



NEWSLETTER

August 2025

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Section 1: Provident Fund Notifications



• Launch of PM-VBRY Postponed

Mangaluru, July 31, 2025:

The Employees' Provident Fund Organisation (EPFO), Regional Office Mangaluru, has announced that the launch of the **Pradhan Mantri Viksit Bharat Rozgar Yojana (PM-VBRY)**, originally scheduled for **1st August 2025**, has been **postponed**.

According to a communication issued by the Regional P.F. Commissioner, Mr. Rajib Mukherjee, the decision was taken due to **unforeseen administrative exigencies**. A new date for the event will be notified by the Government in due course.

The EPFO has expressed regret for the inconvenience caused and has sought the continued cooperation and support of stakeholders, including members of the Kanara Chamber of Commerce & Industry (KCCI)

- **KYC Functionality for Employers:**
 - Where **Name, Gender, Date of Birth, Marital status & Nationality** in UAN matches Aadhaar, employers can directly seed Aadhaar with UAN using the **KYC functionality** in the Employer Portal.
 - No separate approval from EPFO is required.

• EPFO Update: Aadhaar Seeding & Correction in UAN Simplified

The **Employees' Provident Fund Organisation (EPFO)** has issued a circular dated **13th August 2025** regarding **seeding and correction of Aadhaar in Universal Account Number (UAN)**.

Key highlights:

- **Simplified Aadhaar Seeding:**
 - Members can directly update their profile if Aadhaar is seeded and verified with UIDAI.
 - Only a few exceptional cases require routing through the employer or EPFO.



- **Joint Declaration (JD) Process Simplified:**

1.Mismatch Cases – Employers can rectify discrepancies in **Name, Gender, Date of Birth, Marital status & Nationality** through JD functionality.

2.Wrong Aadhaar Linked – Employers can correct Aadhaar details via online JD and forward to the concerned Regional Office.

3.Employer Not Available/Closed – Members can file a **physical JD (Annexure I)**, attested by an authorized officer, at the Regional Office PRO counter.

4.Approval Requirement – All seeding/correction requests in JD functionality will be examined at **APFC level**. Already Aadhaar-verified cases cannot be altered.

This update aims to streamline Aadhaar seeding in UAN, reduce processing delays, and improve service delivery for members.

Issued by:

EPFO, Head Office

Dated: 13th August 2025



- **EPFO Records Highest-Ever Net Addition in June 2025**

The **Employees' Provident Fund Organisation (EPFO)** has reported its **highest net payroll addition** since data tracking began in 2018, with **21.89 lakh members added in June 2025**.

Key Highlights:

- **New Members:** 10.62 lakh enrolled (+12.68% vs. May 2025).
- **Youth (18–25 yrs):** 6.39 lakh new subscribers (60% of total), showing strong entry of first-time job seekers.
- **Rejoined Members:** 16.93 lakh re-joined (+19.65% YoY).
- **Female Members:** 3.02 lakh new enrollments; net female addition 4.72 lakh (+10.29% YoY).
- **Top States:** Maharashtra led with 20% share, followed by Karnataka, Tamil Nadu, Gujarat, and Haryana.
- **Industries:** Growth led by expert services, schools, construction, engineering, and trading.

Note: Data is provisional and updated monthly based on filings and corrections.

Source: Press Information Bureau (PIB), Release ID: 2158341, Dated 20th August 2025

Judgement

- **There is no requirement under the EPF Scheme providing for mandatory KYC on the part of the employer. 2025 LLR 936 HIMACHAL PRADESH HIGH COURT**

Summary

The statement, citing the M/s. Bectors Food Specialties v. RPFC & Anr. case (2025 LLR 936), correctly notes that the Himachal Pradesh High Court held there is no mandatory KYC requirement under the Employees' Provident Funds (EPF) Scheme for employers. This means employers cannot be held criminally liable for not submitting bank details or KYC if it's not explicitly mandated by the EPF Scheme itself.



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- **EPFO Makes Aadhaar-Based Face Authentication Mandatory**

Source: India Today, 5 Aug 2025

Effective **1 August 2025**, the Employees' Provident Fund Organisation (EPFO) has made **Aadhaar-based Face Authentication via the UMANG app mandatory for UAN generation.**

Exceptions: Foreign or international workers, and citizens of Nepal & Bhutan can continue with the earlier process.

- **EPFO Allows Online Exit Update Without Employer Approval**

Source: Outlook Money, Aug 2025

EPFO now permits subscribers to **update their date of exit online without requiring employer approval after 60 days since exit date.**

Intended to simplify processes, but users report the system remains **slow and inconsistent.**

Section 2: Minimum Wages

Notifications



● **Uttar Pradesh Government Revises Variable Dearness Allowance (VDA)**

The **Labour Commissioner, Uttar Pradesh**, Kanpur, has issued a notification revising the **Variable Dearness Allowance (VDA)** for workers employed in engineering factories with **50 or more workers**.

The revision is based on the Consumer Price Index (CPI) series (base year 2016=100). The average CPI for January 2025 to June 2025 has been considered, resulting in an increase in the VDA.



● **Maharashtra Government Notifies Revised Minimum Wages**

Mumbai, August 4, 2025:

The Government of Maharashtra has issued a notification revising the **minimum rates of wages** under the Minimum Wages Act, 1948.

The revised wages will be **effective from 1st July 2025 to 31st December 2025** and will apply to all scheduled employments in the state. Employers are required to implement the new wage structure for all categories of workers during this period.

Key Points:

- Applicable to: Engineering units in Uttar Pradesh with **50+ workers**.
- Effective period: **1st April 2025 to 31st March 2026**.
- Revised VDA payable: **₹5448.00 per month**.
- Minimum wages will now be calculated as **Basic + VDA**.

Issued by:

Labour Commissioner, Uttar Pradesh

Notification No. आई0आर0बी0-2025 (अगस्त 2025)

Section 3: Shops & Establishment

Notifications

- **Bihar Government Issues Holiday Notification for 2026**

The Government of Bihar has released a notification on **19th August 2025** declaring the **official list of holidays for the year 2026**.

The notification specifies general holidays, restricted holidays, public holidays, and bank holidays applicable across the state. These will be observed by all Government offices, revenue courts, and banks in Bihar during 2026.



Employers and institutions are advised to update their internal calendars and HR systems in line with the notification.

Issued by:

Government of Bihar
 Notification No. पी0ट0-40, Dated 19th August 2025

Judgement

- **If a person is absent beyond prescribed period for which leave can be granted, he is said to have resigned. 2025 LLR 832 BOMBAY HIGH COURT**

Summary

The statement, "If a person is absent beyond prescribed period for which leave can be granted, he is said to have resigned," refers to the Bombay High Court ruling in the case of *Rashtrasant Tukdoji Maharaj Technical and Education Society v. Smt. Indira Madhukar Muraskar & Ors.*, 2025 LLR 832. This legal principle established that prolonged, unauthorized absence can be treated as a voluntary resignation or abandonment of service, though the specific circumstances and the nature of employment contracts would be crucial in determining the exact outcome and any potential implications for benefits or service continuity.

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• Odisha – Consent Required for Women Night Workers

Source: The Hindu, 26 Aug 2025

The Odisha government mandated **explicit consent of women employees for night shift work.**

- Employers must also ensure safety measures.
- **Ban on adolescent employment** in night shifts.
- **Penalties prescribed** for violations.

• Karnataka Passes Gig Workers' Bill

Source: Deccan Herald, 26 Aug 2025

The Karnataka Legislature passed a landmark Bill extending **social security to over 4 lakh gig workers** in sectors such as delivery, transport, and e-services.

• Jharkhand – Women Permitted to Work Night Shifts

Source: Times of India, 29 Aug 2025

With Presidential assent to the **Factories (Jharkhand Amendment) Bill, 2023**, women in Jharkhand are now **legally permitted to work night shifts**, expanding employment opportunities across industries.

• Maharashtra – Social Security Framework for Gig Workers

Source: News On Air, 24 Aug 2025

The Maharashtra government announced a **comprehensive framework to extend social security benefits to 5 lakh gig workers** across more than 320 platforms.

- **Maharashtra – Welfare Schemes Extended to Gig Workers**

Source: The Print, 24 Aug 2025

The state also assured that **gig workers will receive benefits under existing welfare schemes**, enhancing coverage and protections.

- **Goa to Regulate Gig Workers Within 6 Months**

Source: Times of India, 22 Aug 2025

The Goa government announced plans to **introduce regulatory measures for gig workers within six months**, focusing on **labour rights and workplace safety**.



- **National Context – Gig Workers under Labour Codes**

Source: Hindustan Times, 20 Aug 2025

Under **Section 2(35) of the Code on Social Security, 2020**, gig workers are defined but continue to be treated as “partners” rather than employees.

- This leaves them **outside the ambit of most traditional labour protections**.
- State-level initiatives (Karnataka, Maharashtra, Goa) are paving the way for broader social security reforms.

Section 4: Employees' State Insurance Corporation (ESIC)

Notifications



While Aadhaar authentication can be used on a **voluntary basis** to

establish identity, ESIC beneficiaries will not be denied services for refusing or being unable to undergo Aadhaar authentication.

As per the notification, the following **alternate documents** can be accepted for identification:

- Passport
- PAN Card
- Driving License

This notification came into force on **19th August 2025** with its publication in the Official Gazette.

Issued by:

Ministry of Labour & Employment,
Government of India
Forwarded to ESIC via letter dated **21st August 2025**

• ESIC Update: Alternate Documents Allowed for Beneficiary Identification

The **Ministry of Labour & Employment**, Government of India, has issued a notification (**S.O. 3792(E), dated 19th August 2025**) allowing **alternate documents for identification of ESIC beneficiaries**.



• Maharashtra Government Issues Draft Notification on ESIC Coverage

The **Government of Maharashtra, Public Health Department**, has published a **draft notification dated 29th July 2025** under **Section 1(5) of the Employees' State Insurance Act, 1948**.



As per the draft notification, with effect from **28th August 2025**, the provisions of the ESI Act will be extended to the following establishments employing **10 or more persons** in areas where the Act is already in force:

- **Educational Institutions** – including public, private, aided or partially aided institutions run by individuals, trustees, societies, or organizations.
- **Medical Institutions** – including corporate, joint sector, trust, charitable, and privately owned hospitals, nursing homes, diagnostic centers, and pathological laboratories.

The notification was issued with the consultation of the Employees' State Insurance Corporation (ESIC) and with the approval of the Central Government.

Objections or suggestions regarding the draft may be submitted to the **Secretary (2), Public Health Department, Government of Maharashtra, Mumbai**, before **28th August 2025** for consideration.

Issued by:

Government of Maharashtra
Public Health Department
Notification No. PHD-12016/3/2025-PHD (R.K.V.2)
Dated: 29th July 2025

Judgement



- **Unless there is commencement of manufacturing work, employer is not liable to pay ESI contributions. 2025 LLR 840 GUJARAT HIGH COURT**



Summary

The assertion that an employer is not liable for ESI contributions unless manufacturing work commences is not entirely accurate; the Employee's State Insurance (ESI) Act applies to "factories or establishments" and liability for contribution is linked to the presence of employees, not solely the start of manufacturing. An employer may be liable for ESI contributions even if a manufacturing process isn't active, as long as the establishment meets the ESI Act's criteria for coverage, which often includes having a certain number of employees.

Section 5: Prevention of Sexual Harassment at Work (POSH)

Notifications

- ### Maharashtra Government Strengthens PoSH Act Implementation

Date: 22nd August 2025

Issued by: Department of Women & Child Development, Government of Maharashtra



The Maharashtra Government has issued fresh directions to ensure effective implementation of the **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (PoSH Act)** across all government, semi-government, and private establishments.

Key Highlights

- Mandatory IC Formation:** Every government, semi-government, private office, institution, society, trust, hospital, educational body, company, and service provider must **form an Internal Committee (IC)** under Section 4 and Local Complaints Committee under Section 6 of the PoSH Act.
- Review Mechanism:**
 - Monthly review by District Commissioners.

- Quarterly review by Secretary, Women & Child Development.
- Annual review by the Minister, Women & Child Development.

- District Officer's Authority:**

If any workplace fails to constitute an IC, the District Officer is empowered to take **penal action under Section 26** of the PoSH Act.

- **Nodal Officer Appointment:**

Each Ministry/Department must appoint a **Nodal Officer** to ensure compliance with the PoSH Act at both departmental and regional offices.

- **Audit Requirement:**

Annual audits conducted by the Labour Department must now include **PoSH compliance checks**.

- **Supreme Court Direction:**

Following SC's order in Aureliano Fernandes Vs State of Goa (2023), strict monitoring of PoSH implementation is mandated across private establishments as well.

- **SHe-Box Portal Promotion:**

All offices must prominently display and promote the **SHe-Box portal** (<https://shebox.wcd.gov.in>) on their official websites and social media to enable women employees to lodge complaints online.



Penalties for Non-Compliance

Workplaces failing to set up ICs or comply with PoSH Act provisions will face **legal and penal action** under Section 26 of the Act.

Action Required by Organizations

1. Establish ICs at all offices and branches immediately.
2. Appoint a Nodal Officer for departmental/regional oversight.
3. Update websites and communication channels with SHe-Box link.
4. Ensure annual PoSH compliance is included in labour audits.

- **Karnataka Labour Department Issues Directive on PoSH Act Compliance**

Date: 21st August 2025

Issued by: Office of the Labour Commissioner, Government of Karnataka



The Karnataka Labour Department has issued a fresh directive to strengthen compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (PoSH Act).

Key Highlights

- **Mandatory Internal Committee (IC):** Every employer of a workplace must constitute an **Internal Committee (IC)** under Section 4 of the PoSH Act.

- **Survey on ICC Formation:**

A **statewide survey** was directed earlier (03.12.2024) to verify whether workplaces have established ICs. This survey aims to identify workplaces that have not complied.

- **Labour Department Responsibility:**

The Labour Department is responsible for ensuring that ICs are set up at all workplaces. In case of non-compliance, immediate steps must be taken to ensure constitution of ICs.

- **Survey Completion Timeline:**

A new directive requires Labour Commissioners in districts, along with the Chief Labour Commissioner of the State, to complete the survey within **six weeks** from the date of order if not already completed.

Implications for Employers

- Failure to constitute an IC is a **violation of the PoSH Act** and can lead to **legal consequences and penalties.**
- Employers must take proactive steps to establish ICs and ensure compliance to avoid scrutiny during the survey.



Action Points for Organizations

1. **Establish an IC** immediately if not already constituted.
2. **Maintain records** of IC formation and its functioning.
3. **Cooperate with the Labour Department** during the survey process.
4. **Conduct awareness and training programs** for employees on workplace sexual harassment redressal mechanisms.

Judgement

- **No complaint under POSH Act on mere humiliation of woman employee in group discussion. 2025 LLR 882 TELANGANA HIGH COURT**

Summary

The Telangana High Court, in the case 2025 LLR 882, ruled that a complaint for sexual harassment under the POSH Act requires allegations of sexual harassment and cannot be based solely on instances of humiliation of women employees in group discussions, which lack the element of sexual nature as defined by the Act. The court emphasized that for a matter to fall under the POSH Act, the behaviour must be of a sexual nature, including unwelcome physical contact, demands for sexual favours, or sexually suggestive remarks. Mere humiliation, without a sexual undertone or implication, does not constitute sexual harassment under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, commonly known as the POSH Act.