

THE CONTRACT LABOUR (REGULATION & ABOLITION) ACT, 1970

There are several fields of employment where it is not otherwise possible to have continuous employment and as such, regard being had to the necessities of the situation, the Act has provided for continuation of contract labour.

Applicability

- Every establishment in which 20 or more workmen are employed or where employed on any day of the preceding twelve months as contract labour.
- Every contractor who employs or who employed on any day of the preceding twelve months 20 or more workmen {Section 1}

Registration of Establishment

Principal employer employing 20 or more workers through the contractor or the contractor(s) on deposit of required fee in Form 1 {Section 7}

Licensing of Contractor

- Engaging 20 or more than 20 workers and on deposit of required fee in Form IV
- Valid for specified period {Section 12, Rule 21}

Laws, Agreement or standing orders inconsistent with the Act-Not Permissible

Unless the privileges in the contract between the parties are more favourable than the prescribed in the Act, such contract will be invalid and the workers will continue to get more favourable benefits {Section 20}

Revocation or Suspension & Amendment of Licences

- When obtained by misrepresentation or suppression of material facts
- Failure of the contractor to comply with the conditions or contravention of Act or the Rules {Section 14}

Welfare measures to be taken by the Contractor

- Contract labour either one hundred or more employed by a contractor for one or more canteens shall be provided and maintained
- First Aid facilities
- Number of rest-rooms as required under the Act
- Drinking water, latrines and washing facilities {Section 16 & Section 17}

Registers of Contractors

Principal employer

To maintain a register of contractor in respect of every establishment in Form XII {Rule 74}

Contractor

- To maintain register of workers for each registered establishment in Form XIII
- To issue an employment card to each worker in Form XIV
- To issue service certificate to every workman on his termination in Form XV {Rule 75, 76 & 77}

Muster Roll, Wages Register, Deduction Register and Overtime Register by Contractor

- Maintain Muster Roll and a Register of Wages in Form XVI & Form XVII respectively when combined
- Register or wage-cum-Muster Roll in Form XVII where the wage period is a fortnight or less
- Maintain a Register of Deductions for damage or loss, Register of Fines and Register of Advances in Form XX, Form XXI & Form XXII respectively
- Maintain a Register of Overtime in Form XXIII
- To issue wage slips in Form XIX, to the workmen at least a day prior to the disbursement of wages.
- Obtain the signature or thumb impression of the worker concerned against the entries relating to him on the Register of wages or Muster Roll-Cum-Wages Register
- When covered by Payment of Wages Act, register and records to be maintained under the rules
- Muster Roll, Register of wages, Register of Deductions, Register of Overtime, Register of Fines, Register of Advances, Wage Slip {Rule 79}
- To display an abstract of the Act and Rules in English & Hindi and in the language spoken by the Majority of workers in such forms as may be approved by appropriate authority {Rule 80}
- To display notices showing rates of wages, hours of work, wage period, dates of payment, names and address of the inspector and to send copy to the inspector and any change for with {Rule 81}

PENALTIES

- For obstructing the inspector or failing to produce registers etc. 3 months' imprisonment or fine upto Rs. 500 or both {Section 22}
- For violation of the provisions of Act or the Rules, imprisonment of 3 Months or fine upto Rs. 1000. On continuing contravention, additional fine upto Rs. 100 per day {Section 23}

For contract Labour Licence :-

Security Deposit : For Maharashtra State Rs. 100/- per employee for Central Govt. Rs. 90/- per employee.
 Licence Fee : AS per Details given below (Form IV & Annexure "B")
 License Renewal Fee : As per details given below (Form VII)
 Last Date of Renewal of Licence : 31st October every Year
 For Duplication Licence or Registration : Maharashtra State Rs. 50 Central Rs. 5

A. TABLE OF REGISTRATION FEES BY THE PRINCIPAL EMPLOYER FOR CONTRACT LABOUR REGISTRATION CERTIFICATE REVISED FROM 27.03.2001

No. of Workmen	Registration Fee	
	For Maharashtra State	For Central Govt.
20	Rs. 200/-	Rs. 60/-
21 TO 50	Rs. 500/-	Rs. 150/-
51 TO 100	Rs. 1000/-	Rs. 300/-
101 TO 200	Rs. 2000/-	Rs. 600/-
201 TO 400	Rs. 4000/-	Rs. 1200/-
401 TO ABOVE	Rs. 5000/-	Rs. 1500

B. TABLE OF LICENCE & RENEWAL FEES BY THE CONTRACTOR REVISED FROM 27.03.2001

No. of workmen	Licence fees for		FINE (only for Delay in Renewal)	
	Maharashtra State	Central Govt	Maharashtra	Central Govt
20	Rs. 100/-	Rs. 15/-	50% of Licence Fee	25% of Licence Fee
21 TO 50	Rs. 250/-	Rs. 37.50		
51 TO 100	Rs. 500/-	Rs. 75/-		
101 TO 200	Rs. 1000/-	Rs.150/-		
201 TO 400	Rs. 2000/-	Rs.300/-		
401 TO ABOVE	Rs. 2500/-	Rs.375/-		

C. SECURITY DEPOSIT RS. 100/- PER WORKER TO BE PAID BY CONTRACTOR. AMOUNT OF FEES AND SECURITY DEPOSIT SHOULD BE PAID IN RESERVE BANK OF INDIA VIDE "S" CHALLAN

Forms to be submitted for obtaining licence, Registers and Records to be maintained and made available for Inspection and the Reports and Returns to be submitted by the following Contractor

FORM NO		REF TO STATUTE		DESCRIPTION
Maharashtra State	Central Govt	Maharashtra State	Central Govt	

IV	IV	Rule 21(1)	Rule 21(1)	Application to be obtaining licence : (In Triplicate)
V	V	Rule 21(2)	Rule 21(2)	Certificate to be issued by the principal employer to the contractor and to be enclosed with the application for licence
VII	VII	Rule 21(1)	Rule 29(2)	Application to be made for renewal of licence
X	XIV	Rule 57	Rule 76	Identity card to be issued to each workmen by the contractor on the first day of the employment of the worker
	XIII		Rule 75	Register of persons employed
	XV		Rule 77	Service certificate to be issued to the workmen whose service have been terminated by the contractor
	XVI		Rule 78(1)	Muster Roll
	XVII		Rule 78(1)	Register of Wages
		Rule 59(2)(a)		Combined Muster Roll Cum Wage Register to be maintained by the contractor as per rule 27(1) of the M.W. Rules, 1963

	XIX	Rule 59(2)(b)	Rule 78(1)(b)	Attendance card cum wage slip to be issued by the contractor As per rule 27(2) of M.W. Rule, 1963
XVI	XX		Rule 78(1)(a)	Register of Deduction for damages or loss
XVII	XXI		Rule 78(1)	Register of fines
XVIII	XXII		Rule 78(1)	Register of overtime
	XXIV		Rule 82(1)	Annual Return by contractor

FORMS TO BE SUBMITTED FOR REGISTRATION. RECORDS TO BE MAINTAINED & RETURNS TO BE SUBMITTED BY THE PRICIPAL EMPLOYER

FORM NO		REF TO STATUTE		DESCRIPTION
Maharashtra State	Central Govt	Maharashtra State	Central Govt	
I	I	Rule 17(1)	Rule 17(1)	Application for registration of establishment employing contract labours to be made by principal employer in triplicate
V	V	Rule 21(2)	Rule 21(2)	Certificate to be issued to the contractor by the principal employer
VIII	XII	Rule 55	Rule 74	Certificate to be issued to the contractor by the principal employer
XXI	XXV	Rule 63(2)	Rule 82(2)	Annual return to be sent in duplicate to the Registering officer by the principal employer.