



Simplifying HR Compliance in India:

A Complete Guide



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PREFACE

Ensuring HR compliance is crucial for businesses to avoid severe consequences like business shutdown, increased costs, and higher employee turnover. However, navigating through 45 national labor laws and 200 state-level labor laws in India can be a daunting task for employers.

To help businesses ensure compliance, we have put together an HR compliance guide for India. This comprehensive guide consists of all the necessary details employers need to know about HR compliance in India, from understanding the labor laws to implementing HR policies and procedures.

With this guide, businesses can rest assured that they are complying with all the necessary regulations and maintaining a safe and fair work environment for their employees.

INTRODUCTION

The HR and administrative departments of organizations are required to be well-versed in all labor laws and regulations established by the government to avoid penalties for non-compliance.

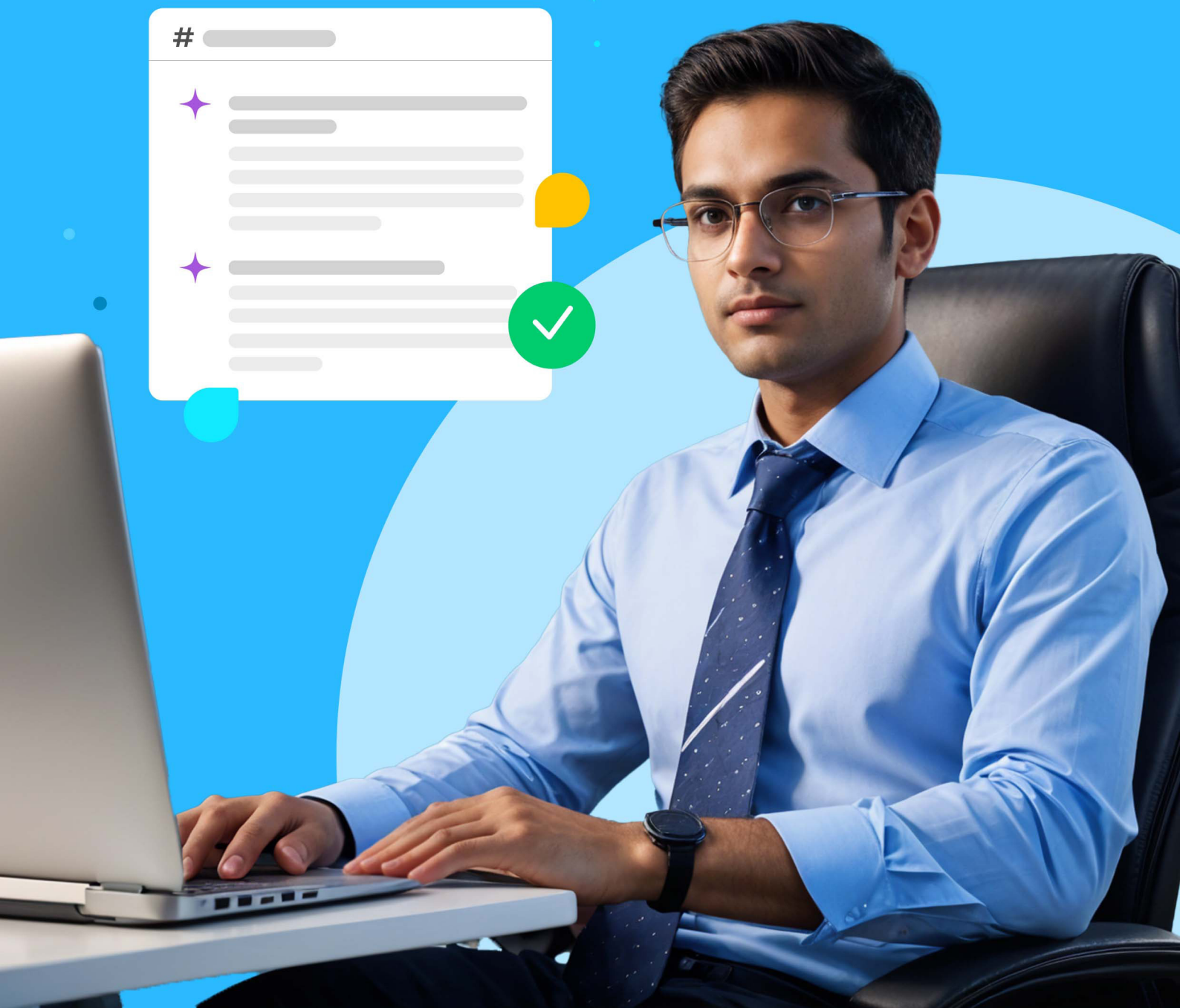
This comprehensive e-book provides valuable information on various compliance areas, including statutory and regulatory compliance, and compliance monitoring. It serves as a complete guide for anyone seeking to enhance their knowledge on HR compliance in India.

The e-book was authored with in-depth knowledge from industry experts who have immense expertise in this subject matter. To ensure the accuracy and authenticity of the information presented, we encourage readers to refer to the Ministry of Labor and Reform website.

We hope that this e-book proves to be helpful in simplifying the complex compliance laws and policies in India. Upon reading this e-book, you will have the necessary knowledge to create your own compliance monitoring procedure for your organization.

01

Introduction to HR Compliance in India



1.1 History of Labour Laws in India

In India labor law originated during the British rule. Workers were exploited and had little to no rights. Indian labors were offering passive resistance to the British and there were several laws to regulate them like the

- Factories Act in 1883
- Trade Union Act of 1923
- Industrial Disputes Act of 1929.



Factories Act

1883



Industrial Disputes Act

1929



Trade Disputes Act

1938

1923

Trade Union Act

1936

Payment of Wages Act



The British established the Royal Commission of Labor in 1929, which received a lot of backlashes from the Indian labors. So, the British put more regulations in place to manage the Indian labors like –

- Payment of Wages Act of 1936, which empowered employers to deduct wages for unexcused absences
- The Trade Disputes (Amendment) Act of 1938, which authorized the government to appoint conciliation officers to settle disputes.

After the Independence of India in 1947, the Constitution of India of 1950 added a series of fundamental labor rights in the constitution. It included articles 14-16, 19(1)(c), 23-24, 38, and 41-43A directly concerning labor rights. These fundamental labor laws were set in place for the well-being of workers and included rights like

- Right to join and participate in a trade union,
- The principle of equality at work,
- The aspiration of creating a living wage with decent working conditions.

Since then, Indian labor laws have undergone a huge change and currently there are 45 national labor laws and 200 state labor laws. The constitution of India prioritizes the dignity of human labor and interests of workers.

1.2 Understanding HR compliance

HR compliance means ensuring your company adheres to the federal and the local labor laws and regulations of the country. It usually includes monitoring compliance and creating policies that align with the labor laws.

HRs must ensure that the organization is following laws, and they have employees who follow them. Policies and regulations should be in place to align the company's policies with government's labor laws.

Non-compliance will not only cost the employers, but it can also lead to fines, penalties, or even a lawsuit, which can lead to a bad reputation. HR leaders in charge of compliance need to be proactive while protecting the organization or else it can lead to severe consequences.

However, there are several labor laws in place which can be confusing to understand. HR compliance is extremely layered and can be tricky to learn. We have simplified the understanding of the laws for you, so that your organization complies with all the laws and avoids any legal issues.

1.3 Importance of HR compliance for businesses

With the laws and regulations in place it is easy to ensure the safety and well-being of both organizations and employees. Businesses need to prioritize HR compliance for various reasons.



1. Legal obligations: If a company does not adhere to the labor laws of India it can suffer from serious consequences. For example, if an employer does not follow the Minimum Wage Act 1948, the employer may be subjected to six months of imprisonment, or a fine of not more than 500 rupees (subjected to the compensation awarded to the worker). Noncompliance with the laws can lead to penalties, imprisonment and lead to a bad reputation.

2. Benefits expansion: If a thriving company wants to expand and set up offices in another state, they need to comply with the new location's local labor laws as well. Knowing the regulations and designing policies accordingly can open doors for any company that wants to expand.

3. Ensuring employee well-being: HRs don't just protect the company but also protect the employees. Complying with labor laws improves workplace culture, safety, fair payment and contributes to employee well-being. It keeps employees happy and reduces turnover.

4. Risk Mitigation: Compliance with necessary laws and regulations reduces risks for a company. It ensures that they don't run into an expensive lawsuit or legal battle.

5. Builds reputation: Following HR compliance builds a solid reputation for any company. It becomes trustworthy in the eyes of prospective employees, investors and competitors.

1.4 Types of HR compliance

As mentioned before, HR compliance is a complex concept to follow. However, there are a few important terms that define the different types of HR compliance that exist. They are –

- **Statutory compliance:** Statutory compliance are the laws and regulations set by the government for employers and employees to follow. Violation of these laws can lead to punishment in the form of penalization, imprisonment, etc. These are the must-follow rules set by the government.
- **Regulatory compliance:** Regulatory compliance is set by regulatory bodies in a country. For example, Reserve bank of India is a regulatory body and non-compliance to its regulations can lead to criminal charges.
- **Contractual compliance:** Contractual compliance is when a contract is set between an employer and employee. It is a way to set a bond of trust with each other. Not following the terms of the contract can lead to civil lawsuits. To add to this, India also has Contract Labour Act 1970, that allows contractual labors to have paid time off, vacation leave and other benefits.
- **HR technology compliance:** With more and more companies embracing HR tech, it is important to ensure that the HR tech provider complies with GDPR (General Data Protection Regulation). In India, Digital Personal Data Protection Act 2023 (DPDPA), ensures that the privacy of citizens is protected at all costs. After big data breaches like the Aadhar data breach in 2018 and the CAM4 data breach in 2020, organizations across the world saw a need to have regulatory laws for protecting digital data.

- **Internal compliance:** Internal compliance means implementing the laws put in place by the government. Rather than hypothetically following the rules, internal compliance ensures the enforcement of policies to adhere to the government laid laws. For example, in India, no adult is supposed to work more than 48 hours a week, and no more than 9 hours a day. Companies need to lay down policies for an 8-hour workday with an hour-long lunch break to implement this law into action.
- **Workplace compliance:** Workplace compliance refers to the regulations set at a workplace by an internal regulatory organization. It often includes mandatory work hours, work from home policy, mandatory work volume, dress code, etc. Workplace compliance is subjective. It can be different from organization to organization.

1.5 Areas of HR compliance

Employee Benefits

Some employee benefits are compulsory for employers. In India, there are statutory compliance laws in place for employers to provide benefits to employees. Some of these benefits are:

- Employees' Provident Fund
- Employees' Pension Scheme
- Employees' Deposit Linked Insurance
- Employees' State Insurance Scheme
- Statutory Leaves set by states.
- Paid Maternity Leave
- Compensatory day offs for overtime

Employee relations

To encourage good employee relations, companies can set regulations in place to have a healthy workplace. Employee relations is not a necessary part of HR compliance, but internal compliance can ensure that employees are happy with their interpersonal relationships. Happy employees treat each other better. Creating policies that promote healthy employee relations can lead to better work environments.

Discrimination

Anti-discriminatory laws at workplace ensure that employees are treated with respect and aren't treated poorly based on their caste, religion, sex, age and place of birth. In India there are laws in place to discourage discrimination.

Article 14 and Article 16 of Constitution of India state that it is imperative that every individual be protected against disqualification or discrimination in State employment or public office on the grounds of their gender, caste, or place of birth. In India, being guilty of discrimination at workplace can lead to imprisonment or penalty.

Hiring and recruiting

The government does not interfere with an organization's ongoing recruitment process, but there are certain laws and regulations in place to ensure fair recruitment.

For example, the Industrial Employment (Standing Orders) Act, 1946, stipulates that the probationary period of an employee should be 3 months. However, some companies have a probationary period of 6 months too.

Having an idea about all these laws makes it easier for HRs and recruiters to stick to the regulations and hire accordingly.

Health & safety

There are regulations in place to ensure that employees work in a safe environment. The Occupational Safety, Health, and Working Conditions Code, 2020, lists industries that involve hazardous work. The list also contains standards that the industries must follow for workers' health and safety.

Leave of absence

Leave can also be considered as an employee benefit, and if organizations implement an employee-centric leave policy, employees will be encouraged by it. There are some leave laws in India that are mandatory like employees must be given a day off on

- Republic day, January 26
- Independence Day, August 15
- Gandhi Jayanti, October 2

The state governments can decide whether workers can have a day off during festivals or celebrations. There are other laws like the Factories Act of 1948 that mandate that organizations provide earned leaves to employees who have worked for 240 days in the previous calendar year.

Compensation

The Employee's compensation act, 1923 makes it mandatory for employers to compensate employees if the employee is injured during employment or because of the employment. If the employee loses his life due to dangers to his profession, then the compensation will go to the dependents. However, if it is proven that the employee was under influence or drugs/ alcohol during the accident the employee will not be entitled for any compensation. It also doesn't count if the employee willfully disregards the safety measures set by the employer for employee safety.

Harassment

Every workplace needs to stick to the law and prevent any form of harassment at workplace. There are laws like-

The Indian Penal Code, 1860 for Mental Harassment: Employees can file complaint under this law if the mental harassment reaches criminal level.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: This act prohibits the sexual harassment of women at workplace. Any unwanted physical touch, asking for sexual favor, touching inappropriately, showing pornography, any verbal or non-verbal sexual abuse can be considered as harassment. Every company needs to understand that complying with the law to create a safe place for women to work isn't just mandatory but necessary.

02

Legal Framework of Labour laws in India



// The Indian law system has several laws in place to ensure employees are treated fairly and it also lays down a few regulations for employers. Every company must adhere to these laws and non-compliance can lead to strict repercussions in the form of imprisonment or penalties. //

2.1 Recruitment and Hiring Compliance

In this section, we are going to discuss all the intricacies of the labor laws in India that pertain to employment and recruiting. We will discuss the Employment Exchanges Act, Apprentices Act, the Interstate Migrant Worker Act 1979, in detail and how employers should adhere to these laws to avoid violation.

2.1.1 Employment exchanges (Compulsory Notification of Vacancies Act), 1959

Employee Exchanges Act 1959 has multiple objectives with the main one being to evaluate the employment potential of various sectors, establishments and industries. The Employee Exchanges Act may seem confusing as to whether it is applicable only to government offices, but it is also applicable to private sector establishments with more than 25 employees.

Not applicable to:

- Employment in agriculture (including horticulture)
- Employment in domestic services
- Employment, the duration of which is less than 3 months
- In any employment to do any unskilled work
- Employment connected with the staff of Parliament

Compliance Requirements:

According to the Employee Exchanges Act 1948 employers need to:

1. Submit the notification of Vacancies to Employment Exchanges
2. Furnish information regarding the vacancy or any coming vacancies in prescribed form (ER-1: Quarterly returns, ER-2: Biennial Returns) (Section 5)

Non-Compliance penalties

- If an employer fails to comply with 1, then they must pay a penalty of INR 500 and INR 1000 for any subsequent offence.
- If an employer fails to comply with 2, then they must pay a penalty of two hundred and fifty rupees, INR 250 and INR 500 for any subsequent offence.

2. 1. 2 Apprentices' Act 1961

The Apprentices act 1961 was implemented by the Government of India to regulate the employment of apprentices around the country except for Jammu and Kashmir. This act provides all the necessary regulations required like the – maximum number of apprentices an employer can have, the maximum time of work for the apprentice, the minimum wages and other benefits. It also holds the employer responsible for the violation of any objectives in the act.

Not applicable to:

- To all the establishments or employers in Jammu and Kashmir

Compliance Requirements:

- The apprentice must be 14 years of age or above.
- The applicant must have the minimum qualification for the apprenticeship that the employer is looking for.
- The apprentice and the employer must sign an apprenticeship contract, both parties agreeing to set conditions of the apprenticeship like time, duties and wages.
- An employer must be registered under the Apprentices Act 1961.
- The employer must submit a bond to the Government of India with a minimum amount of INR 5000/-
- The applicant must be in good health to carry out the training required for the apprenticeship
- The employer must submit an application to the Apprenticeship Adviser for the grant of a certificate of apprenticeship. An organization/employer can register for the apprenticeship online as well.

Non-Compliance penalties

Civil penalties can be imposed without the knowledge of the employer for violation of the regulation. It can include fines, restitution, and/or the suspension or revocation of the employer's apprenticeship registration.

Criminal Penalties are imposed with the consent of the employer. It can include fines, imprisonment, and/or the cancellation of the employer's registration.

2.2 Equal Employment Opportunity (EEO) and Anti-discrimination Policy

The Indian law has few regulations in place to discourage discrimination at workplace and provide equal opportunities to everyone. These laws ensure fairness and non-discriminatory treatment of employees/ applicants making employment available to everyone irrespective of their race, sex, religion, caste, and place of birth.

2.2.1 Article 15, Constitution of India 1950

This act ensures that any citizen should not face discrimination based on race, religion, sex, caste, and place of birth. It applies to all the public places including shops, hotels, restaurants, wells, tanks and any public places. The term office or workplace has not been mentioned in Article 15, but it implies that any citizen should not face discrimination in a public place.

There were attempts to amend the act and add trams, and roadways to public places but the assembly rejected it saying – "places of public resort" implies any public places so adding places to the list would be redundant.

2.2.2 Article 16

While Article 16 ensures equal treatment in all public places, Article 16 talks about the equal opportunity of all citizens under the state. This article has the following objectives that every employer must keep in mind–

- There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State,
- No citizen shall be ineligible for any employment under the state based on religion, race, caste, sex, descent, place of birth, residence or any of them.

However, this article only ensures non-discrimination in public sector/ government employment.

2.2.3 Equal Remuneration Act 1975

The Equal Remuneration Act 1975 was passed in the International Year for Women to ensure equal pay for both men and women doing the same work or work of similar nature. According to this law, employers should pay equal wages to both men and women working in similar roles.

This law has done a lot to reduce the pay gap between men and women, however there is still a long way to go. Here are some of the main objectives under the act-

- No employer should pay less favorable wages to an employee doing the same work or similar work done by the opposite sex. This is to ensure all employees doing same work are paid equally by the employer, irrespective of their sex.
- No employer shall reduce the wages of an employee to accommodate the similar pay with others (for doing the same work). For example, an employer is paying a male worker more than the female workers (doing the same job), in this case, the employer cannot reduce the wages of the male worker to match the wages of female employees.
- There is also a section under the Equal remuneration act that highlights that no discrimination is to be made while recruiting male and female workers for same work or work of similar nature.

2.2.4 The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

Sexual harassment in the workplace can include various circumstances such as promises of preferential treatment, threats of detrimental treatment, interference with work, or creating a hostile work environment. To address and handle such cases, every employer is required to establish an "Internal Complaints Committee" (ICC) by a written order.

The ICC should consist of a Presiding Officer, preferably a senior woman employee, along with members from employees committed to women's causes, individuals with legal knowledge, and representatives from organizations focused on women's issues. At least half of the committee members should be women.

Additionally, in establishments with fewer than ten workers or if the complaint is against the employer, a "Local Committee" should be constituted by the District Officer to receive complaints of sexual harassment.

Filing Complaints

Any aggrieved woman can file a written complaint of sexual harassment at the workplace to the ICC or the Local Committee within three months from the date of the incident. If the complaint cannot be made in writing, the committee should provide assistance. In cases of physical or mental incapacity or death, a legal heir or a designated person can file a complaint.

Compensation and Support

The ICC or the Local Committee should consider several factors, including the mental trauma, career opportunities, medical expenses, the respondent's financial status, and the feasibility of payment, to determine the compensation for the aggrieved woman. This compensation aims to address the emotional distress and financial impact caused by the incident of sexual harassment.

Employer Duties

Employers must provide a safe working environment, display information about penalties for sexual harassment, and conduct workshops to educate employees about the law. They should also support the investigation of complaints, assist in securing witnesses, provide necessary information, and help victims file complaints under the law. Additionally, they must take action against perpetrators, treat sexual harassment as a misconduct, and ensure timely reporting by the internal committee.

2.2.5 The Rights of Persons with Disabilities Act 2016

The rights of persons with disabilities act 2016 came into force in 2017 and replaced the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995. Section 20 of the RPwD act ensures no government organization discriminates against a person with disability during employment. Moreover, promotion cannot be denied by an employer on the grounds of disability

2.2.6 The Maternity Benefit Act 1961

The Maternity Benefit Act 1961 regulates the employment of women during maternity, giving them the benefits to work better and ensuring their well-being. According to the MB act 1961,

- No employer should knowingly employ a woman within six weeks of her delivery.
- No woman shall work within six weeks after her delivery and one month prior to the expected delivery date.
- No woman is entitled to maternity benefit unless she has worked for the employer for 180 days (about 6 months) in the past year (from the expected date of delivery)
- If an employer fails to give paid maternity leave or maternity benefit to an employee, they shall be imprisoned for not less than three months (may extend to one year), with a fine of INR 2000 that may extend to INR 5000.

Every employer must be aware of this act and treat any pregnant female employee similarly. Non-compliance with the MB Act can be severe and lead to a bad brand image.

2.3 Independent contractors

2.3.1 Contract Labour Act 1970

The Contract Labor Act came into force in 1970, to prevent the exploitation of contract laborers and ensure better functioning of contract labor system. The main objectives of this act are to – provide better working conditions for contract laborers, prevent exploitation of contract laborers, regulate the functioning boards.

Applicable to:

- Any establishment where 20 or more workmen work as contract labor
- Any contractor who employs 20 or more workers.
- Any employee hired as "contract labor" under the employment contract as mentioned in Section 2(b) of the act.
- Any work that is intermittent (120 days (about 4 months) of work in a year) or casual (less than 60 days (about 2 months) of work in a year).

Compliance requirements:

- An employer must pay the worker before the stipulated period of work ends.
- An employer who has employed more than 100 contract laborers must provide one or more canteen to the employees.
- The contractor should supply facilities like toilets, drinking water, washing facilities, etc.

Non-Compliance penalties:

Any individual found to be engaging in the use of contract labor in violation of the terms specified in the granted license under this legislation may be subject to a maximum imprisonment term of three months, a fine of up to INR 1000, or both.

Additionally, the legislation holds companies and individuals accountable for any offenses committed by the company that contravene the provisions outlined in the Act.

2.4 Wage and Hour Compliance

In this section we are going to discuss the Minimum Wages Act, Payment of Wages Act, Payment of Bonus Act to get a clear out of all the regulations employers need to follow regarding payment.

2.4.1 The Minimum Wages act 1948

The main objective of the Minimum wage act is to ensure a worker gets a fair wage to lead a decent life and access basic physical necessity, health and comfort. According to the act, the respective government fixes the minimum wages for workers according to hours, days, months or any other wage period may be prescribed. A wage committee and advisory board created by the appropriate government set the minimum wage and implement necessary regulations. Minimum wage can be different according to various areas.

Non-Compliance penalties:

Any central, state or local establishment/employer that fails to pay minimum wages to workers shall be punishable. Non-compliance with the Minimum Wages Act, specifically the failure to remunerate employees with the statutory minimum wages, constitutes an actionable offense. The maximum penalty for such transgressions encompasses imprisonment for a term extending to 5 years and a fine amounting to INR 10,000.

2.4.2 Payment of Wages Act 1936

The Payment of Wages act came into force in 1936 and it regulated how employees are paid. It was put in place to ensure proper, fair and timely payments to employees.

Applicable to:

- Employment in areas of railways, mines, oil fields and transportation
- Employment under establishments that are under the government
- The act does not apply to an employee whose wage is more than INR 24,000 per month (24,000 is the ceiling limit)

Compliance regulations:

- Wage period cannot be more than a month
- Payments should be made before the 7th day of the month if the company has less than 1000 employees.
- Payments should be made before the 10th of the month if the company has more than 1000 employees.
- Payment modes: Cash, check or credit to a bank account (with employee's written consent)
- Deductions that are allowed are: Fines, absence, damages to company property, loans.

Non-Compliance penalties:

Non-compliance with the act's regulations can be punishable with a fine not less than INR 1000 but extending to INR 7500.

2.4.3 Payment of Bonus act 1964

This act was put in place to ensure employers pay a bonus to employees when they make a profit.

Compliance regulations:

- Every factory or an establishment that has more than 20 employees working during a financial year is bound to pay a bonus.
- Any employees who get a monthly payment of up to INR 21,000 a month are eligible for a bonus
- An employer must pay a minimum bonus of 8.33% of the employee's annual salary/wages.

Non-compliance penalties:

Violation of the non-compliance act can lead to up to 6 months of imprisonment or a fine of INR 1000.

2.5 Overtime pay regulations

There are a few labor laws in place to manage how employees can work overtime and gain more benefits. The regulations set by Indian government are meant for employers and employees to know more about the extensive overtime provisions. Here are some of the laws you must be aware of if you want to know more about how to pay employees based on overtime –

2.5.1 Factories Act section 51, section 59 (pay for overtime, overtime for women & children)

The Factories Act deals with the working regulation of employees. There are main sections like 54, 55, 59 that describe how employers should deal with overtime hours and pay.

Compliance regulations

- Under section 54, The Factories Act 1948, no worker shall be allowed to or should not work more than 9 hours a day.
- According to section 55, workers should not be forced to work for more than 5 consecutive hours without a break. They should be allowed a minimum of 30 minutes' break (half hour), before resuming work again.
- Section 59, The Factories Act, 1948 explains the regulations about overtime. Any worker who works more than 9 hours a day or more than 48 hours a week is entitled to overtime pay. S/he shall be entitled to wages at the rate of twice his ordinary rate of wages.

Non-compliance penalties

Sections 92 to 106A of the act encompass penalty provisions. In the event of a contravention of the provisions of this act or any rules established under it, both the occupier and the manager of the factory will be deemed to have committed an offense. They shall be liable to imprisonment for a term of up to 2 years, a fine of up to INR 1 lakh, or both as punishment.

2.6 Employee Benefits Compliance

Most of the employees look for a better package that offers benefits to them. That's why companies need to put together an attractive package that includes all the necessary benefits and offer something more. The Government of India has some regulations in place that ensures employees get the benefits like PF, Insurance and Retirement fund.

2.6.1 Employee provident fund scheme 1952

This scheme was enforced in 1952 to ensure that employees are provided with social security while working for their employers. The Provident Fund scheme allows an employee to set aside 12% of their salary and add it to their PF. The employer also contributes 12% to the PF. This scheme allows employees to have savings and manage their finances better.

Compliance regulations

- The Employee Provident Fund Scheme is subject to compliance regulations that apply to specified factories or establishments where 20 or more individuals are employed.
- Recent amendments have lowered the threshold to a minimum of 10 employees. Also, any factory or establishment, regardless of size, can voluntarily come under the EPF Act.
- Eligibility for the scheme is based on a monthly salary of up to INR 15,000, calculated as the sum of Basic Salary and Daily Allowance.
- Employers contribute 12% and employees also contribute 12% of their salary to the fund, along with a 1.16% contribution to the Central Government.
- Contributions must be deposited by the 15th of the month.

Non-compliance penalties

Non-compliance penalties include a 12% per year interest on each day of delay in the payment of contributions. There are also penalties on late payment: a delay of up to 2 months incurs a 5% interest per annum, a delay of 2-4 months incurs a 10% interest per annum, a delay of 4-6 months incurs a 15% interest per annum, and a delay of more than 6 months incurs a 25% interest per annum, not exceeding 100% at a time.

2.6.2 Employees' State Insurance Act, 1948

The Employee State Insurance Act is a crucial regulation established by the Indian government to provide financial security to employees, especially those working in factories and certain establishments. These provisions aim to offer social security benefits to employees in case of emergencies such as accidents, sickness, maternity, and death.

Compliance regulations

- Applicability to establishments employing ten or more individuals, including shops, hotels, restaurants, etc.
- Entitlement to benefits for employees with a monthly salary within INR 21,000.
- Exemptions for individuals with daily average wages of INR 137.
- Provision of full medical care to insured individuals and their family members without any ceiling on expenditure.
- Cash compensation at the rate of 70% of wages for insured workers during certified sickness periods, for a maximum of 91 days in a year.
- Maternity benefit includes payment for twenty-six weeks, which can be extendable by a further one month on medical advice.
- In the case of temporary disablement during employment, there will be Temporary Disablement Benefit at the rate of 90% of wage from the first day of insurable employment. And in case of permanent disablement, there will be permanent disablement Benefit payable at the rate of 90% of wage in the form of monthly payments.
- Total contribution under the employee insurance plan is 4% of the monthly wages, with employers contributing 3.25% and employees contributing 0.75% of the payable wages.
- Employers are responsible for depositing ESIC contributions every month.

Non-compliance penalties

Non-compliance penalties for this act include criminal breach of trust for non-payment and are punishable under IPC Section(s) 406, 409, and an offense under sections 85 (b – g) of the ESI Act.

This can result in imprisonment for up to 2 years and a fine of up to INR 5,000. Additionally, failure to deposit contributions within the specified time may result in simple interest at the rate of 12% per annum for each day of delay or default in payment of contributions under Regulation 31-A.

2.6.3 Payment of Gratuity 1972

Payment Of Gratuity Act 1972 ensures the financial security of employees and makes it compulsory for employers (with over 10 employees, government or private) to pay gratuity to employees on retirement or to employees who resign after 5 years of employment (period does not include absences like sick leave, LOP, etc.).

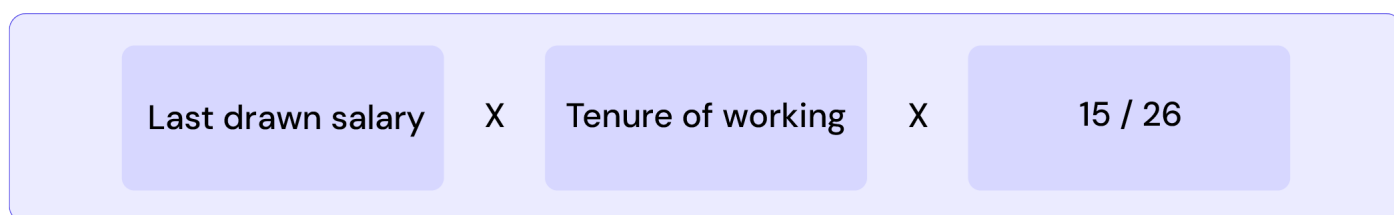
Compliance regulations

Gratuity must be paid to an employee upon termination of employment if they have completed continuous service for five years or more, as per Section 4(1) of the Payment of Gratuity Act of 1972, under the following circumstances:

- (a) Retirement
- (b) Resignation
- (c) Demise or disability resulting from an accident or illness.

Gratuity Formula:

Gratuity = (Last drawn salary x Number of years of service x 15)/26



For example, if an employee's last drawn salary is INR 60,000 and they have worked for 7 years, the gratuity they will receive at the end of their service will be:

$$(60,000 \times 7 \times 15) / 26 = \text{INR } 2,42,307$$

Non-Compliance Penalties:

- Making a false statement or false representation to avoid payment may lead to imprisonment for a term of up to 6 months or a fine of up to INR 10000, or both.
- Non-payment of gratuity may lead to imprisonment for a term of up to 2 years, a fine of up to INR 20000, or both.

2.6.4 National and Festival Holidays Act

There are other benefits that employees enjoy. Holidays and days off are a must for employees working in every sector. There are few rules that the Indian

Government has set in place for employers to follow when provided leaves to employees. Under the National and Festival Holidays Act, all employers are to provide leaves to employees on National holidays like –

- Republic Day, January 26
- Independence Day, August 15
- Gandhi Jayanti (Gandhi's Birthday), October 2

It is also the responsibility of the State government to provide religious holidays to employees like Diwali, Christmas, Good Friday, Dussehra, Budh Purnima, Eid, and Guru Nanak Jayanthi. These holidays are allowed by State Governments and employers need to decide which holidays they want to provide as optional holidays.

2.6.5 The All India leave rules

Under the All-India service leave rules 1955, there are many leave rules employers must keep up with. These rules ensure that employees get much deserved time off and protect the employers. Let us have a look at the important leave laws as defined by the government of India–

- **Half day leave:** Indian Government also allows half pay leaves to employees. Every employee can be granted a 20-day half-day leave in a working year.
- **Commuted leave:** Employees also have the provision of commuted leave wherein they can take leave on medical grounds or if they want to pursue higher studies. Commuted leave should not exceed 90 days (about 3 months). If a member resigns during commuted leave, the commuted leave will be treated as half pay.
- **Maternity leave:** Maternity leave can be granted to a female member of the service who has less than two surviving children. The leave is on full pay for up to 180 days (about 6 months) from the start date. During this period, she will receive leave salary equal to the pay she was receiving before going on leave. This leave will not be deducted from her leave account.
- **Maternity leave for miscarriage or abortion:** Maternity leave may be granted to a female member of the Service with less than two surviving children in case of miscarriage or abortion. She will receive full pay for up to 180 days (about 6 months) from the date of its commencement. During this period, she shall be paid leave salary equal to the pay drawn immediately before proceeding on leave. This leave shall also not be debited from the leave account.

- **Earned Leave:** Earned leave is allowed by a company/government wherein the employee can take a leave without losing any pay.

a) An employee shall be allowed 30 earned leave per year, which will be given in installments. One starts from January to June, while the other from July to December. There are exceptions to this section, like employees in Northeast are allowed earned leave of up to 40 days.

b) Moreover, the credit of earned leave from the half year can be carried forward to the next half of the year. And the credit for earned leave can be carried forward to the next year provided the credit of the half year does not exceed 300 days.

The maximum number of earned leave that can be earned to an employee in India is 180 days.

- **Maximum period of absence:** The maximum period of absence from duty is 5 years. No employee can be granted 5 years of continuous leave. An employee is deemed to have resigned if they have been absent for a period of one year from the date of expiry of sanctioned leave.
- **Marriage leave:** There are also regulations for marriage leave. Companies can provide marriage leaves to employees of minimum 3 days to a maximum of 2 weeks.
- **Maternity leave:** Maternity leave can be granted to a female member of the service who has less than two surviving children. The leave is on full pay for up to 180 days (about 6 months) from the start date. During this period, she will receive leave salary equal to the pay she was receiving before going on leave. This leave will not be deducted from her leave account.

2.7 Safety and Health Compliance

2.7.1 OSHA 2019

The Occupational Safety, Health and Working Conditions Code, 2019 was presented in Lok Sabha by the Minister of Labour and Employment, Mr. Santosh Kumar Gangwar, on July 23, 2019. The aim of the Code is to govern the health and safety conditions of workers in establishments with 10 or more workers, as well as in all mines and docks. It consolidates and supersedes 13 prevailing labor laws related to safety, health, and working conditions, such as the

such as the Factories Act, 1948; Mines Act, 1952; Dock Workers Act, 1986; Contract Labour Act, 1970; and Inter-State Migrant Workers Act, 1979. However, the bill was retracted due to the inclusion of special provisions for certain groups of workers without clear justification.

2.7.2 Factories act

The Factories Act of 1948 is the primary legislation in India that deals with workplace safety and health. The act sets out rules and regulations for ensuring the safety, health, and welfare of workers employed in factories.

According to the act, a factory is defined as any premises where ten or more workers are engaged in a manufacturing process using power, or where twenty or more workers are engaged in a manufacturing process without power.

Every factory is required to have a safety committee, which must include both management and employee representatives. This committee is responsible for identifying workplace risks and developing plans to eliminate or control them.

The law also mandates that each factory must employ a competent safety officer who is responsible for implementing safety and health plans and conducting regular safety audits.

The Factories Act also lays down guidelines and requirements for various aspects of health and safety, such as sanitation, lighting, ventilation, and machinery safety. Additionally, the legislation calls for the appointment of factory inspectors, whose duty is to inspect factories and ensure compliance with safety and health laws.

2.7.3 Mines Act 1952

The Mines Rules, 1955, were established in accordance with Section 58 of the Mines Act, 1952. These rules outline detailed provisions for ensuring the health, safety, and welfare of mine workers, as well as the necessary filings for the industry.

Compliance regulations:

- **Mining Operations:** Prior to commencing mining operations, the owner, agent, or manager of the mine is required to provide written notice to the Chief Inspector, Controller Indian Bureau of Mines, and District Magistrate, at least one month in advance, using the prescribed form. The owner and agent are responsible for controlling, direction, and supervising the mines, as well

as ensuring financial and other provisions are made to comply with the Act's provisions.

- **Health and Safety:** Every mine must be equipped with the prescribed number of first-aid boxes during all working hours. Additionally, if more than 150 workers are employed, a first-aid room must be provided.
- **Notices:** In an accident, the owner, agent, or manager of the mine must notify the relevant authority in the prescribed form and within the specified time.
- **Working Hours and Leave:** No individual is permitted to work more than 9 hours a day and 48 hours (about 2 days) a week, with at least one day of rest. Additionally, no person should work more than 6 days a week.
- **Overtime:** Employees working beyond the normal prescribed hours are entitled to overtime pay at a rate twice that of their normal wages.
- **Non-Compliance Penalties:** Obstruction of the Act's provisions related to any mine may result in imprisonment for up to 3 months, a fine of up to INR 500, or both. Falsification of records could lead to imprisonment for up to 3 months, a fine of up to INR 1000, or both.

2.7.4 The Dock Workers (Safety, Health and Welfare) Act, 1986:

The Dock Workers (Safety, Health, and Welfare) Act of 1986 was introduced to ensure the safety, health, and welfare of dock workers in India. It applies to all dock workers employed in any major port, minor port, or intermediate port in the country. The Act lays down several provisions to ensure the safety of dock workers, including provisions for the registration of dock workers, safety training, provision of protective equipment, first aid and medical facilities, and compensation for injury or death while on duty. The Act also establishes a Dock Safety Board for each port, which oversees the implementation of safety measures and advises the government on matters related to dock safety.

Non-Compliance penalties:

Anyone who does not comply with the act's regulations will be punishable with a fine extending to INR 500.

2.7.5. The Contract Labour (Regulation and Abolition) Act, 1970:

The Contract Labor Law of 1970 was established to ensure the welfare

and equitable treatment of contract laborers. This law applies to every establishment with 20 or more contract laborers employed or engaged on any given day in the preceding 12 months. However, it does not apply to establishments with work of a casual or intermittent nature.

Key Compliance Regulations:

- The principal employer of the establishment must apply for registration of the establishment with the Registering Officer for employing contract labor.
- The contractor is responsible for paying wages to the contract workers within one month.
- If there are fewer than 1000 contract laborers in an establishment, their wages should be paid before the 7th day after the last day of the wage period. In any other case, wages should be paid before the 10th day after the last day of the wage period.
- In the event of termination of contract labor, the contractor must pay the wages before the 2nd day following the day of termination.
- Wages should be paid directly, either in cash, by check, or in the wage account, without any deductions except those provided under the Payment of Wages Act.

Non-Compliance penalties:

Any person contravening the provisions of the Act or rules relating to the employment of contract labor, or failing to comply with license conditions, may face imprisonment for up to 3 months, a fine of up to INR 1,000, or both. It's important to note that in case of continued contravention after the initial offense, an additional fine of INR 100 per day may be imposed. If the offense is committed by a company, all individuals responsible for the conduct of the company shall be held accountable and punished accordingly.

2.8 Data Privacy and Security Compliance

2.8.1 Overview of data protection laws (e.g., DPDPA)

The DPDPA was enacted in India on 11 August 2023, but it hasn't been operational yet. There is no specific timeline on when the act will be operational. This act provides rules for handling digital personal data, respecting individuals' right to protect their data while allowing lawful processing. So, this law not only considers the privacy of the data principle, but also the party that processes the data.

Personal data can only be processed if the data principle (the said person) gives consent or for specific legitimate purposes. If a data principal has given consent before this act, the data fiduciary must notify them about the data being processed, how to exercise their rights, and how to file a complaint with the board.

2.9 Recent updates or changes in HR laws

New labor code of India

In 2020, India took a bold step when it decided to simplify its complex labor laws. Under this ambitious reform, there would be four labor codes for various sectors like wages, social security and more. Many redundant laws were amalgamated into codes that would come into action. According to the New Labor code for New India, there are 4 labor codes –

- Code on Wages Act
- Code on Social security
- Occupational safety, Health and Working Conditions Code
- Industrial Relations Code.

1. Code on Wages Act: The Code on Wages Act, 2019 combines four existing labour laws into one comprehensive regulation. These laws include the Minimum Wages Act, Payment of Wages Act, Payment of Bonus Act, and Equal Remuneration Act. The Wages code will benefit employees in various ways but here are some of the major changes the code brings –

- Minimum wages will be given to not just organized but also unorganized sector,
- Minimum wage will be reviewed every 5 years
- Timely payment for all workers
- Removing regional disparity with floor wage
- Minimum wage is decided based on skills and location
- Wage ceiling increased from INR 18,000 to INR 24,000

2. Code on social security: The 9 central laws on social security were amalgamated into 1 Social security code. The laws merged into one code were – The Employees' Compensation Act, 1923, The Employees' State Insurance Act, 1948, The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959,

The Maternity Benefit Act, 1961, The Payment of Gratuity Act, 1972, The Cine Workers Welfare Fund Act, 1981, The Building and Other Construction Workers Welfare Act, 1996, and Unorganized Workers' Social Security Act 2008. Code on social security also brought along a few changes like –

- Benefits of free treatment under dispensaries and hospitals under ESIC.
- Even if a worker is into hazardous work, he should be granted ESIC.
- Benefits of a pension scheme for all workers in all – organized, unorganized and self-employed sectors.
- Social security fund for unorganized sector to be provided as well.
- Employers with 20+ employees to announce vacancies online.

3. The Occupational Safety, Health and Working Conditions Code, 2020:

13 laws on Occupational safety, and working conditions were merged to create OSHA. The acts include – Factories Act, 1948; Mines Act, 1952; Dock Workers Act, 1986; Contract Labour Act, 1970; and Inter-State Migrant Workers Act, 1979 and more. There were a few changes proposed under this code as well –

- Providing offer letters to all workers is mandatory
- Mandatory free annual health check-up
- Instead of 240 day, now after 180 days, a worker shall be entitled to one-day leave for every 20 days of work done.
- Women now have rights to work in all types of establishments
- Women have been given rights to work at night.
- Increased the paid maternity leave for women workers from 12 to 26 weeks and ensure mandatory crèche facility in all establishments having 50 or more workers.

4. Industrial Relations code: The Industrial Code, 2020 consolidates three Acts namely, the Trade Union Act, 1926; the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947. By creating this code, the central government safeguarded workers' interests, inter-state migrant workers and trade unions.

One of the major takeaways from this code was the Atal Bimit Vyakti Kalyan Yojna. In case of job loss, a worker can avail themselves of the benefit of Atal Bimit Vyakti Kalyan Yojna, wherein they can get an unemployment allowance from the government.

2.10 Interviewing guidelines

The interview process can take a wrong turn if you do not know what to ask the candidate. There are a few regulations that one must follow during an interview. While these are not compulsory laws, companies should follow a professional process and ask relevant questions to the candidate. Here are some questions interviewers should not be asking during an interview–

- Interviewers cannot directly ask a candidate about their age. While some jobs are age-specific and have age limitations, it is better to mention it in the job description and pay attention while parsing through resumes.
- Interviewers should also avoid asking questions about caste and religion like "What caste do you belong to?" or "Which religion do you follow?". It is advisable to keep things professional and avoid intrusion.
- At all costs, avoid questions that reek of gender bias like "Are you sure you can do the job as a woman?", "We pay lesser to women, will you be okay with that?". There are solid laws in place like the Equal Remuneration act that ensures both men and women are paid equally for the same job.
- Do not ask intrusive questions about family and future planning like "When are you going to get married?", "Are you planning on having children?".
- The financial status or history of an employee should not be questioned like – "Have you taken any loans?", "What is your credit score?", etc.
- An employer should not ask about an employee's criminal history as well. But to be sure you hire the right candidates; you can do a background check that is permitted by the employee.
- Another thing to consider while interviewing a candidate is to ensure you don't ask questions about physical disabilities or limitations. If a candidate is physically disabled you cannot ask them about – "How do you think you can manage this job?", "Will you be able to fit into our work culture?". These questions are not tasteful and should be avoided.

2.11 Background checks and screening processes

Background checks in India are increasingly common because of the rising resume fraud. Employers can do background checks given they do not violate the Information Technology Act, 2000, and the Personal Data Protection Bill, 2019.

Information Technology Act, 2000: According to the IT Act, 2000, a citizen's data should be protected. It ensures background checks are conducted responsibly and ethically. Like employers should not willingly seek the biometric data of an employee, unless required for the job. They should also not misuse biometric data and do unauthorized checks on employees.

Personal Data Protection Bill, 2019: This act aims to protect individuals' personal data, establish a Data Protection Authority, and set up processes for safe data handling.

There are different types of background checks that are done by employers when hiring a candidate. We have listed the major ones that you can do–

- **Criminal record check:** It involves digging into a candidate's criminal past and ensuring they have a clean or acceptable record. This is a common type of background check that employers should conduct if the job role is sensitive like – security, dealing with children, etc.
- **Employment History:** This is a must for employers to do because it proves the experience a candidate has and ensures they aren't committing resume fraud just to land the job.
- **Educational qualification check:** If an employee has mentioned their highest education but they are lying on the resume you won't be able to tell unless you do a background check. This is a necessity for employers as well.

Optional background checks

- **Social media screening:** While it is not essential to do social media screening of employees, if the job requires thorough background check and involves social media handling, you can do it.

- **Credit history check:** If the job role involves managing a lot of money or accounting expertise, checking a candidate's credit score will ensure they are good at managing money.

While doing background checks on employees make sure you have got their written approval for doing the checks. That way, you can do the verification without violating any regulations under the Information Technology act, 2000 and the Personal Data Protection Bill, 2019.

03

Compliance Training and Education



// According to Ponemon Institute and Globalscape, being non-compliant is 2.71 times more costly than being compliant. //

Any company that wants to function smoothly should comply with federal and state laws. To keep up with the ever-changing laws around the country, a company can organize compliance training and educate the employees.

Compliance training would involve teaching employers and employees about the laws and regulations they use daily and how to comply with them. Everyone should be aware of the dos and don'ts at the workplace. Compliance training not only protects a company from penalties and legal trouble, but it also has many benefits.

3.1 Importance of Compliance training

Reduces the risk of hefty penalties and imprisonment:

Most of the non-compliance penalties include hefty fines or imprisonment. You can save unnecessary costs by training your employees about the labor laws and set company policies. Imprisonment of anyone in the company can lead to a bad reputation in the market.

Creates a healthy and safe workplace:

When everyone in the company receives compliance training it leads to a safer workplace. Employees are aware of the policies they should follow, and it makes them more compliant and productive. If employees were aware of laws, they would know what is unacceptable and avoid doing it altogether.

Protects Company reputation:

Volkswagen lost billions of money when it was proved that they were cheating on emission tests, and there are plenty of examples of companies being involved in lawsuits because they did not comply with government laws. It can negatively impact company reputation and make employers/buyers lose trust in the brand. Timely compliance training can avoid that and ensure your company does not get involved in unnecessary drama.

3.2. Topics to cover in compliance training

Compliance training is necessary for employees because it ensures they are doing their job properly while sticking to the government mandated rules and regulations. Here are some topics one should cover during compliance training:

Company policies:

Company policy compliance training mainly includes the code of conduct of employees. In this training you can teach employees about company policy and employee rights. It is a great way to teach them about the company, company values and policies. It not only educates them about the company rules and values, but it also ensures they understand what the company wants from them.

Workplace Safety:

This generally applies to companies following risky manufacturing procedures. In this case, workers must be trained in how to use certain tools and stay safe. There are laws like the Mines Act and Factories Act that contain workplace safety regulations that contractors/employers must follow. Training employees

in workplace safety will reduce risks and help you stay compliant.

Anti-harassment:

Workplace safety ensures the physical aspect of an employee's well-being, but anti-harassment training protects employees from bullying. There are laws in place like the anti-discriminatory policy that ensures employees do not face workplace harassment on basis of religion, caste, sex or birthplace. Having anti-harassment training at work is the best way to educate employees on how to create a safe environment for everyone.

Sexual Harassment:

There is an entire Act – Sexual Harassment of Women at Work to promote safety of women at workplace. Having sexual harassment training programs at your company may seem awkward but it is necessary. It will teach employees about the boundaries they should follow at work and what actions they should avoid. This training should be a must for all companies.

Anti-corruption and anti-bribery:

Corruption can destroy your company internally. While you can't do much about it, you can train your employees about corruption and bribery. Let them know about the company policy on corruption and bribery. Once they know about the repercussions, it will discourage them from being corrupt.

Cybersecurity training:

Not all your employees are tech-savvy and know how to deal with digital threats. There are several threats and malicious viruses that can make their way into your company database. So, the best way to deal with it is updating your employees about the latest cybersecurity practices.

3.3 Methods to deliver compliance training

When it comes to compliance training, there are various methods that can be used to ensure that employees understand and adhere to the company's policies and regulations.

1. Web-based Training: This method involves using online platforms to deliver training modules, allowing employees to complete the training at their own pace and convenience.

2. Facilitated Training: This involves in-person training sessions led by an instructor, which can be beneficial for encouraging discussion and interaction among employees.

3. Mobile Training: With the prevalence of smartphones and tablets, training can be delivered through mobile apps, making it accessible to employees on the go.

4. Company Webinars and Videos: Webinars and videos created by the company can be a valuable tool for delivering engaging and informative training content.

5. Group Learning: This method involves bringing employees together for training sessions, allowing for collaboration and shared learning experiences. Each of these methods has its own advantages and can be tailored to suit the specific needs of the organization and its employees. By utilizing a combination of these methods, companies can ensure that their compliance training is effective and engaging for employees at all levels.

3.4 Monitoring Compliance

Training and monitoring go hand in hand when it comes to compliance. Every company must monitor whether they are complying with government laws and regulations. Here are some steps you can take to monitor compliance:

Develop a compliance policy

Does your company have a compliance policy? Do you have a plan that your company needs to follow for compliance? Are your employees aware of it? The first step of compliance training is to develop a compliance policy. You need to determine a clear set of measurable goals for compliance. Then train your employees accordingly to achieve the goals. Creating an outline for compliance will not only help you train employees better, but it will also help you to create high-quality training materials for your employees.

Conduct audits

Developing a compliance plan without doing risk assessment is pointless. You need to create a team that will investigate the potential areas that pose compliance risks. They will also assess the risks that non-compliance threatens. As a company, you need to prioritize these risks and work on them as soon as possible. After identifying the risks, you need to allocate resources to deal with the potential risks.

Train employees

Training employees is the most important part of compliance training. However, it isn't just the responsibility of the compliance team to train. Employees across all departments should receive general compliance training and specific compliance training (role-focused). Senior employees should lead the compliance training courses and encourage employees to learn about the dos-and don'ts of compliance.

Establish monitoring and testing strategies

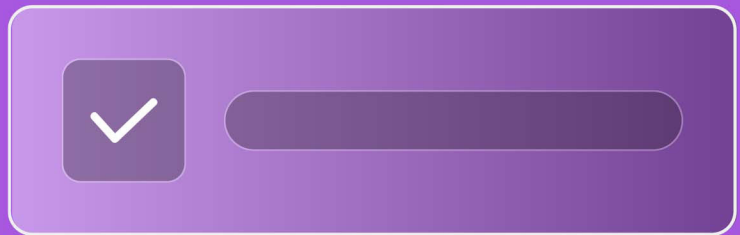
To ensure your company is up to date on compliance you need to conduct regular compliance monitoring to identify gaps and troubleshoot them. Using compliance monitoring software is a good option for companies that want to automate the compliance process. However, using HRMS that offers compliance monitoring is a better option. HRs mostly handle the compliance part of a company, so using a HRMS that already has inbuilt compliance regulated tools can be a gamechanger.

Implement corrective action

Once the audits are done, you can identify areas of non-compliance. The compliance monitoring team will not only identify the areas of non-compliance but also study the potential risks that come with it. When the risks are spotted, you can implement remediation plans to fix the issues and ensure they don't happen in the future. Troubleshooting may involve revising company policy, editing workflows, and improving employee training. Documenting employee training is necessary because it is like keeping a record of your corrective actions to ensure compliance in the company.

04

HR Compliance Checklist of laws for company owners



Going through all the compliance laws can be daunting for small business owners. But here are a few questions you can ask yourself to ensure your company is compliant with the major Indian labor laws –

- As an employer do you notify about vacancies to the Employee Exchanges?

- Do you have any apprentices? If so, do you follow the regulations of the Apprentices Act?

- Is your hiring process non-biased and anti-discriminatory?

- Is your workplace healthy and anti-discriminatory?

- Are all your employees treated fairly and equally?

- Are the men and women in your company paid equally for the same job they do?

- Is your workplace safe for women?

- Do you have disabled people on your team? Is your hiring process inclusive?

- Do you provide paid maternity leave of 26 weeks (about 6 months) to your pregnant employees?

- Do you have contract employees? If so, do you provide them with Insurance benefits like the rest of your employees?

What is the minimum wage in your geographical location? Do you pay all your employees fairly and above minimum wage?

What is your wage period, and do you pay your employees on time?

Do you offer bonuses to your employees? (only applicable to companies with 20+ employees and one year working)

Do your employees work more than the government mandated 48hr/week? If so, do you provide them with overtime wages?

Do you provide employee benefits like PF, Insurance and Gratuity? (It is a must)

Do you allow your employees time off during the national holidays?

Do you offer enough earned leave and sick leave to your employees? (12 Sick leaves/ year and 12-30 earned leaves/year)

As an employer do you notify about vacancies to the Employee Exchanges?

Does your company comply with the DGDPA and ensure data security?

Conclusion

Compliance with labor laws established by the government is essential for every company. Non-compliance with state or federal laws can result in severe repercussions such as lawsuits, imprisonment, and hefty fines. Additionally, it can lead to a tarnished reputation and loss of customer trust.

Conducting regular compliance audits and training will ensure that your company stays updated with labor laws, operates properly, and avoids unnecessary trouble.

Non-compliance often results in wasted time and resources, as well as disruptions in the workplace that can decrease employee productivity.

Regular compliance training will keep your employees informed and contribute to a well-functioning company. In addition to audits and training, it's important to establish a team of HR professionals to oversee the company's compliance behavior.

If you are unable to assemble an internal team, consider seeking external assistance or utilizing a compliance regulation tool to simplify the process. Regardless of the approach, adherence to compliance laws is imperative for all companies.

Additional Resources

Employment Exchanges Act, 1959:

<https://www.indiacode.nic.in/bitstream/123456789/1418/1/A1959-31.pdf>

The Apprentices' Act, 1961:

https://www.indiacode.nic.in/bitstream/123456789/1668/1/AAa52__1961.pdf

Article 15, Constitution of India, 1950:

https://www.education.gov.in/fundamental_rights_article-15

Article 16, Constitution of India

<https://compass.rauias.com/polity/article-16/>

Equal Remuneration Act, 1976:

https://labour.gov.in/sites/default/files/equal_remuneration_act_1976_0.pdf

The Sexual Harassment of Women at workplace act, 2013:

https://doe.gov.in/files/inline-documents/DoE_Prevention_sexual_harassment.pdf

The Rights of Persons with Disabilities act, 2016:

https://www.indiacode.nic.in/bitstream/123456789/15939/1/the_rights_of_persons_with_disabilities_act%2C_2016.pdf

Maternity Benefit Act, 1961:

https://labour.gov.in/sites/default/files/the_maternity_benefit_act_1961_0.pdf

Contract Labor Act, 1970:

<https://clc.gov.in/clc/acts-rules/contract-labour-regulation-abolition-act-1970>

Minimum Wages Act, 1948:

https://labour.gov.in/sites/default/files/wage_cell.pdf

Payment of Wages Act, 1936:

https://labour.gov.in/sites/default/files/thepaymentofwagesact1936_0.pdf

Payment of Bonus Act, 1965:

<https://clc.gov.in/clc/acts-rules/payment-bonus-act-0>

Employee Provident Fund and Miscellaneous provisions Act, 1961:

https://www.indiacode.nic.in/bitstream/123456789/5437/1/employees_provident_fund_act.pdf

Payment of Gratuity Act, 1972:

<https://clc.gov.in/clc/sites/default/files/PaymentofGratuityAct.pdf>

Employee State Insurance Act, 1948:

<https://www.indiacode.nic.in/handle/123456789/17140>

The Factories Act, 1948:

https://labour.gov.in/sites/default/files/factories_act_1948.pdf

All India service leave rules, 1955:

https://dopt.gov.in/sites/default/files/Revised_AIS_Rule_Vol_I_Rule_03.pdf

New Labor code India:

https://labour.gov.in/sites/default/files/labour_code_eng.pdf