

# KEY ASPECTS OF LABOUR CODES

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## INTRODUCTION

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The labour falls under the category of Concurrent List in the Constitution. Therefore, both Center and State have the power to create laws regulating labour and as result of it currently, there are over 100 state and 40 central labour law legislations that are in force in our country. However, after conducting detailed scrutiny of these laws The Second National Commission on Labour, 2002 stated that these laws are very complex and inconsistent.

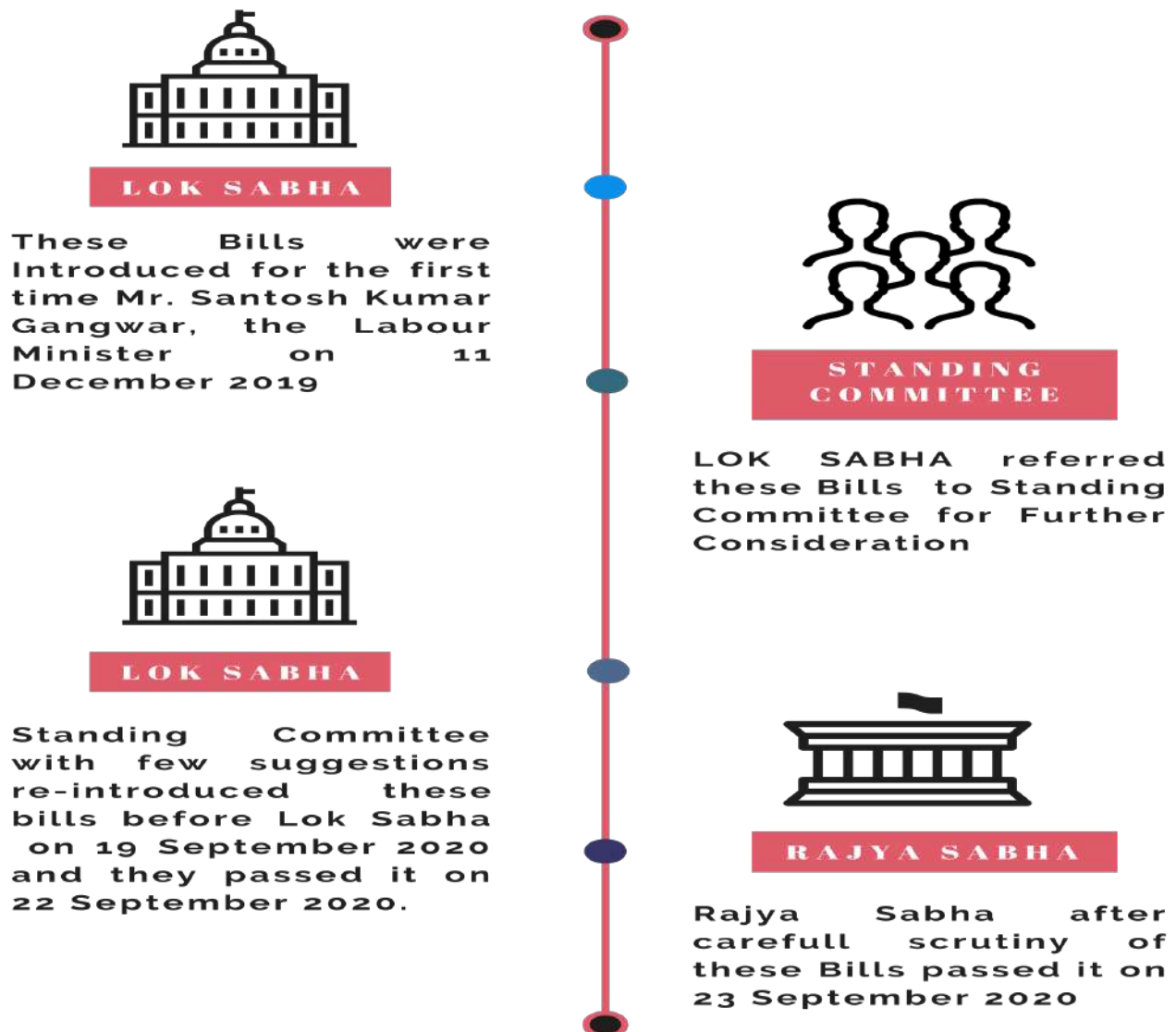
Therefore, the Government of India has embarked on a herculean task to amalgamate all of these labour law legislations into the following Labour Codes -

- The Code On Social Security, 2020
- The Industrial Relations Code, 2020

- The Occupational Safety, Health And Working Conditions Code, 2020

These Codes aims to simplify, amalgamate and rationalize the labour law compliances, which will in turn help these businesses to target their resources toward the development of the industry instead of complicated labour law compliances. This is being done in order to simplify the labour law regulations as a facilitator to encourage the growth of industry in the country, in purview of the 'Make in India' initiative of the Government of India and also to improvise the ease of doing business in India.

## TIMELINE



The Assent of President is Awaited



## THE CODE ON SOCIAL SECURITY, 2020

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The Code on Social Security, 2020 proposes to simplify, amalgamate, rationalize and replace the following central labour legislations:

1. The Employees' Compensation Act, 1923;
2. The Unorganised Workers' Social Security Act, 2008.
3. The Payment of Gratuity Act, 1972;

4. The Employees' State Insurance Act, 1948;
  5. The Cine Workers Welfare Fund Act, 1981;
  6. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
  7. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
  8. The Maternity Benefit Act, 1961;
  9. The Building and Other Construction Workers Cess Act, 1996;
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## KEY ASPECTS OF THE CODE

### AIM

The Code has introduced several new aspects for the welfare of those working in the unorganized as well as the organized sectors of the economy. It aims to introduce several new aspects that are currently missing in the labour legislations in force in India. The Code has taken the concept of 'labour legislations to be welfare legislations' to another level and once implemented, it shall definitely improvise the social and economic standing of those impacted by the Code.

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### SOCIAL SECURITY WELFARE SCHEMES

Under the Code, the Central Government will notify various social security schemes for the benefit of the workers. These include an Employees' Provident Fund Scheme, an Employees' Pension Scheme and an Employees' Deposit Linked Insurance Scheme, which may provide for a provident fund, a pension fund, and an insurance scheme, respectively.

The government will also notify:

- An Employees' State Insurance Scheme to provide sickness, maternity, and other benefits,
  - Gratuity to workers on completing five years of employment (or lesser than five years in certain cases such as death),
  - Maternity benefits to women employees,
  - Cess for welfare of building and construction workers, and
  - Compensation to employees and their dependants in case of occupational injury or disease.
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### WIDENED THE SCOPE OF THE DEFINITION OF "WAGES"

The Code has elaborately and specifically defined the term "wages" to widen the scope of the term to a vast extent. The definition of wages has three parts to it –

**Inclusive in the definition:** All remuneration expressed in monetary terms are wages and includes basic pay, dearness allowance and retaining allowance.

**Specific exclusions:** Provided fund, pension and gratuity, house rent and conveyance allowances etc, are not included in the term wages provided it does not exceed 50 per cent of the total remuneration being paid.

**Benefits in kind:** These will be included up to 15 per cent of total wages. Overall this will ensure that wages for social security benefits will be at least 50 per cent of overall compensation.

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## ESTABLISHMENT OF SOCIAL SECURITY ORGANISATIONS

The Code provides for the establishment of several bodies to administer the social security schemes.

These include:

- A Central Board of Trustees, headed by the Central Provident Fund Commissioner, to administer the EPF, EPS and EDLI Schemes.
- An Employees State Insurance Corporation, headed by a Chairperson appointed by the Central Government, to administer the ESI Scheme.
- National and state-level Social Security Boards, headed by the Central and State Ministers for Labour and Employment, respectively, to administer schemes for unorganised workers.
- State-level Building Workers' Welfare Boards, headed by a Chairperson nominated by the State Government, to administer schemes for building workers.

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## CHANGE IN THE AMOUNT OF CONTRIBUTION

All the schemes under the Code shall be financed through a combination of contributions from the employer and employee. For example, in the case of the Employees Provident Fund Scheme, the employer and employee will each make matching contributions of 10% of wages, or such other rate as notified by the government. All contributions towards payment of gratuity, maternity benefit, cess for building workers, and employee compensation will be borne by the employer. Schemes for gig workers, platform workers, and unorganised workers may be financed through a combination of contributions from the employer, employee, and the appropriate Government.

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## ENHANCED THE AMBIT OF WORKERS COVERED UNDER THE CODE

As per the Code, the Central or State Government will notify specific schemes for gig workers, platform workers, and unorganised workers to provide various benefits, such as life and disability cover. Gig workers have been introduced in this legislation from the first time and refer to workers outside of the traditional employer-employee relationship such as freelancers. Platform workers too have been included in this legislation for the first time and referred to as workers who access other organisations or individuals using online platforms and earn money by providing them with specific services. Additionally, unorganised workers including home-based and self-employed workers have also been recognised under the Code.

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## AMLEGALS REMARKS

The Code not only simplifies the complex nature of the labour law legislations currently in force in India, it also aims to modernise the legislation by including and acknowledging several contemporary aspects of the work culture.

It is anticipated that the implementation of this Code will beneficially impact both the modern day employer as well as the worker up to a large magnitude. Further, taking into consideration the large amount of confusion and mishap that the current COVID-19 Pandemic has created with regard to the labour and employment laws in India, such an organised and modern legislation will surely be beneficial to the businesses and the industries from the point of view of labour law compliances in the event that the nation is ever to face such a major shift in the business cycle again.



## THE OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE, 2020

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The safety, health and working conditions of workers have always been a major concern for the working class of India. After an extreme struggle before the independence and even after, the working class was able to force the capitalist Governments to enact laws that provided for some improvement of working conditions for some sections of workers.

Factory workers, mine workers, journalists and others working in the newspaper industry, contract workers, port and dock workers, beedi workers, construction workers and some other sections of workers were able to force the Government to enact laws related to their sectors.

It is undisputed that safe work environment is a fundamental right of a human. However, Indian legislation remained weak in ensuring occupational and industrial safety even after developing a robust economy. As per reports, around 80,000 workers lose their lives every year in accidents at the workplace.

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The Code aims to amalgamate, simplify and rationalise the relevant provisions of the 13 Central Labour Acts pertaining to safety, health standards, working conditions, welfare provisions, leaves and working hours for the employees. It repeals all the following Acts being subsumed in the Code:

1. The Factories Act, 1948
2. The Mines Act, 1952
3. The Dock Workers (Safety, Health and Welfare) Act, 1986
4. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
5. The Plantations Labour Act, 1951
6. The Contract Labour (Regulation and Abolition) Act, 1970
7. The Inter-State Migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979
8. The Working Journalist and other News Paper Employees (Conditions of Service and Misc. Provision) Act, 1955
9. The Working Journalist (Fixation of rates of wages) Act, 1958
10. The Motor Transport Workers Act, 1961
11. Sales Promotion Employees (Condition of Service) Act, 1976
12. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966

### 13. The Cine Workers and Cinema Theatre Workers Act, 1981.

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The main aim of this Code is **not only to regulate the employment of workers but also to regulate their health, safety, and working conditions**. It is a part of the Centre's ambitious agenda related to labour law reforms. The Code aims **to provide workers with wage security, social security, safety, health, and grievance redressal mechanisms**.

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#### KEY ASPECTS OF THE CODE

There are several specific measures in the Code that are applicable to both employees and employers. Instead of a sectoral strategy, it strengthens the applicable regulations in industries. It combines worker's and employer's essentials and is helpful to both parties.

Other characteristics of the Code, in addition to expanding the spectrum of occupational safety , health and working standards of all working sectors, are as follows:

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#### SINGLE REGISTRATION FOR ESTABLISHMENTS

A single registry for establishments is enforced by the Code. The Code will replace multiple registrations and labour Acts requiring different registrations with only one individual registration for an establishment. This will ultimately lead to a centralised database being developed and the ease of doing business around the country being promoted. This will save a large amount of employers' money and efforts.

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## FREE ANNUAL HEALTH CHECK-UPS

As per the Code, each employer is required on an annual basis to provide free health check-ups for their employees. However, workers who may take part are restricted to a specific age group. This will encourage the principle of fairness by providing compensation for the annual health check-up to workers over a certain age.

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## ISSUANCE OF APPOINTMENT LETTER

For the first time, a legislative requirement to provide a letter of appointment to each employee of the establishment has been included in the Code. It notes that the employer must send a letter of appointment with the minimum details prescribed by the competent authorities concerned. The provision of the letter of appointment would contribute to the formalisation of jobs and avoid the abuse of the employee.

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## CONCERNED AUTHORITIES

The National Occupational Safety and Health Advisory Board has replaced all the various committees created under the labour Acts. This national board will be of a tripartite nature and will be composed of members of trade unions, employers' associations and various national governments. This will lead to a reduction in the number of local / government bodies / committees under different Acts, thus simplifying and organising successful policy-making.

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## SAFETY COMMITTEE

The Code has provided for arrangements for the establishment by the appropriate government of a bipartite safety committee in every institution. This is intended to encourage the protection and health of the working environment of an institution. The very existence of the participatory safety committee would facilitate the execution of government-proposed decisions.

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## DUTIES OF THE EMPLOYER

The Code has imposed certain responsibilities on employers, such as maintaining a secure and healthy work environment free from risks, complying with specified health and safety regulations, providing free regular health tests, disposing of e-waste, mandatory reporting of injuries and diseases, etc.

In addition, the Code mandates employers to provide facilities such as ventilation, temperature, humidification, drinking water, adequate lighting, creche, washing facilities, bathing and locker rooms, shelter rooms, separate latrine and urinal facilities for men, women and transgender workers, first aid and ambulance medical facilities, sitting arrangements, canteen arrangements.

Employers are now expected to comply, where appropriate, with the conditions relating to working hours, annual leave, night shifts, etc., which were previously reported only under particular current laws.

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## RIGHTS AND DUTIES OF EMPLOYEES

- Take care of their own safety and wellbeing
- Complying with the safety and health requirements listed
- Reporting to the inspector regarding dangerous conditions.

- Each employee would have the right to receive information relating to safety and health requirements from the employer.
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## **PENALTIES**

If an employer breaches the Code, up to five lakh rupees will be fined as a penalty, up to two years imprisonment or both if the employer's acts lead to serious injury or death of an employee. The victim, their family members or their legal heirs may be given a portion of this penalty by the Court. It will assist in the recovery of the injured worker or provide financial assistance to the victim's family.

If an employee breaches the provisions of the Code, a fine of up to Rs 10,000 will be levied on him/her.

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## **WELFARE PROVISIONS**

Some provisions included facilities such as a crèche, canteen, basic first aid, welfare authorities and more in the previous Acts. However, as long as it is technically possible, the Code envisages a uniform threshold where the welfare requirements are identical for each establishment.

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## **LATE WORKING HOURS FOR WOMEN**

In compliance with the Code, women who are expected to work before 6 a.m. and after 7 p.m. must be provided with facilities to ensure safety, holidays, comfortable working hours and other conditions as defined by the Government with regard to the establishments prescribed. Work that does not fall within the parameters of this time period, however, must be assigned to a woman for the same work after her consent.

This is an vital step in fostering gender equality and runs parallel to the demands of many international organisations heading protective discrimination forums. In addition, the process of securing one's permission for night shifts will reduce the likelihood of the same clause being misused.

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## LABOUR LICENSE

The requirement for a single licence and one return instead of multiple licences and returns was simplified by the Code against multiple labour laws and regulations to save time, money and the efforts of a company to be compliant.

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## SPECIAL PROVISIONS FOR CONTRACT LABOUR

It implemented a job-specific licence definition for contractors if they do not satisfy the requirements to be laid down by the Government for the issuance of a licence for the supply of contract labour or for the performance of work by contract labour.

The definition of 'work specific licence' has been implemented by the Code for contractors if they do not meet the requirements to be prescribed by the Government for the award of a licence for the supply of contract work or for the performance of work through contract work. The specifications of project-related contract labour deployment will be met by this job specific authorization.

Before providing contract labour or conducting contract labour agreements with principal employers, contractors would be required to send work order details to the government.

The contractor or principal employer must, on an annual basis, furnish to each contract worker an experience certificate specifying specifics of the work performed.



If any contract work is engaged by the principal employer by an unlicensed contractor, such contract work shall be treated as the principal employer 's workforce.

The Government is allowed to inform those operations for which contract work cannot be carried out, and certain considerations which may affect this decision include whether or not it would be necessary to hire a large number of full-time staff, or whether regular employees of the institution do similar work, etc.

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## IMPACT

- The Code provides a basic wide legislative structure allowing provisions for framing guidelines, legislation, standards and by-laws to be complied with in compliance with the requirements of the various sectors. This will lead to straightforward legislation with flexibility to adjust the requirements in line with new technology and make the legislation complex.
- It promotes health, safety, healthcare and decent working conditions for the workers by expanding the breadth of dynamic legislation, which is restricted to a few industries under the current sectoral approach.
- It rationalises the process of enforcement with one license, one registration and one return for establishments protected by the Code, thus saving employers' time and efforts. It thus combines worker and employer requirements and is advantageous to all the constituents of work.
- It allows for the unification of activities generally conducted before and during the operation of factories, such as the design, construction or expansion of factories, etc., which are intended to assist manufacturing companies in gaining joint registration and complying with the safety and welfare requirements of the Code, as opposed to the duplication of provisions under current laws.

## AMLEGALS REMARKS

Security, health and better working conditions are a prerequisite for the workers' well-being and also for the country's economic development. If the country's workforce is healthier, it will be more efficient and there would be fewer injuries and unforeseen events which would therefore be economically advantageous for everyone.

The Code focuses on ensuring every worker's safety, health, and welfare. This is crucial for the entity's and, more importantly, the country's economic development. Only a healthy workforce would, after all, be able to produce the optimal degree of workplace efficiency. It is anticipated that the implementation of this Code would reduce the number of injuries and mishaps in each workplace.

The Code includes employees from any organisation that hires a staff of 10 or more people. The institutions covered by the Code include all kinds of companies, manufacturing operations, as well as the IT and service sectors. In order to improve the working conditions, protection and health of all employees, this has been introduced in order to ensure a more detailed and prolonged coverage of the Code.

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## INDUSTRIAL RELATIONS CODE, 2020

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The Industrial Relations Code, 2020 is introduced to consolidate the scattered labour legislations into one to simplify the compliances, which will in turn help these businesses to target their resources towards the development of the industry instead of complicated labour law compliances. The Code will consolidate the following legislations –

- The Industrial Dispute Act, 1947
  - The Trade Union Act, 1926
  - The Industrial Employment (Standing Order) Act, 1946
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The Code has introduced several new aspects for the welfare of those working in organized sectors of the economy, which were not present earlier such as, with regards to the employee - setting up of negotiating union, dispute resolution mechanism etc., to improve working of employees in the industry. Further, this is also applicable to the employer – stricter rules for layoffs, retrenchment of employees, preparation of standing order, restriction of unfair labour practices etc.

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## KEY ASPECTS OF THE CODE

### DEFINITIONS

#### a. Fixed Term Employment

The major change introduced in the Code is introduction of fixed term employment for a worker, as Section 2 (o) of the Code allows employer to employ a worker for a fixed term based on the agreement entered between them. Further, the worker employed on a fixed term is entitled for the following benefits:

- All statutory benefits such as, ESI, EPF, bonus and other benefits received by a permanent worker.
- Termination of worker after completion of the term period will not be considered as retrenchment.
- Same salary, allowances, wages and other benefits received by a permanent worker.
- Gratuity in case, worker has provided service for a period of one year.

## b. Employee

Section 2 (l) of the Code, defines employee as a separated category because under this Section employee are those persons who are providing any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical or clerical work to the employer for payment. However, the term “employee” and “worker” have been used interchangeably to insure that, there is no discrimination between employees and workers in regards to the application of this Code.

## c. Employer

Under this Code, the definition of employer is completely modified and now as per Section 2 (m) of the Code, employer is that person who –

- Is head of the department.
- Is occupier of factory, as defined in Section 2 of Factories Act, 1948.
- Is manager of factory, as defined in Section 7(1) (f) of Factories Act, 1948.
- Has ultimate Authority over affairs of the industrial establishment, when such affairs are entrusted to a manager or managing partner.
- Is a contractor.
- Is a legal representative of a deceased employer.

## d. Industry

Under this Code, the definition of industry is completely modified and now, as per Section (p) of the Code, industry is an establishment, in which employer and worker carry on systematic activity to produce, supply or distribute goods or services to satisfy human needs. Provided, it does not include establishments which is indulged in charitable, social, philanthropic or domestic service or indulged in sovereign functions.

#### e. Industrial Dispute

Under this Code, the definition of industrial dispute is revised and now dispute arising out of discharge, dismissal, retrenchment or termination of such worker will also be considered as industrial dispute under Section 2 (q) of the Code.

#### f. Wages

Under this Code, the definition of wages is revised and now, as per **Section 2 (zq)** of the Code all the remuneration, whether in the form of salary, allowance or otherwise which can be expressed in the term of money will be considered as wages, except the following-

- Bonus payable under any law.
- Travelling, house rent and overtime allowance.
- House accommodation.
- Supply of light, water and medical attendance.
- Services excluded by a general or special order of the appropriate government.
- Commission, gratuity and retrenchment compensation
- Amount payable under any award or settlement agreed between parties.
- Pension or amount contribution to pension fund.

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### TRADE UNION

Under Section 5 of this Code, seven or more person can apply to the registrar for registration of a trade union. Provided, 10% employee or 100 employees (whichever is less) of the industrial establishment in which they are forming trade union or an industry, which is connected with such industrial establishment should be member of the trade union at the time of registration of such trade union. Now, once the trade

union is registered, the Central or State Government will recognize the trade union as central trade union or state trade union respectively.

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## NEGOTIATING UNION AND COUNCIL

Section 14 of this Code, allows industrial establishment to recognize negotiating union, which will act as the sole body for negotiating problems with the employer of the industrial establishment on behalf of all the employees. This provision was introduced to ease the process of resolving disputes between the employer and employee, as this provision allows industrial establishment to interact with a single body instead of dealing with multiple trade unions to resolve their disputes.

Now, in case of single trade union in the industrial establishment then, the employer is required to recognize that trade union as the negotiating union. Now, in case of multiple trade union, the trade union, which has 51% of the employees as its members will be required to be recognized as negotiating union trade union.

However, in case if the trade union is unable to meet the aforementioned criteria then, they are allowed to form a Negotiating Council in which, representatives of the trade union having 20% of the employees as member will become member of the said Negotiating Council.

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## STANDING ORDERS

Now, as per **Section 28** of the Code, all the industrial establishment having at least 300 workers are required to prepare a Standing Order for the matters listed in Schedule I based on the model Standing Order prepared by Government of India, including few of the matters which are as follows –

- Classification of workers, whether they are permanent, temporary, probationary or fixed term employee,
  - Procedure for informing employees about working hours, holidays, pay-days and wages rates,
  - Mechanism of attendance and procedure of application for leave by employees,
  - Procedure and conditions for termination of employment,
  - Procedure and conditions for suspension of employees in case of misconduct,
  - Grievance redressal mechanism for employees.
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## DISPUTE RESOLUTION

### a. Voluntary Arbitration

Now, in case of an industrial dispute between the employer and worker, Section 42 of the Code allows parties to voluntarily refer such dispute for arbitration. Provided, employer and worker have given consent for it through an agreement. Once, the matter is referred for arbitration, arbitrator will conduct the investigation and submit the arbitral award to Government for adjudication. Now, as per Section 42 (8) of the Code will have overriding effect over Arbitration & Conciliation Act, 1996.

### b. Conciliation

Now, in case if any conflict/dispute arises between Employer and Worker then, such dispute will be referred for Conciliation, as under Section 43 of the Code, Government will appoint Conciliation officers, who will conduct detailed investigation and Conciliation proceedings to reach at a fair and amicable solution between the parties.



### c. Industrial Tribunal

Now, in case if dispute could not be resolved through conciliation then, either employer or worker can file an application before Industrial Tribunal within 45 days of conciliation to resolve their dispute, as under Section 44 of the Code, Government can constitute Industrial Tribunal containing two-member Bench i.e. Judicial Member and Administrative Member to resolve the dispute between the parties. Provided, industrial dispute can adjudicate upon the following matters only –

- Application and interpretation of standing order.
- Illegal strike or lockout.
- Retrenchment of worker & closure of establishment.
- Matters related to trade union.

### d. National Industrial Tribunal

Now, under Section 46 of the Code, the Government will constitute National Industrial Tribunal containing two-member Bench i.e. Judicial Member and Administrative Member, who will deal with matters involving question of national importance and matters, which will affect more than one industrial establishment.

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## LAY OFF & RETRENCHMENT

### a. Lay-Off

Section 2 (f) of the Code defines lay-off, as the inability of the employer to assign any work to the employee whose name has appeared on the muster rolls within 2 hours of his attendance due to shortage of coal, power, raw material, break-down of machinery or natural calamity.

Now, under Section 65 of this Code, in case of non-seasonal industrial establishment such as, mines, factories and plantation who has minimum 50 – 300 workers they can lay off workers without prior permission of Government. Provided, they are required to pay 50% of basic wage and dearness allowance to the employee for the particular day he had been laid off. provided in case if an employee is laid off for a period of more than forty-five days then, such employee is not required to pay any compensation unless agreed between employer and employee through agreement.

Now, in case of non-seasonal industrial establishments having 300 or more than 300 workers then, they will be required to take prior permission of the Central Government before lay-off of an employee and once the permission is granted, they will be required to pay 50% of the basic wage to the employee. Provided, in case employers fails to comply with such condition then Government can impose penalty ranging from INR 5000 to INR 2 Lakh upon the employer.

#### **b. Retrenchment**

Section 2(zh) of the Code, defines retrenchment, as termination of the employee for a reason other than disciplinary action. However, it will not include the following reasons –

- Voluntary retirement.
- Retirement due to attaining age of superannuation.
- Termination of employee due to expiry of contract.
- Termination of employment due to completion of tenure of fixed term employment.
- Termination of employee on the ground of continuous illness.

Now, under Section 70 of this Code, in case of non-seasonal industrial establishment such as, mines, factories and plantation who has minimum 50 - 300 workers they can retrench worker without prior permission of the Government. Provided, they are required to serve one month prior notice to the employee stating reasons for retrenchment unless such worker has already been paid for the period of such notice or pay compensation equivalent to average of fifteen day's average pay of such employee.

However, in case employer wants to re-employ a person with one year of retrenchment then, employer is required to prefer retrenched employees over other worker of re-employment.

Now, in case of non-seasonal industrial establishments having 300 or more than 300 workers, employer will be required to take prior permission of the Central Government before retrenchment of any worker. Provided, once the permission is granted employer will be required to serve three months prior notice to the employee unless such worker has already been paid for the period of such notice.

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## UNFAIR LABOUR PRACTICES

Section 84 of the Code, prohibits employer, employees and trade union whether registered or not to commit any of the unfair labor practices listed under Schedule II of the Code, few of them are -

### a. For Employer

- Threaten worker with discharge, dismissal, lockout or closure, in case they form a trade union.
- Set-up an employer sponsored trade union.
- Encourage or discourage workers to form a trade union.
- Discharge or dismiss workers based on unfair reasons.
- Refuse to negotiate properly with the trade union.

### b. For Employees

- Support or Initiate a strike, which is illegal under this Code.
- Trade union refuse to negotiate in good faith for the benefit of employees.
- Indulging in activities of willfully damaging employers' property.
- Threaten a worker to refrain him from attending work in case he refuses to co-ordinate with the employees striking against employer.

Now, in case if any employer, employee or trade union fails to comply with the Code and indulge in any of the unfair labour practices mentioned above then, Government of India Under **Section 86** of the Code can impose penalty ranging from INR 10,00 to INR 5 Lakh or imprisonment for a term which can be extended for a period of 3 Months or both.

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## IMPACT

- The Code provides a basic wide legislative structure allowing provisions for framing guidelines, legislation, standards and by-laws to be complied with in compliance with the requirements of the various sectors. This will lead to straightforward legislation with flexibility to adjust the requirements in line with new technology and make the legislation complex.
  - It allows industrial establishment to recognize Negotiating Union and Council. This will help industrial establishment to bring ease in the process of resolving disputes between the employer and employee, as this provision allows industrial establishment to interact with a single body instead of dealing with multiple trade unions to resolve their disputes.
  - The Code provides mechanism of resolving disputes between employer and worker by way of arbitration or conciliation for faster redressal of dispute. However, in case if parties fails to resolve dispute through these mechanisms then, this Code allows Government to establish Industrial Dispute Tribunal and National Industrial Tribunal to resolve dispute between the parties.
  - Finally, the Code will help to simplify and rationalize the labour law compliances, which will in turn help these businesses to target their resources toward the development of the industry instead of complicated labour law compliances.
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## AMLEGALS REMARKS

The introduction of the Code in India was a much needed step to improve the relationship between the employers and the workers and to improve the working environment in the industry for the worker's wellbeing and also for the country's economic development. A cordial relationship between the two major stakeholders will only lead to prosperity in the long run.

The Code was introduced with the intention to simplify and rationalize the labour law compliances, which will in turn help these businesses to target their resources toward the development of the industry instead of complying with complicated labour law compliances. Therefore, this Code ensures that neither employer nor worker indulge in any unfair labour practices and in case parties indulge in such activities then, Government can impose penalty upon them. Further, this Code ensures that, in case of dispute between the worker and employer it gets resolved quickly and amicably and a healthy relationship can be maintained between the parties, as this healthy relationship will increase efficiency of the workers.

It is anticipated that the implementation of this Code will bring a structured framework to govern the relationship between employer and worker and it will make sure that there is no discrimination between worker and employee in an industrial establishment. This Code covers all the Industrial establishment, which is indulged in production, supply and distribution of goods to satisfy human needs, except the ones specifically excluded. Therefore, to ensure proper representation of workers, speedy resolution of disputes and healthy relationship between the parties this Code has been introduced.

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***"Correct Knowledge & Legal Strategy matters the most in law."***