



New Delhi. Mumbai. Lucknow

# BRIEF INTRODUCTION TO THE NEW LABOUR LAWS

## BACKGROUND

Labour falls under the Concurrent List of the Constitution and therefore, both the Parliament and State legislatures can make laws regulating labour. The central government has stated that there are over 100 state and 40 central laws regulating various aspects of labour / employment such as resolution of industrial disputes, working conditions, social security and wages.

Accordingly, labour laws, due to their multiplicity and complexity, were viewed as a major irritant in matters of investment promotion and employment generation. A simple, transparent and compatible labour law was the need of the hour to spur growth.

With the objective to simplify and modernize labour regulations, the Government constituted The Second National Commission on Labour in the year 1999, which in its report submitted in the year 2002, found the existing legislations to be complex, with archaic provisions and inconsistent definitions. To improve ease of compliance and ensure uniformity in labour

laws, the Commission recommended the consolidation of central labour laws into broader groups such as (i) industrial relations, (ii) wages, (iii) social security, (iv) safety, and (v) welfare and working conditions.

The Commission emphasized the need to simplify and consolidate labour laws for the sake of transparency, and uniformity in definitions and approach. Since various labour laws apply to different categories of employees and across various thresholds, their consolidation would also allow for greater coverage of labour. Various studies showed that firm growth and job creation may also depend on several other key factors, which include infrastructure development, access to finance, availability of skilled manpower, boost in skill upgradation, and reduction in overall corruption.

Accordingly, following the recommendations of the Commission, the four Codes on wages, industrial relations, social security and occupational safety

were introduced in Parliament in 2019 by the Ministry of Labour and Employment. While the Code on Wages, 2019 was passed by Parliament last year, Bills on the other three areas were referred to the Standing Committee on Labour. The Standing

Committee submitted its report on all three Bills and thereafter the Government replaced these Bills with new ones on September 19, 2020. The Draft Rules under Code on Wages, 2019 are yet to be notified.

Code	Introduced in Lok Sabha	Passed by Lok Sabha	Passed by Rajya Sabha
The Code on Wages, 2019	Jul 23, 2019	Jul 30, 2019	Aug 02, 2019
The Industrial Relations Code, 2020	Sep 19, 2020	Sep 22, 2020	Sep 23, 2020
The Occupational Safety, Health And Working Conditions Code, 2020	Sep 19, 2020	Sep 22, 2020	Sep 23, 2020
The Code On Social Security, 2020	Sep 19, 2020	Sep 22, 2020	Sep 23, 2020

The Codes replace the following 29 Central Acts. Table 1 lists the Acts which are being subsumed by the four labour codes. Table 2 lists some Acts which regulate some aspects of labour but have not been subsumed by the Codes.

**Table 1:** Details of Acts which are being subsumed by the four labour codes

Labour Codes	Acts being subsumed
<b>Code on Wages, 2019</b>	<ul style="list-style-type: none"> <li>▪ Payment of Wages Act, 1936;</li> <li>▪ Minimum Wages Act, 1948;</li> <li>▪ Payment of Bonus Act, 1965; and</li> <li>▪ Equal Remuneration Act, 1976</li> </ul>
<b>Occupational Safety, Health and Working Conditions Code, 2019</b>	<ul style="list-style-type: none"> <li>▪ Factories Act, 1948;</li> <li>▪ Mines Act, 1952;</li> <li>▪ Dock Workers (Safety, Health and Welfare) Act, 1986;</li> <li>▪ Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996; <ul style="list-style-type: none"> <li>▪ Plantations Labour Act, 1951;</li> </ul> </li> <li>▪ Contract Labour (Regulation and Abolition) Act, 1970;</li> <li>▪ Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979; <ul style="list-style-type: none"> <li>▪ Working Journalist and other Newspaper Employees (Conditions of Service and Miscellaneous Provision) Act,</li> </ul> </li> </ul>

Labour Codes	Acts being subsumed
	1955; <ul style="list-style-type: none"> <li>▪ Working Journalist (Fixation of Rates of Wages) Act, 1958;               <ul style="list-style-type: none"> <li>▪ Motor Transport Workers Act, 1961;</li> </ul> </li> <li>▪ Sales Promotion Employees (Condition of Service) Act, 1976;</li> <li>▪ Beedi and Cigar Workers (Conditions of Employment) Act, 1966; and</li> <li>▪ Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981</li> </ul>
<b>Industrial Relations Code, 2019</b>	<ul style="list-style-type: none"> <li>▪ Trade Unions Act, 1926;</li> <li>▪ Industrial Employment (Standing Orders) Act, 1946, and               <ul style="list-style-type: none"> <li>▪ Industrial Disputes Act, 1947</li> </ul> </li> </ul>
<b>Code on Social Security, 2019</b>	<ul style="list-style-type: none"> <li>▪ Employees' Provident Funds and Miscellaneous Provisions Act, 1952;               <ul style="list-style-type: none"> <li>▪ Employees' State Insurance Act, 1948;</li> <li>▪ Employees' Compensation Act, 1923;</li> </ul> </li> <li>▪ Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;               <ul style="list-style-type: none"> <li>▪ Maternity Benefit Act, 1961;</li> <li>▪ Payment of Gratuity Act, 1972;</li> <li>▪ Cine-workers Welfare Fund Act, 1981;</li> </ul> </li> <li>▪ Building and Other Construction Workers' Welfare Cess Act, 1996; and               <ul style="list-style-type: none"> <li>▪ Unorganised Workers Social Security Act, 2008</li> </ul> </li> </ul>

**Table 2:** Some central Acts which are related to labour law but have not been subsumed by the Codes

<b>Additional Central Laws</b>
Labour Laws (Simplification of Procedure for Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988
Apprentices Act, 1961
Bonded Labour System (Abolition) Act, 1976
Child and Adolescent Labour (Prohibition and Regulation) Act 1986
Public Liability Insurance Act 1991
Dock Workers (Regulation of Employment) Act 1948
Dock Workers (Regulation of Employment) (Inapplicability to Major Ports) Act 1997
Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948
Provident Funds Act, 1925

<b>Additional Central Laws</b>
Seamen's Provident Fund Act, 1966
Sexual Harassment at Workplace Act, 2013
Boilers Act, 1923
Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993
Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013

## KEY CHALLENGES

The Key Challenges tried to be resolved through the introduction of the four Codes are as follows:

- coverage of small firms,
- deciding thresholds for prior permission for retrenchment,
- strengthening labour enforcement,
- allowing flexible forms of labour, and
- promoting collective bargaining.

The new Codes have retained size-based thresholds however, the limits have been revised so as to reduce the compliance burden on small establishments. However, some may argue that the basic protections related to wages, social security and working conditions should apply uniformly to all establishments irrespective of the size.

Earlier the establishment hiring 100 or more workers needed government permission for closure, layoffs or retrenchments now the said threshold has been increased to 300 or more workers and permits the government to further increase this limit by notification. The State Governments cannot decrease this threshold limit of 300 workers.

The Codes leave several key aspects, such as the applicability of social security schemes and health and safety standards, to rule-making. The question is whether these questions should be determined by the legislature or be delegated to the government.

## INTRODUCTION OF NEW CONCEPTS: KEEPING UP WITH CHANGING TIMES

### RECOGNITION / INCLUSION OF NEW TYPES OF WORKERS

The following are the major new types of workers which have been introduced/recognized by way of the new Codes:

*“CODE ON SOCIAL SECURITY, 2020*

#### *Section 2 – Definitions*

*(26) "employee" means any person (other than an apprentice engaged under the Apprentices Act, 1961) employed on wages by an establishment, either directly or through a contractor, to do any skilled, semi-skilled or unskilled, manual, operational, supervisory, managerial, administrative, technical, clerical or any other work, whether the terms of employment be express or implied, and also includes a person declared to be an employee by the appropriate Government, but does not include any member of the Armed Forces of the Union:*

...

*(35) "gig worker" means a person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship;*

*(36) "home-based worker" means a person engaged in, the production of goods or services for an employer in his home or other premises of his choice other than the workplace of the employer, for remuneration, irrespective*

*of whether or not the employer provides the equipment, materials or other inputs;*

...

*(60) "platform work" means a work arrangement outside of a traditional employer employee relationship in which organisations or individuals use an online platform to access other organisations or individuals to solve specific problems or to provide specific services or any such other activities which may be notified by the Central Government, in exchange for payment;*

*(61) "platform worker" means a person engaged in or undertaking platform work;*

...

*(75) "self-employed worker" means any person who is not employed by an employer, but engages himself in any occupation in the unorganised sector subject to a monthly earning of an amount as may be notified by the Central Government or the State Government, as the case may be, from time to time or holds cultivable land subject to such ceiling as may be notified by the State Government.*

... ”

The Code states that the Central Government will set up Social Security Fund for unorganised workers, gig workers and platform workers. It

further states that the State Governments will also set up and administer separate social security funds for unorganised workers. The Code also makes provisions for registration of all three categories of workers - unorganised workers, gig workers and platform workers.

The Code also provides for the establishment of a national and various state-level Boards for administering schemes for unorganised sector workers as well as for welfare of gig workers and platform workers and which can recommend and monitor schemes for gig workers and platform workers. In such cases, the Board will comprise of a different set of members including:

- (i) five representatives of aggregators, nominated by the central government,
- (ii) five representatives of gig workers and platform workers, nominated by the central government,
- (iii) Director General of the ESIC, and

- (iv) five representatives of state governments.

The schemes for gig workers and platform workers may be funded through a combination of contributions from the central government, state governments, and aggregators. For this purpose, a list of aggregators is stated in Seventh Schedule of the Code on Social Security. Any contribution from such an aggregator may be at a rate notified by the government falling between 1-2% of the annual turnover of the aggregators. However, such contribution cannot exceed 5% of the amount paid or payable by an aggregator to gig workers and platform workers.

Definition of gig workers and platforms workers are unclear as both refer to workers outside the “traditional employer-employee relationship” but the platform worker has access organisations or individuals through an online platform and provide services for payment and accordingly, there might overlaps in such a classification.

## INTRODUCTION OF FIXED TERM EMPLOYMENT

*“THE INDUSTRIAL RELATIONS CODE, 2020*

*Section 2 – Definitions*

...

*(o) "fixed term employment" means the engagement of a worker on the basis of a written contract of employment for a fixed period: Provided that—*

*(a) his hours of work, wages, allowances and other benefits shall not be less than that of a permanent worker doing the same work or work of similar nature;*

*(b) he shall be eligible for all statutory benefits available to a permanent worker proportionately according to the period of service rendered by him even if his period of employment does not extend to the qualifying period of employment required in the statute; and*

*(c) he shall be eligible for gratuity if he renders service under the contract for a period of one year.*

...”

Introduction of the aforesaid provision, in addition to recognizing the rights of the employees engaged on contract basis for a fixed period of time it also calls for equal treatment for contractual employees who perform work of a similar nature as that of permanent employees in the same establishment. Contractual employees who are engaged for performing the same or similar kind of work as that of permanent workers in the same establishment should be treated at par with permanent workers in the matter of wages and other conditions of employment. Such an employment being for fixed period of time, the enforcement of restrictive covenants like Non-Compete Clause and Non-solicitation of Customers / Suppliers will also be an area of discussion and debate.

## DISPUTES RELATING TO TERMINATION OF INDIVIDUAL WORKER

The Code classifies any dispute in relation to discharge, dismissal, retrenchment, or otherwise termination of the services of an individual worker to be an industrial dispute. For the said purposes, the Grievance Redressal Committee has been introduced to deal with such disputes and distinguished from the existing Grievance Settlement Authority, which has been given more powers in terms of settling disputes and becoming the first forum for dispute

resolution available to an individual worker without espousal of General Demand through the Union. Limitation for raising a dispute is within 2 years from the date of discharge, dismissal, retrenchment or otherwise termination of service as specified in sub-section (9) instead of 3 years as provided earlier.

OLD PROVISIONS	NEW PROVISION
<p>THE INDUSTRIAL DISPUTES ACT, 1947 SECTION 9 – Setting up of Grievance Settlement Authorities and reference of certain individual disputes to such authorities.-</p> <p>(1) The employer in relation to every industrial establishment in which fifty or more workmen are employed or have been employed on any day in the preceding twelve months, shall provide for, in accordance with the rules made in that behalf under this Act, a Grievance Settlement Authority for the settlement of industrial disputes connected with an individual workman employed in the establishment.</p> <p>(2) Where an industrial dispute connected with an individual workman arises in an establishment referred to in sub-section (1), a workman or any trade union of workmen of which such workman is a member, refer, in such manner as may be prescribed such dispute to the Grievance Settlement Authority provided for by the employer under that sub-section for settlement.</p> <p>(3) The Grievance Settlement Authority referred to in sub-section (1) shall follow such procedure and complete its proceedings within such period as may be prescribed.</p> <p>(4) No reference shall be made under Chapter III with respect to any dispute referred to in this section unless such dispute has been referred to the Grievance Settlement Authority concerned and the decision of the Grievance Settlement Authority is not acceptable to any of the parties to the dispute.]</p>	<p>THE INDUSTRIAL RELATIONS CODE, 2020 SECTION 4.</p> <p>(1)- Every industrial establishment employing twenty or more workers shall have one or more Grievance Redressal Committees for resolution of disputes arising out of individual grievances.</p> <p>(2) The Grievance Redressal Committee shall consist of equal number of members representing the employer and the workers to be chosen in such manner as may be prescribed.</p> <p>(3) The chairperson of the Grievance Redressal Committee shall be selected from among persons representing the employer and the workers alternatively on rotational basis every year.</p> <p>(4) The total number of members of the Grievance Redressal Committee shall not exceed ten Provided that there shall be adequate representation of women workers in the Grievance Redressal Committee and such representation shall not be less than the proportion of women workers to the total workers employed in the industrial establishment.</p> <p>(5) An application in respect of any dispute referred to in sub-section (1) may be filed before the Grievance Redressal Committee by any aggrieved worker in such manner as may be prescribed within one year from the date on which the cause of action of such dispute arises.</p> <p>(6) The Grievance Redressal Committee may complete its proceedings within thirty days of receipt of the application under sub-section (5).</p> <p>(7) The decision of the Grievance Redressal Committee on any application filed under sub-section (5) shall be made on the basis of majority view of the Committee, provided more than half of the members representing the workers have agreed to such decision, otherwise it shall be deemed that no decision could be</p>



arrived at by the Committee.

(8) The worker who is aggrieved by the decision of the Grievance Redressal Committee or whose grievance is not resolved in the said Committee within the period specified in sub-section (6), may, within a period of sixty days from the date of the decision of the Grievance Redressal Committee or from the date on which the period specified in sub-section (6) expires, as the case may be, file an application for the conciliation of such grievance to the conciliation officer through the Trade Union, of which he is a member, in such manner as may be prescribed.

(9) Where any employer discharges, dismisses, retrenches, or otherwise terminates the services of an individual worker, any dispute or difference between that worker and his employer connected with, or arising out of, such discharge, dismissal, retrenchment or termination shall be deemed to be an industrial dispute notwithstanding that no other worker nor any Trade Union is a party to the dispute.

(10) Notwithstanding anything contained in this section or section 53, any worker as is specified in sub-section (5) may, make an application directly to the Tribunal for adjudication of the dispute referred to therein after the expiry of forty-five days from the date he has made the application to the conciliation officer of the appropriate Government for conciliation of the dispute, and on receipt of such application the Tribunal shall have powers and jurisdiction to adjudicate upon the dispute, as the Tribunal has in respect of the application filed under sub-section (6) of section 53.

(11) The application referred to in sub-section (10) shall be made to the Tribunal before the expiry of two years from the date of discharge, dismissal,

	retrenchment or otherwise termination of service as specified in sub-section (9).
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## INTRODUCTION OF NEGOTIATING UNION AND COUNCIL

*“THE INDUSTRIAL RELATIONS CODE, 2020*

*SECTION 14. Recognition of negotiating union or negotiating council.*

*(1)- There shall be a negotiating union or a negotiating council, as the case may be, in an industrial establishment having registered Trade Union for negotiating with the employer of the industrial establishment, on such matters as may be prescribed.*

*(2) Where only one Trade Union of workers registered under the provisions of this Chapter is functioning in an industrial establishment, then, the employer of such industrial establishment shall, subject to such criteria as may be prescribed, recognise such Trade Union as sole negotiating union of the workers.*

*(3) If more than one Trade Union of workers registered under this Code are functioning in an industrial establishment, then, the Trade Union having fifty-one per cent. or more*

*workers on the muster roll of that industrial establishment, verified in such manner as may be prescribed, supporting that Trade Union shall be recognised by the employer of the industrial establishment, as the sole negotiating union of the workers.*

*(4) If more than one Trade Union of workers registered under this Code are functioning in an industrial establishment, and no such Trade Union has fifty-one per cent. or more of workers on the muster roll of that industrial establishment, verified in such manner as may be prescribed, supporting that Trade union, then, there shall be constituted by the employer of the industrial establishment, a negotiating council for negotiation on the matters referred to in sub-section (1), consisting of the representatives of such registered Trade Unions which have the support of not less than twenty per cent. of the total workers on the muster roll of that industrial establishment so verified and such*

*representation shall be of one representative for each twenty per cent and for the remainder after calculating the membership on each twenty per cent.*

*(5) Where any negotiation on the matters referred to in sub-section (1) is held between an employer and a negotiating council constituted under sub-section (4), consequent upon such negotiation, any agreement is said to be reached, if it is agreed by the majority of the representatives of the Trade Unions in such negotiating council.*

*(6) Any recognition made under sub-section (2) or sub-section (3) or the negotiating council constituted under sub-section (4) shall be valid for three years from the date of recognition or*

*constitution or such further period not exceeding five years, in total, as may be mutually decided by the employer and the Trade Union, as the case may be.*

*(7) The facilities to be provided by industrial establishment to a negotiating union or negotiating council shall be such as may be prescribed.”*

Accordingly, if there were more than one registered trade union of workers functioning in an establishment, the trade union having more than 51% of the workers as members would be recognised as the sole negotiating union. In case no trade union is eligible as sole negotiating union, then a negotiating council will be formed consisting of representatives of unions that have at least 20% of the workers as members.

## CHANGES IN THE PROVISIONS

### CHANGES IN THE EXISTING DEFINITIONS

<b>OLD PROVISIONS</b>	<b>CONTENT/LAW</b>	<b>NEW PROVISION</b>	<b>CONTENT/LAW</b>
SECTION 2 (M) OF FACTORY ACT, 1948  "factory" means any premises including the precincts thereof— (i) whereon ten or more workers are working, or were working on any day	Factory definition expanded to 10 or more workers for premises where the process uses power and 20 or more workers where the process uses no power	SECTION 2 (W) OF CODE ON OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS, 2020  "factory" means any premises including the precincts thereof— (i) whereon twenty or	Factory definition expanded to 20 or more workers for premises where the process uses power and 40 or more workers where the process uses no power.

of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or (ii) whereon twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without the aid of power, or is ordinarily so carried on,- but does not include a mine subject to the operation of 3\*[the Mines Act, 1952 (35 of 1952),] or 4\*[a mobile unit belonging to the armed forces of the Union, a railway running shed or a hotel, restaurant or eating place].

more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on; or (ii) whereon forty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without the aid of power, or is ordinarily so carried on, but does not include a mobile unit belonging to the armed forces of the Union, railways running shed or a hotel, restaurant or eating place: Provided that where under any law for the time being in force in a State immediately before the commencement of this Code, the number of workers specified is more or less than the number specified in clause (i) or clause (ii), then, the number specified under the law of the State shall prevail in that State till it is amended by the competent

		Legislature.	
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## THRESHOLD FOR PRIOR PERMISSION FOR CLOSURE, LAYOFFS OR RETRENCHMENTS

Earlier the establishments hiring 100 or more workers needed government permission for closure, layoffs or retrenchments now the said threshold has been increased to 300 or more workers and allow the government to further increase this limit by notification.

OLD PROVISIONS	CONTENT/LAW	NEW PROVISION	CONTENT/LAW
<p>SECTION 1 (3) INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1946</p> <p>It applies to every industrial establishment wherein one hundred or more workmen are employed, or were employed on any day of the preceding twelve months: 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 industrial establishment employing such number of persons less than one hundred as may be specified in</p>	<p>It applies to every establishment wherein one hundred or more workmen are employed, or were employed on any day of the preceding twelve months:</p> <p>Some of the states had reduced this number to 50 workmen.</p>	<p>SECTION 28 (1) OF THE INDUSTRIAL RELATIONS CODE, 2020</p> <p>The provisions of this Chapter shall apply to every industrial establishment wherein three hundred or more than three hundred workers, are employed, or were employed on any day of the preceding twelve months.</p>	<p>Standing orders applicable to establishments employing 300 and more workers.</p> <p>No state government can reduce this minimum number of 300 workmen.</p>

<p>the notification</p> <p>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 industrial establishment employing such number of persons less than one hundred as may be specified in the notification.</p>			
<p>SECTION 25K IN THE INDUSTRIAL DISPUTES ACT, 1947</p> <p>Application of Chapter VB.- (1) The provisions of this Chapter shall apply to an industrial establishment (not being an establishment of a seasonal character or in which work is performed only intermittently) in which not less than one hundred workmen were employed on an average per working day for the preceding twelve months. (2) If a question arises whether an industrial establishment is of a</p>	<p>Prior permission from government for closure, lay-off, or retrenchment required only for establishments employing 100 or more workers</p>	<p>SECTION 77 (1) OF THE INDUSTRIAL RELATIONS CODE, 2020</p> <p>The provisions of this Chapter shall apply to an industrial establishment (not being an establishment of a seasonal character or in which work is performed only intermittently) in which not less than three hundred workers, or such higher number of workers as may be notified by the appropriate Government, were employed on an average per working day in the preceding</p>	<p>Prior permission from government for closure, lay-off, or retrenchment required only for establishments employing 300 or more workers</p>

seasonal character or whether work is performed therein only intermittently, the decision of the appropriate Government thereon shall be final.		twelve months.	
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## NO CHANGE IN THE ROLE OF WORKS COMMITTEE

OLD PROVISIONS	NEW PROVISION	CONTENT/LAW
<p>THE INDUSTRIAL DISPUTES ACT, 1947 SECTION 3</p> <p>(1)-Works Committee-In the case of any industrial establishment in which one hundred or more workmen are employed or have been employed on any day in the preceding twelve months, the appropriate Government may by general or special order require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workmen engaged in the</p>	<p>THE INDUSTRIAL RELATIONS CODE, 2020 SECTION 3.</p> <p>(1) -In the case of any industrial establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months, the appropriate Government may by general or special order require the employer to constitute a Works Committee, in such manner as may be prescribed, consisting of representatives of employer and workers engaged in the</p>	<p>The role of the works committee however remains the same when Industrial Relation Code, 2020 is compared with Industrial Disputes Act, 1947</p>

<p>establishment so however that the number of representatives of workmen on the Committee shall not be less than the number of representatives of the employer. The representatives of the workmen shall be chosen in the prescribed manner from among the workmen engaged in the establishment and in consultation with their trade union, if any, registered under the Indian Trade Unions Act, 1926 (16 of 1926).</p> <p>(2) It shall be the duty of the Works Committee to promote measures for securing and preserving amity and good relations between the employer and workmen and, to that end, to comment upon matters of their common interest or concern and endeavour to compose any material</p>	<p>establishment: Provided that the number of representatives of workers in such Committee shall not be less than the number of representatives of the employer.</p> <p>(2) The representatives of the workers shall be chosen, in such manner as may be prescribed, from among the workers engaged in the establishment and in consultation with their Trade Union, if any, registered in accordance with the provisions of section 9. (3) It shall be the duty of the Works Committee to promote measures for securing and preserving amity and good relations between the employer and workers and, to that end, to comment upon matters of their common interest or concern and endeavour to compose any material</p>	
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difference of opinion in respect of such matters.	difference of opinion in respect of such matters.	
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## ADDITIONAL POWERS DURING AN EPIDEMIC

The Code adds new clauses which may become applicable in the cases of an epidemic. For example, the central government may defer or reduce the employer's or employee's contributions (under PF and ESI) for a period of up to three months in the case of a pandemic, endemic, or national disaster. Further, the said power has to be read in conjunction

with the meaning given by the Hon'ble Supreme Court in terms of recent judgement in Gujarat Mazdoor Sabha v State of Gujarat (Writ Petition (Civil) No. 708 of 2020) on 01.10.2020 to the terms 'public emergency' and 'overtime' and its implication for employees/employer.

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