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THE COMPLIANCE WATCH



IN THIS ISSUE

- UCS POV | Mandatory SHe-Box Registration for Internal Committees: Compliance Advisory for Private Sector Employers
- Labour Welfare Schemes Extend Support to Over 50 Lakh Unorganised Workers Across India
- EPFO 3.0: New features and upgrades every salaried employee should know
- Work-life imbalance? Karnataka plans 12-hour days for tech sector
- Chennai corporation launches dedicated AC lounge for gig workers in Anna Nagar
- Why the New Labour Codes Do Little for Indian Workers
- Latest News!!





UCS POV | MANDATORY SHE-BOX REGISTRATION FOR INTERNAL COMMITTEES: COMPLIANCE ADVISORY FOR PRIVATE SECTOR EMPLOYERS

– Bala Harish
Vice President

In a significant move to enhance workplace accountability and ensure stricter compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act), the Ministry of Women and Child Development (MWCD) has issued a directive mandating all private sector employers to register their Internal Committees (ICs) on the SHe-Box portal.

As part of its efforts to strengthen redressal mechanisms under the Act, the MWCD released a circular dated 30th May 2025, urging all private sector organizations to register their ICs on the SHe-Box portal. This directive follows guidance from the Hon'ble Supreme Court in the landmark Aureliano Fernandes vs. State of Goa judgment, which highlighted the need for greater transparency and accountability in POSH compliance.

What is the SHe-Box?

The SHe-Box (Sexual Harassment Electronic Box) is an online platform developed by the Ministry of Women and Child Development (MWCD), Government of India, to enable women employees to file complaints of workplace sexual harassment in a confidential, secure, and streamlined manner.

Originally Launched in 2017

- Initially launched for Central and State Government employees, the platform was designed to provide a direct channel for registering complaints under the POSH Act, 2013.
- Recognizing the growing need for broader access, the MWCD later extended the SHe-Box to private sector and unorganised sector workers –making it a universal portal for all working women in India.
- With the latest directive, the SHe-Box has evolved into a centralized compliance and monitoring system.





Highlights of the Latest Circular

- All private sector employers are required to register their organization's Internal Committee details on the SHe-Box portal.
- While the circular does not specify a final deadline, the tone suggests that non-compliance may attract scrutiny or penal action under Section 26 of the POSH Act.
- The initiative aims to facilitate better tracking of POSH implementation and encourage timely redressal of complaints.
- State-level authorities have been directed to ensure widespread dissemination and monitor compliance within their jurisdictions.

It is important to note that these new digital directives do not alter your statutory responsibilities under the POSH Act. Organizations must continue to:

- Constitute an Internal Committee at every office/unit with 10 or more employees.
- Conduct periodic awareness and sensitization programs for all staff.
- File annual POSH reports with the designated District Officer.

Mixed Responses from the Private Sector

- Some organizations have already begun voluntarily registering on the SHe-Box portal, recognizing the broader implications of regulatory preparedness.
- Others are taking a wait-and-watch approach, pending a formal Gazette notification.

With escalating regulatory focus—including ministerial directives, state-level interventions, and Supreme Court mandates—SHe-Box registration is rapidly moving toward being a mandatory requirement. It is essential to prioritize workplace safety, ensure legal compliance, and protect your organization's reputational integrity. We encourage all employers to treat this as a key compliance milestone and engage proactively to strengthen their POSH culture.

This directive is not merely a compliance formality—it marks a paradigm shift toward digital oversight of workplace conduct and aligns with the Government's broader agenda for women's safety and inclusive growth.



LABOUR WELFARE SCHEMES EXTEND SUPPORT TO OVER 50 LAKH UNORGANISED WORKERS ACROSS INDIA

– Source : Press Information Bureau

The Ministry of Labour & Employment, through the Directorate General of Labour Welfare (DGLW), continues to implement a range of welfare schemes dedicated to improving the lives of unorganised workers in India, particularly in the Beedi, Cine, and Mining sectors. With a direct impact on over 50 lakh workers and their families, these schemes form a cornerstone of the government's inclusive and compassionate labour welfare strategy.

The Labour Welfare Organisation (LWO), functioning under DGLW, administers these schemes across the country through a well-coordinated network of 18 Welfare Commissioners, who oversee implementation at the regional level. The overarching goal is to provide social protection, health services, financial assistance for education, and housing support to workers often located in remote and underserved regions. One of the key components of the welfare framework is the Education Assistance Scheme, which provides annual scholarships ranging from ₹1,000 to ₹25,000 for the wards of Beedi, Cine, and non-coal mine workers. The scheme, implemented via the National Scholarship Portal (NSP), receives over one lakh applications every year, with direct benefit transfer (DBT) ensuring transparent and timely disbursement.

Healthcare support under the Health Scheme includes outpatient services through a national network of dispensaries, as well as reimbursement for specialized treatments for critical illnesses such as heart disease, kidney transplantation, cancer, tuberculosis, and minor surgeries. The financial assistance ranges from ₹30,000 for minor surgeries to ₹7.5 lakh for cancer treatment, ensuring access to life-saving healthcare for low-income workers.

Although the Revised Integrated Housing Scheme (RIHS) introduced in 2016 has now been sunset and merged with Pradhan Mantri Awas Yojana (PMAY), the Ministry continues to disburse pending installments to eligible beneficiaries until 31 March 2024, honoring the government's commitment to housing dignity for all. These targeted schemes not only improve the quality of life and social security of unorganised sector workers but also underscore the government's vision of Sabka Saath, Sabka Vikas in action. The Ministry reaffirms its dedication to welfare-driven governance and will continue to strengthen the framework to make it more accessible, technology-enabled, and outcome-focused in the coming years.





EPFO 3.0: NEW FEATURES AND UPGRADES EVERY SALARIED EMPLOYEE SHOULD KNOW

– Source : Forbes India

For millions of salaried workers in India, retirement savings are an integral part of monthly financial planning. With fixed contributions from employers and employees, the system ensures financial security long after active employment ends.

The Employees' Provident Fund Organisation (EPFO) plays a central role in managing provident fund contributions, pension schemes, and insurance benefits for formal sector employees. In December 2024 alone, the EPFO enrolled over 8 lakh new subscribers. Interestingly, the 18-25 age group comprised over half (4.85 lakh) of this figure, reflecting a growing job market and increased awareness of employee benefits. With growing demand for more seamless digital experiences, the EPFO 3.0 launch marks a significant milestone in how PF services are delivered. In this post, we'll discuss EPFO 3.0, its new upgrades, and the risks you should be aware of.

What is EPFO 3.0?

EPFO 3.0 is a significant step by the Ministry of Labour and Employment, India, to enhance the efficiency and accessibility of its services for all. Expected to launch this month - June 2025 - this update focuses on streamlining processes such as PF withdrawal and EPF claim settlements, with reduced paperwork and shorter wait times.

You'll be able to check your PF balance on the UPI platform and transfer money to other bank accounts. You can also update your EPF accounts through OTP verification in simple steps. The goal is to simplify fund access and be more responsive to real-life needs, especially in urgent situations.

What are the new changes in the EPFO 3.0?

The EPFO 3.0 launch introduces a range of practical updates designed to improve the experience. Here's what's changing:

- **Faster PF withdrawals:** Now, claims will be processed automatically, reducing manual work and waiting periods.
- **ATM withdrawals:** Once your EPF claim is approved, you can withdraw up to ₹1 lakh directly from an ATM, similar to how you access a bank account.
- **Digital corrections:** You can fix errors online from home without any additional form requirements, whether it's a name mismatch or incorrect bank details.
- **Social security scheme integration:** EPFO is exploring ways to link schemes like Atal Pension Yojana and Pradhan Mantri Jeevan Bima Yojana, making benefits more accessible for employees in the unorganised and informal sectors.
- **OTP verification:** From updating KYC to making withdrawals, an OTP replaces lengthy forms, making processes quicker and more secure.

Eligibility criteria for PF withdrawals

The EPFO 3.0 launch outlines specific criteria for PF withdrawals. Ensure that these criteria are met successfully:

- Your Universal Account Number (UAN) should be active.
- Your mobile number should be working, accessible, and linked to the UAN.
- KYC documents (ID and address proof) should be linked to your UAN. This includes your Aadhaar, PAN, bank account number, and IFSC code.
- A cancelled cheque that clearly shows your account number and IFSC number.

Once eligible, you will be issued a PF withdrawal card, which will be linked to your EPF account. This card will enable ATM withdrawals, and you'll also be able to transfer funds via UPI directly to your bank. Withdrawal limits depend on your reason for withdrawal and years of service. For example, members can withdraw up to 90 per cent for buying a house after five years, 50 per cent for education or marriage after seven years, and up to 90 per cent a year before retirement. Medical emergencies follow a different cap on limits.

What are the potential risks involved?

As convenience increases, so does the need for caution. While the EPFO 3.0 launch promises a smoother experience for PF withdrawals through UPI and ATMs, it has its fair share of risks.

- One major concern is PIN theft. Fraudsters or scammers may install hidden cameras near ATMs to capture your keypad activity and misuse your account.
- Skimming devices are another threat. These small, often unnoticeable tools are placed over ATM card slots to steal your details. They can be hard to detect and may lead to identity theft or unauthorised transactions.
- There's also the chance of software glitches, such as failed transactions, network lags, or even double debits. These common technical issues can often delay your access to funds.

WORK-LIFE IMBALANCE? KARNATAKA PLANS 12-HOUR DAYS FOR TECH SECTOR

– Source : MSN

The Karnataka government is planning to increase daily working hours for employees in the information technology (IT) sector, reported the Deccan Herald. The move has been met with strong criticism from trade unions, who say it will hurt workers' rights and damage work-life balance.

At present, Section 7 of the Karnataka Shops and Commercial Establishments Act, 1961, limits working hours to nine per day, and allows a maximum of 10 hours of overtime in three months. The total overtime in this period cannot go beyond 50 hours. However, under the government's new proposal, the maximum working hours would be raised to 10 per day, with overtime going up to 12 hours per day. The total overtime allowed in three months would also be increased from 50 to 144 hours.



Similar move in Andhra Pradesh

The Karnataka government's proposal follows a similar decision taken in Andhra Pradesh, where the TDP-led NDA government recently allowed companies to increase the daily working hours from nine to 10. The change was made as part of the state's efforts to attract investment and make doing business easier.

Andhra Pradesh's Information and Public Relations Minister, K Parthasarathy, said that the state wants to make labour laws more friendly for both workers and companies. He also said that women, who were earlier not allowed to work at night, can now do so with certain safety rules like consent, transport, security, and proper lighting at the workplace.

The minister added, "When you work extra, income will increase. By these rules, women can work in the formal sector. They empower women economically and promote gender inclusion and industrial growth." But the move has also seen opposition. CPI state secretary K Ramakrishna said that the changes in labour laws are against the interest of workers and benefit companies more than employees.

Strong Opposition from Trade Unions in Karnataka

Several trade unions in Karnataka have opposed the government's reported plan to extend working hours. On Wednesday, the state Labour Department held a meeting with representatives from the industry and trade unions to discuss the possible amendment to the law.

The Karnataka State IT/ITeS Employees Union (KITU) took part in the meeting and clearly opposed the idea. KITU called the proposal a form of "modern-day slavery" and said it would harm workers' health, work-life balance, and job security. The union appealed to all employees in the sector to stand together against the proposed changes. KITU leaders Suhas Adiga and Lenil Babu, who attended the meeting, said the law already allows up to 10 working hours per day including overtime. They warned that the amendment would make 12-hour shifts legal and encourage companies to introduce a two-shift system. This, they said, could lead to job cuts and increased pressure on workers.

Adiga said, "The government is trying to normalise inhuman working conditions. This change is not about improving productivity—it is about keeping corporate heads happy by turning human beings into machines."

Mental Health Concerns

KITU also raised concerns about the mental health of employees in the corporate sector. The union referred to the "State Emotional Wellbeing Report 2024," which found that 90% of corporate employees under the age of 25 suffer from anxiety. It said the proposed increase in working hours would only make the problem worse.



The union said that instead of extending working hours, the government should focus on protecting workers' rights and supporting their wellbeing.

The proposal is still under discussion, and no final decision has been made. More talks between the government, trade unions, and industry groups are expected in the coming weeks.

Meanwhile, workers' groups have made it clear that they will continue to oppose any changes that increase working hours or reduce job security.

CHENNAI CORPORATION LAUNCHES DEDICATED AC LOUNGE FOR GIG WORKERS IN ANNA NAGAR

– Source : New Indian Express

In a first-of-its-kind initiative, the Greater Chennai Corporation (GCC) recently opened the first of its dedicated lounges for gig workers at Anna Nagar. The facility was inaugurated by Deputy Chief Minister Udhayanidhi Stalin from the Ripon Buildings, alongside several other civic projects. GCC commissioner J Kumaragurubaran stated that similar, but larger, lounges are also being planned in Thiruvanmiyur and Villivakkam for construction workers, and another one for gig workers will be opened soon at GN Chetty road in T Nagar.

The Scandinavian-style AC lounge for gig workers at Anna Nagar 3rd avenue will operate 24/7, providing amenities including seating, mobile charging points, drinking water, and toilet facilities.

Taking to X, Chief Minister M K Stalin said, “The lounge along with the parking facility launched in Anna Nagar is a place where a large number of women work.”

Kumaragurubaran stated that the initiative was in response to a request from the Gig Workers Welfare Association. The corporation plans to rope in Corporate Social Responsibility (CSR) funds to support the expansion of the project.

Balaji K (53), a food delivery person from Poonamallee, said, “I start my day at 5:30am and travel across the city delivering food until night. I can't return home for a short break due to the distance, often taking shelter in parks, bus stops, or roadside. This lounge offers us a clean, safe place.”

M Ganesan (50), a bike taxi rider, said, “We constantly use our phones for navigation and battery drain is a major issue. Previously, I had to return home just to charge my phone. Now I can do that here and also take a short break.” Delivery executives said that such facilities can be installed in other parts of the city too.





WHY THE NEW LABOUR CODES DO LITTLE FOR INDIAN WORKERS

– Source : The Wire

Four new labour codes were enacted through parliament in 2019 and 2020 by the Union Ministry of Labour and Employment. These codes – which merged 29 existing laws – relate to wages, industrial relations, social security and occupational safety and healthy working conditions.

However, over five years later, the codes are yet to be implemented. Meanwhile, all central trade unions, including the Bharatiya Majdoor Sangh (BMS) which opposed certain provisions, have registered their opposition to the codes.

While employers' organisations have mostly remained silent on the codes, they have expressed their disappointment in private. They say that the new codes will not have the desired liberating effect on the market.

Ministry officials have not provided specific reasons for the delay in the codes' implementation except that states are still drafting rules. During the last such update a few months ago, an official statement noted that all the major states, except a few, have completed the rule-making exercise.

The three new farm laws came into being around the same time as the labour codes. After severe and vociferous opposition to the farm laws and a long farmers' protest, the laws were withdrawn by the government. However, despite opposition from major trade unions, the labour codes did not ignite popular protests among the grass-root working class. Protests by the trade unions remained limited to usual activities like sit-in demonstrations, few general strikes and scattered agitations.

Matters concerning labour are generally deliberated upon in a tripartite manner. Formulation of the four new codes is an important legal activity which has huge socioeconomic implications touching all of us.

The trade unions alleged that they were consulted but their views were not taken into the consideration while finalising the codes. They maintained that the entire exercise of formulation of the four labour codes was driven by the principle of 'ease of doing business', which makes the burden of compliance easier for the employer.

The largest and the most important forum of tripartite consultation in the country is the Indian Labour Conference (ILC). The ILC was convened every alternative year until 2015 – when it stopped happening entirely. It is quite surprising that ILC has not been convened since 2015 to discuss or endorse important formulations like the labour codes. Moreover, the codes were not sufficiently discussed in either House of the parliament. The trade unions too failed to unite the working class against the labour codes and in compelling the government to convene the ILC on the matter.

Working class's indifference to the labour codes

But why has the working class not identified with the ongoing opposition to the labour codes so far?



The answer might lie in the fact that four codes, or for that matter the existing labour laws, hardly make any difference to the life of ordinary Indian workers. This is because the Indian labour market is largely informal. The majority of the labour laws, with exceptions like the Minimum Wages Act, do not apply to informal labour. In the Indian context, formality is defined in terms of access to provident fund and employees state insurance benefits. If a worker has access to EPF and ESI, that worker is considered a formal worker. The rest are informal. This is consistent with the internationally recognised definition of informal workers as those working without social security.

It must be noted that the formal sector also engages several informal workers. This is done through increasing contractualisation and casualisation of the workforce. For example, all construction entities are formal but the workers they employ are almost entirely informal. According to official data, 52% of all workers are self-employed, including a portion engaged as unpaid family labour (UFL). In recent years, there has been a sharp increase in the number of gig and platform workers.

Within the gig and platform economy, the concept of an employment relationship is deliberately kept ambiguous, effectively placing these workers outside the protective framework of labour laws.

What does this mean in terms of actual numbers?

According to the National Sample Survey (NSS) and the Periodic Labour Force Survey (PLFS), the Indian labour force stood at 610 million in 2024. If 93% of them are informal workers, then the size of informal labour in India is 567 million.

Out of these 567 million, 58% are self-employed, which means they are entirely outside the purview of protective labour laws as the employer-employee relationship is absent. In absolute terms, this is 354 million. The remaining 266 million informal workers are wage employed and come under the purview of the Minimum Wages Act, 1948.

Among the new labour codes, only the code on wages and parts of the code on social security extend to informal workers. The remaining codes primarily apply to the formal sector, which comprises fewer than 50 million workers out of a total workforce of approximately 610 million. In essence, the new labour codes consolidate 29 existing laws, most of which were already limited to the formal sector. This means that, since independence, the vast majority of workers have remained outside the scope of labour laws. As a result, a large segment of informal workers remains unaffected by the implementation of the new labour codes.

LATEST NEWS

EPFO circular UAN Activation extended timeline



Bihar – Guidelines regarding the employment of female employees in night shifts, Under Factories Act

Tamil Nadu Shop & Establishment Amendment Act, 2025



Amendment to the Tamil Nadu BOCW Rules, 2006.

Punjab – Exemption to all the Establishments from the provisions under Punjab Shop & Establishment Act, 1958..



Rajasthan – Compulsory Registration Notification, On She Box Portal



NCT Of Delhi – Compulsory Registration Notification, On She Box Portal

POSH Act, 2013 (Central Act 14 of 2013) – Standard Operating Procedure for the implementation of the Act



Latest Minimum Wages



EPFO ELI Scheme approved by Union cabinet 01st Jul 2025

MORE INFO



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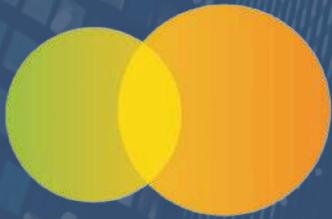
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