

## **CONTRACT LABOUR(R&A) ACT, 1970 AND AP RULES, 1971.**

Procedure for making application for grant of License /renewal of License of Contractor Establishments under A.P. (Issuance of Integrated Registration and Furnishing of Combined Returns under Various Labour Laws by certain Establishments) Act, 2015(amended in 2016) and covered by Contract Labour(R&A) Act, 1970 And AP Rules, 1971.

### **Applicability:**

The Contract Labour Act applies to every contractor who employees or employed 50 or more workmen on any day of the preceding 12 months.

### **Licensing of Contractors:**

No contractor shall undertake any work through contract labour except in accordance with a license issued by the licensing officer.

Application for grant of license shall be made to the licensing officer, in triplicate in form IV, accompanied by a certificate issued by the principal employer in form V and a treasury receipt showing deposit of security and payment of license fee. Security @ Rs. 50/- for each workman to be employed as contract labour shall be deposited by the contractor.

### **Licence fee:**

Up to 20 Workmen	: Rs. 265/-
From 21to 50 Workmen	: Rs. 400/-
From 51 to 100 Workmen	: Rs. 570/-
From 101 to 200 Workmen	: Rs. 900/-
From 201 to 400 Workmen	: Rs. 1275/-
More than 400 Workmen	: Rs. 1850/-

### **Validity of License:**

The license issued shall be valid for 3 years from and shall be renewed before 31<sup>st</sup> March of the third year.

### **Licensing Authority:**

The following officers of Labour Department have been notified as licensing authorities.(G.O.Ms.No.30 of LET&F Dept. Dated:27.08.2002)

- (1) Asst. Labour Officer
- (2) Asst. Commissioner of Labour.
- (3) Dy. Commissioner of Labour.
- (4) Jt. Commissioner of Labour.

**Online Application and Payment:** Application for License /renewal of License shall be submitted online through the Single Desk Portal <https://www.apindustries.gov.in/> or Online Meeseva portal <https://onlineap.meeseva.gov.in> by filling in the Integrated Registration form. After online payment of license fee as specified above, a system generated registration certificate is downloadable on the spot.

### **How to make application for license/renewal of license:**

#### **Application through Meeseva Citizen Service Centers:**

Application form for registration / renewal can be downloaded from Meeseva portal:

<http://ap.meeseva.gov.in/DeptPortal/Application%20Forms%20New/Labour-Pdf/Integrated%20Application%20Form.pdf>

Filled in application forms can be submitted at Meeseva citizen service centres. Department user can login on <http://ap.meeseva.gov.in/> to submit applications and process payments on behalf of applicant. System generated certificates are then given to applicants instantly.

### **Relevant provisions under Contract Labour (R&A) Act applicable to contract workmen:**

#### **Welfare and Health of the Contract Labour:-**

Canteens (Section 16), Rest Rooms (Section 17), Drinking Water, Latrines and urinals, washing facilities (Section 18) and first aid facilities (Section 19) shall be provided by the contractor and on his default, by the principal employer (Section 20).

**Section 21:- Responsibility for payment of wages** Contractor shall be responsible for payment of wages before due Principal employer shall nominate a representative to witness

and certify payment of wages to the contract workmen. If the contractor fails to make payment of wages before due date, the principal employer shall pay wages to the contract workmen.

**Rule 73 :-**The Authorized representative of the principal employer should certify every month, in the wages register maintained by the contractor that the wages shown in the register are actually paid to the contract workmen.

**Rule 78 (b) :-**A wage slip shall be issued by the contractor to each contract workman in form – XIX. In addition to the details in form – XIX, it is advised to show in the wage slip, the details of EPF No, ESI No and Bank account No. of the employee and also the date of remittance of remuneration in the bank.

**Payment of Wages (Rule 63 to 73) and wage rates in accordance with clause 12 in the notification of Commissioner of Labour under Rul 25 (V) (b).** Wage Rates applicable to the contract labour as notified by the Government vide notification No.170 dated 19.03.2012 are payable.

**Mode of payment of Wages: -**

Wages shall be paid by the contractor before due date by way of credit in the bank account of the contract workmen in accordance with AP Gazette No.90 dated 19.02.2008, G.O.Ms.No.591 of LET & F Department dated 31.3.2011 under Payment of Wages Act, 1936 and the provisions of Payment of Wages Act have been extended vide G.O.Ms.No.590 of LET & F Department dated 31.3.2011 to all establishments engaged in scheduled employments, all factories, all industries and all shops and establishments

**Conditions of Service:- (Notified by Commissioner of Labour under Rule 25):**

Working hours of contract workmen shall not exceed 8 hours per day and 48 hours in a week. Daily working hours shall not spread over more than 10 hours in a day. At least half an hour of rest shall be allowed not later than 5 hours work. Every contract workman shall be allowed in each week a holiday with wages and 8 National and Festival holidays and leave with wages @ 1 day for every 20 days of work performed during the calendar year. Extra wages @ twice the ordinary rate of wages shall be paid for overtime work. No contract workman shall be terminated without conducting an enquiry following principles of natural justice.

**Rule 25:- Terms and Conditions of Licence:**

The license is subject to the following conditions:-

The license shall be non-transferable.

The number of workmen employed as contract labour in the establishment shall not, on any day, exceed the number for which license is granted. Except as provided in the rule the fee paid for the grant, or as the case may be, for renewal of the license shall be non-refundable.

The rates of wages payable to the workmen by the contractor shall not be less than the rates prescribed for the Schedule of employment under the Minimum Wages Act, 1948, where applicable, and where the rates have been fixed by agreement, settlement or award, not less than the rates fixed.

In cases where the workmen employed by the contractor perform the same or similar kind of work as the workmen directly employed by the principal employer of the establishment, the wages rates, holidays, hours of work and other conditions of service of the workmen of the contractor shall be the same as applicable to the workmen directly employed by the principal employer of the establishment on the same or similar kind of work.

Provided that in the case of any disagreement with regard to the type of work the same shall be decided by the Commissioner of Labour, Andhra Pradesh whose decision shall be final.

In other cases the wage rates, holidays, hours of work and conditions of services of the workmen of the contractor shall be such as may be specified in this behalf by the Commissioner of Labour, Andhra Pradesh, Hyderabad.

In every establishment where 50 or more women are ordinarily employed as contract labour there shall be provided 2 rooms of reasonable dimensions for the use of their children under the age of six years. One of such rooms would be used as a play room for the children and the other, as bedroom for the children. For this purpose the contractor shall supply adequate number of toys and games in the play room and sufficient number of cots and beddings in the sleeping room. The standard of construction and maintenance of the Creches shall be such as may be specified in this behalf by the Commissioner of Labour, Andhra Pradesh, Hyderabad.

The licensee shall notify any change in the number of workmen or the conditions of work to the Licensing Officer.

A copy of the Licence shall be displayed prominently at the premises where the contract work is being carried on

No women employed as contract labour shall be employed by any contractor before 6-00 a.m. or after 7 p.m.:

Provided that such women contract labour may be appointed in any factory up to 10-00 P.M. if the Government approves the variation in working hours under Section 66 of the Factories Act, 1948

**Registers and Records to be Maintained :-**

The Principal employer shall maintain register of contractors in form XII (Rule 74)

**Rule 76 : Employment Card :**

Contractor shall issue an employment card (appointment letter) in form XIV to each contract workman.

**Returns :-**

The contractor shall submit a half yearly return in form XXIV to the Licensing Officer [Rule 82 (1)] and the Principal employer shall submit annual return to the Registering Officer in form XXV [Rule 82 (2)]

**Penalties:-** (Section 22,23,24 and 25) : Fine up to 1000 rupees, imprisonment up to three months or both for violation of provisions of the Act.

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