

# THE CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

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THE CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

ACT NO. 37 OF 1970

[5th September, 1970.]

An Act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.

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

CHAPTER I

PRELIMINARY

**1. Short title, extent, commencement and application.**—(1) This Act may be called the Contract Labour (Regulation and Abolition) Act, 1970.

(2) It extends to the whole of India.

(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 provisions of this Act.

(4) It applies—

(a) to every establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour;

(b) to every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen:

Provided that the appropriate Government may, after giving not less than two months' notice of its intention so to do, by notification in the Official Gazette, apply the provisions of this Act to any establishment or contractor employing such number of workmen less than twenty as may be specified in the notification.

(5) (a) It shall not apply to establishments in which work only of an intermittent or casual nature is performed.

(b) If a question arises whether work performed in an establishment is of an intermittent or casual nature, the appropriate Government shall decide that question after consultation with Central Board or, as the case may be, a State Board, and its decision shall be final.

*Explanation.*—For the purpose of this sub-section, 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 a seasonal character and is performed for more than sixty days in a year.

STATE AMENDMENT

**Maharashtra**

**Amendment of section 1 of 37 of 1970.**—In Section 1 of the Contract Labour (Regulation and Abolition) Act, 1970, in its application to the State of Maharashtra, in sub-section (4),—

(a) in clause (a), for the words “twenty or more workmen” the words “fifty or more workmen” shall be substituted;

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1. 10th February, 1971, *vide* notification No. G.S.R. 190, dated 1st February, 1971, *see* Gazette of India, Extraordinary, Part II, sec. 3(i).

(b) in clause (b), for the words “twenty or more workmen” the words “fifty or more workmen” shall be substituted;

(c) in the proviso, for the words “less than twenty” the words “less than fifty” shall be substituted.

[Vide Maharashtra Act 2 of 2017, s. 2.]

### **Andhra Pradesh**

**Amendment of section 1 central Act 37 of 1970.**—In the Contract Labour (Regulation and Abolition) Act, 1970, in section 1, in sub-section (4), in clauses (a), (b) and the proviso thereunder, for the word “twenty” the word “fifty” shall be substituted.

[Vide Andhra Pradesh Act 21 of 2015, s. 2.]

### **Uttar Pradesh**

**In section 1 of the Contract Labour (Regulation and Abolition) Act, 1970 hereinafter referred to as the principal Act, for sub-section (4) the following sub-section shall be substituted—**

“(4) It applies—

(a) to every establishment in which fifty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour;

(b) to every contractor who employs or who employed on any day of the preceding twelve months fifty or more workmen.

Provided that the State Government may, after giving not less than two months’ notice of its intention so to do, by notification in the Official Gazette, apply the provisions of this Act to any establishment or contractor employing such number of workmen less than fifty as may be specified in the notification.”

[Vide the Uttar Pradesh Act 14 of 2018, s. 2]

### **Union Territory Jammu and Kashmir and Ladakh**

**Section 1.**—In sub-section (4), in clause (a), for “twenty”, substitute “forty”.

[Vide Union Territory of Ladakh Reorganisation (Adaptation of Central Laws) Order, 2020, Notification no. S.O. 3465(E), dated (5-10-2020) and vide Union Territory of Ladakh Reorganisation (Adaptation of Central Laws) Order, 2020, Notification No. S.O. 3774(E), dated (23-10-2020).]

### **Rajasthan**

**Amendment of section 1, Central Act No. 37 of 1970.**—For the existing sub-section (4) of section 1 of the Contract Labour (Regulation and Abolition) Act, 1970 (Central Act No. 37 of 1970), in its application to the State of Rajasthan, the following shall be substituted, namely:-

“(4) It applies-

(a) to every establishment in which fifty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour;

(b) to every contractor who employs or who employed on any day of the preceding twelve months fifty or more workmen:

Provided that the State Government may, after giving not less than two months’ notice of its intention so to do, by notification in the Official Gazette, apply the provisions of this Act to any establishment or contractor employing such number of workmen less than fifty as may be specified in the notification.”

[Vide Rajasthan Act 19 of 2014, s. 2]

## Gujarat

**Amendment of section 1 of 37 of 1970.**—In the Contract Labour (Regulation and Abolition) Act, 1970, in its application to the State of Gujarat (hereinafter referred to as “the principal Act”), in section 1, sub-section (4),—

- (i) in clause (a), for the word “twenty”, the word “fifty” shall be substituted;
- (ii) in clause (b), for the word “twenty”, the word “fifty” shall be substituted;
- (iii) in the proviso, for the word “twenty”, the word “fifty” shall be substituted.

[Vide Gujarat Act 2 of 2021, s. 2]

**2. Definitions.**—(1) In this Act, unless the context otherwise requires,—

<sup>1</sup>[(a) “appropriate Government” means,—

(i) in relation to an establishment in respect of which the appropriate Government under the Industrial Disputes Act, 1947 (14 of 1947), is the Central Government, the Central Government;

(ii) in relation to any other establishment, the Government of the State in which that other establishment is situate;]

(b) a workman shall be deemed to be employed as “contract labour” 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;

(c) “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 who supplies contract labour for any work of the establishment and includes a sub-contractor;

(d) “controlled industry” means any industry the control of which by the Union has been declared by any Central Act to be expedient in the public interest;

(e) “establishment” means—

(i) any office or department of the Government or a local authority, or

(ii) any place where any industry, trade, business, manufacture or occupation is carried on;

(f) “prescribed” means prescribed by rules made under this Act;

(g) “principal employer” means—

(i) in relation to any office or department of the Government or a local authority, the head of that office or department or such other officer as the Government or the local authority, as the case may be, may specify in this behalf,

(ii) in a factory, the owner or occupier of the factory and where a person has been named as the manager of the factory under the Factories Act, 1948 (63 of 1948), the person so named,

(iii) in a mine, the owner or agent of the mine and where a person has been named as the manager of the mine, the person so named,

(iv) in any other establishment, any person responsible for the supervision and control of the establishment.

*Explanation.*—For the purpose of sub-clause (iii) of this clause, the expressions “mine”, “owner” and “agent” shall have the meanings respectively assigned to them in clause (j), clause (l) and clause (c) of sub-section (1) of section 2 of the Mines Act, 1952 (35 of 1952);

(h) “wages” shall have the meaning assigned to it in clause (vi) of section 2 of the Payment of Wages Act, 1936 (4 of 1936);

(i) “workman” means any person employed in or in connection with the work of any establishment to do any skilled, semi-skilled or un-skilled manual, supervisory, technical or clerical

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1. Subs. by Act 14 of 1986, s. 2, for clause (a) (w.e.f. 28-1-1986).