

Weekly Compliance Bulletin

An update into labour compliance **July 13, 2015 Volume 1, Issue 11**



From ALL RISK MANAGEMENT SOLUTIONS AND SERVICES (P) LTD
A blossoming knowledge process outsourcing service provider

Latest Updates (4 important flash updates)

1. SH @ workplace - Government to make mandatory for Pvt. Companies to inform about constitution of ICC

The Government has set off the process of making it mandatory for private companies to inform them about the constitution of Internal Complaints Committee (ICC) on sexual harassment in their annual disclosures made under the Companies Act after they did not show requisite interest in the matter. The Women and Child Development Ministry has written to Corporate Affairs Ministry asking it to notify constitution of ICC as a mandatory disclosure under Section 134 of the Companies Act, 2013.

"In order to ensure that private sector companies also constitute ICC as mandated under Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act 2013, it will be appropriate to ask the companies to disclose the constitution of the ICC in their Annual Disclosures filed under the provision of Section 134 of the Companies Act 2013," the letter said. "While adequate protection is available in government structures to women, it is important that women in the private sector are also given the same level of protection. We had taken up this matter with Chambers of business but we have not been able to cut much ice with them," it said. Section 134 of the Act enables the Central government to mandate any non-financial disclosure to be made in the Directors' Report of a company. "There has been an increase in the number of cases of sexual harassment at workplace being brought up by women employees in different organisations," the official said. The anti-sexual harassment law provides for a penalty of Rs.50,000 on employers who fail to implement its various provisions.

2. National Floor level Minimum Wages enhanced from 1-7-15

National Floor Level Minimum Wage (NFLMU) has been revised upwards from existing Rs. 137/- to Rs. 160/-per day w.e.f. 01.07.2015. In a letter written to all the Chief Ministers and LGs today, Shri Bandaru Dattatraya, the Minister of State(IC) for Labour and Employment has urged to take necessary steps for fixation/revision of the minimum rates of wages in respect of all scheduled employments in State/UT not below the NFLMW of Rs. 160/- per day w.e.f. 01.07.2015. The Minister has also emphasized to ensure implementation of various provisions of the Minimum Wages Act, 1948 so that the objective of ensuring Minimum Wages to workers is fulfilled.

3. New outreach program initiative from EPFO

Shri Bandaru Dattatraya, Union Minister of State (Independent Charge) for Labour & Employment, on 10th July 2014, Unveiled "Nidhi Aapke Nikat", a public outreach program of EPFO. Recognizing the changed ground realities, EPFO has introduced Nidhi Aapke Nikat as a public outreach programme to reach out to all its stakeholders including employers. The programme will be presided over by the Officer-in-charge in every office of EPFO. Moving away from a pure grievance redressal centered approach, Nidhi Aapke Nikat would encourage a more participatory and broad based involvement of all concerned. This would serve as a platform for both employers and employees to not only air their grievances but also to put forth their constructive suggestions. Also, Nidhi Aapke Nikat would be an occasion to sensitize all the stakeholders about the multitude of new initiatives and programme launched by EPFO in their interest. Separate and specific time slots are allotted to different stakeholders like subscribers, employers and exempted establishments so that exclusive attention can be bestowed.

4. Government to Cap PF withdrawal to 75%

Soon, employees will not be able to withdraw more than 75% of their accumulated provident fund (PF) before reaching the retirement age of 58, with the Employees' Provident Fund Organisation (EPFO) moving to issue an executive order in this connection. The move is aimed at discouraging PF withdrawal and boosting post-retirement social security benefits of workers. EPFO has already sent a proposal in this regard to the labour ministry, which is looking at it favourably. We have to create an incentive for keeping PF money till retirement and not withdraw it in between. We have proposed the 75% cap to the labour ministry, which is expected to approve it in next 15 days" said CPFC K.K.Jalan.

ALL RISK MANAGEMENT SOLUTIONS AND SERVICES (P) LIMITED

Regd. Off: 4/1B, Vasanthanagar Second Street, Bye Pass Road, Madurai – 625003 Tele: 0452 – 4250477

Branch Off: No-10, Anna Street, Gandhi Nagar, Saligramam, Chennai – 600093 Mob: 9894610088

Branch Off: D-1, First Floor, Subhiksha Homes, Civil Aero Drome Road, Singanallur, Coimbatore – 641005

Email: vinodh@armss.in

Website: www.armss.in