

Self-Certification of Compliance for Startups

Startups are allowed to self-certify their compliance under certain labour laws. The Government of India has introduced various initiatives and schemes to support startups and ease their compliance burden. One such initiative is the Startup India program, which aims to foster entrepreneurship and innovation in the country. Startups are allowed to self-certify their compliance with 9 labour laws for a period of 3 to 5 years from the date of their incorporation. By self-certifying their compliance, startups can streamline their operations and avoid the complexities associated with traditional compliance procedures.

Here, self-certification means that startups can declare, of their own accord, that they are compliant with certain labour and environmental laws without requiring external verification or audits by the regulatory authorities. This provision is often aimed at reducing bureaucratic hurdles and regulatory burdens for startups, allowing them to focus more on innovation and growth during their formative years.

The Startups may self-certify compliance in respect of the following 9 Labour Laws:

1. Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
2. The Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979
3. The Payment of Gratuity Act, 1972
4. The Contract Labour (Regulation and Abolition) Act, 1970
5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. The Employees' State Insurance Act, 1948
7. The Industrial Disputes Act, 1947
8. The Trade Unions Act, 1926
9. The Industrial Employment (Standing Orders), 1946