

The Occupational Safety, Health and Working Conditions Code, 2020

Lesson 16

KEY CONCEPTS

- Introduction to the OSHWC Code, 2020
- Objectives and Need for Consolidation
- Applicability and Scope of the Code
- Key Definitions under the OSHWC Code
- Registration of Establishments
- Duties of Employers, Employees and Others
- National and State OSHWC Advisory Boards
- Safety Committee and Safety Officers
- Reporting of Accidents, Dangerous Occurrences and Diseases
- Welfare Provisions and Working Conditions
- Penalties, Offences and Enforcement Mechanisms

Learning Objectives

To understand:

- Understand the purpose and significance of consolidating 13 labour laws into a single OSH Code.
- Explain the scope, applicability, and coverage of the Code across different sectors and establishments.
- Assess the enforcement mechanisms, penalties, and compliance framework under the Code.

Lesson Outline

- The Salient Features and Impact of the Code
- Registration
- Duties of Employer and Employees etc.
- Occupational Safety and Health
- Health, Safety and Working Conditions
- Welfare Provisions
- Hours of Work and Annual Leave with Wages
- Maintenance of Registers, Records and Returns
- Inspector-Cum-Facilitators and other Authority
- Special Provisions for Contract Labour Part & Factories
- Social Security Fund
- Lesson Round-Up
- Glossary
- Test Yourself

INTRODUCTION

The Occupational Safety, Health and Working Conditions Code, 2020 represents one of India's most significant labour reforms. Enacted to streamline and modernise the regulatory landscape, the Code consolidates 13 central labour laws into a single comprehensive statute, making compliance simpler, uniform, and more transparent across the country.

Pursuant to the recommendations of the Second National Commission on Labour and as a part of the Labour Reform Initiatives, 29 Labour Acts are being amalgamated, simplified and rationalised into four Codes viz. Code on Wages, Occupational Safety, Health and Working Conditions Code, Industrial Relations Code and Code on Social Security to make the existing Central Labour Acts in sync with the changing economic and industrial scenario, technological advancements and emerging need for wage security, social security and better working conditions for workers. As 18 Acts out of 29 Central Labour Acts are more than 50 years old and a few of them are even 70 years old, a need was felt to reduce the complexity, provide uniform definitions, minimise multiple authorities under various Acts so as to bring transparency and accountability in the enforcement of Labour Laws.

The Occupational Safety, Health and Working Conditions (OSHWC) Code, 2019 which was introduced in Lok Sabha on 23rd July, 2019 by the Ministry of Labour & Employment after inter-ministerial consultations and suggestions received from the public/stakeholders, incorporates the essential features of the 13 enactments relating to Factories, Dock Workers, Building and other Construction Workers, Plantation Labour, Contract Labour, Inter-State Migrant Workers, Working Journalists and other News Paper Employees, Motor Transport Workers, Sales Promotion Employees, Beedi and Cigar Workers, Cine Workers and Cinema Theatre Workers. The OSHWC Code intends to simplify, rationalise and amalgamate the provisions of the following Labour Laws:

- (i) The Factories Act, 1948;
- (ii) The Mines Act, 1952;
- (iii) The Dock Workers (Safety, Health and Welfare) Act, 1986;
- (iv) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- (v) The Plantations Labour Act, 1951;
- (vi) The Contract Labour (Regulation and Abolition) Act, 1970;
- (vii) The Inter-State Migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- (viii) The Working Journalist and other News Paper Employees (Conditions of Service and Miscellaneous Provision) Act, 1955;
- (ix) The Working Journalist (Fixation of Rates of Wages) Act, 1958;
- (x) The Motor Transport Workers Act, 1961;
- (xi) The Sales Promotion Employees (Conditions of Service) Act, 1976;
- (xii) The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; and
- (xiii) The Cine Workers and Cinema Theatre Workers Act, 1981.

The Occupational Safety, Health and Working Conditions (OSHWC) Code, 2019 received Presidential assent on September 28, 2020, and was published in the e-Gazette on September 29, 2020. OSHWC Code notified by Central Government on 21st November 2025.

The Code balances the twin objectives of safeguarding worker rights and safe working conditions, and

creating a business-friendly regulatory environment. This will spur economic growth and employment thereby, making India's labour market more efficient, fair, and future-ready.

Preamble

Objectives of the Code is envisaged in the Preamble of the code as “An Act to consolidate and amend the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment and for matters connected therewith or incidental thereto.”

The Salient Features and Impact of the Code

Salient Features of the Code	Impact of the Code
The Code provides basic broad legislative framework with enabling provisions for framing rules, regulations, standards, and bye-laws.	Reduction of sections in the Code. This would result in simple legislation with flexibility in changing the provisions in tune with emerging technologies and makes the legislation dynamic.
One registration for an establishment instead of multiple registrations.	Create a centralized data base. Promote ease of doing business. The provisions of online and deemed registration have been incorporated.
The Code is applicable to all establishments employing 10 or more workers except mine and dock where it is applicable on even 1 worker. The offices of Central and State Government have been kept out of the ambit of the Code.	Enhances the coverage of the safety and health provisions manifold as the establishments in service sector and other establishments would now be regulated by the safety, health and working conditions provisions of the Code.
Definition of Cine worker has been modified to include all audio-visual workers and definition of working journalist has also been modified to include journalists working in electronic media also. Further, the definition of interstate migrant worker has been modified on the basis of suggestions received to include those migrant workers who have been employed directly by the employer besides the migrant workers employed through a contractor.	This would enhance the coverage of the Inter State Migrant Workers for the purpose of benefits like housing, education, etc. There has been continuous demand from various quarters including from the Standing Committee to make the definition of 'cine worker' more inclusive.
The definition of a family extended to include dependent grand-parents of the worker.	Due to increase in life expectancy, the grand-parents who are part of family will also get welfare benefits like compensation in case of death of the workers and under the Plantation Act.
Employers to provide free of cost annual health check-up for employees above prescribed age for prescribed tests. Provision for appointment letter to every employee.	Employers to provide free of cost annual health check-up for employees above prescribed age for prescribed tests. Provision for appointment letter to every employee.

Salient Features of the Code	Impact of the Code
The multiple committees under five labour Acts have been substituted by one National Occupational Safety and Health Advisory Board. The National Board is of tripartite nature and has representation from employees, employers and State Governments.	Reduction in multiplicity of bodies/committees in various Acts. Results in simplified and coordinated policy-making.
Enabling provision for constituting a bi-partite Safety Committee in any class of establishment by appropriate government.	It will promote safe and healthy working conditions in an establishment. The participatory nature of the committee will encourage implementation of decisions taken by the management.
A part of the penalty (minimum 50 per cent) for contravention of provisions relating to duties of employer leading to death or serious bodily injury to any person may be given to the victim or the legal heirs of the victim by the Court.	The part of penalty would help in rehabilitation of injured worker or would provide financial support to the family of deceased.
Presently, different applicability thresholds exist for welfare provisions like crèche, canteen, first aid, welfare officer etc in different Acts. The Code has envisaged uniform threshold for welfare provisions for all establishment as far as practicably feasible.	The revised thresholds are – for canteen 100 employees (earlier ranged from 100 to 250), crèche 50 workers (earlier ranged from 20 to 50 female workers), first aid for all (earlier in selected establishment), welfare officer 250 for factory/ mines/ plantation (earlier ranged from 300 to 500).
Women permitted to work beyond 7 PM and before 6 AM subject to the safety, holidays, working hours or any other condition as prescribed by appropriate government subject to taking consent from the woman worker.	Promote gender equality and is in tune with demands from the various forums. At present, women are prohibited in night for mines, factories, plantation, beedi and cigar.
The concept of a single all India licence with 5 years validity de-linked with work order has been as an option available for contractors who undertake a project or are supplying human resources.	At present a number of licenses are being obtained by a contractor for each work order. Promotes ease of doing business. Reduces corruption and reduces paper work also.
The provision of one license has been for factory, contract labour and beedi and cigar establishments in the Code.	One license in place of multiple licenses.
The penalties have been rationalised, graded and the fine amount has been enhanced as an effective deterrent.	Penalty would act as an effective deterrent which would encourage compliance of the provisions of the Code.

Salient Features of the Code	Impact of the Code
At present, multiple returns and numerous registers have to be maintained under various labour laws, in addition to those returns and registers prescribed by State Government Rules	Reduces maintenance of Registers and filing of returns. Promotes e-governance.
The inspector cum facilitator may also be assigned of establishment outside his jurisdiction by the appropriate Government through randomised computer system. The inspector may also seek information and documents online from establishments.	Delinking of inspector from certain specific geographical region. Further, the online information sought by inspector cum facilitator may substitute physical inspection.

PRELIMINARY

Section 1 of the Code provides for title and applicability of the Code as follows:

This Act may be called the Occupational Safety, Health and Working Conditions Code, 2020.

The Code has vested power in the Central Government for notification w.r.t. commencement of the Code with different dates as may be considered appropriate. In exercise of the powers conferred by the sub-section (2) of section 1 of the Occupational Safety, Health and Working Conditions Code, 2020, the Central Government appointed the 21st day of November, 2025 as the date on which the provisions of the Code, shall come into force.

Where the Code is not applicable?

Sub section (3) of section 1 provides that the Code shall not apply to the offices of the Central Government, offices of the State Government and any ship of war of any nationality. Proviso of the section makes the Code applicable in case of contract labour employed through contractor in the offices of the Central Government or in the offices of the State Government, where, the Central Government or, as the case may be, the State Government is the principal employer.

Definitions

Section 2 (1) of the Code defines the following with opening words, **“unless the context otherwise requires”**, –

“Adolescent” shall have the same meaning as assigned to it in clause (i) of section 2 of the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986. {Section 2 (1) (a)}

“Adult” means a person who has completed his eighteenth year of age. {Section 2 (1) (b)}

“Agent” when used in relation to a mine, means every person, whether appointed as such or not, who, acting or purporting to act on behalf of the owner, takes part in the management, control, supervision or direction of such mine or of any part thereof. {Section 2 (1) (c)}

“Appropriate Government” means—

(i) the Central Government in relation to:

- establishments [other than those specified in sub-clause (ii)] carried on by or under the authority of the Central Government or concerning any such controlled industry as may be specified in this behalf by the Central Government or

- the establishment of railways including metro railways, mines, oil field, major ports, air transport service or telecommunication service, banking company or any insurance company (by whatever name called) established by a Central Act or a corporation or other authority established by a Central Act or a Central public sector undertaking or subsidiary companies set up by the Central public sector undertakings or autonomous bodies owned or controlled by the Central Government, including establishment of contractors for the purposes of such establishment, corporation or other authority, Central public sector undertakings, subsidiary companies or autonomous bodies, as the case may be,;

Provided that in the case of Central Public Sector Undertakings the appropriate Government shall continue to be the Central Government even if the holding of the Central Government reduces to less than fifty per cent. equity of the Central Government in that Public Sector Undertakings after the commencement of this Code; and

- (ii) in relation to a factory, motor transport undertaking, plantation, newspaper establishment and establishment relating to beedi and cigar including the establishments not specified in clause (i), the concerned State Government where it is situated.

Explanation. —For the removal of doubts it is hereby clarified that State Government shall be the appropriate Government in respect of occupational safety, health and working conditions in a factory situated in that State. {Section 2 (1) (d)}

“Audio-Visual Production” means audio-visual produced wholly or partly in India and includes—

- (i) animation, cartoon depiction, audio-visual advertisement;
- (ii) digital production or any of the activities in respect of making thereof; and
- (iii) features films, non-feature films, television, web-based serials, talk shows, reality shows and sport shows. {Section 2 (1) (e)}

“Audio-Visual Worker” means a person, who is employed, directly or through any contractor, in or in connection with the audio-visual production to work as an artist including actor, musician, singer, anchor, news reader, dancer, dubbing artist or stunt person or to do any work, skilled, unskilled, manual, supervisory, technical, artistic or otherwise, and his remuneration with respect to such employment in or in connection with the production of audio-visual does not exceed, where remuneration is by way of monthly wages or where such remuneration is by way of lump sum, in each case, such amount as may be notified by the Central Government. {Section 2 (1) (f)}

“Building or other construction work” means the construction, alteration, repairs, maintenance or demolition in relation to buildings, streets, roads, railways, tramways, airfields, irrigation, drainage, embankment and navigation works, flood control works (including storm water drainage works), generation, transmission and distribution of power, water works (including channels for distribution of water), oil and gas installations, electric lines, internet towers, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, watercourses, tunnels, bridges, viaducts, aqua-ducts, pipelines, towers, cooling towers, transmission towers.

This includes such other work and power to notify “other work” has been vested the Central Government, by notification, but does not include

- building or other construction work which is related to any factory or mine and the building or other construction work where such work is for own residential purposes of an individual or group of individuals for their own residence and

- the total cost of such work does not exceed rupees fifty lakhs or such higher amount and employing more than such number of workers as may be notified by the appropriate Government; {Section 2 (f) (h)}

“Building worker” means a person who is employed to do any highly skilled, skilled, semi-skilled or unskilled, manual, technical or clerical work for hire or reward, whether the terms of such employment are express or implied, in connection with any building or other construction work, *but does not include any such person who is employed mainly in a managerial or supervisory or administrative capacity*; {Section 2 (f) (i)}

“Chief Inspector-cum-Facilitator” means a Chief Inspector-cum-Facilitator appointed under sub-section (5) of section 34; {Section 2 (f) (k)}. The emphasis has been now that the Inspector should facilitate giving guidance to both the employer and the employee for better working relationship.

“Competent Person” means a person or an institution recognised as such by the Chief Inspector-cum-Facilitator for the purposes of carrying out tests, examinations and inspections required to be done in an establishment having regard to—

- the qualifications and experience of the person and facilities available at his disposal; or
- the qualifications and experience of the persons employed in such institution and facilities available therein:

It is provided that in case of mines the competent person includes such other person who is authorised by the manager referred to in section 67 to supervise or perform any work, or to supervise the operation of machinery, plant or equipment and is responsible for such duties assigned to him and also includes a shot firer or blaster. {Section 2 (f) (l)}

“Contract Labour” has been defined as a worker who shall be deemed to be employed in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer. The definition also includes inter-State migrant worker.

But the definition of “Contract Labour” has kept outside its purview a worker (other than part time employee) who is regularly employed by the contractor for any activity of his establishment and his employment is governed by mutually accepted standards of the conditions of employment (including engagement on permanent basis), and gets periodical increment in the pay, social security coverage and other welfare benefits in accordance with the law for the time being in force in such employment. {Section 2 (f) (m)}

“Contractor”, in relation to an establishment, means a person, who—

- undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour; or
- supplies contract labour for any work of the establishment as mere human resource, and includes a sub-contractor. {Section 2 (f) (n)}

“Controlled Industry” has been defined under section 2 (f) (o) to mean any industry the control of which by the Central Government has been declared under any Central Act in the public interest;

The strategically critical industries, especially those involved in the security of the nation has been kept under the regulation of the Central Government. Atomic Power Generation, Defence Equipment Production etc. are such of the examples.

“Core Activity of an Establishment” means any activity for which the establishment is set up and includes any activity which is essential or necessary to such activity. It is provided that the following shall not be considered as essential or necessary activity, if the establishment is not set up for such activity, namely: —

- sanitation works, including sweeping, cleaning, dusting and collection and disposal of all kinds of

waste;

- (ii) watch and ward services including security services;
- (iii) canteen and catering services;
- (iv) loading and unloading operations;
- (v) running of hospitals, educational and training Institutions, guest houses, clubs and the like where they are in the nature of support services of an establishment;
- (vi) courier services which are in nature of support services of an establishment;
- (vii) civil and other constructional works, including maintenance;
- (viii) gardening and maintenance of lawns and other like activities;
- (ix) housekeeping and laundry services, and other like activities, where these are in nature of support services of an establishment;
- (x) transport services including, ambulance services;
- (xi) any activity of intermittent nature even if that constitutes a core activity of an establishment. {Section 2 (1) (p)}

“Day” means a period of twenty-four hours beginning at mid-night; {Section 2 (1) (q)}

“Dock Work” means any work in or within the vicinity of any port in connection with, or required for, or incidental to, the loading, unloading, movement or storage of cargoes into or from ship or other vessel, port, dock, storage place or landing place, and includes—

- (i) work in connection with the preparation of ships or other vessels for receipt or discharge of cargoes or leaving port;
- (ii) all repairing and maintenance processes connected with any hold, tank structure or lifting machinery or any other storage area on board the ship or in the docks; and
- (iii) chipping, painting or cleaning of any hold, tank, structure or lifting machinery or any other storage area on board the ship or in the docks. {Section 2(1)(s)}

“Employee”

Section 2(1)(t) of the Code defines “Employee” to mean-

- (i) in respect of an establishment, a person (other than an apprentice engaged under the Apprentices Act, 1961) employed on wages by an establishment to do any skilled, semi-skilled, unskilled, manual, operational, supervisory, managerial, administrative, technical, clerical or any other work, whether the terms of employment be express or implied; and
- (ii) a person declared to be an employee by the appropriate Government,

However, any member of the Armed Forces of the Union has been specifically excluded from the definition of employee under the Code.

With respect to mines, it is provided that notwithstanding anything contained in this clause, a person is said to be “employed” in a mine who works as the manager or who works under appointment by the owner, agent or manager of the mine or with the knowledge of the manager, whether for wages or not—

- (a) in any mining operation (including the concomitant operations of handling and transport of minerals up to the point of dispatch and of gatherings and transport thereof to the mine);

- (b) in operations or services relating to the development of the mine including construction of plant therein but excluding construction of buildings, roads, wells and any building work not directly connected with any existing or future mining operations;
- (c) in operating, servicing, maintaining or repairing any part of any machinery used in or about the mine;
- (d) in operations, within the premises of the mine, of loading for dispatch of minerals;
- (e) in any office of mine;
- (f) in any welfare, health, sanitary or conservancy services required to be provided under this Code relating to mine, or watch and ward, within the premises of the mine excluding residential area; or
- (g) in any kind of work, whatsoever, which is preparatory or incidental to or connected with, mining operations;

According to section 2(1)(u) of the Code **“Employer”** means a person who employs, whether directly or through any person, or on his behalf, or on behalf of any person, one or more employees in his establishment and where the establishment is carried on by any Department of the Central Government or the State Government, the authority specified, by the head of such Department, in this behalf or where no authority, is so specified, the head of the Department and in relation to an establishment carried on by a local authority, the Chief Executive of that authority, and includes,—

(i) In relation to an establishment which is a factory,	The occupier of the factory;
(ii) In relation to mine,	The owner of the mine, agent or manager referred to in section 67;
(iii) In relation to any other establishment,	The person who, or the authority which has ultimate control over the affairs of the establishment and where said affairs are entrusted to a manager or managing director, such manager or managing director;
(iv) Contractor; and	-
(v) Legal representative of a deceased employer;	-

“Establishment” has been defined on the basis of threshold of workers as —

- (i) a place where any industry, trade, business, manufacturing or occupation is carried on in which *ten or more workers are employed*; or
- (ii) motor transport undertaking, newspaper establishment, audio-video production, building and other construction work or plantation, *in which ten or more workers are employed*; or
- (iii) factory, for the purpose of Chapter II, in which ten or more workers are employed, notwithstanding the threshold of workers provided in clause (w); or
- (iv) a mine or port or vicinity of port where dock work is carried out:

Provided that in sub-clauses (i) and (ii), the threshold of worker specified therein shall not be applicable in case of such establishment or class of establishments, in which such hazardous or life threatening activity is being carried on, as may be notified by the Central Government:

It is further provided that notwithstanding any threshold provided in the definition of factory in clause (w), for the

purposes of Chapter II, the establishment specified in sub-clause (i) or sub-clause (ii) or sub-clause (iii) shall be deemed to be the establishment within the meaning of this clause though the number of employees employed are ten or more; {Section 2(1)(v)}

“Factory” has been defined to mean any premises (*based on threshold of workers*) including the precincts thereof—

- (i) whereon twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on; or
- (ii) whereon forty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without the aid of power, or is ordinarily so carried on, but does not include a mobile unit belonging to the armed forces of the Union, railways running shed or a hotel, restaurant or eating place:

It is provided that where under any law for the time being in force in a State immediately before the commencement of this Code, the number of workers specified is more or less than the number specified in clause (i) or clause (ii), then, the number specified under the law of the State shall prevail in that State till it is amended by the competent Legislature.

Explanation I.—For computing the number of workers for the purposes of this clause all the workers (in different groups and relays) in a day shall be taken into account.

Explanation II. —For the purposes of this clause, the mere fact that an Electronic Data Processing Unit or a Computer Unit is installed in any premises or part thereof, shall not be construed as factory if no manufacturing process is being carried on in such premises or part thereof. {Section 2(1)(w)}.

“Family” when used in relation to a worker, means—

- (i) spouse;
- (ii) children including adopted children of the worker who are dependent upon him and have not completed the age of eighteen years; and
- (iii) parents, grand-parents, widowed daughter and widowed sister dependent upon such worker.

Explanation. —For the purposes of this clause, such dependents shall not be included who are, for the time being, getting such income from such sources, as may be prescribed by the appropriate Government;

It is to be noted that widowed daughter and widowed sister has also been included in the definition of worker for the sake of ensuring them safety and security. {Section 2(1)(x)};

“Godown” means any warehouse or other place, by whatever name called, used for the storage of any article or substance required for any manufacturing process which means any process for, or incidental to, making, finishing or packing or otherwise treating any article or substance with a view to its use, sale, transport, delivery or disposal as finished products. {Section 2(1)(y)}:

Section 2(1)(z) defines **“hazardous”** which means involving danger or potential danger;

According to section 2(1)(za), **“hazardous process”** means any process or activity in relation to an industry or plantation specified in the First Schedule where, unless special care is taken, raw materials used therein or the intermediate or finished products, bye-products, hazardous substances, wastes or effluents thereof or spraying of any pesticides, insecticides or chemicals used therein, as the case may be, would—

- (i) cause material impairment to the health of the persons engaged in or connected therewith, or
- (ii) result in the pollution of the general environment;

“Hazardous Substance” means any substance or such quantity of the substance as may be prescribed by the appropriate Government or preparation of which by reason of its chemical or physio-chemical properties or handling is liable to cause physical or health hazards to human being or may cause harm to other living creatures, plants, micro-organisms, property or the environment; {Section 2(1)(zb)}

“Industrial Premises” means any place or premises (not being a private dwelling house), including the precincts thereof, in which or in any part of which any industry, trade, business, occupation or manufacturing is being ordinarily carried on with or without the aid of power and includes a godown attached thereto; {Section 2(1)(zc)}

According to section 2(1) (zd) of the Code, **“Industry”** means any systematic activity carried on by co-operation between an employer and worker (whether such worker is employed by such employer directly or by or through any agency, including a contractor) for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes (not being wants or wishes which are merely spiritual or religious in nature), whether or not, —

- (i) any capital has been invested for the purpose of carrying on such activity; or
- (ii) such activity is carried on with a motive to make any gain or profit, but does not include—
 - (a) institutions owned or managed by organisations wholly or substantially engaged in any charitable, social or philanthropic services; or
 - (b) any activity of the appropriate Government relating to the sovereign functions of the appropriate Government including all the activities carried on by the Departments of the Central Government dealing with defence research, atomic energy and space; or
 - (c) any domestic service; or any other activity as may be notified by the Central Government;

“Inspector-cum-Facilitator” refers to an Inspector appointed under sub-section (1) of Section 34. In terms of Section 2(1)(ze), the role of the Inspector is no longer confined merely to conducting inspections and imposing penalties for non-compliance. Instead, the emphasis has been shifted towards enabling and facilitating employers in achieving compliance with the law.

“Machinery” means any article or combination of articles assembled, arranged or connected and which is used or intended to be used for converting any form of energy to perform work, or which is used or intended to be used, whether incidental thereto or not, for developing, receiving, storing, containing, confining, transforming, transmitting, transferring or controlling any form of energy. (Section 2(1)(zg))

“Manufacturing Process”: According to section 2(1) (zi) it means any process for—

- (i) making, altering, repairing, ornamenting, finishing, packing, oiling, washing, cleaning, breaking up, demolishing, or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal; or
- (ii) pumping oil, water, sewage or any other substance; or
- (iii) generating, transforming or transmitting power; or
- (iv) composing, printing, printing by letter press, lithography, offset, photogravure screen printing, three Dimensional or four-Dimensional printing, prototyping, flexography or other types of printing process or book binding; or
- (v) constructing, reconstructing, repairing, refitting, finishing or breaking up ships or vessels; or
- (vi) preserving or storing any article in cold storage; or
- (vii) such other processes as the Central Government may notify

“Occupier”

According to Section 2(1)(zs) of the Code, “Occupier” of a factory means the person who has ultimate control over the affairs of the factory.

It is provided that the term *occupier* of a factory shall be construed as follows:

1. In the case of a firm or association of individuals	– Any one of the individual partners or members shall be deemed to be the occupier.
2. In the case of a company	– Any one of the directors shall be deemed to be the occupier, excluding any independent director as defined under Section 149(6) of the Companies Act, 2013.
3. In the case of a factory owned or controlled by the Central Government, State Government, or a local authority	– The person or persons appointed to manage the affairs of the factory by the respective Government or authority, or by such other authority as may be prescribed by the Central Government, shall be deemed to be the occupier

“Principal Employer”

According to Section 2(1) (zz) the term “principal employer”, where the contract labour is employed or engaged, means—

(i) in relation to any office or Department of the Government or a local authority,	<ul style="list-style-type: none"> ● The head of the office or department, or ● Any other officer specified by the Government or local authority for this purpose.
(ii) in a factory	<ul style="list-style-type: none"> ● The owner or occupier of the factory, or ● The person named as the manager of the factory, where such a designation exists.
(iii) in a mine	<ul style="list-style-type: none"> ● The owner or agent of the mine.
(iv) in relation to any other establishment	<ul style="list-style-type: none"> ● Any person who is responsible for the supervision and control of the establishment.

“Serious Bodily Injury” means any injury which involves, or in all probability will involve, the permanent loss of any part or section of a body or the use of any part or section of a body, or the permanent loss of or injury to the sight or hearing or any permanent physical incapacity or the fracture of any bone or one or more joints or bones of any phalanges of hand or foot; {Section 2(1)(zzg)}

“Standards”, “Regulations”, “Rules”, “Bye-Laws” And “Orders” respectively means standards, regulations, rules, bye-laws and orders made or declared, as the case may be, under this Code. {Section 2(1) (zzh)}

“Wages”

The term “wages” shall mean all remuneration, whether by way of salaries, allowances, or otherwise, expressed in terms of money or capable of being so expressed, which would be payable to a person employed if the terms of employment (express or implied) were fulfilled, in respect of his employment or work done therein.

Inclusive Components:

- (i) Basic pay
- (ii) Dearness allowance
- (iii) Retaining allowance, if any

Exclusions

The term “wages” shall not include:

- (a) Any bonus payable under law, which does not form part of contractual remuneration.
- (b) The value of house accommodation, supply of light, water, medical attendance, or other amenities excluded by order of the appropriate Government.
- (c) Employer’s contribution to pension or provident fund, and accrued interest thereon.
- (d) Conveyance allowance or value of travelling concession.
- (e) Any sum paid to defray special expenses arising from the nature of employment.
- (f) House rent allowance.
- (g) Remuneration payable under any award, settlement, or order of a court or tribunal.
- (h) Overtime allowance.
- (i) Commission payable to the employee.
- (j) Gratuity payable upon termination of employment.
- (k) Retrenchment compensation, retirement benefits, or ex gratia payments made upon termination.

Provisos

- For calculation of wages, if payments under exclusions (a) to (i) exceed one-half (or such percentage as notified by the Central Government) of the total remuneration, the excess shall be deemed remuneration and added to wages.
- For the purposes of equal wages across genders and for payment of wages, the emoluments specified in exclusions (d), (f), (g), and (h) shall be taken into account.

Explanation

Where an employee receives remuneration in kind in lieu of wages, the value of such remuneration shall be deemed part of wages, provided it does not exceed 15% of the total wages payable. {Section 2(1)(zz)}

“Week” means a period of seven days beginning at midnight on Saturday night or such other night as may be approved in writing for a particular area by the Chief Inspector-cum-Facilitator; {Section 2(1) (zzk)}

“Worker”

The term “worker” means any person employed in any establishment to perform manual, unskilled, skilled, technical, operational, clerical, or supervisory work for hire or reward, whether the terms of employment are express or implied, and includes working journalists and sales promotion employees, but does not include any such person—

- (i) who is subject to the Air Force Act, 1950, or the Army Act, 1950, or the Navy Act, 1957; or
- (ii) who is employed in the police service or as an officer or other employee of a prison; or
- (iii) who is employed mainly in a managerial or administrative capacity; or

(iv) who is employed in a supervisory capacity drawing wage exceeding eighteen thousand rupees per month or an amount as may be notified by the Central Government from time to time. {Section 2(1) (zzl)}

REGISTRATION

Registration of Establishments (Section 3)

(1) **Obligation to Register New Establishments:** Every employer of an establishment—

- (a) which comes into existence after the commencement of this Code; and
- (b) to which this Code applies,

shall, within **sixty days** from the date of applicability, submit an electronic application to for the registration of such establishment the registering officer appointed by the appropriate Government (hereinafter referred to as the registering officer). It is provided that the registering officer may accept applications beyond this period upon payment of late fees as may be prescribed by the appropriate Government.

(2) **Form and Particulars of Application:** Every such application shall be submitted to the registering officer in such manner, in such form, containing such particulars including the information relating to the employment of inter-State migrant workers and shall be accompanied by such fees as may be prescribed by the appropriate Government.

(3) **Grant of Registration Certificate:** Upon receipt of the application, the registering officer shall register the establishment and issue an electronic certificate of registration in the prescribed form, within the prescribed time and subject to prescribed conditions as may be prescribed by the Central Government. It is provided that if the registering officer fails to act within the prescribed period, the establishment shall be **deemed registered** and under this Code immediately on the expiration of such period and the electronic certificate of registration shall be auto generated

(4) **Intimation of Changes:** Any post registration change in ownership, management, or particulars furnished in the application of registration shall be intimated electronically to the registering officer within **thirty days of such change** as may be prescribed by the Central Government. The registering officer shall amend the certificate electronically in such manner as may be prescribed by the Central Government.

(5) **Closing of Establishments:** Within **thirty days** of closure of the establishment, the employer shall—

- (a) inform the registering officer of the closure; and
- (b) certify payment of all dues to workers employed in such establishment.

Such information and certification shall be sent to the registering officer in such manner as may be prescribed by the Central Government. The registering officer shall, within **sixty days** of receiving such information and certificate, remove the establishment from the register of establishments maintained by him and cancel its certificate. It is provided that the registration certification of the establishment under this sub-section within such sixty days, then, the registration certificate of such establishment shall be deemed to have been cancelled under this Code immediately on the expiration of such period of sixty days and the cancellation of registration certificate shall be auto generated and the responsibility of such failure shall be on the registering officer.

(6) **Misrepresentation or Fraudulent Registration:** If an employer of an establishment—

- (a) has obtained the registration of his establishment by misrepresentation or suppression of any material fact, or registration of certain establishments, then, such misrepresentation or suppression

of any material fact shall be deemed to be the contravention of the provisions of this Code for prosecution of the employer under section 94 without affecting the registration and running of the establishment

- (b) has obtained the registration of his establishment so fraudulently or otherwise that the registration has become useless or ineffective to run the establishment, the registering officer may, after giving an opportunity to the employer of the establishment to be heard, revoke the registration by an order and such process for revocation shall be completed by the registering officer within sixty days from coming into his notice the facts specified in clause (b).

(7) Prohibition on Employment Without Registration: No employer shall employ workers if—

- (a) the establishment has not been registered under this section; or
- (b) the employer has not preferred appeal under section 4 against the cancellation of the registration certificate of the establishment under sub-section (5) or revocation of the registration of the establishment under sub-section (6) or the appeal so preferred has been dismissed.

(8) Deemed Registration of Existing Establishments: Notwithstanding anything contained in this Code, where any establishment, to which this Code applies, has already been registered under any—

- (a) Central Labour law; or
- (b) any other law which may be notified by the Central Government and which applies to the establishment which is in existence at the time of the commencement of this Code,

shall be deemed to have been registered under the provisions of this Code, subject to the condition that the registration holder provides the details of registration to the concerned registering officer within such time and in such form as may be prescribed.

Appeal (Section 4)

An appeal may be preferred to an appellate officer, notified by the Appropriate Government, within thirty days from the date on which the order is communicated. If he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time. Upon receipt of the appeal, the officer shall provide the appellant an opportunity of being heard and dispose of the appeal within thirty days from the date of receipt of such appeal.

Notice of Commencement and Cessation of Operations (Section 5)

Obligation of Employers: No employer of an establishment, whether it is a factory, mine, or one engaged in contract labour, building, or other construction work, shall commence the operation of any industry, trade, business, manufacturing activity, or occupation in such establishment without first sending a notice of such purpose.

- The notice shall be submitted in the prescribed form, manner, and within the time specified by the appropriate Government.
- Similarly, when operations in the establishment cease, the employer is required to intimate such cessation to the same authority, following the procedure prescribed.

Mode of Submission: The Code mandates electronic submission of such notices of commencement and cessation of establishment.

DUTIES OF EMPLOYER AND EMPLOYEES**Duties of Employers – Safety, Health, and Welfare (Section 6)****General Duties of Employer:**

- (1) Every employer shall
 - (a) ensure that the workplace is free from hazards likely to cause injury or occupational disease to the employees;
 - (b) comply with occupational safety and health standards declared under section 18 or the rules, regulations, bye-laws, or orders under this Code.
 - (c) provide such annual health examination or test free of costs to such employees of such age or such class of employees of establishments or such class of establishments, as may be prescribed by the appropriate Government;
 - (d) provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to the health of the employees;
 - (e) ensure the disposal of hazardous and toxic waste including disposal of e-waste;
 - (f) issue a letter of appointment to every employee on his appointment in the establishment, with such information and in such form as may be prescribed by the appropriate Government and where an employee has not been issued such appointment letter on or before the commencement of this Code, he shall, within three months of such commencement, be issued such appointment letter;
 - (g) ensure that no charge is levied on any employee, in respect of anything done or provided for maintenance of safety and health at workplace including conduct of medical examination and investigation for the purpose of detecting occupational diseases;
 - (h) relating to factory, mine, dock work, building or other construction work or plantation, ensure and be responsible for the safety and health of employees, workers and other persons who are on the work premises of the employer, with or without his knowledge, as the case may be.

Specific Duties of Employer:

- (2) Without prejudice to the generality of the provisions of sub-section (1), the duties of an employer shall particularly in respect of factory, mines, dock, building or other construction work or plantation include—
 - (a) the provision and maintenance of plant and systems of work in the workplace that are safe and without risk to health;
 - (b) the arrangements in the workplace for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances;
 - (c) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all employees at work;
 - (d) the maintenance of all places of work in the workplace in a condition that is safe and without risk to health and the provision and maintenance of such means of access to, and egress from, such places as are safe and without such risk;
 - (e) the provision, maintenance or monitoring of such working environment in the workplace for the employees that is safe, without risk to health as regards facilities and arrangements for their welfare at work.

Notice of Certain Accident (Section 10)

1. **Duty to Report Accidents:** Where an accident occurs in any establishment that:

- Causes death, or
- Causes bodily injury preventing the injured person from working for 48 hours or more immediately following the accident, or
- is of such nature as may be prescribed by the appropriate Government,

then the following persons shall send notice of the accident to the prescribed authorities, in the prescribed manner and within the prescribed time:

- (a) In case of a mine: the employer, owner, agent, or manager (as referred to in Section 67).
- (b) In case of a factory or dock work: the employer or manager.
- (c) In case of a plantation, building/construction establishment, or any other establishment: the employer.

2. **Inquiry in Case of Death:** Where the notice relates to an accident-causing death in a plantation, construction establishment, or other establishment:

- the authority receiving the notice shall conduct an inquiry into the occurrence within two months of receipt.
- If no such authority exists, the Chief Inspector-cum-Facilitator shall direct the Inspector-cum-Facilitator to conduct the inquiry within the same period.

Notice of Certain Dangerous Occurrences (Section 11)

Where any dangerous occurrence takes place in an establishment—whether or not it causes bodily injury or disability—the employer shall send notice of the occurrence to the prescribed authorities, in the prescribed form, and within the prescribed time, as determined by the appropriate Government.

Notice of Certain Diseases (Section 12)

1. **Employer's Duty:** If any worker in an establishment contracts a disease specified in the Third Schedule, the employer shall send notice of the case to the prescribed authorities, in the prescribed form, and within the prescribed time, as directed by the appropriate Government.
2. **Medical Practitioner's Duty:** If any qualified medical practitioner attends to a person (currently or formerly employed in an establishment) who is suffering from, or suspected to be suffering from, a disease listed in the Third Schedule, the practitioner shall send a written report without delay, to the office of the Chief Inspector-cum-Facilitator, in the prescribed form, manner, and time.
3. **Penalty for Non-Compliance:** If any qualified medical practitioner fails to comply with the reporting duty under sub-section (2), they are liable to a penalty which may extend to 10,000.

Duties of Employees at the Workplace (Section 13)

Every employee at the workplace shall:

- (a) take reasonable care for their own health and safety, and that of others who may be affected by their acts or omissions.
- (b) comply with safety and health requirements specified in applicable standards.

- (c) co-operate with the employer in fulfilling statutory obligations under this Code.
- (d) report unsafe or unhealthy situations promptly to the employer, health and safety representative, or in case of mines: the agent, manager (Section 67), safety officers, or designated officials.
- (e) not wilfully interfere with, misuse, or neglect any appliance, convenience, or facility provided for health, safety, and welfare.
- (f) not wilfully, and without reasonable cause, do anything likely to endanger themselves or others.
- (g) perform such other duties as may be prescribed by the appropriate Government.

Employee's Right to Information and Protection Against Imminent Danger (Section 14)

1. **Right to Information and Representation:** Every employee has the right to obtain from the employer information relating to health and safety at work or through a member of the Safety Committee as constituted under section 22, if constituted by the employer for such purpose, regarding inadequate provision for protection of his safety or health in connection with the work activity in the workplace, and if not satisfied, to the Inspector-cum-Facilitator.
2. **Reporting Imminent Danger:** If an employee reasonably apprehends imminent serious injury, death, or danger to health in any workplace he may bring the same to the notice of his
 - Employer directly, or through a member of the Safety Committee, and
 - Simultaneously to the Inspector-cum-Facilitator.
3. **Immediate Remedial Action:** If the employer or employee is satisfied about the existence of imminent danger, immediate remedial action shall be taken. A report of the action taken shall be sent to the Inspector-cum-Facilitator in the prescribed manner.

Final Authority: If the employer is not satisfied about the existence of imminent danger, the matter shall still be referred to the Inspector-cum-Facilitator. The Inspector's decision on whether imminent danger exists shall be final.

OCCUPATIONAL SAFETY AND HEALTH

National Occupational Safety and Health Advisory Board (Section 16)

The Central Government shall, by notification, constitute **the National Occupational Safety and Health Advisory Board** (National Board) to discharge the functions conferred on it by or under this Code and to advise the Central Government on the matters relating to—

- (a) standards, rules, and regulations under this Code.
- (b) implementation of provisions of the Code and related standards.
- (c) the issues of policy and programme relating to occupational safety and health referred to it, from time to time, by the Central Government; and
- (d) consider any other matter in respect of this Code referred to it, from time to time, by the Central Government.

State Occupational Safety and Health Advisory Board (Section 17)

The State Government shall constitute a Board to be called the State Occupational Safety and Health Advisory Board ("State Advisory Board") to advise the State Government on such matters arising out of the administration

of this Code as may be referred to it by the State Government. The constitution, procedure and other matters relating to State Advisory Board shall be such as may be prescribed by the State Government.

Occupational Safety and Health Standards (Section 18)

Declaration of Standards: The Central Government shall, by notification, declare OSH standards for workplaces relating to factory, mine, dock work, beedi and cigar, building and other construction work and other establishments.

Scope of Standards: In particular and without prejudice to the generality of the power to declare standards to be followed under sub-section (1), such standards shall relate to—

- (a) **Hazard Control:** physical, chemical, biological and any other hazards to be dealt with for the working life of employee to ensure to the extent feasible on the basis of the best available evidence or functional capacity, that no employee will suffer material impairment of health or functional capacity even if such employee has regular exposure to such hazards;
- (b) **Norms for Hazard Management:**
 - (i) Appraisal of hazards to employees and users.
 - (ii) Identification of symptoms, treatment, and safe-use precautions.
 - (iii) Monitoring and measuring exposure levels.
 - (iv) Medical examinations and tests, provided free of cost by employers.
 - (v) Hazard evaluation procedures (e.g., safety audits, hazard and operability studies, fault-tree analysis, event-tree analysis).

Medical Examination Post-Employment: Detection and reporting of occupational diseases shall extend even after cessation of employment, if the disease arises out of or during employment.

Reports of Designated Authorities: such aspects of occupational safety and health relating to workplaces which the Central Government considers necessary on the report of the authority designated by such Government for such purpose;

Sector-Specific Measures: Safety and health measures tailored to mines, factories, construction, beedi/cigar, dock work, or other establishments

Matters in the Second Schedule: Standards shall also cover items listed in the Second Schedule of the Code.

Safety Committee and Safety Officer (Section 22)

Section 22 is a practical compliance provision that institutionalizes Safety Committees and Safety Officers in establishments. The provisions of the section are as follows:

1. **Safety Committee:** The appropriate Government may, by general or special order, require any establishment or class of establishments to constitute a Safety Committee in the prescribed manner with the following composition:
 - Representatives of employers and workers.
 - The number of worker representatives shall be not less than the number of employer representatives.
 - Worker representatives shall be chosen in such manner and for such purposes as may be prescribed by the appropriate Government.

2. **Safety Officers:** In the following establishments, the employer shall also appoint such number of safety officers, who shall possess such qualifications and perform such duties, as may be prescribed by appropriate Government:
- (a) Factories with **500 or more workers**.
 - (b) Factories carrying on **hazardous processes** with **250 or more workers**.
 - (c) Building or construction work establishments with **250 or more workers**.
 - (d) Mines, where **100 or more workers** are ordinarily employed.

HEALTH, SAFETY AND WORKING CONDITIONS

Responsibility of Employer for maintaining Health, Safety, and Working Conditions (Section 23)

Section 23 deals with the employer's responsibility for health, safety, and working conditions.

1. **General Duty:** Employers shall maintain health, safety, and working conditions in their establishments as prescribed by the Central Government.
2. **Specific Matters Prescribed:** The Central Government may prescribe standards relating to:
 - (i) Cleanliness and hygiene.
 - (ii) Ventilation, temperature, and humidity.
 - (iii) Environment free from dust, noxious gases, fumes, and other impurities.
 - (iv) Adequate humidification, ventilation, and cooling in workrooms.
 - (v) Potable drinking water.
 - (vi) Standards to prevent overcrowding and ensure sufficient space.
 - (vii) Adequate lighting.
 - (viii) Separate and hygienic latrine and urinal facilities for male, female, and transgender employees.

WELFARE PROVISIONS

Welfare Facilities in the Establishment (Section 24)

Section 24 is a comprehensive welfare provision that codifies the employer's responsibility to maintain health, safety, and decent working conditions.

1. **Welfare Facilities:** Employers shall provide and maintain welfare facilities as prescribed by the Central Government, including:
 - (i) Adequate and suitable washing facilities for male and female employees separately.
 - (ii) Bathing places and locker rooms for male, female, and transgender employees separately.
 - (iii) Places for keeping clothing not worn during working hours and drying wet clothing.
 - (iv) Sitting arrangements for employees obliged to work standing.
 - (v) Canteen facilities in establishments with 100 or more workers (including contract labour).
 - (vi) Medical examination of mine workers before employment and at prescribed intervals.
 - (vii) Adequate first-aid boxes or cupboards accessible during all working hours.

(viii) Any other welfare measures considered necessary by the Central Government for decent living standards.

2. Additional Prescribed Matters: Without prejudice to the generality of the powers referred to under subsection (1), the Central Government may also prescribe:

- (i) Ambulance rooms in establishments with **500 or more workers** (factories, mines, construction).
- (ii) Medical facilities at the operating centres and halting stations, uniforms, raincoats, and other like amenities for protection from rain or cold for motor transport workers.
- (iii) Adequate, suitable, and separate shelters/rest-rooms and lunch-rooms for male, female and transgender employees and lunch-room in every factory and mine wherein more than fifty workers are ordinarily employed and in motor transport undertaking wherein employee is required to halt at night;
- (iv) Appointment of welfare officers in factories, mines, or plantations where **250 or more workers** are ordinarily employed, with prescribed qualifications and duties and the such welfare officer;
- (v) Temporary living accommodation for building workers, free of charge, within the work site or as near to it as may be possible, to all building workers employed by him and for causing removal or demolition of such temporary living accommodation and for returning by the employer the possession of any land obtained by him for such purpose from Municipal Board or any other local authority;
- (vi) Employer's responsibility to reimburse contractors for accommodation expenses in construction work, where the building or other construction work is done through the contractor;
- (vii) Any other matter as may be prescribed.

3. Crèche Facilities: The Central Government may make rules to provide for the facility of creche having suitable room or rooms for the use of children under the age of six years of the employees at suitable location and distance either separately or along with common facilities in establishments wherein more than fifty workers are ordinarily employed. It is provided that crèches may be common facilities provided by Government, municipality, NGOs, or pooled by multiple establishments.

HOURS OF WORK AND ANNUAL LEAVE WITH WAGES

Daily and Weekly Working Hours, Leave (Section 25)

Section 25 is a foundational provision on daily and weekly working hours, leave entitlements, and special categories of workers.

General Working Hours: No worker shall be required or allowed to work in any establishment or class of establishment for more than:

- i. 8 hours in a day; and
- ii. the daily period of work shall be fixed with intervals and spread overs as notified by the appropriate Government.

Special Provisions for Mines: It is provided that in case of mines

- a) Persons employed below ground shall not work for more than the hours in a day as notified by the Central Government.
- b) Work below ground shall be arranged in shifts, each not exceeding the daily maximum hours notified in

(a).

- c) No person employed in a mine shall be allowed to be present in any part of a mine below ground except during the periods of work shown in respect of him in the register maintained under clause (a) of section 33.

Special Provisions for Motor Transport Workers: It is further provided that subject to clause (a) that the hours of work in case of motor transport worker shall include—

- (i) Time spent during the running time of the transport vehicle.
- (ii) Time spent in subsidiary work (accounts, ticket checking, garaging, upkeep, loading/unloading, etc.).
- (iii) Period of mere attendance at terminals of less than 15 minutes.

Working hours for Working Journalist: Notwithstanding anything contained in sub-section (1), the hours of work for working journalist shall, subject to a maximum of one hundred and forty-four hours of work during any period of four consecutive weeks and a period of not less than twenty-four consecutive hours of rest during any period of seven consecutive days, be such as may be prescribed by the Central Government.

Sales Promotion Employees & Working Journalists – Leave Entitlements:

A sales promotion employee or the working journalist,

- (i) in addition to such holidays, casual leave or other kinds of leave as may be prescribed by the Central Government, shall be granted, if requested for—
 - (a) Earned leave: At least 1/11th of duty period, on full wages.
 - (b) Medical leave: At least 1/18th of service period, on half wages.
- (ii) Earned leave may be accumulated up to prescribed limits.
- (iii) Earned leave may be encashed or availed, subject to prescribed limits.
- (iv) On voluntary retirement, or termination (for any reason whatsoever other than punishment), entitled to cash compensation subject to such conditions and restrictions as may be prescribed by the Central Government (including conditions by way of specifying the maximum period for which such cash compensation shall be payable), in respect of the earned leave earned by him and not availed of;
- (v) On death in service, his heirs shall be entitled to cash compensation for the earned leave earned by him and not availed of his heirs shall be paid the cash compensation in respect of any period of earned leave for which he or his heirs, is or are entitled to cash compensation under clause (iv) or clause (v), which shall be an amount equal to the wages due to him for such period.

Adolescent Workers: Notwithstanding anything contained in this section, working hours of an adolescent worker shall be regulated by the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.

Weekly and Compensatory Holidays (Section 26)

Section 26 ensuring that workers receive weekly rest and, if deprived, compensatory holidays.

Weekly Holiday Rule: No worker shall be required or allowed to work in an establishment for more than six days in any one week.

Special Provision for Motor Transport Workers: It is provided that in any motor transport undertaking, an employer may, in order to prevent any dislocation of a motor transport service, require a worker to work on any day of weekly holiday which is not a holiday so arranged that the worker does not work for more than ten days consecutively without a holiday for a whole day intervening.

Government Exemptions: The appropriate Government may, by notification, exempt certain workers from the weekly holiday requirement, subject to prescribed conditions.

Compensatory Holidays: If workers are deprived of weekly holidays due to exemptions or rules, they shall be granted compensatory holidays equal to the number of weekly holidays lost within the same month, or within the following two months.

Extra Wages for Overtime (Section 27)

This provision ensures that overtime is both voluntary and fairly compensated

Overtime Pay:

- Workers who work beyond prescribed daily or weekly hours shall be paid at twice the rate of wages.
- Overtime is calculated on a daily or weekly basis, whichever is more favourable to the worker.

Consent Requirement: It is provided that a worker shall be required to work overtime by the employer subject to the consent of such worker for such work.

Government Regulation: It is further provided that the appropriate Government may prescribe the maximum number of overtime hours permissible.

Night Shifts (Section 28)

Where a worker in an establishment works on a shift which extends beyond midnight:

- (a) for the purposes of section 26, a weekly holiday for a whole day shall mean in his case a period of twenty-four consecutive hours beginning when his shift ends;
- (b) the following day for him shall be deemed to be the period of twenty-four hours beginning when such shift ends, and the hours he has worked after midnight shall be counted in the previous day.

Prohibition of Overlapping Shift (Section 29)

The section provides for regulating arrangement of shifts in establishments to prevent overlapping relays of workers.

General Rule: Work in an establishment shall not be carried out by a system of shifts arranged in such a way that more than one relay of workers is engaged in the same kind of work at the same time.

Exemptions: For exemption from the prohibition in sub-section (1), the appropriate Government, or with its approval, the Chief Inspector-cum-Facilitator, may issue a written order exempting:

- Any establishment or class of establishments,
- Any department or section of an establishment, or
- Any category or description of workers.

Such exemptions shall specify reasons and may be subject to conditions deemed expedient.

Special Provision for Mines: It is provided that the exemption power under sub-section (2) does not apply to mines.

Restriction on Double Employment in Factory and Mine (Section 30)

The section provides that no worker shall be required or allowed to work in a mine or factory if he has already been working in any other such similar establishment within the preceding twelve hours, save in such

circumstances as may be prescribed by the appropriate Government.

Notice of Periods of Work (Section 31)

The section provides for procedural compliance ensuring transparency in work schedules. It mandates employers to formally display and notify periods of work, with oversight by the Inspector-cum-Facilitator.

Display of Notice: Every establishment shall display and correctly maintain a notice showing, for each day, the periods during which workers may be required to work, in accordance with the Code.

Form and Submission: The form of the notice, its manner of display, and the procedure for sending it to the Inspector-cum-Facilitator shall be prescribed by the appropriate Government.

Changes in Work System: Any proposed change in the system of work that requires altering the notice shall be:

- Intimated to the Inspector-cum-Facilitator before implementation.
- Not made until one week has elapsed since the last change, unless sanctioned by the Inspector-cum-Facilitator.

Annual Leave with Wages (Section 32)

The section comprehensively provides for annual leave with wages, laying down eligibility, accrual, carry-forward, encashment, and special rules for mines.

Eligibility and Accrual: Every worker in an establishment shall be entitled to annual leave with wages if:

- (i) They have worked one hundred and eighty days or more in a calendar year.
- (ii) Leave accrual (in a calendar year):
 - One day leave for every twenty days of work.
 - Adolescent workers: One day for every fifteen days.
 - Mine workers (below ground): One day for every fifteen days.
- (iii) Periods of layoff, maternity leave, or annual leave count towards the one hundred- and eighty-days threshold but do not earn leave.
- (iv) Holidays in a calendar Year/prefixed/suffixed to leave are excluded from the leave period.
- (v) in case of such worker whose service commences otherwise than on the first day of January shall be entitled to leave with wages at the rate specified in clause (ii), if he has worked for one-fourth of the total number of days in the remainder of the calendar year;
- (vi) Leave on Separation: If a worker is discharged, dismissed, quits, retires, or dies, they (or their heirs/nominees) are entitled to wages in lieu of the quantum of leave to which such worker was entitled immediately before his discharge, dismissal, quitting of employment, superannuation or death, calculated as specified in preceding clauses, even if such worker has not worked for the required period under this sub-section making such worker eligible to avail such leave, and such payment shall be made—
 - (a) where such worker is discharged or dismissed or quits employment before the expiry of the second working day from the date of such discharge, dismissal or quitting; and
 - (b) where such worker is superannuated or dies while in service, before the expiry of two months from the date of such superannuation or death;

- (vii) Carry Forward of Leave: Unused leave may be carried forward, subject to:
 - (a) Maximum 30 days carry forward.
 - (b) If leave was applied for but refused, it may be carried forward without limit.
- (viii) Encashment of Leave: Without prejudice to clause (vi) such worker shall be entitled on his demand for encashment of leave at the end of calendar year.
- (ix) Such worker shall be entitled, where his total number of leave exceeds thirty days under sub-clause (a) of clause (vii), to encash such exceeded leave.

Extension to Other Establishments: The appropriate Government may, by notification, extend these provisions to other establishments (except railways).

Special Provisions for Mines

- Existing rights under other laws, awards, or contracts remain protected.
- If such arrangements provide longer leave, they shall prevail.
- The Central Government may exempt mines if their leave rules are not less favourable than those in sub section (1).

MAINTENANCE OF REGISTERS, RECORDS AND RETURNS

Maintenance of Registers, Records, and Filing of Returns (Section 33)

An employer of an establishment shall—

- (a) maintain register in prescribed form, electronically or otherwise, containing such particulars of workers as may be prescribed by the appropriate Government including, —
 - (i) work performed by them;
 - (ii) number of hours of work constituting normal working hours in a day;
 - (iii) day of rest allowed in every period of seven days;
 - (iv) wage paid and receipts given therefor;
 - (v) leave, leave wages, overtime work, attendance and dangerous occurrences; and
 - (vi) employment of adolescent;
- (b) display notices at the work place of the workers in such manner and form as may be prescribed by the appropriate Government;
- (c) issue wage slips to the workers, in electronic forms or otherwise; and
- (d) file such return electronically or otherwise to the Inspector-cum-Facilitator in such manner

INSPECTOR -CUM-FACILITATORS AND OTHER AUTHORITY

Appointment of Inspector-cum-Facilitators (Section 34)

The section provides the framework for appointing and regulating Inspector-cum-Facilitators under the Code. It defines their appointment, jurisdiction, inspection schemes, hierarchy, and safeguards against conflicts of interest as follows:

- (1) The appropriate Government may, by notification, appoint Inspector-cum-Facilitators for the purposes of this Code who shall exercise the powers conferred on them under this Code throughout their respective jurisdiction specified in the notification.
- (2) The Inspector-cum-Facilitators appointed under sub-section (1) shall, apart from other duties to be discharged by them under this Code, conduct such inspections as specified in sub-section (3).
- (3) The appropriate Government may—
 - (i) for the purposes of inspection referred to in sub-section (2), by notification, lay down an inspection scheme which may provide for the generation of web-based inspection and calling of information under this Code, electronically and such scheme shall, inter alia , have provisions to cater to special circumstances for assigning inspection and calling for information from establishment or any other person besides web-based inspections; and
 - (ii) without prejudice to the provisions of sub-section (2), by notification, under the scheme, provide for the randomised selection of establishment and theInspector-cum-Facilitator for inspection.
- (4) Without prejudice to the powers of the appropriate Government under this section, the inspection scheme referred to in sub-section (3) may be designed taking into account, inter alia , the following factors, namely:—
 - (a) assignment of unique number, to each establishment (which will be same as the registration number allotted to the establishment registered under section 3), unique number to each Inspector-cum-Facilitator and to each inspection in such manner as may be notified by the appropriate Government;
 - (b) timely uploading of inspection reports in such manner and subject to such conditions as may be notified in the scheme;
 - (c) provisions for special inspections based on such parameters as may be notified by the appropriate Government; and
 - (d) the characteristics of employment, the nature of work, and characteristics of the workplaces based on such parameters as may be notified by the appropriate Government.
- (5) The appropriate Government may, by notification, appoint any person or persons possessing the prescribed qualifications and experience to be Chief Inspector-cum-Facilitator for the purposes of such establishments or class of establishments and for such local limits of jurisdiction as may be specified in the notification:

It is provided that a Chief Inspector-cum-Facilitator may be appointed for the purposes of *a State or more than one States or for the purposes of the whole of the Country.*
- (6) The appropriate Government may, by notification, appoint for the purposes of establishments as may be notified by that Government, as many Additional Chief Inspector-cum-Facilitators, Joint Chief Inspector-cum-Facilitators and Deputy Chief Inspector-cum-Facilitators or any other officer of any designation as it thinks appropriate, to exercise such powers of the Chief Inspector-cum-Facilitator within his jurisdiction, as may be specified in the notification.
- (7) Every Additional Chief Inspector-cum-Facilitator, Joint Chief Inspector-cum-Facilitator, Deputy Chief Inspector-cum-Facilitator and every other officer appointed under sub-section (6) shall, in addition to the powers of a Chief Inspector-cum-Facilitator specified in the notification by which the officer is appointed, exercise the powers of an Inspector-cum-Facilitator within such local limits as may be specified in the notification.

- (8) No person shall be appointed under this section or having been so appointed, shall continue to hold office, who is, or who becomes, directly or indirectly interested in a workplace or work activity or in any process or business carried on in any workplace or in any plant or machinery connected therewith.
- (9) The appropriate Government may also, by notification, appoint such public officers as it thinks fit to be Inspector-cum-Facilitators in addition to existing Inspector-cum-Facilitator for exercising the powers and discharging the duties of Inspector-cum-Facilitator for all or any of the purposes of this Code within such local limits as may be specified in such notification.
- (10) Without prejudice to the other functions of the Inspector-cum-Facilitator under this Code, an Inspector-cum-Facilitator may in respect of any establishment or class of establishments in local area or areas of his jurisdiction where the Chief Inspector-cum-Facilitator with the approval of the appropriate Government and subject to such restrictions or conditions as he may think fit to impose, by order in writing authorise the Inspector-cum-Facilitator to exercise such of the powers of the Chief Inspector-cum-Facilitator as may be specified in such order:
- It is provided that the Chief Inspector-cum-Facilitator, with the approval of the appropriate Government, may by order in writing, prohibit the exercise, by any Inspector-cum-Facilitator or any class of Inspector-cum-Facilitators specified in such order, of any such power by such Inspector-cum-Facilitator or class of Inspector-cum-Facilitators.*
- (11) Every Chief Inspector-cum-Facilitator, Additional Chief Inspector-cum-Facilitator, Joint Chief Inspector-cum-Facilitator, Deputy Chief Inspector-cum-Facilitator, Inspector-cum-Facilitator and every other officer appointed under this section shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code, and shall be officially subordinate to such authority as the appropriate Government may specify in this behalf.

Powers of Inspector-cum-Facilitators (Section 35)

Sections 35 and 36 together define the powers of Inspector-cum-Facilitators and extend those powers to the District Magistrate in respect of mines. These provisions are central to enforcement under the Code, blending investigative authority with compliance facilitation. The provisions of the section are as follows:

- (1) Subject to any rules made in this behalf, an Inspector-cum-Facilitator may—
- (i) enter, with such assistance of persons, being persons in the service of the Government, or any local or other public authority, or with an expert, as he thinks fit, any place which is used, or which he has reason to believe, is used as a work place;
 - (ii) inspect and examine the establishment, any premises, plant, machinery, article, or any other relevant material;
 - (iii) inquire into any accident or dangerous occurrence, whether resulting in bodily injury, disability or death or not and take on the spot or otherwise statement of any person which he may consider necessary for such inquiry;
 - (iv) subject to any rules made by the State Government in this behalf, within his jurisdiction, examine the crops grown in any plantation or any worker employed therein or require the production of any register or other document maintained in pursuance of this Code, and take on the spot or otherwise statement of any person which he may consider necessary for carrying out the purposes of this Code relating to plantation;
 - (v) supply information and sensitise the employers and workers regarding the provisions of this Code and compliance thereof;

- (vi) require the production of any register or any other document relating to the workplace or work activity;
 - (vii) search or seize, or take copies of, any register, record or other document or any portion thereof, as he may consider necessary in respect of any offence under this Code, which he has reason to believe, has been committed;
 - (viii) direct the concerned occupier or employer that any premises or any part thereof, or anything lying therein, shall be left undisturbed (whether generally or in particular respects) for so long as is necessary for the purpose of any inspection or inquiry;
 - (ix) take measurements, photographs and videographs and make such recordings as he considers necessary for the purpose of any examination or inquiry;
 - (x) take samples of any articles or substances found in any establishment or premises into which he has power to enter and of the air of the atmosphere in or in the vicinity of any such establishment or premises in such manner as may be prescribed by the appropriate Government;
 - (xi) in case of any article or substance found in any establishment or premises, being an article or substance which appears to him as having caused or is likely to cause danger to the health and safety of the employees, direct it to be dismantled or subject it to any process or test (but not so as to damage or destroy it unless the same is, in the circumstances necessary, for carrying out the purposes of any provision of this Code) and take possession of any such article or substance or a part thereof, and detain it for so long as is necessary for such examination;
 - (xii) issue show cause notice relating to safety, health and welfare provisions arising under this Code, rules, regulations and bye-laws made thereunder;
 - (xiii) prosecute, conduct or defend before any court any complaint or other proceeding arising under this Code, the rules and regulations made thereunder; and
 - (xiv) exercise such other powers and perform such other duties as may be prescribed by the appropriate Government.
- (2) Any person required to produce any document or to give any information required by an Inspector-cum-Facilitator under sub-section (1) shall be deemed to be legally bound to do so within the meaning of section 175 and section 176 of the Indian Penal Code.
- (3) The provisions of the Code of Criminal Procedure, 1973, shall, so far as may be, apply to such search or seizure under sub-section (1) as they apply to any search or seizure made under the authority of a warrant issued under section 94 of the said Code.

Third Party Audit and Certification (Section 37)

Section 37 of the Code introduces the concept of third-party audit and certification that shifts part of the oversight responsibility from government inspectors to empanelled experts.

Empanelment of Experts: The appropriate Government may, by notification, formulate a scheme to empanel experts with prescribed qualifications and experience. Such experts may be designated for start-up establishments or specified classes of establishments, as may be notified.

Duties of Empanelled Experts: The experts empanelled under sub-section (1), shall, —

- (a) Assigned audits and certifications in a randomised manner through a web-based scheme.
- (b) Carry out audits and certifications in the manner and for the purpose specified in the scheme.

- (c) Perform duties as specified in the scheme and submit reports to both the employer and the Inspector-cum-Facilitator.

SPECIAL PROVISION RELATING TO EMPLOYMENT OF WOMEN

Employment of Women (Section 43)

The section is a progressive provision that affirms the right of women to be employed across all establishments and types of work, while balancing this entitlement with safeguards for safety and working conditions

Women shall be entitled to be employed in all establishments for all types of work under this Code and they may also be employed, with their consent before 6 a.m. and beyond 7 p.m. subject to such conditions relating to safety, holidays and working hours or any other condition to be observed by the employer as may be prescribed by the appropriate Government.

Adequate Safety of Employment of Women in Dangerous Operations (Section 44)

Section 44 complements Section 43 by focusing specifically on women's employment in hazardous or dangerous operations. It ensures that equality in employment is balanced with mandatory safeguards for health and safety.

If the appropriate Government considers that employment of women in an establishment, or a class of establishments, or any particular hazardous/dangerous process therein, is dangerous to their health and safety,

Then, the Government may, in the prescribed manner, require the employer to provide adequate safeguards before employing women in such operations.

SPECIAL PROVISIONS FOR CONTRACT LABOUR

Applicability of Part(I) (Section 45)

Section 45 of the Code is the gateway provision for the applicability of the Chapter XI (Part I) dealing with contract labour. It defines the threshold for coverage, exclusions, and clarifies what counts as "intermittent" or "casual" work.

Coverage: Part I applies to:

- (i) Every establishment where 50 or more contract labour are employed (or were employed on any day in the preceding 12 months).
- (ii) Every manpower supply contractor who has employed 50 or more contract labour on any day in the preceding 12 months.

Exclusion: This Part does not apply to establishments where work performed is only of an intermittent or casual nature.

Authority to Decide: If a dispute arises about whether work is intermittent or casual, the appropriate Government, after consulting the National Board or State Advisory Board, shall decide. Such decision shall be final.

It may be noted that work performed in an establishment shall not be deemed to be of an intermittent nature—

- (i) if it was performed for more than one hundred and twenty days in the preceding twelve months; or
- (ii) if it is of seasonal character and is performed for more than sixty days in a year.

Appointment of Designated Authority (Section 46)

The appropriate Government may, by order:

- Appoint Gazetted officers of the Government as designated authorities under Section 119(1).
- Specify the limits of their jurisdiction.
- Vest them with powers and duties, including issuance of licences, revocation of licences and handling such functions electronically, as may be prescribed.

Licensing of Contractors (Section 47)

The section is a core compliance provision that regulates the licensing of contractors engaging contract labour. It ensures that contractors cannot operate without formal authorisation, and it introduces both general licences and work-specific licences.

General Rule: Except under and in accordance with a licence issued by the designated authority under Section 119(1), no contractor covered by this Part shall:

- (a) Supply or engage contract labour in any establishment; or
- (b) Undertake or execute work through contract labour,

Licence shall be issued after verifying that the contractor meets qualifications/criteria prescribed by the Central Government. Such licence shall specify:

- Number of contract labour permitted.
- Amount of security to be deposited.

Work-Specific Licence: If contractor does not meet prescribed qualifications/criteria, the authority may issue a work-specific licence. Such licence:

- Is electronically renewable within prescribed period.
- Applies only to the concerned work order.
- Is subject to specified conditions.

Conditions of Licence: Subject to the provisions of this Part—

- (a) Licence may include conditions relating to hours of work.
 - Fixation of wages.
 - Essential amenities for contract labour.
- (b) Licence shall be obtained from:
 - Central Government authority (if establishment falls under Central jurisdiction).
 - State Government authority (if establishment falls under State jurisdiction).

It may be noted that contractors seeking licences for multiple States or whole of India must obtain licence from the referred to in sub-section (1) of section 119 designated by the Central Government for such purpose. It is further provided that before issuing such licence the authority so designated shall consult the concerned State or States authorities designated under sub-section (1) of section 119, electronically before issuing licence for the establishments for which the appropriate Government is the State Government.

Procedure for Issue or Renewal of Licence (Section 48)

Section 48 laying down the procedure for issue and renewal of contractor licences. It formalises the process, introduces electronic applications, and defines validity, amendment, and contractor responsibilities.

Electronic Application

- a. Applications for licences under Section 119 (for purposes of Section 47(1) or 47(2)) shall be made electronically in form and manner as may be prescribed.
- b. Application shall include particulars such as:
 - i. Number of contract labour.
 - ii. Nature of work for which contract labour is to be employed.
 - iii. Other prescribed particulars, including information on inter-State migrant workers.

Prescribed Procedure: The designated authority under Section 119(1) shall follow the procedure prescribed by the appropriate Government for processing applications.

Validity and Amendment: Licence issued under Section 47(1) shall be valid for five years in respect of the number of contract labour specified therein.

If contractor wishes to increase the number of contract labour, he shall apply for amendment in prescribed manner. The authority may amend licence after deposit of additional security deposit for the balance period.

Contractor's Responsibilities: The licence so issued shall contain responsibilities of the contractor as prescribed by the appropriate Government.

No Fees or Commission or Any Cost to Workers (Section 49)

A contractor shall not charge, either directly or indirectly, in whole or in part, any fee, or commission, or any other cost from the contract labour.

Information Regarding Work Order to be given to the Appropriate Government (Section 50)

The section is a compliance and accountability provision that ensures transparency between contractors and the Government regarding contract labour engagements.

Mandatory Intimation: When a contractor receives a work order from an establishment:

- To supply contract labour, or
- To execute work through contract labour,

The contractor shall intimate the designated authority (under Section 119) within the prescribed time and manner.

Penalty for Non-Compliance: If the contractor fails to give intimation, the designated authority may suspend or cancel the licence in such manner as may be prescribed by the appropriate Government. Any such action of revocation or suspension shall be taken after giving the contractor an opportunity to show cause.

Revocation, Suspension and Amendment of Licence (Section 51)

Sections 51 and 52 together establish the disciplinary framework for contractor licences under the Code. They cover revocation, suspension, amendment, and appeals, ensuring both accountability and procedural fairness.

Grounds for Revocation or Suspension: The designated authority under Section 119(1) may revoke or suspend a licence if:

- (a) The licence was obtained by misrepresentation or suppression of material facts.
- (b) The licence holder has failed to comply with licence conditions or contravened provisions of this Part or rules.

This revocation or suspension is without prejudice to any other penalty to which the contractor may be liable under this Code.

Due Process: Action shall be taken only after giving the contractor an opportunity to show cause. Procedure for revocation/suspension is prescribed by the Central Government.

Amendment of Licence: Subject to any rules that may be made in this behalf, the authority referred to in sub-section (1) of section 119 may amend a licence granted for the purposes of this Part.

Appeals (Section 52)

Any person aggrieved by an order under Sections 47, 48, or 51 may appeal to the appellate authority prescribed by the appropriate Government under Section 119(6). Appeal shall be filed within 30 days of communication of the order. It is provided that the appellate authority may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

Disposal of Appeal:

On receipt of an appeal, the appellate authority shall, after giving the appellant an opportunity of being heard, dispose of the appeal within thirty days from the date on which the appeal is preferred.

Liability of Principal Employer for Welfare Facilities (Section 53)

The principal employer of an establishment shall provide to contract labour employed therein the welfare facilities specified under Sections 23 and 24.

Effect of Employing Contract Labour from a Non-Licensed Contractor (Section 54)

If a principal employer engages contract labour through a contractor who is required to obtain a licence under this Part but has not obtained such licence, then, such employment shall be deemed to be in contravention of the provisions of this Code.

Responsibility for Payment of Wages (Section 55)

This section lays down the financial accountability framework for contractors and principal employers in relation to contract labour.

Contractor's Responsibility: A contractor shall be responsible for payment of wages to each contract labour employed by him and such wages shall be paid before the expiry of such period as may be prescribed by the appropriate Government.

Mode of Payment: Every contractor shall, make the disbursement of wages referred to in sub-section (1) through bank transfer or electronic mode and inform the principal employer electronically the amount so paid by such mode. It is provided that where it is not practicable to disburse payment in the mode specified in this section, then, the payment shall be made in such manner as may be prescribed by the appropriate Government.

Principal Employer's Liability: If the contractor fails to pay wages within the prescribed period or makes short payment, the principal employer shall be liable to pay wages in full or the unpaid balance to the contract labour. The principal employer may recover the amount from the contractor by deducting from any amount payable under any contract, or as a debt payable by the contractor.

If the contractor does not pay wages, the appropriate Government shall order payment from the security deposit deposited by the contractor under the licence. Payment shall be made in the manner prescribed by such Government.

Experience Certificate (Section 56)

This section ensures that contract labourers receive formal recognition of their work experience.

Every concerned contractor shall, on demand, issue an experience certificate to the contract labour. The certificate shall be in the form prescribed by the appropriate Government and contains the details of the work performed by the contract labour.

Prohibition of Employment of Contract Labour (Section 57)

The section establishes a general prohibition on employing contract labour in the core activities of an establishment, thereby protecting the integrity of essential operations and ensuring that permanent workers are not displaced. However, it also provides limited exceptions where contract labour may be engaged, and sets out a mechanism for determining whether an activity qualifies as “core.”

General Prohibition: Notwithstanding anything contained in Part I, employment of contract labour in core activities of any establishment is prohibited.

Exceptions: It is provided that the principal employer may engage contract labour through a contractor to any core activity, if—

- (a) the normal functioning of the establishment is such that the activity is ordinarily done through contractor; or
- (b) the activities are such that they do not require full time workers for the major portion of the working hours in a day or for longer periods, as the case may be;
- (c) any sudden increase of volume of work in the core activity which needs to be accomplished in a specified time.

Determination of Core Activity:

- (a) The appropriate Government may appoint, by notification, a designated authority to advise on whether an activity is core or not.
- (b) if a question arises as to whether any activity of an establishment is a core activity or otherwise, the aggrieved party may make an application in such form and manner as may be prescribed, to the appropriate Government for decision;
- (c) the appropriate Government may refer any such question suo motu or refer the application to the designated authority, which on the basis of relevant material in its possession, or after making such an enquiry as it deems fit, shall report to the appropriate Government, within such period and thereafter the appropriate Government shall decide the question within such period as may be prescribed.

FACTORIES

Approval and Licensing of Factories (Section 79)

- (1) The Appropriate Government may make rules in respect of factory or class or description of factories for—
 - (a) the submission of plans including specifications, nature and certification thereof;
 - (b) the previous permission for the site on which the factory is to be situated and for the construction or extension thereof; and
 - (c) subject to the provision of sub-section 119, licensing and renewal thereof including fees to be

payable for such, licensing and renewal, if required, as the case may be.

- (2) If on an application for permission referred to in clause (b) of sub-section (1) accompanied by the plans and specifications required by the rules made under clause (a) of that sub-section, sent to the State Government or Chief Inspector-cum-Facilitator in the electronic mode, no order is communicated to the applicant within such period not exceeding thirty days, the permission applied for in the said application shall be deemed to have been granted.

Appeal to the Central Government: Where a State Government or a Chief Inspector-cum-Facilitator refuses to grant permission to the site, construction or extension of a factory and licensing of a factory, the applicant may within thirty days of the date of such refusal appeal to the Central Government if the decision appealed from was of the State Government and to the State Government in any other case.

When shall factory not be deemed to be extended: Explanation of the section provides that a factory shall not be deemed to be extended within the meaning of this section by reason only of the replacement of any plant or machinery or within such limits as may be prescribed, of the addition of any plant or machinery if such replacement or addition does not reduce the minimum clear space required for safe working around the plant or machinery or adversely affect the environmental conditions from the evolution or emission of steam, heat or dust or fumes injurious to health.

Liability of Owner of Premises in Certain Circumstances (Section 80)

Where any premises or separate buildings are leased to different occupiers for use as separate factories, the owner of the premises and occupiers of the factories utilising such common facilities which include safety and fire prevention and protection, access, hygiene, occupational health, ventilation, temperature, emergency preparedness and response, canteens, shelter, rest rooms and crèches shall jointly and severally be responsible for provision and maintenance of such common facilities and services as may be prescribed by the appropriate Government.

Power to apply Code to Certain Premises (Section 81)

The appropriate Government may, by notification, declare that all or any of the provisions of this Part shall apply to any place wherein a manufacturing process is carried on with or without the aid of power or is ordinarily carried on irrespective of the number of workers working in the factory.

After a place is so declared, it shall be deemed to be a factory for the purposes of this Code, and the owner shall be deemed to be the occupier, and any person working therein, a worker.

Explanation. —For the purposes of this section, “owner” shall include a lessee or mortgagee with possession of the premises.

Dangerous Operations. (Section 82)

The appropriate Government may by rules make the provisions relating to any factory or class or description of factories in which manufacturing process or operation is carried on which exposes any of the persons employed in it to a serious risk of bodily injury, poisoning or disease, for—

- (a) specifying the manufacturing process or operation and declaring it to be dangerous;
- (b) prohibiting or restricting the employment of pregnant women in the manufacturing process or operation;
- (c) the periodical medical examination before, or at any time during the employment to ascertain the fitness of a worker or employee for such employment on the cost of the occupier; and
- (d) welfare amenities, sanitary facilities, protective equipment and clothing, and

any other requirement necessary for dangerous operations.

Constitution of Site Appraisal Committee (Section 83)

The appropriate Government may, constitute one or more site appraisal committees consisting of a chairman and other members, for such purpose as may be prescribed including to consider and to give recommendations on an application for grant of permission for the initial location of a factory involving a hazardous process or for the expansion of such factory.

The site appraisal committee shall make its recommendation within a period of thirty days of the receipt of the application for any of the purpose referred to in the said sub-section in such form, as may be prescribed.

Compulsory Disclosure of Information by Occupier (Section 84)

Information to be disclosed: The occupier of every factory involving a hazardous process shall disclose in the manner prescribed by the State Government all information regarding dangers, including health hazards and the measures to overcome such hazards arising from the exposure to or handling of the materials or substances in the manufacture, transportation, storage and other processes.

To whom disclosure shall be made:

- the workers employed in the factory,
- the Chief Inspector-cum-Facilitator or Inspector-cum-Facilitator,
- the local authority within whose jurisdiction the factory is situate and
- the general public in the vicinity.

Detailed policy to be laid down by the Occupier: The occupier shall, at the time of registering the factory involving a hazardous process,

- lay down a detailed policy with respect to the health and safety of the workers employed therein and
- intimate such policy to the Chief Inspector-cum-Facilitator or Inspector-cum-Facilitator and the local authority and,

thereafter, at such intervals as may be prescribed by the State Government, inform the Chief Inspector-cum-Facilitator or Inspector-cum-Facilitator and the local authority of any change made in the said policy.

Accurate information to be furnished: The information furnished shall include accurate information as to the quantity, specifications and other characteristics of wastes and the manner of their disposal.

Onsite emergency plan: Every occupier shall,

- with the approval of the Chief Inspector-cum-Facilitator, draw up an on-site emergency plan and detailed disaster control measures for his factory and
- make known to the workers employed therein and to the general public living in the vicinity of the factory the safety measures required to be taken in the event of an accident taking place.

Duty to disclose nature of hazardous process: Every occupier of a factory shall, if such factory proposes to engage in a hazardous process at any time after the commencement of this Code, inform the Chief Inspector-cum-Facilitator about the nature and details of the process in such form and in such manner as may be prescribed by the State Government. Such disclosure shall be made within a period of thirty days before the commencement of such process.

Penalty for contravention: Where any occupier of a factory contravenes the provisions of section 84(5) and

the licence issued under section 79 to such factory shall, notwithstanding any penalty to which the occupier of factory shall be subjected to under the provisions of this Code, be liable for cancellation.

Measures for handling hazardous substances: The occupier of a factory involving a hazardous process shall, with the previous approval of the Chief Inspector-cum-Facilitator, lay down measures for the

- handling, usage, transportation and storage of hazardous substances inside the factory premises and
- the disposal of such substances outside the factory premises and
- publicise them in the manner prescribed by the State Government among the workers and the general public living in the vicinity.

Specific Responsibility of The Occupier in Relation to Hazardous Processes (Section 85)

Every occupier of a factory involving any hazardous process shall—

- (a) maintain accurate and up-to-date health records or, as the case may be, medical records, of the workers in the factory who are exposed to any chemical, toxic or any other harmful substances which are manufactured, stored, handled or transported and such records shall be accessible to the workers subject to such conditions as may be prescribed by the State Government;
- (b) appoint persons who possess prescribed qualifications and experience in handling hazardous substances and are competent to supervise such handling within the factory and to provide at the working place all the necessary facilities for protecting the workers in the manner prescribed by the State Government:

It is provided that where any question arises as to the qualifications and experience of a person so appointed, the decision of the Chief Inspector-cum-Facilitator shall be final;

- (c) provide for medical examination of every worker—
 - (i) before such worker is assigned to a job involving the handling of, or working with, a hazardous substance; and
 - (ii) while continuing in such job, and after he has ceased to work in such job, at intervals not exceeding twelve months, in such manner as may be prescribed by the State Government.

National Board to Inquire into Certain Situations (Section 86)

In the event of the occurrence of an extraordinary situation involving a factory engaged in a hazardous process, the Central Government may direct the National Board to inquire into the standards of health and safety observed in the factory with a view to finding out

- the causes of any failure or neglect in the adoption of any measures or standards prescribed by the State Government for the health and safety of the workers employed in the factory or the general public affected, or likely to be affected due to such failure or neglect and
- for the prevention of recurrence of such extraordinary situations in future in such factory or elsewhere.

The recommendations of the National Board shall be advisory in the nature.

Emergency Standards (Section 87)

The Central Government may direct the Directorate General Occupational Safety and Health formerly known as the Directorate General of Factory Advice Service and Labour Institutes or any Institution authorised in matters relating to standards of safety in hazardous processes,

- to lay down emergency standards for enforcement of suitable standards in respect of such hazardous processes

Where the Central Government is satisfied that no standards of safety have been prescribed in respect of a hazardous process or class of hazardous processes, or where the standards so prescribed are inadequate.

Enforceability of the emergency standards: The emergency standards laid down under sub-section (1) shall, until they are incorporated in the rules made under this Code, be enforceable and have the same effect as if they had been incorporated in the rules made under this Code.

Permissible Limits of Exposure of Chemicals and Toxic Substances (Section 88)

The maximum permissible limits of exposure of chemical and toxic substances in manufacturing process in any factory shall be of the value as may be prescribed by the State Government.

Right of Workers to Warn About Imminent Danger (Section 89)

Apprehension by the Workers: Where the workers employed in any factory engaged in a hazardous process have reasonable apprehension that there is a likelihood of imminent danger to their lives or health due to any accident, they may, bring the same to the notice of

- the occupier, agent, manager or any other person who is in-charge of the factory or the process concerned directly or through their representatives in the Safety Committee and
- simultaneously bring the same to the notice of the Inspector-cum-Facilitator.

Duty of the Person Receiving Notice of Imminent Danger: It shall be the duty of such occupier, agent, manager or the person in-charge of the factory or process to

- take immediate remedial action if he is satisfied about the existence of such imminent danger and
- send a report forthwith of the action taken to the Inspector-cum-Facilitator.

Reference of the matter in case imminent danger is not observed: If the occupier, agent, manager or the person in-charge is not satisfied about the existence of any imminent danger as apprehended by the workers, he shall, nevertheless, refer the matter forthwith to the Inspector-cum-Facilitator whose decision on the question of the existence of such imminent danger shall be final.

Composition of Certain Offences (Section 114)

Any penalty under section 12(3) or section 94 or section 96 or section 97(1) or section 99 or section 106 or sub-section (3) or any offence under sub-section (2) of section 97 or sub-section (1) of section 100 or section 101 or clause (b) of sub-section (1) of section 103 or section 105 or sub-section (2) of section 113 may either before or after the holding the enquiry or, as the case may be, of institution of prosecution may be compounded by such officer of the appropriate Government as may be notified by that Government in the manner as may be prescribed by it—

- (a) in a case of penalty for a sum of fifty per cent. of the maximum penalty provided for such penalty; and
- (b) in a case of offence for a sum of seventy-five per cent. of the maximum fine provided for such offence.

Where a penalty or an offence has been compounded under sub-section (1), the person liable for penalty or the offender, as the case may be, shall be discharged of the penalty or offence and there shall be no further proceedings against him in respect of such penalty or offence.

Any person who fails to comply with an order made by the officer referred to in sub-section (1), shall be liable to pay a penalty equivalent to twenty per cent. of the maximum penalty or fine provided for the penalty or the

offence, as the case may be, in addition to the penalty or fine.

The amount of composition received under sub-section (1) shall be credited to the fund established under sub-section (1) of section 115 for the unorganised workers.

Nothing contained in sub-section (1) shall apply to a penalty or an offence committed by a person for a second or subsequent time within a period of three years from the date of penalty or offence, as the case may be, —

- (a) which was earlier compounded; or
- (b) for which such person was earlier convicted.

SOCIAL SECURITY FUND

Social security fund (Section 115)

There shall be established by the appropriate Government a social security fund for the welfare of the unorganised workers to which there shall be credited the amount received from

- composition of the offence as specified in sub-section (4) of section 114 and
- the amount of the penalty as specified in sub-section (6) of section 111.
- The fund may also be funded by such other sources as may be prescribed by the appropriate Government.

Administration and Expenditure of the fund: The fund shall be administered and expended for welfare of the unorganised workers in such manner as may be prescribed by the appropriate Government including the transfer of the amount in the fund to any fund established under any other law for the time being in force for the welfare of the unorganised workers.

Repeal and Savings (Section 143)

- (1) The following enactments shall stand repealed on and from the dates the notification referred to in sub-section (2) of section 1 is issued, namely: —
 - (a) The Factories Act, 1948;
 - (b) The Plantations Labour Act, 1951;
 - (c) The Mines Act, 1952;
 - (d) The Working Journalists and other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955;
 - (e) The Working Journalists (Fixation of Rates of Wages) Act, 1958;
 - (f) The Motor Transport Workers Act, 1961;
 - (g) The Beedi and Cigar Workers (Conditions of Employment) Act, 1966;
 - (h) The Contract Labour (Regulation and Abolition) Act, 1970;
 - (i) The Sales Promotion Employees (Conditions of Service) Act, 1976;
 - (j) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
 - (k) The Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981;
 - (l) The Dock Workers (Safety, Health and Welfare) Act, 1986;

- (m) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.
- (2) Every Chief Inspector, Additional Chief Inspector, Joint Chief Inspector, Deputy Chief Inspector, Inspector and every other officer appointed for the purposes under any of the provisions of the enactments repealed by this Code, shall be deemed to have been appointed under this Code for such purposes under this Code.
- (3) Notwithstanding repeal under sub-section (1), anything done or any action taken under the enactments so repealed (including any rule, regulation, bye-laws, notification, nomination, appointment, order or direction made thereunder) shall be deemed to have been done or taken under the corresponding provisions of this Code and shall remain in force to the extent they are not contrary to the provisions of this Code till they are repealed by the Central Government.
- (4) Without prejudice to the provisions of sub-section (2), provisions of section 6 of the General Clauses Act, 1897 shall apply to the repeal of such enactments.

LESSON ROUNDUP

- The OSH Code, 2020 was enacted by the Government of India as part of the major labour law reforms.
- It consolidates 13 existing Central labour laws relating to safety, health, and working conditions into a single comprehensive legislation.
- The Code is structured into 14 chapters, covering aspects such as:
 - Duties of employers and employees
 - Occupational safety and health standards
 - Welfare provisions
 - Working hours and leave
 - Special provisions for women, contract labour, and inter-state migrant workers
 - Licensing, registration, and regulation of establishments
 - Enforcement mechanisms and penalties
- It aims to enhance workplace safety, health standards, and welfare across factories, mines, docks, plantations, construction sites and other establishments.
- The Code introduces uniform definitions, simplified procedures, and a single registration system to ease compliance for employers.
- Applicability is extended to establishments employing 10 or more workers, with specific provisions for mines and docks.
- The Code mandates free annual health check-ups for employees of prescribed age groups and compulsory issuance of appointment letters.
- It introduces a centralized database, including a digital portal for inter-State migrant workers with Aadhaar-based self-registration.

- Duties of employers are widened to include hazard-free workplaces, safe machinery, waste disposal, and no cost recovery for safety measures.
- Employees are obligated to maintain safety, report hazards, and avoid misuse of safety equipment.
- The Code introduces the right of workers to report imminent danger and provides for immediate remedial action.
- It establishes a National Occupational Safety and Health Advisory Board and State-level Boards for policy, standards, and oversight.
- OSH standards are to be declared by the Central Government covering hazard control, monitoring, medical examinations, and post-employment disease reporting.
- Safety committees and safety officers become mandatory in prescribed classes of establishments.
- Provisions for notice and inquiry apply to accidents, dangerous occurrences, and occupational diseases.
- Penalties are rationalised, with part of the penalty for serious accidents earmarked for victims or their families.
- Overall, the Code modernises India's labour safety regime by enhancing protections, digitising compliance, and ensuring uniformity across sectors.

GLOSSARY

Contract Labour: A worker who shall be deemed to be employed in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer. The definition also includes inter-State migrant worker.

Hazardous Substance: Any substance or such quantity of the substance as may be prescribed by the appropriate Government or preparation of which by reason of its chemical or physio-chemical properties or handling is liable to cause physical or health hazards to human being or may cause harm to other living creatures, plants, micro-organisms, property or the environment.

Industrial Premises: Any place or premises (not being a private dwelling house), including the precincts thereof, in which or in any part of which any industry, trade, business, occupation or manufacturing is being ordinarily carried on with or without the aid of power and includes a godown attached thereto.

Day: A Day means a period of twenty-four hours beginning at mid-night

TEST YOURSELF

1. Enumerate the salient features of the Occupational Safety, Health and Working Conditions Code, 2020
2. Define the term "Employer" under Section 2(1)(u) of the OSHWC Code, 2020, and explain the various categories of persons who are included within its scope
3. GreenTech Services, a new company, was established on August 1, 2025. The employer did not file for registration within 60 days but began hiring employees. Later, the employer submitted an application for registration after the deadline. A month after registration, the manager changed without informing the registering official.

