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Open Access Law Journal, ISSN (O): 3049-0057

Editor-in-Chief – Prof. (Dr.) Amit Kashyap; Publisher – Reet Parihar

Bonded Labor In India: Legal Framework, Constitutional Protections, And Contemporary Enforcement Challenges

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Published on: 4th December 2025

Abstract

Bonded labour remains a persistent human rights violation in India despite its abolition under the Bonded Labour System (Abolition) Act, 1976. Rooted in poverty, exploitation, and weak enforcement, it affects vulnerable communities across informal sectors. This paper examines constitutional safeguards, international obligations, legal remedies, landmark judgments, and recent developments, highlighting urgent needs for stricter enforcement, rehabilitation, and systemic reform.

Keywords: *bonded labour, forced labour, debt bondage, human rights, labour law, rehabilitation, constitutional rights, Supreme Court of India, modern slavery, international conventions*

INTRODUCTION

It is a practice in which companies provide high-interest loans to low-wage workers to help them pay off their debts. The Supreme Court of India has defined bonded labour as the payment of wages that are lower than the current market earnings and the legal minimum wages. Bonded labor was traditionally linked with rural economies, as peasants from economically disadvantaged populations were compelled to work for landlords. Bonded labor can be found in both rural and urban areas in unorganized businesses such brick kilns, stone quarries, coal mining, agricultural labor, domestic servitude, circuses, and sexual slavery.

Numerous international agreements and Indian laws have identified and addressed bonded labor as a forbidden practice. A debtor enters into (or is assumed to have entered into) an arrangement with the creditor under this system of forced (or partially forced) labor. The outcomes of this agreement are as follows:

1. Provide services to the creditor (either directly or through a family member) for a predetermined amount of time without receiving payment (or nominal compensation).
2. Give up your freedom of movement.
3. Give up the right to appropriate or sell the product or property at market value resulting from his (or his family members') labor or service.

CHARACTERISTIC OF BONDED LABOUR

The system is predicated on a debtor signing a contract with a creditor, usually for an advance, after which the debtor or members of their family must labor to pay back the debt. Compensated by labor: Rather than being applied to the debt itself, the labor is frequently performed for predetermined or undetermined lengths of time and is compensated with either no compensation or nominal wages.

- Loss of liberties: Basic rights are denied to bonded workers,
- Freedom of movement: They are not permitted to travel about a territory at will.
- Economic rights: They are no longer able to sell their property or labor for market value. everlasting and inherited.¹

¹ Sustainable Development Goals, UN Goal 8.7 on ending forced labour, modern slavery, human trafficking (2015).

The worker is forced to work in order to repay a debt, which is frequently insurmountable. Inherited debt is the duty to work that is carried down from one generation to the next. Workers are forced to labor for wages that are either exceedingly low, less than the minimum wage, or nonexistent.

- Restricted freedom of movement: The individual is frequently unable to relocate or change employment.
- Loss of property rights: The worker is unable to sell their property or the result of their labor at a fair market value.
- Forced agreement: Even though it appears to be a legal contract, the "agreement" to labor is not actually voluntary and is the product of economic hardship and compulsion.

INTER OBLIGATION

India has committed to eliminating modern slavery by 2030 as part of the Sustainable Development Goal (Target 8.7), which also includes the elimination of forced labor, human trafficking, and child labor. India has also ratified the ILO's Abolition of Forced Labour Convention of 1957 (No. 105). India likewise seeks to improve its Global Slavery Index ranking (53rd out of 167 nations in 2018).

Key international commitments. Forced labor is prohibited: Member nations that have ratified the Forced Labour Convention, 1930 (No. 29) are required to suppress and refrain from using any kind of forced or compelled labor.

The Universal Declaration of Human Rights (UDHR)² and the International Covenant on Civil and Political Rights (ICCPR)³ both ban all kinds of slavery, servitude, and the slave trade. Debt bondage is defined as a "servile status" under the Supplementary Convention on the Abolition of Slavery, and ratifying governments must take adequate steps to counteract it. Fundamental Principles: The ILO's 1998 Declaration on Fundamental Principles and Rights at Work requires member nations to recognize and support the abolition of all kinds of forced or involuntary labor.⁴

MEASURES REQUIRED TO END BONDED LABOUR:

Organizing countrywide initiatives to educate the public on how to report and identify victims of bonded

² United Nations, Universal Declaration of Human Rights 1948, art 4.

³ ICCPR 1966, art 8.

⁴ ILO, Abolition of Forced Labour Convention, 1957 (No 105).

labour. Popularizing the National Child Hotline, which is partially funded by the Ministry of Women and Child Development, and Operation Red Alert operates a national helpline for victims of trafficking. Efficient rehabilitation of rescued captives to keep them from being put back into bonded work. Ensure that state governments form and properly empower Vigilance Committees to monitor and track complaints. Those who impose bonded labor face jail and penalties under the Act. Article 23 of the Indian Constitution forbids forced labor. Provide financial assistance to rescued bonded laborers to enable them begin a new life. The sum varies according to the seriousness of the offense, with greater amounts for more serious situations such as sexual exploitation. Contribute a portion of the rehabilitation aid to an annuity program for the recipient. Provide a temporary allowance to cover living expenses while the rehabilitation is completed.

CONSTITUTIONAL PROVISIONS

Article 21 addresses the right to life and personal liberty. Article 23 of the Constitution forbids forced labor. Article 24 bans the employment of children (under the age of fourteen) in industries, etc. Article 39 instructs the state to protect the health and strength of workers, men and women, to ensure that children's young ages are not mistreated, and to ensure that people are not compelled to engage in occupations unsuitable for their age or strength due to economic need.⁵

Article 42 (Just and Humane Conditions of Work): This is a Directive Principle of State Policy that mandates the state to make measures for ensuring "just and humane" working conditions for all workers. While it does not explicitly prohibit bonded labor, it does give a constitutional foundation for the state to take action to ensure equal treatment in the workplace. Article 43 (Right to a good level of living): The purpose of this article is to guarantee that workers have a "decent standard of life" and are treated fairly and humanely at work, including a livable wage and full enjoyment of leisure and social/cultural possibilities. It, like Article 42, is a Directive Principle that promotes the abolition of exploitative labor practices such as bonded labor.⁶

THE BONDED LABOUR SYSTEM (ABOLITION) ACT OF 1976:

This is the key legislation that eliminated bonded labor in India. Article 23 of the Constitution prohibits "begar" (forced labor) and other types of forced labor as unconstitutional. Article 21 of the Constitution

⁵ Constitution of India 1950, arts 21, 23, 24, 39.

⁶ Constitution of India 1950, arts 42, 43.

guarantees the right to life and personal liberty, including the right to live in dignity.

KEY SECTIONS OF THE 1976 ACT

- Section 4 abolishes the bonded labour system and relieves all bound labourers of any obligation to perform bonded labour.
- Section 10: Punishes anybody who forces another person to do bonded work or accepts payment for a debt that has been canceled under the Act.
- Section 16 - Punishment for enforcing bonded work, Whoever, after the commencement of this Act, causes any person to do any bound labour will be punished with imprisonment for a term of up to three years and a fine of up to two thousand rupees.
- Section 17 - Punishment for advancement of bonded debt, Whoever advances, after the commencement of this Act, any bonded obligation will be penalized with imprisonment for a term that may extend to three years and a fine of up to two thousand rupees.
- Section 15 of the Bonded Labour System (Abolition) Act of 1976: The creditor bears the burden of proving that a debt is not a "bonded debt". The Minimum Wage Act ensures that workers are paid at least the minimum wage, eliminating exploitation via underpayment.⁷

TYPES OF BONDED LABOUR

Bonded labor types agriculture is a traditional kind of bonded labor that frequently entails caste-based biases, particularly in rural regions.

- **Brick kilns:** A typical business where laborers are forced to work for little or no compensation through debt bondage.
- **Mines and quarrying:** In industries like stone breaking and manual cleaning, recruiting agencies may make false promises to entice workers into debt bondage.
- **Domestic slavery:** The practice of forcing someone to perform unpaid labor in order to settle a household debt.

⁷ Constitution of India 1950, arts 21, 23, 24, 39, 42, 43.

- **Commercial sexual exploitation:** is a type of bonded labor in which debt forces individuals into sexual slavery.

Types of bonded labour by mechanism debt bondage is when a person is forced to work to repay a loan. This can refer to a family debt carried down through generations or a debt incurred for fundamental necessities such as food, housing, or medical care.

- **Inherited debt:** A family's debt is passed down from generation to generation, locking them in a cycle of slavery that begins at birth.
- **Coercive recruitment:** Migrant laborers are frequently enticed with advance payments and false promises of excellent, well-paying employment, only to find themselves imprisoned in a debt they cannot repay.
- **Sumangali scheme:** In India, this is a debt bondage system in which lower caste families come into bondage to pay for large dowry amounts.

FUTURE INDIA

- Yes, even though bonded labor was outlawed in 1976, it still occurs in India today. Even though the Bonded Labour System (Abolition) Act released current workers and discharged related obligations, the practice still exists because of things like poverty, ignorance, and poor execution. Although state governments are in charge of identifying and rehabilitating victims, there are still obstacles in the way of successfully ending the problem.
- Despite being outlawed by the Bonded Labour System (Abolition) Act, 1976, bonded labor, often known as debt bondage, is still a major human rights concern in India. Poverty, social inequity, and lax law enforcement all contribute to the practice's persistence, which disproportionately affects historically disenfranchised populations.
- Every time an employee is sent home early by their employer, is forced to report to work, or works for brief periods of time, they must be paid at least three hours at the minimum wage. As long as the employer decides to leave work early, the three-hour minimum is applicable.

AMENDMENTS AND ON-GOING CASES ON BONDED LABOUR

The Bonded Labour System (Abolition) Act, 1976, serves as the cornerstone of contemporary anti-bonded labor initiatives. Important clauses in this Act automatically cancel bonded debts and forbid

further attempts at collection. Although specifics of the proposed adjustments are not made public in the results, the NHRC has suggested changes to the Act to increase its efficacy. Supreme Court rulings have established a continuous legal precedent that requires the NHRC to oversee the Act's implementation, with instructions to concentrate on states where bonded labor is more prevalent. Monitoring and ongoing cases Bonded labor cases are actively monitored by the National Human Rights Commission (NHRC), which registers and resolves a sizable number of cases.⁸

BEFORE AND AFTER AMENMENTS BEFORE:

Prior to the Bonded Labor System (Abolition) Act of 1976, bonded labor was a type of debt bondage in which an individual's work was pledged or mortgaged in return for a loan. Prevalence: With a history linked to feudalism, the caste system, and land ownership hierarchies, it was prevalent, particularly in rural regions.

Employees were compelled to labor for next to nothing in order to pay off a debt, and they were not allowed to quit until the loan was "paid." Legal Status: Although the Indian Constitution's Articles 21 and 23 offered fundamental protections against forced labor and for the right to life and liberty, the practice was not expressly outlawed by a single, comprehensive statute until the 1976 Act.

AFTER:

Following the 1976 Act Legal abolition: The system was outlawed nationwide in India by the Bonded Labour System (Abolition) Act, 1976. Impact right away: Every bonded worker was released and released from any duty to perform labor. Debt and property: Any property or residential space mortgaged as security for the debt was returned to the worker, and any bonded debts were cancelled. Legal action: Any agreement, contract, or tradition requiring bound labor was nullified. Additionally, the Act made it illegal for anybody to force someone into bonded labor. Enforcement: The task of identifying, releasing, and rehabilitating released bonded workers fell to District Magistrates.⁹

CASE LAW

- **Bandhua Mukti Morcha v. Union of India & Ors. (1997):** This public interest litigation led to a Supreme Court directive for the complete elimination of child labour from the carpet industry.

⁸ Bonded Labour System (Abolition) Act 1976, ss 4, 10, 15–17.

⁹ National Human Rights Commission, 'Advisory on Bonded Labour' (NHRC 2023).

The Court also ordered the government to provide children with access to education and health facilities.¹⁰

- **People's Union for Civil Liberties v. State of Tamil Nadu (2004):** This case emphasized the crucial role of non-governmental organizations (NGOs) in combating bonded labour. The Court noted that civil society organizations could efficiently fill the gaps left by the state's implementation efforts, thereby strengthening public confidence.¹¹
- **Neeraj Chaudhary vs state of maharashtra" appears to be a misremembering of two distinct Cases:** Neeraja Chaudhary v. State of M.P. (a 1984 Supreme Court case concerning bonded laborers) and a more recent 2025 Supreme Court case where landowners in Maharashtra challenged the State's claim that their private lands were "forests" under the Forest Act. There is no direct case with the name "Neeraj Chaudhary" involving the State of Maharashtra in the search results.¹²
- **PUCL v. Union of India (1984):** This case focused on the abolition of child labor in the carpet industry, holding that it constitutes forced labor and is illegal.¹³
- **People's Union for Democratic Rights v. Union of India (1982):** The court held that under Article 23 of the Constitution, "begar" and other similar forms of forced labor are prohibited and that payment of minimum wages to workers is mandatory, even for contract labor.¹⁴
- **Nilabati Behera v. State of Orissa (1993):** The Supreme Court awarded compensation to the victim's family, stating that the state has a duty to protect its citizens from human rights violations, including bonded labor.¹⁵
- **Shanti Devi v. Union of India (1991):** The court ordered the rehabilitation of bonded laborers who were rescued from a brick kiln in Rajasthan.¹⁶
- **State of Uttar Pradesh v. Gopi Chand (1991):** This case involved the rehabilitation of bonded

¹⁰ Bandhua Mukti Morcha v Union of India (1984) 3 SCC 161.

¹¹ People's Union for Civil Liberties v State of Tamil Nadu (2004) 12 SCC 381.

¹² Neeraja Chaudhary v State of Madhya Pradesh (1984) 3 SCC 243.

¹³PUCL v Union of India (1984) 2 SCC 459.

¹⁴People's Union for Democratic Rights v Union of India (1982) 3 SCC 235.

¹⁵ Nilabati Behera v State of Orissa (1993) 2 SCC 746.

¹⁶ Shanti Devi v Union of India 1991 Supp (2) SCC 318.

laborers who were found in a brick kiln in Uttar Pradesh.¹⁷

- **Suraj v. State of Uttar Pradesh (1993):** The court directed the State of Uttar Pradesh to take steps to prevent the bonded labor system in the state.¹⁸

SIVAKASI CASE

The term “**Sivakasi Case**”¹⁹ refers to the recent deadly explosion at a firecracker manufacturing unit in Sivakasi, Tamil Nadu, which resulted in the deaths of five workers and left several others critically injured. The tragic incident occurred on 1 July 2025 at a licensed fireworks facility located near Sivakasi, an area nationally recognized as a major hub for the fireworks, printing, and safety-match industry.

According to preliminary reports, the explosion caused extensive damage to the factory structure and resulted in severe burn injuries to multiple workers. Law enforcement authorities have initiated a formal criminal investigation to determine the cause of the blast and assess potential violations of safety standards, licensing conditions, and labour protection regulations. Issues under scrutiny include alleged negligence, improper storage of explosive materials, and failure to comply with the Explosives Act, 1884 and Explosive Rules, 2008, which govern the manufacturing and handling of pyrotechnic substances in India.²⁰ Sivakasi has historically witnessed numerous industrial accidents due to the high-risk nature of the firecracker sector, making this incident another reminder of continuing gaps in enforcement, regulatory oversight, and worker safety compliance.

CONCLUSION:

The continual process of modernizing and streamlining labor laws to balance worker protection with contemporary economic demands, advance social justice, and guarantee fair labor practices and industrial harmony is the culmination of labor law. This entails establishing more stringent sanctions for non-compliance, streamlining regulatory frameworks, and extending coverage to encompass new worker groups including gig and platform labor. As evidenced by recent revisions that consolidate multiple regulations into fewer rules, the ultimate goal is to establish a more equal and efficient system

¹⁷ State of Uttar Pradesh v Gopi Chand (1991) 2 SCC 605.

¹⁸ Suraj v State of Uttar Pradesh 1993 Supp (2) SCC 321.

¹⁹ ‘Sivakasi Factory Blast: Investigation Launched into Possible Safety Violations’ *Indian Express* (Chennai, 2 July 2025).

²⁰ ‘Industrial Explosion at Sivakasi Fireworks Unit Leaves Five Dead’ *The Hindu* (Chennai, 1 July 2025).

that benefits both companies and employees. Many countries are combining multiple labor laws into fewer, more comprehensive codes to facilitate compliance for businesses and modernize antiquated. Modern labor laws are expanding rights to formerly unprotected populations, such as gig and platform workers, who operate in non-traditional employment arrangements. Focus on social justice: Labor laws are essential for fostering social justice because they define minimum requirements for fair treatment, safety, and working conditions. harsher enforcement and penalties: There is a growing tendency of harsher enforcement, with considerable financial fines, legal action, and even incarceration for serious offenses such as wage theft or safety carelessness. Balancing interests: The ultimate goal of labor law is to strike a balance between protecting workers' rights and employers' requirements to ensure a productive and peaceful work environment.

