

THE LABOUR LAWS (EXEMPTION FROM FURNISHING RETURNS AND  
MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988

ACT NO. 51 OF 1988

[24th September, 1988.]

An Act to provide for the exemption of employers in relation to establishments employing a small number of persons from furnishing returns and maintaining registers under certain labour laws.

BE it enacted by Parliament in the Thirty-ninth Year of the Republic of India as follows:—

**1. Short title, extent and commencement.**—(1) This Act may be called the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Act, 1988.

(2) It extends to the whole of India:

Provided that nothing contained in this Act, in relation to the Plantations Labour Act, 1951 (69 of 1951) shall extend to the State of Jammu and Kashmir.

(3) It shall come into force on such date<sup>1</sup> as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different States, and any reference in any provision of this Act to the commencement of this Act shall be construed as a reference to the coming into force of that provision in that State.

**2. Definitions.**—In this Act, unless the context otherwise requires,—

(a) “employer”, in relation to a Scheduled Act, which defines such expression, has the same meaning assigned to it in that Act, and in relation to any other Scheduled Act, means the person who is required to furnish returns or maintain registers under that Act;

(b) “establishment” has the meaning assigned to it in a Scheduled Act, and includes—

(i) an ‘industrial or other establishment’ as defined in section 2 of the Payment of Wages Act, 1936 (4 of 1936);

(ii) a ‘factory’ as defined in section 2 of the Factories Act, 1948 (63 of 1948);

(iii) a factory, workshop or place where employees are employed or work is given out to workers, in any scheduled employment to which the Minimum Wages Act, 1948 (11 of 1948), applies;

(iv) a ‘plantation’ as defined in section 2 of the Plantations Labour Act, 1951 (69 of 1951), and

(v) a ‘newspaper establishment’ as defined in section 2 of the Working Journalists and other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 (45 of 1955);

(c) “Form” means a Form specified in the Second Schedule;

(d) “Scheduled Act” means an Act specified in the First Schedule and is in force on the commencement of this Act in the territories to which such Act extends generally, and includes the rules made thereunder;

(e) “small establishment” means an establishment in which not less than ten and not more than nineteen persons are employed or were employed on any day of the preceding twelve months;

(f) “very small establishment” means an establishment in which not more than nine persons are employed or were employed on any day of the preceding twelve months.

---

1. 1st May, 1989, *vide* notification No. G.S.R. 436(E), dated 10th April, 1989, *see* Gazette of India, Extraordinary, Part II, sec. 3(i).

**3. Amendment of certain labour laws.**—On and from the commencement of this Act, the Scheduled Acts shall have effect subject to the provisions of this Act.

**4. Exemption from returns and registers required under certain labour laws.**—(1) On and from the commencement of this Act, it shall not be necessary for an employer in relation to any small establishment or very small establishment to which a Scheduled Act applies to furnish the returns or to maintain the registers required to be furnished or maintained under that Scheduled Act:

Provided that such employer—

- (a) furnishes, in lieu of such returns, a Core Return in Form A;
- (b) maintains, in lieu of such registers,—
  - (i) registers in Form B, Form C and Form D, in the case of small establishments: and
  - (ii) register in Form E, in the case of very small establishments:

Provided further that every such employer shall continue to—

(a) issue wage slips in the Form prescribed in the Minimum Wages (Central) Rules, 1950 made under sections 18 and 30 of the Minimum Wages Act, 1948 (11 of 1948) and slips relating to measurement of the amount of work done by piece-rated workers required to be issued under the Payment of Wages (Mines) Rules, 1956 made under sections 13A and 26 of the Payment of Wages Act, 1936 (4 of 1936); and

(b) file returns relating to accidents under sections 88 and 88A of the Factories Act, 1948 (63 of 1948) and sections 32A and 32B of the Plantations Labour Act, 1951 (69 of 1951).

(2) Save as provided in sub-section (1), all other provisions of a Scheduled Act, including in particular, the inspection of the registers by, and furnishing of their copies to, the authorities under that Act, shall apply to the returns and registers required to be furnished or maintained under this Act as they apply to the returns and registers under that Scheduled Act.

(3) Where an employer in relation to a small establishment or very small establishment to which a Scheduled Act applies, furnishes returns or maintains the registers as provided in the proviso to sub-section (1), nothing contained in that Scheduled Act shall render him liable to any penalty for his failure to furnish any return or to maintain any register under that Scheduled Act.

**5. Savings.**—The commencement of this Act shall not affect—

(a) the previous operation of any provision of any Scheduled Act or the validity, invalidity, effect or consequence of anything done or suffered under that provision, before the relevant period;

(b) any right, privilege, obligation or liability already acquired, accrued or incurred under any Scheduled Act, before the relevant period;

(c) any penalty, forfeiture or punishment incurred or inflicted in respect of any offence committed under any Scheduled Act, before the relevant period;

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment aforesaid,

and any such investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment shall be instituted, continued or disposed of, as the case may be, in accordance with that Scheduled Act.

*Explanation.*—For the purpose of this section, the expression “relevant period” means the period during which an establishment is or was a small establishment or a very small establishment under this Act.

**6. Penalty.**—Any employer who fails to comply with the provisions of this Act shall, on conviction, be punishable—

- (a) in the case of the first conviction, with fine which may extend to rupees five thousand; and

(b) in the case of any second or subsequent conviction, with imprisonment for a period which shall not be less than one month but which may extend to six months or with fine which shall not be less than rupees ten thousand but may extend to rupees twenty-five thousand, or with both.

**7. Power to amend Form.**—(1) The Central Government may, if it is of opinion that it is expedient so to do, by notification in the Official Gazette, amend any Form and thereupon such Form shall, subject to the provisions of sub-section (2), be deemed to have been amended accordingly.

(2) Any notification issued under sub-section (1) shall be laid before each House of Parliament, if it is sitting as soon as may be after the issue of the notification, and if it is not sitting, within seven days of its re-assembly and the Central Government shall seek the approval of Parliament to the notification by a resolution moved within a period of fifteen days beginning with the day on which the notification is so laid before the House of the People, and if Parliament makes any modification in the notification or directs that the notification should cease to have effect, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, but without prejudice to the validity of anything previously done thereunder.

**8. Power to remove difficulties.**—If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, not inconsistent with the provisions of this Act, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date on which this Act receives the assent of the President.

## FIRST SCHEDULE

[See section 2(d)]

- (1) The Payment of Wages Act, 1936 (4 of 1936).
- (2) The Weekly Holidays Act, 1942 (18 of 1942).
- (3) The Minimum Wages Act, 1948 (11 of 1948).
- (4) The Factories Act, 1948 (63 of 1948).
- (5) The Plantations Labour Act, 1951 (69 of 1951).
- (6) The Working Journalists and other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 (45 of 1955).
- (7) The Contract Labour (Regulation and Abolition) Act, 1970 (37 of 1970).
- (8) The Sales Promotion Employees (Conditions of Service) Act, 1976 (11 of 1976).
- (9) The Equal Remuneration Act, 1976 (25 of 1976).

SECOND SCHEDULE

[See section 2(c)]

FORM A

[See section 4 (1) proviso (a)]

CORE RETURN

RETURN FOR THE YEAR ENDING 31ST DECEMBER

*(To be furnished on or before the 15th February of the succeeding Year by small establishments and very small establishments)*

1. (a) Name and postal address of the establishment.  
(b) Name and residential address of the employer.  
(c) Name and residential address of the Manager or person responsible for supervision and control of the establishment.  
(d) Name of the principal employer in the case of a contractor's establishment.  
(e) Date of commencement of the establishment.  
NATURE OF OPERATION/ INDUSTRY /WORK CARRIED ON
2. (a) Number of days worked during the year.  
(b) Number of man-days worked during the year.  
(c) Daily hours of work.  
(d) Day of weekly holiday.
3. (a) Average number of persons employed during the year.
  - (i) Males.
  - (ii) Females.
  - (iii) Adolescents (those who have completed 14 years but have not completed 18 years of age).
  - (iv) Children (those who have not completed 14 years of age).  
(b) Maximum number of workers employed on any day during the year.  
(c) Number of workers discharged, dismissed, retrenched or whose services were terminated during the year.
4. Rates of wages—category wise:  
(1) Males (2) Females (3) Adolescents (4) Children
5. Gross wages paid:
  - (a) in cash
  - (b) in kind.
6. Deductions:
  - (a) Fines.
  - (b) Deductions for damage or loss.
  - (c) Other deductions.
7. Number of workers who were granted leave with wages during the year.
8. Nature of Welfare amenities provided: Statutory (specify the Statute).

9. Does the establishment carry out any hazardous process or dangerous operation coming within the meaning of the Factories Act, 1948. If so, give particulars.
10. Number of Accidents:
  - (a) Fatal.
  - (b) Non-fatal.
11. Nature of safety measures provided as required under the Factories Act, 1948.

Signature of the employer with full name in capitals.

Date.....

Place.....

FORM B

(See section 4 (1) proviso (b) (i)]

REGISTER OF WAGES REQUIRED TO BE MAINTAINED BY SMALL ESTABLISHMENTS  
(To be maintained within seven days of the expiry of the wage period)

Name of establishment _____	Name and address of employer _____
Address (Local) _____	Nature of work _____
(Permanent) _____	Wage period _____

Serial Number	Name of the employee	Sex	Designation	Classification, whether permanent/ temporary/casual/ part-time or any other	Father's or husband's name	Total days/number of units worked
1	2	3	4	5	6	7

Wages earned								
Basic wage		Dearness allowance	Overtime	Bonus or <i>exgratia</i>	Maternity benefits	Gratuity	Any other allowance	Total amount
Statutory Minimum rate	Actual							
8	9	10	11	12	13	14	15	16

DEDUCTIONS						
Advances	Fines due to damage or loss by neglect or default	Provident Fund		Employees' State Insurance		
		Employers' contribution	Employees' contribution	Employers' contribution	Employees' contribution	
17	18	19	20	21	22	

DEDUCTIONS					
Other deductions indicating the nature	Total deductions	Net amount payable	Signature or thumb impression of employee with date	Signature of Inspector with date	Remarks
23	24	25	26	27	28

- Notes: 1. In case of deduction of any advance taken by an employee, the employer shall also indicate therein the number of instalments paid/total instalments by which advance is to be repaid such as “5/20, 6/20” etc. The purpose of advance shall also be mentioned in the Remarks column.
2. In case of imposition of fines or deduction for damage or loss, the specific act or omission for which the penalty has been imposed has to be indicated in the Remarks column. A certificate shall also be recorded in the said column to the effect that an opportunity to show cause was given to the employee concerned before imposition of fine or deduction.

Signature of the employer with full name in capitals.

Date.....

Place.....



FORM C

[See section 4 (I) proviso (b) (i)]

MUSTER ROLL TO BE MAINTAINED BY SMALL ESTABLISHMENTS

Name of establishment \_\_\_\_\_ Name and address of the employer \_\_\_\_\_  
 Address (Local \_\_\_\_\_  
 (Permanent \_\_\_\_\_ Wage period \_\_\_\_\_

Serial Number	Name of the employee	Date of employment	Permanent address	Age or date of birth	Father's or husband's name	For the period ending ____ Number of units of work done during ____	Total attendance
1	2	3	4	5	6	7	8

Total overtime worked <sup>1</sup>	Total production in case of piece-rated workers <sup>2</sup>	Compensatory rest <sup>3</sup>		Signature of Inspector with date	Remarks
		Brought forward from previous wage period	Given during the wage period		
9	10	11	12	13	14

- Notes: 1. In the case of daily-rated workers, the extent of overtime done on each occasion has to be reflected against each concerned date, such as "P/1" meaning "Present with one hour's overtime", "P/1-2" meaning "Present with one and a half hour's overtime", and so on.
2. The number of units of work done by a piece-rated worker has to be noted for each day in the Register. In case of employment of any child/adolescent, the employer shall indicate the hours worked each day with intervals of rest.
3. The compensatory rest availed by the worker has to be marked in the Register in red ink as 'CR'.
4. Column 7 to be filled up on each working day and the remaining columns to be completed within seven days of the expiry of the wage period.

Signature of the employer with full name in capitals.

Date.....

Place.....

FORM D

[See section 4 (I) proviso (b) (i)]

MONTHLY REGISTER SHOWING WELFARE AMENITIES TO BE MAINTAINED BY SMALL ESTABLISHMENTS

Name and address of the employer \_\_\_\_\_ Address of the establishment: Local/ Permanent For the month of \_\_\_\_\_

Serial Number	Name of the employee	Sex	Designation	Weekly day of rest	Dates of holidays for festivals or similar other occasions	Number of casual leave availed by the employee	Quantum of annual leave with wages	
							Due	Availed
1	2	3	4	5	6	7	8	9

Whether Welfare Amenities provided for			Whether Scheduled Caste/Scheduled Tribe, Handicapped, or any other particular category	Signature of the employer or his agent	Remarks of the Inspecting Officer	Signature of Inspector with date
Rest room	Drinking water	First aid				
10	11	12	13	14	15	16

Note: To be completed within seven days of the expiry of each calendar month.

Signature of the employer with full name in capitals.

Date.....

Place.....

FORM E

[See section 4 (1) proviso (b) (ii)]

MONTHLY REGISTER OF MUSTER ROLL-CUM-WAGES REQUIRED TO BE MAINTAINED BY VERY SMALL ESTABLISHMENTS

Year \_\_\_\_\_  
 Month \_\_\_\_\_ or  
 Wage period  
 (where different) \_\_\_\_\_

Name of establishment \_\_\_\_\_  
 Name of employee \_\_\_\_\_ Father's Name \_\_\_\_\_  
 Nature of work \_\_\_\_\_ Rate of wages \_\_\_\_\_  
 Wage period \_\_\_\_\_ Date of employment \_\_\_\_\_

Date	Hours of work		Interval for Rest and Meal		Hours worked with the employer	Overtime		Casual or sickness leave availed during the month/wage period
	From	To	From	To		Hours worked	Wages earned	
1	2	3	4	5	6	7	8	9

Privilege Leave			Signature of the employer	Remarks of the employer	Remuneration Due			
Leave Due	Leave availed	Balance			Basic salary or wage	Overtime	Other allowances, if any	Total
10	11	12	13	14	15	16	17	18

Fines and deductions on account of damage or loss by neglect or default	Deductions			Net amount of payment	Date of payment	Signature or thumb impression of the employee	Signature of Inspector with remarks, if any, and date	
	Other deductions	Advance paid, if any						
		Date	Amount					Total
19	20	21	22	23	24	25	26	27

Note: Columns 1 to 12 to be filled up on each working day and the remaining columns to be completed within seven days of the expiry of the wage period.

Signature of the employer with full name in capitals.

Date.....

Place.....