



NEWSLETTER

March 2026

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NEWSLETTER

Section 1: Four New Codes

1.1. CODE ON SOCIAL SECURITY (CSS, 2020)

News

• Government Finalises Rules for All Four Labour Codes, Rollout Imminent 30/03/2026

- The Ministry of Labour and Employment has finalised rules under all four Labour Codes—covering wages, industrial relations, social security, and occupational safety—with implementation expected shortly.
- The framework consolidates 29 central labour laws into four codes, marking a major structural shift in India's labour regulation system.
- The finalisation of rules follows earlier draft notifications and stakeholder consultations, and represents the last step before full operational rollout of the Codes.



- The reforms aim to simplify compliance, improve ease of doing business, and create a uniform regulatory framework for employers and workers.
- The development is particularly significant for the Code on Wages, 2019, as uniform wage definitions and calculation mechanisms will now be implemented across sectors.



Source:

<https://economictimes.indiatimes.com/news/economy/policy/rules-finalised-rollout-of-all-4-labour-codes-likely-in-april/articleshow/129886864.cms>

Notifications

● Ministry of Labour Issues Additional FAQs Clarifying Key Aspects of Labour Codes Implementation 16/03/2026

- The Ministry of Labour and Employment released additional FAQs providing operational clarity on the four Labour Codes, particularly on wage computation, gratuity, social security contributions, and working conditions following their implementation on 21 November 2025.
- The FAQs clarify that overtime forms part of wages for the 50% wage calculation rule, while statutory components like employer PF contributions and bonus are included, but gratuity, ESI, and retirement benefits are excluded; annual performance incentives are also excluded from “wages”.
- It was further clarified that the revised definition of wages applies from 21 November 2025 for purposes such as gratuity, including for fixed-term employees who become eligible upon completion of one year of service.
- The document also addresses practical issues relating to ESI coverage thresholds, applicability of overtime, leave encashment, and benefits for gig and platform workers under the Code on Social Security, 2020 and other Codes.



● EPFO simplifies overseas provident fund payments for international workers 18.03.2026

- The EPFO has introduced a consolidated procedure to transfer provident fund amounts and related benefits directly to the bank accounts of international workers and their beneficiaries, addressing practical hardships faced in submitting Forms 15CA and 15CB.
- Only international workers from countries with which India has a Social Security Agreement (SSA) are eligible for payments to overseas accounts.



Source:

<https://dgtasli.gov.in/public/Admin/Cms/AllPdf/650059fb-b8f1a9.98699174.pdf>

● ESIC Clarifies Procedure Under New Amnesty Scheme, 2025

- ESIC has clarified that the New Amnesty Scheme, 2025 allows employers to settle disputes administratively, and prior permission of the court is not required to avail scheme benefits.
- The reference to filing a petition and “seeking permission” applies only when a matter is already pending in court, so that the settlement can be recorded and appropriate orders passed for disposal or withdrawal.
- Employers applying under the Scheme must undertake to submit an affidavit in any pending appeal or petition, confirming that the matter will be withdrawn unconditionally in accordance with the settlement.
- ESIC field offices will ensure settlements are processed strictly under Scheme conditions and that necessary applications or affidavits are filed in court to close proceedings.

Source:

https://esic.gov.in/attachments/circularfile/Clarification_on_The_New_Amnesty_Scheme_2025_regarding_English_1774441969.pdf

- Beneficiaries can choose to receive payments in India, their home country, or a third country, as per the SSA provisions.
- Verification of foreign bank accounts can be done using a bank statement or passbook, properly attested by the employer or an authorized body under the SSA. Claims will be processed at the regional offices, which will enter overseas bank details into the system for direct fund transfer.

Source: <https://economictimes.indiatimes.com/wealth/save/epfo-guidelines-for-international-workers-govt-lays-down-procedure-to-transfer-epf-amount-to-foreign-accounts/articleshow/129672415.cms>

Judgements

● Supreme Court to Examine Validity of EPF Contributions for International Workers LG Electronics India Pvt. Ltd. vs Union of India, April 2026



Source: <https://www.livelaw.in/top-stories/supreme-court-lg-electronics-epf-international-workers-2026-255xxx>

● Delhi High Court Rules Desiccated Coconut Falls Under EPF Act, Protecting Workers 12/03/2026

- The Delhi High Court upheld that desiccated coconut is to be treated as a fruit for the purposes of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act).
- The judgment clarified that common parlance or commercial usage, relevant in tax cases, cannot limit the scope of welfare statutes. The residuary clause in Schedule I allows inclusion of unspecified items engaged in fruit and vegetable preservation.
- As a result, Shriram Coconut Products falls under the EPF Act, ensuring statutory benefits for its employees. The appeal was allowed, the EPF Appellate Tribunal's order restored, and the earlier Single Judge's judgment set aside.

- The Supreme Court of India issued notice on a petition filed by LG Electronics challenging the constitutional validity of Paragraph 83 of the Employees' Provident Fund Scheme, 1952, which governs provident fund contributions by "international workers", and directed that no final orders be passed in ongoing Section 7A proceedings against the petitioners during pendency of the matter.
- The challenge relates to provisions introduced through 2008 and 2010 notifications mandating EPF contributions for foreign nationals working in India unless covered as "excluded employees" under applicable Social Security Agreements (SSAs).
- The Delhi High Court had earlier upheld the validity of these provisions in November 2025, while the Employees' Provident Fund Organisation submitted that the framework is integral to implementation of India's SSAs and cautioned against potential international treaty implications.



Union of India & Anr vs Shriram Coconut Products (P) Limited & Ors Source: <https://taxguru.in/corporate-law/coconut-held-fruit-epf-act-due-beneficial-interpretation-welfare-law-delhi-hc.html>

● Supreme Court Strikes Down Age Restriction on Maternity Leave for Adoptive Mothers *Hamsaanandini Nanduri v. Union of India*, 17/03/2026

- The Supreme Court struck down the age restriction under Section 60(4) of the Code on Social Security, 2020, which limited maternity benefits for adoptive mothers to cases where the adopted child was below three months of age, holding it unconstitutional.
- The Court held that the provision violated Articles 14 and 21, observing that the classification based on the age of the child had no rational nexus with the objective of maternity benefits, which is to support motherhood and caregiving.
- It ruled that adoptive mothers are entitled to 12 weeks of maternity leave irrespective of the age of the child at the time of adoption, and directed that the provision be read without the restrictive age condition.
- The Court emphasised that adoption is an integral aspect of reproductive autonomy and that caregiving responsibilities and emotional adjustments in adoption are comparable regardless of the child's age.

Source: <https://www.downtoearth.org.in/governance/supreme-court-strikes-down-age-cap-on-maternity-leave-for-adoptive-mothers-94958>



II. Industrial Relations Code, 2020

Judgements

● Supreme Court Constitutes 9-Judge Bench to Reconsider Scope of “Industry” under Labour Law March 2026

- The Supreme Court of India is examining the definition of “industry” under Indian labour law through a 9-judge Constitution Bench, a determination that will significantly impact coverage of labour protections relating to wages, working conditions, strikes, and termination.
- The reference arises from reconsideration of the landmark ruling in Bangalore Water Supply and Sewerage Board vs A. Rajappa, which adopted a broad “worker-oriented” interpretation and laid down the “triple test” covering systematic activity, employer-employee cooperation, and production/distribution of goods or services.



- This expansive interpretation brought within its ambit institutions such as hospitals, educational institutions, and welfare bodies, even in the absence of profit motive, leading to significant expansion of labour law applicability.
- Key issues before the Bench include validity of the “triple test”, whether government welfare activities qualify as industrial activities, and the scope of “sovereign functions” that may fall outside labour law regulation.

Source: <https://indianexpress.com/article/explained/supreme-court-industry-definition-labour-law-2026/>

III. Occupational Safety, Health and Working Conditions Code, 2020

Notifications

• Ministry Issues FAQs on OSH Code Clarifying Applicability, Inspections and Worker Protections 13/03/2026

- The Ministry of Labour and Employment issued FAQs under the Occupational Safety, Health and Working Conditions Code, 2020 clarifying key aspects relating to applicability, inspections, health standards, and employer obligations following implementation of the Labour Codes.
- It was clarified that occupational safety and health standards will be prescribed centrally, with limited scope for State modification subject to approval, while both Central and State Governments retain rule-making powers depending on the nature of establishment.
- The FAQs confirm that inspector-cum-facilitator mechanisms and web-based random inspections are intended to strengthen compliance rather than dilute enforcement, alongside rationalised but enhanced penalties for serious violations.
- Specific clarifications were provided on worker protections, including mandatory health check-ups for hazardous occupations irrespective of age, coverage of contract workers for welfare facilities, and requirement to issue experience certificates.

Source: <https://dginasli.gov.in/public/Admin/Cms/AllPdf/d7a1038bf00f763484aa27a79a4c6306.pdf>



IV. Shops and Establishments Acts

Notifications

● **Delhi Notifies Shops and Establishments (Amendment) Act, 2026 Expanding Working Hours and Revising Coverage 11/03/2026**

- The Government of NCT of Delhi notified the Delhi Shops and Establishments (Amendment) Act, 2026, revising the Delhi Shops and Establishments Act, 1954 after its passage in January 2026 and Presidential assent in February 2026.
- The amendment restricts applicability of the Act to establishments employing 20 or more employees, thereby excluding smaller establishments from its regulatory ambit.
- Working hour limits have been expanded, increasing daily working hours to 10 (including intervals), weekly limit to 60 hours, and revising overtime limits to 144 hours per quarter, along with extending continuous work duration from 5 to 6 hours.



Source:

<https://www.sconline.com/blog/post/2026/03/13/delhi-shops-and-establishments-amendment-act-2026-notified/>

- The amendment strengthens safeguards relating to employment of women and young persons, including prohibition on night work for young persons and conditional permission for women to work night shifts subject to consent, security, transport, and workplace safety requirements, including compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

● **Haryana Relaxes Shop Timing Restrictions, Introduces Safeguards on Working Hours and Overtime March 2026**

- The Government of Haryana issued a notification relaxing restrictions under the Haryana Shops and Commercial Establishments Act, 1958, allowing shops and commercial establishments to operate 24x7 through a self-certification mechanism, removing earlier limits on opening hours and weekly closures.
- The notification prescribes safeguards on working hours, capping work at 10 hours per day and 48 hours per week, with an overall spread-over limit of 12 hours including breaks, along with a mandatory 30-minute rest interval after six hours of continuous work.
- The framework permits employment of women during night shifts (8 PM to 6 AM) subject to prescribed safety conditions and approvals, reflecting a shift towards greater workforce flexibility alongside protective measures.
- The reform replaces earlier regulatory restrictions (including a 2009 notification) and is positioned as part of ease of doing business initiatives.

Source: <https://timesofindia.indiatimes.com/city/chandigarh/haryana-eases-shop-timing-rules-caps-work-hours-mandates-double-overtime-pay/articleshow/129935732.cms>

Section 2: Prevention of Sexual Harassment at Work (POSH)

News

● Bar Council of India Issues POSH Compliance Guidelines for Legal Profession 03/03/2026



Source:

<https://www.scconline.com/blog/post/2026/03/03/bci-posh-compliance-guidelines-legal-profession-icc-compliance-framework/>

- The Bar Council of India (BCI) has issued comprehensive POSH Compliance Guidelines to ensure implementation of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 across the legal profession.
- The guidelines apply to bar associations, law offices, State Bar Councils, and the BCI itself, covering members, interns, and staff, and aim to fill institutional gaps in workplace safety where formal employer–employee relationships may not exist.
- The Guidelines reiterate the provisions of POSH, and mandate adherence to them.
- The framework addresses gaps for women advocates and interns by providing counseling, legal support, and restorative remedies, acknowledging that redressal is not only punitive but also rehabilitative.

Judgement

● Bombay High Court Rules No “Double Inquiry” Required after ICC Findings under POSH Act Arun A. Iyer vs Board of Governors, IIT Bombay & Ors., 24/03/2026

- The Bombay High Court held that disciplinary action can be directly based on the Internal Committee (IC) report under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, clarifying that the law does not envisage a “double inquiry” after completion of IC proceedings.



- The petitioner argued violation of natural justice due to denial of access to statements and documents, while also alleging that transfer orders were punitive and linked to the pending proceedings.
- The Court directed that copies of all relevant materials relied upon by the employer must be furnished to the petitioner and permitted engagement of a Departmental Assistant, emphasising that access to documents is essential for an effective defence in disciplinary proceedings.

Source: <https://www.livelaw.in/high-court/kerala-high-court/statutory-confidentiality-posh-act-disciplinary-proceedings-documents-527781>

● Delhi High Court Holds POSH Act Challenge Premature Pending Pre-Confirmation Appeal 30/03/2026

- The petitioner challenged the reconstitution of the Internal Committee (IC), its findings from May 2025, the IC's remarks, the Record of Evidence (RoE), and the chargesheet and General Security Force Court (GSFC) proceedings, claiming violations of the POSH Act and natural justice.
- The petitioner argued that the IC had procedural flaws, lacked proper quorum, and its members did not have the required legal experience. He also claimed that the GSFC findings and sentence were not communicated to him.
- The Court observed that the petitioner's pre-confirmation appeal under BSF Rules was still pending, making the writ petition premature. It noted that interference by the Court before the final decision was not appropriate.
- While the petitioner cited several judgments, the Court held that they could not be applied at this stage because the GSFC findings were not yet confirmed.
- The petition was dismissed, with the Court confirming that the petitioner can raise all arguments after the pre-confirmation appeal is decided.



Source: <https://indiankanoon.org/doc/116239457/>

