable from 01 July 2019)	a) Form number – 6 ( Registers of Employees) to Regional ESI Commissioner
<b>Applicability</b> : Is extended in area-wise to factories employing 10 or more persons and establishments	b) Form number-5 ( Return of Contribution)
employing 20 or more person.  Coverage of employees	c) Challans through SBI to Regional ESI Commissioner
Employees drawing gross wages up to Rs.21000/- per month, engaged either directly or through the contractor	d) Accident Book (Form number 11) e) Inspection Book
b) Summary of Contributions in quadruplicate on every 11 May and every 11 November	f) Generation & Issue of temporary identification certificate (TIC)
c) Monthly Return of contributions d) Accident report ( in case Immediately fatal / death,	g) Issue of permanent identity cards for employees (with photo of self and family)
within 12 hours of Occurrence	h) Report of Accident ( <b>Form number 12</b> ) to be filed to the nearest ESI Branch Office and the nearest medical officer

**8.** The laws relating to Industrial Relations i.e. The Trade Unions Act, 1926, The Industrial Employment Standing Order Act, 1946, The Industrial Disputes Act, 1947.

### Conclusion

Every worker has the right to work with Safety in which his right to deny the unsafe act also consists. The Part III (From Article 12 up to 35) of our Constitution is the benchmark for labour laws in India which covers the **Fundamental Rights** of all its citizens which includes Equality before the law, Prohibition of discriminations on the ground of Religion/Sex/caste/place of birth/race. The abolition of untouchability/freedom of speech and expression and Article 24 states prohibition of employment of children in industrial units construction workers are the makers of **strong India**. Their day to day problems are genuine and can be resolved by standardising the labour management at workplace in compliance with applicable labour laws. Most of the construction workers are employed through contractors. For Principal Employer or a reputed company to deal with labour, contractors entail several difficulties as well as legal challenges due to non-compliance of statutory measures. The employer must be

vigilant while dealing with contractors and there should be a prior evaluation of contractor agencies before allocating them work contracts. Every work contract will need to impose duties on the contractor to comply with different labour laws, and also impose corresponding Indemnities for violation of any such duties because the legal framework imposes a liability on the principal employer for violation by the contractor himself or herself

