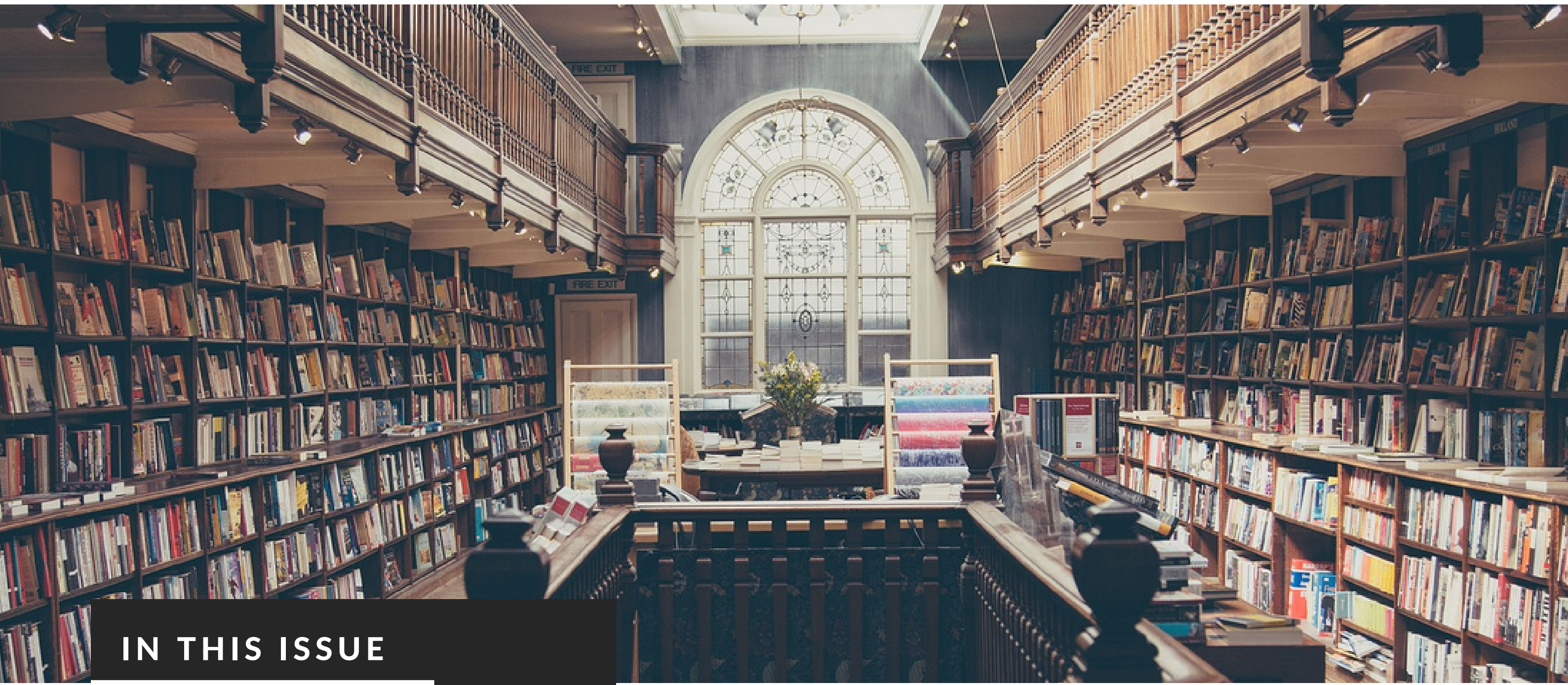
UNITED CONSULTANCY SERVICES
compliance simplified™

THE COMPLIANCE WATCH

QUALITY | WILL TO WIN | BUILDING & LEVERAGING RELATIONSHIPS



IN THIS ISSUE

UCS POV | SHAIJU MATHEW Chief Operating Officer

Reservation of Employment for Local Candidates in Private Sector

Haryana has enacted the Haryana State Employment of Local Candidates Act, 2020. The Act seeks to reserve 75% of new jobs for local candidates in private sectors including private establishments, societies, trusts and limited liability partnership firms situated in Haryana. The reservation will be for local candidates for all new jobs for a salary not more than Rs 50,000 per month. The candidates may be from any districts of the state, and the employer may opt to restrict the employment of local candidates from any district to 10% of the total number of local candidates. As per Section 4, the candidates are required to be registered under the designated portal to avail the benefits under the Act.

An exemption can be claimed by employers in a situation where an adequate number of local candidates with the desired skills, qualifications, and proficiency are not available. The state government is drafting the rules under the said Act and has invited significant stakeholders for comments, opinions and suggestions for framing these rules which is yet to be implemented.

Jharkhand has also announced employment reservation for local candidates up to 75% and Uttar Pradesh for 40%. However, the draft bill is yet to be published by both these states. Although Gujarat had introduced 85% reservation for locals in 1995 the policy was not implemented neither in the private nor public sector. The probable reason could be that the percentage of locals employed in the private companies in the state are meeting the percentage prescribed by the Gujarat state government, considering the state government’s data during 2015 and 2016. Andhra Pradesh and Maharashtra had also earlier introduced such reservation for local employments in the private sector for industries that seek state incentive and tax subsidies. The bill was introduced to extend the state government incentives and tax subsidies for those factories and industrial units that are employing 80% of local candidates although the respective state government has not enforced the same.

Presently, the Haryana state government has sought suggestions from the industries for finalizing the rule, though a majority of the industry associations has objected to the same. The Chief Minister of Haryana clarified during a press briefing that the reservation quota is only limited to non-technical employment, hence this will not have any impact on the IT industry. However, the industry is not satisfied with the clarification given as the nature of work for the employees in these industries also include non-technical. Many legal experts' view is that the job quota in the private sector is legally untenable as it is against constitutional provisions (Article 16 and 19) that provide fundamental rights to Indian citizens to work anywhere in the country. Article 19 states, “Freedom to practise any profession, or to carry on any occupation, trade, or business anywhere in India for the Citizen”. The Confederation of Indian Industry (CII) has also objected stating such reservation affects productivity and industry competitiveness. As per the Compulsory Notification of Vacancies Act (CNV), companies are required to intimate the District Employment Exchange regarding vacancies before filling up any such vacancies. However, there is no compulsion for a company to recruit the candidates through the Employment Exchange (Section 4A). Nevertheless, the authority is seeking for various details of vacancies filled by companies, and they are liable to submit all such details to the authority on a regular basis. If the state government implements the reservation for local candidates for the private sector, there may be frequent inspections and demand for details to ensure whether the quota has been fulfilled by the company.

Various state governments have not yet implemented these rules including Haryana. The industry is expecting a favourable rule or maybe exemptions in the said provisions for regular employments as various industry associations are in discussion with the government. The state government may rework the draft rule on receiving suggestions from stakeholders as such reservations in the private sector especially in commercial establishments and the IT industry will impact the business expansion and competitiveness in the state. Therefore, companies will need to wait for further directives from the government to take any action in this regard.

Shaiju Mathew
Chief Operating Officer

Big Breather for India Inc As Govt. Defers Implementation of Labour Codes

The government has deferred implementation of labour codes beyond April 1, citing delay on the part of states to finalise Rules. The move is expected to give more time and bandwidth to companies to retweak their salary structures and other human resource (HR) policies as certain provisions of the Code would have led to increase in employee cost for the companies. A senior labour ministry official confirmed to ET that implementation of labour codes has been deferred for some time. “Implementation of labour codes looks unlikely from April 1. The government wants at least some industrial states to notify rules across four labour codes along with the Centre to avoid any legal void,” the official said.

The labour ministry is ready with the rules on four codes and will notify them once some states are ready with rules in their domain. So far, only Jammu and Kashmir have notified Rules for the codes while states of Uttar Pradesh, Bihar, Uttarakhand and Madhya Pradesh have put up draft Rules for two Codes while Karnataka has put it up for one Code.

The delay in implementation of labour codes is a breather for India Inc as resurgence of Covid-19 cases in major industrial states have raised apprehensions that economic recovery seen so far could be stalled or even reversed if the cases continue to go up.

Suchita Dutta, executive director of the Indian Staffing Federation said people are living in some bit of ambiguity till there is clarity though preparation is on. “Companies had started preparing for changes based on the provisions of the Codes and the draft rules, including the budgeting of wages and gratuity” Dutta said.

Experts feel the Centre should have handheld states in firming up their Rules. “Preparatory work for implementation of all labour codes has been as shoddy as the Codes themselves. The central government should have taken abundant measures of guidance to the state governments and also send signals to employers and trade unions that they are serious about implementation of the four codes,” KR Shyam Sundar, labour expert and professor at XLRI said. The inordinate delay in implementation of the Codes is in utter contrast to the haste shown in implementing the Code during the pandemic. Uncertainty will also affect foreign direct investment,” Sundar added.

The Parliament had in 2019 approved the Code on Wages while in September 2020 it gave it go ahead to the Social Security Code, the Code on Industrial Relations and the Code on Occupational Safety, Health and Working Conditions. The labour ministry had amalgamated 29 labour laws into four Codes to significantly reduce compliance burden, improve the ease of doing business, greater ease of hiring and firing of workers and enhanced flexibility to employers in terms of work hours.

Source: Economic Times

New Wage Code Deferred: Your Take-Home Pay, PF Outgo and Salary Structure Remain Same for Now

India's new salary rules are not coming into effect from 1st April as was being expected. The new wage code that is likely to change the existing salary structures for most employees has been deferred, a senior labour ministry official told ET. This code and the other three codes social security code, the code on industrial relations and the code on occupational safety, health and working conditions are not going to be implemented starting April 1 as was the earlier deadline. Industry experts on compensation, law and recruitment see this as a breather for now. These experts together are closely working with thousands of companies to work out a new compensation structure for employees wherein 50% of the gross pay would move under the basic pay umbrella along with other changes needed under the new wage code. The delay will provide more time for companies to rework the employee compensation structures. Most companies are still awaiting clarity on many points in the new wage code including the clarity on components to be included or excluded in the basic pay, according to compensation expert Aon.

The coming restructuring: After the government notifies it, the new wage regime will usher in changes to salary structures of most of India Inc. These new rules are part of the Wages Code that Parliament passed last year. Once they are implemented, Indian companies/employers/workers will see changes in such components of compensation as take-home salary, provident fund and gratuity, pay slips, etc. As a result, the balance sheets of India Inc will also be impacted. The Wage Code deals with both government jobs as well as private sector jobs. Under the new definition of wages, allowance will be capped at 50% of total pay. For the private sector, the basic pay component will have to be 50% or more of total salary of a worker. For government employees, this basic pay will mean basic pay + DA, which together will have to be 50% or above.

Decoding new salary math: Staffing companies and HR professionals say that the new salary regime will cause changes to most pay structures in the country. Currently, for an overwhelming number of employees, the basic pay component is significantly lower than 50%. As per various staffing firm data, allowances sometimes make up as much as 80% of compensation for high-earning employees. Such employees are set to take the most noticeable hit on take-home pay. Besides, Provident Fund contributions of both workers and companies will rise following the implementation of the code. Therefore, the take-home salary of most workers will likely fall. All in all, while employees will have to brace for take-home pay going down, companies will have to brace for an increase in costs as their PF contributions rise. Along with this, companies will take another hit as well as basic pay goes up, the gratuity pay out to workers also will, because gratuity is calculated based on basic. The social security kitty for workers will also be bigger now, making for an additional hit on companies. Under current practices, salaries are structured in such a manner that the employer's social security contributions are lower.

Balancing the impact: The new rules will likely increase the cost to companies by an average 10%, according to an HR expert, because higher payroll costs will inflate the wage bill for most employers. According to various report, companies have already begun to explore ways in which to tweak compensation package so that the cost could be kept lower. There will also be a host of positives emanating from the new rules, some experts say. One of them is that employers will find it easier to be more compliant and employees will have more social security, Suchita Dutta, executive director of the Indian Staffing Federation, told ET.

Source: Economic Times

PF Threshold Limit Raised to Rs 5 Lakh for Tax-Free Interest Where There's No Contribution by Employer

Finance Minister Nirmala Sitharaman raised the limit for tax exemption on interest earned on provident fund contribution by employees to Rs 5 lakh per annum in specified cases as against Rs 2.5 lakh proposed in the Budget. In her Budget for 2021-22, Sitharaman had capped the tax-free interest earned on provident fund contribution by employees and employers together to a maximum of Rs 2.5 lakh in a year in an attempt to dissuade high earners from parking their surplus in what is supposed to be common man's retirement fund. Replying to a discussion on the Finance Bill 2021 in Lok Sabha, the minister said the tax-free limit is now being amended to a maximum of Rs 5 lakh per annum.

This exemption, however, is subject to the condition that the up to Rs 5 lakh contribution does not include the employer's contribution beyond the statutory limit of up to 12% of the basic pay. "I intend to raise this limit to Rs 5 lakh only in those cases, where there is no contribution by the employer in that fund. "So, most often, it is employee contribution and employer's contribution, but there are contributions which are the only employee and no employer contribution is made, in such cases that amount is raised to Rs 5 lakh," she said.

The new provision would come into effect from April 1. She clarified that the Rs 2.5 lakh limit is covering 92-93% of the people who are subscribers and they are entitled to the assured interest that is tax-free under this scheme. So, the limits have been kept keeping in mind that small and medium taxpayers are not impacted by the step, she said.
The Employees' Provident Fund Organisation (EPFO) has over six crore subscribers. The Finance Bill was later passed by the Lower House with 127 official amendments by voice vote. With the passage of the Finance Bill, which contains tax proposals for the next financial year, the Lok Sabha has completed the budgetary exercise for 2021-22. With regard to disinvestment, Sitharaman expressed hope of meeting the target set for the next financial year as the market is buoyant. "I fully concede that in a year where your disinvestment was to be achieved, but when the markets were tepid, we couldn't move. I'm hopeful now because even during corona we saw how the market has been buoyant. So I'm hopeful that we'll be able to achieve that," she said. The government has budgeted Rs.1.75 lakh crore from stake sale in public sector companies and financial institutions, including two PSU banks and one general insurance company, in the next fiscal year beginning April 1. The amount is lower than the record Rs 2.10 lakh crore which was budgeted to be raised from CPSE disinvestment in the current fiscal year. For the fiscal year 2021-22, out of the total Rs 1.75 lakh crore, Rs 1 lakh crore is to come from selling government stake in public sector banks and financial institutions. Rs 75,000 crore would come as CPSE disinvestment receipts.

Source: Economic Times

States Wary: Labour Codes Not To Take Effect Soon

States' reluctance to frame rules under the four labour codes could delay, if not derail, the Centre's ambitious labour reforms. The plan to roll out the codes from April 1, 2021, has been put on hold, official sources said, citing the lethargy displayed by several states. The development might hit India's prospects of attracting fresh investments, at a time fixed asset creation in the economy needs to gather pace for the much-awaited economic rebound. The states' dithering would prolong the wait for increased labour flexibility by the existing establishments. Among the reform proposals are freedom for businesses to retrench workers or close units without prior government permission and fixed-term employment scheme, which are in sync with the nature of business of several establishments, especially the export-oriented ones.

On its part, the Centre is ready with the rules for implementation under all the four codes – codes on wages, industrial relations, social security and operational safety & health but while central rules are applicable for the central sphere such as ports and railways, the codes empower the states to make rules, modelling on central rules for establishments under their jurisdiction. Only three-four states have prepared the draft rules so far, the sources said. The Centre, however, may not wait for long to implement the rules; it will wait till some major industrialised states come out with the rules.

"The codes have a concept of the appropriate government. The central government is the appropriate government for public sector undertakings, railways, ports. But for the vast majority of the industry, which practically covers all the private sector, the state government is the appropriate government. Until the states come out with their own rules, then there is no framework at all that will apply to those entities," said Atul Gupta, partner, Trilegal. "Gradually, states will frame the rules, then the consultation process will begin. I think it will take at least a couple of months or more," he added. XLRI professor K R Shyam Sundar said there has been a visible lack of coordination between the Centre and the States on framing the rules. Even the Centre is not very keen to give effect to the labour codes at this juncture because along with the farmers' issue, the labour codes could become contestable. "The Centre government should call for state-level ministers' conference which is a historical practice and stress the need for making the rules quickly," he said.

Amalgamating 29 central labour laws into four codes, the Centre wanted to bring in a sea change in the way business and industry functions today. While the code on wages was passed in August 2019, the Parliament approved three other codes on September 23 last year. Apart from various industry-friendly proposals, the new laws ensure minimum wages along with timely payment of wages to all workers and propose to bring them all under the social security net.

Source: Financial Express

Changes in Working Hours

The Occupational Safety, Health and Working Conditions (OSHW&C) Code, 2020, has provisions for safety, health and working conditions of workers which include daily and weekly working hours, leave etc. The OSHW&C Code, 2020 has been published on 29th September 2020 and will come into force on the date as notified by the Central Government. The OSHW&C Code, 2020 and draft Rules framed thereunder provide that no worker shall be required or allowed to work, in any establishment or class of establishments for more than eight hours in a day or forty-eight hours in a week. The Ministry of Labour and Employment has received the draft Ordinances/Bills from different State Governments through the Ministry of Home Affairs regarding amendment in the existing provisions of the Factories Act, 1948 including extension of working hours under the Factories Act, 1948. This Ministry has not agreed to extend the working hours. This information was given by Minister of State (I/C) for Labour & Employment Shri Santosh Kumar Gangwar in a written reply in the Rajya Sabha.

Source: Press Information Bureau

Health Services Under ESIC

The Employees' State Insurance (ESI) Corporation has decided to expand coverage of the ESI Scheme and thereby health services under medical benefit to all the districts of the country in a phased manner. Further, opening new dispensaries and hospitals to provide services to ESI beneficiaries is an on-going process. Apart from beneficiaries of ESI schemes, health services of under-utilized ESIC hospitals have been made available to non-Insured Person (IPs). The ESIC facilities are being given to the employees working in the factories and establishments covered under the ESI Act, 1948 and drawing wage up to Rs.21000 per month (Rs.25,000 per month for persons with disability).

The following steps have been taken by the ESIC for bringing the maximum number of employees under ESIC coverage:-

- The ESI Scheme has been fully extended to 389 districts where the scheme was partially available at different centres. Apart from that, the scheme has also been extended to 186 districts where it is available in district headquarters areas and prominent industrial centres. As a result, the implementation of the ESI Scheme has expanded from 393 districts in 2015-16 to 575 districts at present.
- Survey drive is conducted from time to time for coverage of factories and establishments not covered under the ESI Act.
- On receipt of any complaint from the workers, Trade Unions etc. regarding non-coverage of factories and establishments or employees, action is taken as per the provisions of the ESI Act, 1948 and the Rules & Regulations framed thereunder.

This information was given by the Minister of State (I/C) for Labour & Employment Shri Santosh Kumar Gangwar in a written reply in the Lok Sabha.

Source: Press Information Bureau

Generation of Parivar Pehchaan Patra PPP of All the Workers of Haryana Labour Welfare Fund

The Labour Department of Haryana on March 03, 2021, has issued a notification regarding the generation of Parivar Pehchan Patra (PPP) of all the workers of the Haryana Labour Welfare Fund. The authorities have stated that the benefits under the welfare fund shall be availed only through a unique family ID given under PPP.

All the workers who are coming under the purview of the Board should generate a family ID and get it updated on the portal. This shall apply to the workers under the Factories and Shops and establishments Act. Further, the Type I category is for establishments with more than 500 workers and the Type II category shall apply to establishments with less than 500 workers. The complete Standard Operating Procedure and details available in the notification also uploaded on our website.

https://unitedconsultancy.com/parivar-pechan-patra-is-required-to-avail-any-benefits-from-haryana-department/ (Generation of Parivar Pehchaan Patra PPP of All the Workers of Haryana)

West Bengal, Tamil Nadu, Kerala, Puducherry and Assam Election Dates and details available on the below links.

https://www.gconnect.in/orders-in-brief/leave-ltc/leave/paid-holiday-election-2021-assam-kerala-tamil-nadu.html

https://www.elections.in/upcoming-elections-in-india.html

Source: Gov. notification

EPFO Retains Interest Rate On Deposits At 8.5%

The Employee's Provident Fund Organisation (EPFO) decided to retain the interest rate on provident fund deposits at 8.5% for the financial year 2020-21. The EPFO apex decision-making body Central Board of Trustees decided to fix an 8.5% rate of interest for 2020-21 at its meeting in Srinagar. The decision comes amidst speculations that the retirement fund body would lower interest rates for the current fiscal as economic downfall due to the coronavirus pandemic led to a large number of withdrawals.
In March 2020, EPFO had reduced the interest rate on provident fund deposits to a seven-year low of 8.5% for 2019-20. The EPF interest rate provided for 2019-20 was the lowest since 2012-13 when it was 8.5%. The EPFO had provided an 8.65% interest rate to its subscribers in 2016-17 and 8.55% in 2017-18. The rate of interest was slightly higher at 8.8% in 2015-16. It had given an 8.75% rate of interest in 2013-14 as well as 2014-15, higher than 8.5% for 2012-13. The EPFO had provided an 8.25% rate of interest on the provident fund in 2011-12. EPFO has more than five crore active subscribers at present.

Source: Times of India

50 Lakh Gig Workers Under ESIC To Be Brought Under Social Security Net

The labour ministry has set a target to bring 40-50 lakh platform and gig workers under the Employees' State Insurance Scheme (ESIC), once the Social Security Code is implemented. The code, passed by Parliament last September, seeks to extend ESIC benefits to these two categories of workers, which are among the least privileged among the labour force. It has been proposed that the platforms and aggregators such as Swiggy and Uber will contribute either 1-2% of the annual turnover or 5% of the total amount payable to such workers, whichever is lower, to a social security fund. The Centre was planning to implement the four labour codes passed by Parliament recently from April 1, 2021. However, as FE had reported, the implementation is likely to be delayed as most of the state governments are yet to frame the rules under the codes.

India is one of the few countries where steps have been initiated to bring workers of such category under social security. The standing committee on labour had recommended framing of schemes for platform and gig workers in the labour codes. Sources in the labour ministry said that an estimated 40-50 lakh such workers are likely to join the ESIC scheme soon after the code is implemented, but the number might go up in future. The idea is to bring all workers under some sort of social security net, they said.

In the budget for 2021-22, the government had proposed to set up a database of informal sector employees including gig and platform workers which may help in offering social security and welfare benefits to them. As per the government's latest data, between September 2017 and December 2020, over 4.63 crore new subscribers joined the ESI scheme. As of March 2018, ESIC had around 13 crore beneficiaries eligible to avail of ESI benefits. ESIC applies to establishments having more than 10 workers. Option for becoming a member of ESIC has also been given to establishments with less than 10 workers under the social security code. ESIC is now present in around 570 districts in the country and the government plans to extend its coverage to all 740 districts in the country. ESIC had recently tied up with Ayushman Bharat to extend cashless medical services through Ayushman Bharat empanelled hospitals to its around 1.35 crore beneficiaries in four states where its facility is not available.

Source: Financial Express

Explained: How New Wage Code Will Impact Your Take-Home Salary

It may not be long before the central government notifies fresh rules under the new labour codes, which will directly impact the salary structure of employees in the country. Not only will it impact the employees' cost-to-company (CTC) but also the employers' wage bills. As per the new wage code, allowances given to employees should not exceed 50% of the CTC. This means that the basic pay of each employee has to be at least 50 per cent of CTC. While reports suggest that this may come into effect from April 2021, there has been no formal announcement regarding the new wage codes by the government. The last update came on February 8 when Labour Secretary Apurva Chandra told a media briefing that the rule-making process was underway. “This ministry would soon be in a position to bring into force the four Codes, viz., Code on Wages, Industrial Relations, Occupational Safety, Health and Working Conditions (OSH) and Social Security Codes,” Chandra said. When the new rules come into effect, employers will be required to modify employee compensations as most companies do not give 50% of salary as basic pay to employees. However, employers will be required to modify the compensations once the extensive labour reforms are announced. There has been no final announcement by the government yet.

Expected changes

The changes that employees can expect include higher post-retirement benefits and a decline in take-home salaries each month. It may be noted that employees could see higher outgo towards provident fund (PF) and gratuity contributions. As per the Code of Wages, 2019, the remuneration for employees will include three components basic pay, dearness allowance (for govt. employees) and retention payment. It is worth mentioning that the code of wages does not include bonuses, pension and conveyance allowance, HRA, housing benefits, overtime, gratuity, commission and retrenchment compensation. As mentioned earlier, the new wage code makes it mandatory for basic pay to be 50% of employees' CTC. This will lead to reduced take-home salary as PF contributions calculated on basic pay will increase. Gratuity will also witness some change as per the new wage code. Under the new definition, gratuity will have to be calculated on the basis of a larger base, including basic pay as well as other allowances such as travel, special allowance and more. This is likely to add to the gratuity cost of companies. Simply put, the new wage codes will offer better social security benefits to employees but their salaries will reduce marginally.

Source: India Today

Explained: The Jharkhand Bill That Reserves 75% Jobs In Private Sector For Locals

The Jharkhand government announced 75% reservation in private sector jobs with a salary of up to Rs 30,000 for locals. Here's a look at the applicability, exemption, penalties and other provisions in The Jharkhand State Employment of Local Candidates Bill, 2021.

How does the bill define private sector jobs?
The bill will treat shops, establishments, mines, enterprises, industries, companies, societies, trusts, Limited Liability Partnership firms and any person employing ten or more persons as the private sector and an entity. Moreover, the same may be notified by the government from time to time.
To begin with, what do employers and employees have to do?
Every employer needs to register employees on a designated portal who are receiving a gross monthly salary or wages not more than Rs 30, 000 or as notified by the government from time to time within three months of this bill (after turning into an Act) coming into force. The bill further says that no person should be engaged or employed unless the registration process is complete on the designated portal. The bill also says that no local candidate will be eligible to avail of 75% benefit without registering herself in the designated portal.

Who is a local given that Jharkhand has faced controversies over its definition since the state's formation?
The bill defines a local candidate as a person who belongs to Jharkhand and is registered on the designated portal. However, an operational problem in implementing the proposed local reservations policy could lie in identifying its beneficiaries. Questions around the definition of a 'Jharkhandi' had led to the resignation of Chief Minister Babulal Marandi in 2002 and successive governments thereafter had refrained from touching the issue. The BJP-led Raghubar Das government, which came to power in 2014, notified a "relaxed domicile policy" in 2016, listing six ways in which one could be treated as a domicile of the state. Das's policy was, however, criticised for not giving priority to tribals, for whom the state was created. Even the Hemant Soren-led government had formed a sub-committee to look into the domicile issue, however, as of now, the government may continue with Das' domicile policy.

Is there any exemption for employers?

Yes, the employer may claim exemption where an adequate number of local candidates of the desired skill qualification or proficiency is not available. The company has to apply to the Designated Officer (DO), the Deputy Commissioner of the concerned district, who will enquire into the attempts made by the employer to recruit local candidates of desired skill, qualification or proficiency. The officer may either accept or reject the proposal as well as direct the local employer to train the local candidates as per need.

What are the checks and balances provided in the bill?

The employer will have to furnish a quarterly return about vacancies and employment on the portal which will be examined by an Authorised Officer (AO), who is a District Employment Officer, who can call any records for the purpose of verification. The AO may pass an order seeing the compliance of the policy. In addition, if the employer fails to assist the officer, he will be guilty of not co-operating which will be an offence as provisioned by the bill. The aggrieved employer may also file an appeal within 60 days of an order passed by the AO or DO in front of an Appellate Authority the Director, Employment and Training, Government of Jharkhand. However, it is not clear how any employee or a local may raise a red flag and in front of whom if any rules are being in contravention of the said objective.

What are the penalties in case of contravention?

There is a general penalty starting from Rs Rs 10,000 to Rs 50, 000. The penalty for not registering themselves on the designated portal is Rs 50, 000 and may extend up to Rs 1 lakh and if the contravention continues even after being penalised then the penalty will be Rs 5, 000 per day. In contravention of recruiting local candidates, the penalty will fall in the bracket of Rs 50, 000 to Rs 2 lakh and Rs 5000 per day in case the contravention continues and the same is applicable in case the company flouts the exemption rules. In case of falsification of records, the penalty will be up to Rs 50, 000 per offence and if the offence is committed again, the penalty will fall under the bracket of Rs two to five lakh. The Bill also says that an order cannot be passed unless an opportunity has been given to hear the employer and no penalty can be imposed unless written notice is given to the employer informing the grounds of the penalty and subsequently providing an opportunity to be heard.

What are the possible loopholes that have the potential to create trouble?

The bill says no suit or legal proceedings shall lie in any court against any AO or DO or any person or body of persons acting under the order of AO and DO for anything which is done in good faith, or intended to be done in pursuance of provisions of this Act. However, what defines good faith has been left open-ended and may be misused.

Source: Indian Express

UCS CompliTool

Streamline Compliance & Risk

UCSCompliTool is a technology to ease the complexities of navigating through the changing Labour laws. With our past experiences and feedbacks, we have developed an in-house Software solution and have created this robust mechanism which represents our motto – Compliance simplified. It provides a real time and 360-degree view of compliance status for the Principal employer **(Complitool-Compliance)** and with risk matrix to monitor the contractors **(Complitool -Audit)**. We have developed a Role Based Access Control model and being a cloud-based system, we are offering an absolute security and protection of data.

Following are some of the Major benefits of the Tool:

* Real Time Statistical Data
* Informative Tool
* Transparency
* Ease of Documentation
* Ease of Monitoring
* Highlighting of Critical Points
* Security and Data Confidentiality
* Centralization of Data
* Readily Available Documents
* Data Integrity
* Extensive Reporting
* User friendly Dash Boards
* Overall compliance review from front end manoeuvre

For Demo, Please write to us at enquiry@ucsdel.com or
Call us @ 0124 - 2656849

About Us

United Consultancy Services is one of the leading consulting firms in India providing compliance, advisory and audit services in the field of Labour Laws, Human Resource Development and Legal matters pertaining to Industrial Relations. We provide meaningful, forward looking and compliance oriented solutions to help organizations grow while being compliant under labour laws. Proactive teams led by domain experts, use insight, experience and best practices to understand complex issues of publicly listed and privately owned clients and simplify compliance.

With over 28 years of existence and with more than 200 professionals the firm provides robust compliance services and solutions on complex requirements under Labour law. The information shared in the newsletter is on the basis of Government notifications and newspaper articles. This is for general information purposes only and does not constitute legal advice. Please reach out to your UCS contact or the Company legal counsel before taking any action.

We simplify compliance for you.

Unit No: 852 - 856
8th Floor JMD Megapolis,
Tikri, Sector 48, Gurugram
122001, Haryana

0124 - 2656800

enquiry@ucsdel.com

www.unitedconsultancy.com