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Advocates and Legal Consultants

## **LABOUR & EMPLOYMENT LAW ALERT**

### **Special points of interest:**

- Proposal to perform community service for violation of Labour Code on Social Security 2018 (“Social Security Code”)
- Minimum Wages (Delhi) Amendment Act, 2017 notified
- Kerala Cabinet approves a new labour policy
- Amendment in Odisha Shops and Commercial Establishment Act
- Parliamentary Standing Committee finalizes report Wage Code Bill 2017
- Single unified registration form launched

### **Proposal to perform community service for violation of Labour Code on Social Security 2018 (“Social Security Code”)**

Ministry of Labour and Employment has proposed the concept of “community service order” in the Code, to enable the Courts to direct violators to do unpaid work in the community. The Ministry is of the view that directing violators of the Social Security Code to perform community service may act as a deterrent, since monetary penalties do not have any impact on financially strong employers.

### **Minimum Wages (Delhi) Amendment Act, 2017 notified**

The Minimum Wages (Delhi) Amendment Act, 2017 passed by the Delhi Assembly was notified in gazette on 4 May 2018. Now, employers will face a fine of up to INR 50,000 as well as a three-year prison term if they fail to pay the minimum wage to their workers.

### **Kerala Cabinet approves a new labour policy**

In a Cabinet meeting, Kerala Government approved a new labour friendly policy. The salient features of the new policy are:

- ⇒ Minimum wages of INR 600 per day to workers in various sectors;
- ⇒ Participation of workers in health insurance schemes;
- ⇒ Gender equality in the labour sector by making it mandatory for employers to ensure woman-friendly atmosphere in the working place, by ensuring their safety and security;
- ⇒ Setting up creches mandatory in firms where women labourers are employed;
- ⇒ Banning child labour strictly and rehabilitation of rescued children;
- ⇒ Settlement of labour disputes in time bound manner and avoidance of lightning strikes especially in essential sectors.

### **Amendment in Odisha Shops and Commercial Establishment Act**

Odisha assembly passed the Odisha Shops and Commercial Establishments (Amendment) Bill, 2018 and made Odia language mandatory on signboards of all shops and commercial establishments. Non-compliance of these provisions will result in imposition of fines up to INR 5000 for first violation and upto INR 25000 for second violation.

### **Parliamentary Standing Committee finalizes report Wage Code Bill 2017**

Parliamentary standing committee on labour has finalized its report on Wage Code Bill, 2017 (“Wage Code”) and the Wage Code is likely to be passed after the report is duly submitted. The Wage Code was referred to standing committee after it was introduced in Parliament. The Wage Code seeks to combine Payment of Wages Act, 1936, the Minimum Wages Act, 1949, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.

The Wage Code will enable the Central Government to set benchmark minimum wages for different regions across the country and States will not be able to set minimum wages below the benchmark set by the Central Government.

### **Single unified registration form launched**

The Government of India has launched one unified registration form for Employees’ Provident Fund Organization (EPFO) and Employees’ State Insurance Corporation (ESI) and one unified electronic challan-cum return (ECR) to facilitate filing of EPFO and ESIC return through a unified process only. Presently, employers are filing two different forms separately to register with the EPFO and ESIC.

It was also announced that the Chief Labour Commissioner will issue online registration certificates under Building and Other Construction Workers Act, 1996, Inter State Migrant Workers Act, 1979 and Contract Labour Act, 1970. Presently, physical certificates are being issued.



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