

Draft rules under the Code on Social Security-2020

November 16, 2020

In news

Ministry of Labour & Employment notifies Draft rules under the Code on Social Security, 2020

Key rules

Following are the rules notified under the code:

- The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to ;
 - Employees' Provident Fund
 - Employees' State Insurance Corporation
 - Gratuity, Maternity Benefit
 - Social Security and Cess in respect of Building and Other Construction Workers
 - Social Security for Unorganised Workers
 - Gig Workers and Platform Workers.
- Aadhaar based registration: Rules provide for Aadhaar based registration including self-registration by unorganised workers, gig workers and platform workers on the portal of the Central Government.
- The rules further provide for Aadhaar based registration of Building and Other Construction Workers on the specified portal of the Central Government and the State Government or the State Welfare Board.
- Where a building worker migrates from one State to another he shall be entitled to get benefits in the State where he is currently working and it shall be the responsibility of the Building Workers Welfare Board of that State to provide benefits to such a worker.
- Provision has also been made in the rules regarding

- gratuity to an employee who is on fixed term employment.
- They also provide for single electronic registration of an establishment including cancellation of the registration in case of closure of business activities.
 - Provision has also been made regarding manner and conditions for exiting of an establishment from EPFO and ESIC coverage.
 - **The procedure for self-assessment and payment of Cess** in respect of building and other construction workers has been elaborated in the rules.
 - **Self-assessment:** For the purpose of self- assessment, the employer shall calculate the cost of construction as per the rates specified by the State Public Works Department or Central Public Works Department or on the basis of return or documents submitted to the Real Estate Regulatory Authority.
 - **Reduction in the rate of interest:** The rate of Interest for delayed payment of such cess has been reduced from 2 per cent every month or part of a month to 1 per cent. Under the existing rules, the Assessing Officer has the power to direct that no material or machinery can be removed or disturbed from the construction site. Such power for indefinitely stopping of construction work has been withdrawn in the draft rules.
 - Further, under the draft rules, the assessing officer can visit the construction site only with the prior approval of the Secretary of the Building and Other Construction Workers Board.
 - **Payment of contribution by the aggregators:** The rules have also provided for the manner of payment of contribution by the aggregators through self-assessment