



MINISTRY OF LABOUR & EMPLOYMENT MANDATE

The 4 Indian Labour Codes Gazette Notification & Compliance Architecture

An exhaustive administrative blueprint tracking form conversions, structural impacts,
and gazette directives across industrial operations.

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Macro Regulatory Impact Dashboard Executive View

29 → 4

STATUTE AMALGAMATION

Central laws collapsed entirely into four clean procedural books.

84 → 8

REGISTER OPTIMIZATION

Reduction in mandatory operational field log books to maintain.

100%

DIGITAL FRAMEWORK

Web-based randomized inspections substituting arbitrary audits.

5 Years

LICENSE PORTABILITY

Single unified pan-India contractor license validity tenure.

Operational Freedom Index vs Legacy Controls

The transition marks a pivotal shift toward computational regulatory transparency and reduction of physical standard touchpoints.

- **Unified Audits:** Joint inspections permitted across various intersecting wings.
- **Fewer Returns:** Elimination of seasonal multiple state and central corporate returns.
- **Decriminalization:** First-time structural compliance deviations categorized as rectifiable offenses via financial compounding.

CORE MASTER GAZETTE REFERENCE

"The codification architecture establishes absolute supremacy over legacy decentralized enactments. All historical regional provisions standing in structural contradiction to the baseline definitions of the central codes are hereby set to be modified dynamically upon full enforcement timeline validation."
MINISTRY OF LAW AND JUSTICE DIRECTIVE (EXTRAORDINARY GAZETTE)

1. Code on Wages, 2019: Gazette Blueprint

Act No. 29 of 2019

Substantive Legal Changes

- **Universal Definition of Wages:** Replaces 12 definitions across old acts. Basic Pay, DA, and Retaining Allowance must constitute a minimum of 50% of total compensation.
- **The 50% Overrun Cap:** If additional allowances exceed 50% of total remuneration, the excess is treated as "Wages," expanding the PF, Gratuity, and ESI contribution pools.
- **National Floor Wage Limit:** Central Government fixes regional minimum wage guidelines that State Governments cannot undercut.

MINISTRY CIRCULAR REFERENCE

"Notifiication No. S.O. 4660(E) — Establishments must audit their existing salary structures to align payroll registers with the basic-plus-DA calculation model."

Gazetted Form Architecture

Form Code	Gazette Nomenclature	Legacy Replacement
Form I	Register of Wages, Overtime, Fines, Deductions for Damage/Loss	Form IV (Min. Wages), Form I & II (Payment of Wages)
Form IV	Unified Annual Compliance Return	Form III (Payment of Wages Act)
Form V	Standardized Master Wage Slip format	Form XIX (Contract Labour Rules)

2. Code on Social Security, 2020: Gazette Blueprint

Act No. 36 of 2020

Substantive Legal Changes

- **Gig s Platform Work Inclusion:** Formal recognition for app-based workers. Aggregators must contribute 1% to 2% of their annual turnover to the social security fund.
- **Gratuity Threshold Compression:** Five-year continuous service condition waived for Fixed Term Employees (FTE). Pro-rata gratuity becomes payable at the **1-year completion mark**.
- **Aadhaar Portability Mandate:** Deployed as the primary validation link to ensure universal tracking of benefits across states.

MINISTRY CIRCULAR REFERENCE

"Notifiication S.O. 3204(E) — Empowers the National Social Security Board to directly collect and deploy aggregators' welfare cess pools for unorganized sector benefiits."

Gazetted Form Architecture

Form Code	Gazette Nomenclature	Legacy Replacement
Form I	Application for Unified Corporate Registration	Form A (EPF Registration / ESIC setup logs)
Form III	Statutory Gratuity Beneficiary Nomination	Form F (Payment of Gratuity Central Rules)
Form VIII	Maternity Benefit Notice & Claim Manifest	Form E (Maternity Benefit General Rules)

3. Industrial Relations Code, 2020: Gazette Blueprint

Act No. 35 of 2020

Substantive Legal Changes

- **Standing Orders Freedom:** The threshold requiring formal certified Standing Orders inside factories is scaled up from 100 workers to **300 workers**.
- **Strict Prohibition on Flash Strikes:** A mandatory **14-day notice** period is instituted for all strikes and lockouts across all industrial segments.
- **Worker Reskilling Fund:** Establishes a localized social relief pool where employers contribute an amount equal to 15 days of last-drawn wages for every retrenched worker.

MINISTRY CIRCULAR REFERENCE

"G.S.R. 743(E) – Outlines the administrative steps required to transfer reskilling fund tranches online into electronic workers' bank configurations within 45 days."

Gazetted Form Architecture

Form Code	Gazette Nomenclature	Legacy Replacement
Form IV	Notice of Change in Structural Service Conditions	Form E (Industrial Disputes Central Rules)
Form XI	Official Statutory Strike/Lockout Notification	Form L & M (ID Act Legacy Framework)
Form XIV	Prior Permission Application for Lay-off / Retrenchment	Form O-1, P (Industrial Disputes Enactments)

4. OSH s Working Conditions Code, 2020

Act No. 37 of 2020

Substantive Legal Changes

- **Appointment Letter Mandate:** Establishes a strict legal obligation to issue formalized employment contracts to every worker upon onboarding.
- **Night Shift Inclusivity Framework:** Permits women to operate night hours (7 PM to 6 AM) subject to verified metrics covering security, transport, and consent.
- **Annual Health Evaluations:** Mandatory cost-free medical checkups provided once a year for staff crossing the 40-year age mark.

MINISTRY CIRCULAR REFERENCE

"Notifiication No. G.S.R. 695(E) — Companies must log their internal compliance data regarding night shifit transport and security details on state labour dashboards."

Gazetted Form Architecture

Form Code	Gazette Nomenclature	Legacy Replacement
Form I	Application for Unified Factory / Contract License	Form I (Factories Act), Form IV (CLRA Rules)
Form VI	Notice of Operational Closure / Cessation of Works	Varies by State Factory Log Standards
Form XI	Report of Industrial Accident or Dangerous Outbreak	Form 18 (Legacy Factories Act Framework)

Detailed Conversion Matrix Dashboard Forms Simplification Analysis

A comparative breakdown of legacy filings mapped against the streamlined, unified registers under the new four codes.

Compliance Domain	Legacy Form Requirements (Old System)	New Codified Form Implementations
Core Core Onboarding	Form I (CLRA), Form 2 (EPF Nomination), Form II (Maternity), Separate Factory Employment Rolls.	<div style="border: 1px solid gray; padding: 2px; display: inline-block;">Form I (OSH Code)</div> Form I (OSH Code) — Single entry platform for global corporate registration and employee roll definitions.
Wage Logs	Form I, II, IV, V (Payment of Wages), Form I, II, III (Minimum Wages), Form A, B, C (Payment of Bonus).	<div style="border: 1px solid gray; padding: 2px; display: inline-block;">Form I (Wage Code)</div> Form I (Wage Code) — Combined master payroll sheet tracing overtime, deductions, and base rates.
Annual Reporting	Form III (Wage), Form IV (CLRA Return), Form 22 (Factory Annual Return), Form D (Bonus Return).	<div style="border: 1px solid gray; padding: 2px; display: inline-block;">Form IV (Wage Code) / Form II (IR)</div> Form IV (Wage Code) / Form II (IR) — Single, online consolidated return submitted by February 1st.
Incident Management	Form 18 (Factory Act Accidents), Form XXIV (Contract Labour Incidents Report to Inspector).	<div style="border: 1px solid gray; padding: 2px; display: inline-block;">Form XI (OSH Code)</div> Form XI (OSH Code) — Unified immediate electronic notification format for accidents.

Strategic FAQs: Section 2(y) Wage Structural Calculations

❓ How do we verify if an allowance profile runs askew of the 50% basic pay rule?

Answer: Take the entire monthly remuneration package. Subtract the explicit exclusions (e.g., HRA, Overtime, Commission, Gratuity, Conveyance). If the sum of the remaining elements exceeds 50% of the entire package, the excess amount is added to the "Wages" total for PF and Gratuity calculations.

❓ Do Fixed Term Employees (FTE) require a specific minimum tenure to claim gratuity?

Answer: No. While regular staff retain the legacy five-year rule, FTEs are legally entitled to pro-rata gratuity upon finishing **one year** of continuous service, based on the rate of 15 days' wages for every year completed.

⚠️ Immediate Audit Action Items for HR Operations:

1. Re-index allowance formulas where HRA/Special Allowance covers >50% of gross salary.
2. Adjust standard contract terms for Fixed Term Employees to reflect the 1-year pro-rata gratuity timeline.

Strategic FAQs: Operational Continuity s Industrial Relations

? What defines a "Mass Casual Leave" strike action under the Industrial Relations Code?

Answer: If **50% or more** of the workforce across an industrial facility takes casual leave simultaneously on a given day without prior contractual approval, the action is legally treated as a strike, invoking mandatory 14-day notice regulations.

? How long can an employee carry over unused annual leave tranches?

Answer: Workers can carry forward up to **30 days** of accumulated leave into the next calendar year. Any additional leave denied by the management beyond this limit must be encashed or carried over under special logs.

? Who funds the Workers Reskilling initiative during an operations downscaling?

Answer: The employer must deposit an amount equivalent to 15 days of the worker's last-drawn salary directly into a government-managed online reskilling fund account within 45 days of the retrenchment.



Transition Advisory & Implementation

Comprehensive payroll validation, internal rules mapping, and administrative form overhauls aligned with recent Gazette releases.

Direct Contact Office

