



## Newsflash - New Labour Codes made effective

The Government of India has now notified the effective date for long awaited four labour codes. The following four labour codes have come into effect from 21<sup>st</sup> November 2025:

- The Code on Wages, 2019
- The Industrial Relations Code, 2020
- The Occupational Safety, Health and Working Conditions Code, 2020
- The Code on Social Security, 2020

As per the series of notifications issued by the Ministry of Labour & Employment, Government of India on 21<sup>st</sup> November 2025, majority of provisions of the Code of Wages, 2019 and the Code on Social Security, 2020 have been made effective from 21<sup>st</sup> November 2025 and all provisions of the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 have come into effect from 21<sup>st</sup> November 2025.

These Codes seek to consolidate and replace 29 existing central laws including the Industrial Disputes Act, 1947, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Gratuity Act, 1972, etc, all of which are now consolidated within these four Codes. While the Codes are modelled on the existing laws and the provisions are largely similar, there are several subtle changes that *inter alia* impact things like calculation of wages for the purpose of computing contribution to provident fund, the concept of pro-rata entitlement to gratuity for fixed term workers, the requirements to provide access to benefits like medical check-up.

Existing policies of all entities need to be reviewed to ensure they are aligned with the new Codes and strategies for expansions and downsizing need to be revisited.

For any queries or assistance, please reach out to our expert labour and employment law team comprising of Senior Partner, Mr. Aliff Fazelbhoy at <a href="mailto:afazelbhoy@almtlegal.com">afazelbhoy@almtlegal.com</a>, Associate Partner, Mr. Ahetesham A. Thaver at <a href="mailto:athaver@almtlegal.com">athaver@almtlegal.com</a> and the rest of the labour and employment team at <a href="mailto:labourteam@almtlegal.com">labourteam@almtlegal.com</a>.

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