



LOCAL LABOUR REGULATION POLICY

RSE'S KEY AREAS OF EMPLOYMENT LAW & REGULATION

R. SQUARE ENGINEERS

1ST APRIL 2024

DOC. NO. RSE/HRM/P/12

R SQUARE ENGINEERS

To ensure compliance with local labour regulations in Gujarat, we need to be familiar with several key areas of employment law and regulations. Here are some essential points to consider:

1 Labour Laws:

Gujarat follows several central and state-specific labour laws. Key regulations include:

- **The Factories Act, 1948:** This is a significant piece of legislation in India aimed at regulating the working conditions in factories and ensuring the health, safety and welfare of workers. According to this, RSE has been registered and obtained a license from the relevant authorities. This license specifies the number of workers, the nature of the manufacturing process and other relevant details. The Directorate of Industrial Safety and Health (DISH) Gujarat is responsible for enforcing the Act and inspecting factories.
- **The Payment of Wages Act, 1936:** It regulates the payment of wages to workers. Wages must be paid on a regular basis and should not be delayed. The Act defines the wage period (usually monthly) and mandates that wages must be paid within a specific period after the end of the wage period (e.g., within 7 days). RSE has never failed to comply with this act and pays the salary every month within the time frame.
- **The Employees' Provident Funds and Miscellaneous Provisions Act, 1952:** Provides for retirement benefits and social security. The Act applies to establishments with 20 or more employees. RSE's manpower even though does not exceed the criteria, but for the benefit of our employees we are registered under this act and completely comply to all the norms under this act since the time we are registered.
- **The Employees' State Insurance Act, 1948:** Provides medical care and financial support to employees in case of sickness, injury, or disability. The ESI Act applies to establishments with 10 or more employees in Gujarat State. The Act applies to employees earning up to a specified wage ceiling, which can be updated periodically by the government. As of recent updates, this limit is typically around ₹21,000 per month (with higher limits for persons with disabilities). RSE's manpower even though does not exceed the criteria, but for the benefit of our employees we are registered under this act and completely comply to all the norms under this act since the time we are registered.
- **The Industrial Disputes Act, 1947:** Governs the resolution of industrial disputes. It applies to industrial establishments with 100 or more workers (although some provisions may apply to establishments with fewer workers). According to which, we are not covered under this act.

2 Minimum Wages:

The Gujarat Minimum Wages Act, 1958, sets the minimum wage rates for various categories of work. Employers must adhere to these rates and regularly check for any updates or revisions within every 6 months. This includes basic wages and may also include allowances for certain categories of workers.

The government notifies minimum wage rates for different types of work and industries. These notifications specify the wage rates for different classes of workers and regions within Gujarat. We keep maintain accurate records and registers of wages paid, including details of employees and the amounts paid. These records are to be also available for inspection by authorized officials.

3 Working Hours and Overtime:

Regulations concerning working hours, breaks, and overtime are covered under the Factories Act and various other labour laws. Typically, the working hours should not exceed 48 hours per week, with appropriate overtime compensation. Employees are generally entitled to breaks during their workday. For instance, a common provision is that employees should have a 30-minute break after 5 hours of continuous work. We have established and communicate clear policies regarding working hours and overtime to employees. We keep detailed records of employee working hours to ensure compliance and facilitate accurate payroll processing.

4 Employment Contracts:

Ensure that employment contracts are clear and include all mandatory terms such as job role, salary, working hours, and conditions of termination. We have furnished the employees with appointment letters that contain a comprehensive list of terms and conditions. Both parties have received a signed copy of the contract for their records. It also complies with local labour laws and regulations, including minimum wage, working hours, and termination rights.

5 Health and Safety:

Compliance with health and safety regulations is crucial. This includes ensuring a safe working environment and providing necessary safety equipment and training. Regulations and practices in this area help prevent accidents, injuries, and illnesses at work, and they contribute to overall employee well-being. We have developed a comprehensive health and safety policy outlining the organization's commitment to maintaining a safe work environment and procedures for handling health and safety issues. Also promote safety awareness through regular briefings, posters and signages. We maintain records of workplace injuries, illnesses, and health surveillance data.

6 Leave Entitlements:

Leave entitlements are crucial aspects of employment contracts and labour laws, ensuring that employees can take time off work for various reasons while still receiving their entitled benefits. Understanding and managing leave entitlements helps maintain a healthy work-life balance and contributes to employee satisfaction and productivity. We prepare and maintain the leave policy which includes Earn Leaves (earn 1 leave for every 20 present days), Public Holiday & Paid Leaves (4 festival leaves). We keep accurate records of leave accruals, usage, and balances. We also proceed for leave encashment for the balance leaves after completion of calendar year according to their wage.

7 Employee Benefits:

Ensure that statutory benefits like Provident Fund, Employee State Insurance, and Gratuity are provided as per legal requirements. These benefits aim to provide employees with financial security and protection in various aspects of their professional lives. We presently adhere to the Employees' State

Insurance (ESI), Professional Tax (PT), Gratuity, Bonus, and Labour Welfare Fund regulations based on the criteria and implementation of each one. We remain on track to submit returns, pay contributions on time frame, and keep correct records of the challan. We also ensure that the benefits will still be applicable in the future and that periodic amendments to the specific benefits will be adopted.

8 Registration and Licensing:

Depending on the nature of our business, we have obtained specific licenses or register with local authorities like Factory Licence, registered under ESI, PT, GLWF etc. However, we have a consultant for guiding us for upcoming updates or any changes in laws and procedures.

9 Grievance Redressal:

Implement a system for addressing employee grievances and disputes effectively. We develop grievance redressal policy, which provide the guidance & procedure to address the grievance.

10 Compliance Updates:

Labor laws can change, so it's essential to stay updated on any amendments to ensure ongoing compliance. We check the Gujarat Labor and Employment Department's notifications for the latest wages rates, monitor updates from EPFO, ESIC for changes and reporting requirements. Also keep up with the updates from Gujarat Directorate of Industrial Safety and Health to ensure the workplace adheres to the latest safety standards and regulations.

s/d

Mahesh Patel
(Proprietor)