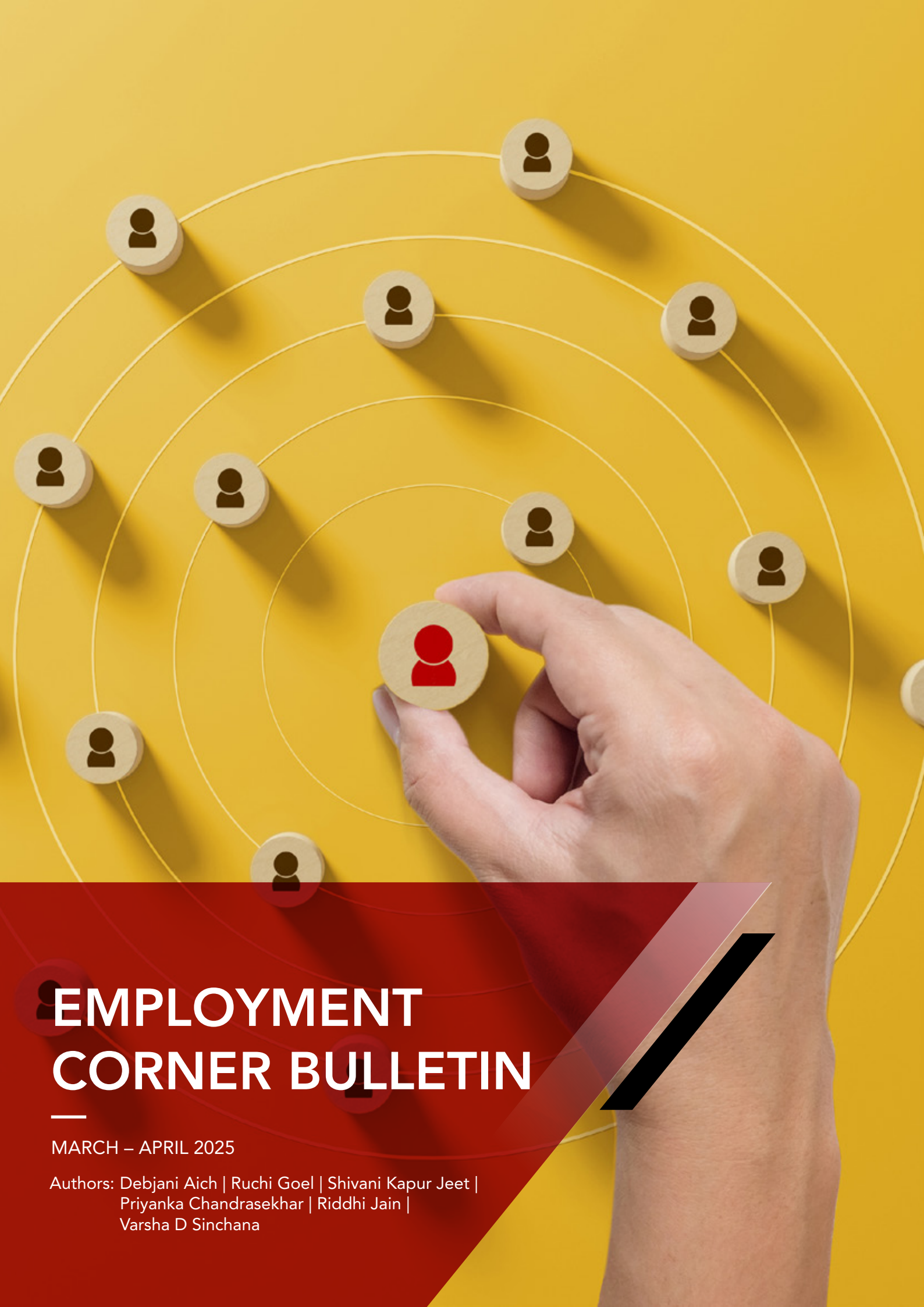

EMPLOYMENT CORNER BULLETIN

MARCH – APRIL 2025

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We welcome you to the March-April 2025 Edition of IndusLaw's Employment Corner Bulletin, where we discuss the key statutory and judicial updates for the period between March and April of 2025. This quarter has brought significant developments in employment legislation and judicial precedents across India. The EPFO has implemented important modifications to its processes, while several states have introduced progressive initiatives, including Tamil Nadu's inclusive employment scheme and comprehensive gig worker protections in Telangana. On the judicial front, the Supreme Court has delivered a landmark decision on jurisdiction clauses in employment contracts, while High Courts across India have clarified critical aspects of worker classification and retrenchment procedures. In this Bulletin, we have dedicated a section to emerging workplace trends, including the delicate balance between business necessities and cultural inclusivity in Indian workplaces, which employers and HR leaders should consider while developing their organisational practices and compliance strategies for the remainder of 2025.

LEGAL UPDATES

CENTRAL

EPFO Relaxes Aadhaar Requirements for Bulk UAN Generation

The Employees' Provident Fund Organisation ("**EPFO**"), through a notification dated April 25, 2025, has relaxed the Aadhaar requirement for the generation of Universal Account Numbers ("**UANs**") and crediting of past accumulations in specific scenarios. This change, which aims to streamline the accounting of past accumulations, primarily affects two cases: remittances made by exempted Provident Fund Trusts following surrender or cancellation of exemption, and remittances related to past period contributions resulting from quasi-judicial or recovery proceedings.

To implement this change, EPFO has introduced a software functionality at its field offices that enables bulk generation of UANs based on member IDs and other available member information, allowing for prompt crediting of funds without requiring immediate Aadhaar verification. However, as a safeguard measure, these newly generated UANs will remain frozen until Aadhaar seeding is completed, with no transfer or withdrawal transactions permitted until the Aadhaar seeding requirements are fulfilled.

EPFO limits employer's access to employee's Provident Fund information.

The EPFO has issued a notification dated March 27, 2025, limiting employer's access to employee's past employment details. Effective immediately, employers will now only be able to view the current employment details of their employees in the Employee Provident Fund ("**EPF**") system. This policy change aims to enhance privacy protection for EPF members by preventing potential misuse of historical employment information. The restriction applies to all past employment records that were previously accessible to current employers.

An important exception has been retained for the Employee Pension Scheme ("**EPS**")-95. When onboarding new employees who declare previous EPS membership in Form 11, employers will still be able to view the status of such membership. This exception ensures that eligible employees can continue their EPS contributions without interruption when changing jobs.

STATE

Tamil Nadu Launches Inclusive Employment Scheme for Industrial Sector

In a progressive move to promote inclusivity and economic growth, the Tamil Nadu Government has introduced a new scheme dated March 20, 2025. The scheme incentivizes the employment of women, differently-abled individuals with benchmark disabilities, and transgender individuals in the state's industrial sector and is effective from April 1, 2024, till March 31, 2027. This initiative aims to boost job opportunities for marginalized communities and reinforce Tamil Nadu's reputation as an inclusive industrial hub.

The scheme offers the employers engaged in manufacturing activities of a new industrial unit, a payroll subsidy of 10% of the basic wages (as defined under Section 2(b) of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) of eligible employees for 2 years.

This is however subject to certain conditions such as (i) the eligible employers must create at least 500 direct jobs for eligible individuals domiciled in Tamil Nadu, (ii) the payroll subsidy under the scheme shall exclude payments made to key managerial personnel and board members, and (iii) the eligible unit should commence operations within the scheme period.

While the Commissioner of Industries and Commerce will manage the applications for Micro, Small & Medium Enterprises, the Commissioner of Investment Promotion and Facilitation through the State Industries Promotion Corporation of Tamil Nadu Limited will oversee the application, sanctioning, and the disbursement of the subsidy for large industries.

Andhra Pradesh extends the exemptions granted to IT/ITES establishments under the Andhra Pradesh Shops and Establishments Act, 1988

The Government of Andhra Pradesh has issued a notification dated March 25, 2025, exempting IT and ITeS establishments in Andhra Pradesh, from specific compliances under the Andhra Pradesh Shops and Establishments Act, 1988 ("**ASEA**") for a further period of five years, till March 25, 2030. This five-year exemption

relaxes compliance with Section 15 (opening and closing hours), Section 16 (daily and weekly hours of work), Section 21 (special provisions for young persons), Section 23 (special provisions for women), Section 31 (holidays), and Sections 47(1), (2), (3), and (4) (conditions for terminating employee services) of the ASEA.

The exemptions are subject to the following conditions being fulfilled by an employer:

(i) Working hours cannot exceed 48 hours per week, with additional hours requiring payment of overtime to employees as per the ASEA.

(ii) Every employee must be provided with one mandatory weekly day off.

(iii) For employees working on notified holidays, a compensatory holiday with wages must be provided.

(iv) Women employees can work night shifts provided adequate security measures and transportation between the workplace and residences are arranged. Establishments must ensure that all transport vehicles are registered under the VAHAN app and that women employees use the security mobile app of the police department. The establishment must also implement comprehensive driver verification systems including background checks and maintenance of detailed records of all transport service providers. Transportation routes must be planned to ensure women employees are neither the first to be picked up nor the last to be dropped off. Special security provisions must be implemented for women employees requiring transportation before 6 AM and after 8 PM.

(v) Establishments are permitted to maintain statutory registers in digital format instead of hard copies as part of compliance requirements. All employee returns must be submitted online through designated government platforms established by the Labour Factories and Boilers Department.

While the exemptions encourage business growth, employers must ensure adherence to the conditions to prevent potential revocation of the exemptions by the State Government.

Maharashtra introduces Private Placement Agencies Regulation Bill, 2025

The Government of Maharashtra has introduced the Maharashtra Private Placement Agencies Regulation Bill, 2025 (the "**Bill**") dated March 26, 2025, aiming to regulate private placement agencies and to protect job seekers from exploitation. The Bill applies to all private placement agencies operating in the state of Maharashtra and includes job placement firms, executive search companies, recruitment process outsourcing agencies, labour contractors providing temporary staffing services, and overseas employment consultants with operations in Maharashtra. The following are the key features of the Bill:

(i) All eligible establishments must register with the designated State Authority. The registration is valid for a period of 5 years. Agencies must provide a mandatory security deposit based on their size (INR 2,00,000 for small agencies, INR 5,00,000 for medium, and INR 10,00,000 for large agencies) and disclose all branch offices, operational practices, and fee structures.

(ii) To protect job seekers, the Bill caps placement fees at 8.5% of the annual compensation for domestic placements and 12% for international placements. Agencies are prohibited from collecting fees before a successful placement and must establish mandatory written contracts with job seekers. A 30-day refund guarantee is required if employment terminates within 90 days due to reasons outside the job seeker's control.

(iii) The Bill includes special provisions for agencies specializing in Information Technology ("**IT**") and Information Technology Enabled Services ("**ITeS**") placements, including a streamlined registration process with expedited approvals, allowance for digital-only operations without physical office requirements, permission to operate multi-state placement networks with single-window clearance, and specialized skill verification protocols for technical positions.

(iv) The Bill establishes a dedicated Monitoring Committee headed by the Labour Commissioner with powers for inspection and audit of placement agency premises and records. Penalties for violations range from ₹50,000 to ₹5,00,000, with potential suspension or cancellation of registration for repeated offenses. Special provisions exist for agencies handling overseas placements, including additional due diligence requirements.

(v) Additional compliance requirements include maintenance of digital records for all placements for a minimum of five years, quarterly reporting to the State Authority on placement activities, implementation of grievance redressal mechanisms with 15-day resolution timelines, and protection of personal data of job seekers as per applicable data protection laws.

Kerala amends the limits of working hours of women under the Factories Act, 1948

The Government of Kerala has issued a notification dated March 27, 2025, under the Factories Act, 1948, regarding employment of women during night shifts. This supersedes the earlier notification dated July 16, 2003, and permits women to work between 6:00 AM and 10:00 PM across 24 industrial sectors including food processing, electronics, textiles, pharmaceuticals, and various manufacturing industries. However, employers must strictly adhere to the following conditions:

(i) No woman shall be employed between 10:00 PM and 5:00 AM;

(ii) Separate dormitory accommodations must be provided for women workers;

(iii) Free transportation with security personnel is mandatory for women working beyond 7:00 PM;

(iv) Daily working hours limitations must be followed without exemptions;

(v) Shift rotations must be planned in such a way that weekly holidays are granted to workers; and

(vi) Employers must ensure protection of women workers' dignity and safety while maintaining proper documentation of this exemption in Form-33 (inspection registers).

The Government retains the right to revoke or modify these exemptions without prior notice, and all other provisions of the Factories Act, 1948 and Kerala Factories Rules, 1957 remain applicable to the exempted establishments.

Gurugram issues reminder for ER-I Quarterly Report Submission for the period of January-March 2025.

The Government of Haryana has issued a notification dated April 1, 2025, under the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 ("**CNV Act**") reminding all establishments located in Gurgaon to submit their ER-I report for the quarter ending March 31, 2025, by April 30, 2025, online through the hrex.gov.in portal after updating their organization's profile. The CNV Act applies to all establishments in the public sector and to establishments in the private sector ordinarily employing more than 25 employees. These establishments must notify the relevant employment exchanges, before filling up any vacancy in the establishment.

Haryana amends the contributions to the labour law fund

The Government of Haryana has amended the Punjab Labour Welfare Fund Act, 1965 ("**LWF Act**"), via a notification dated March 7,2025, revising the maximum monthly contribution limits to the fund. While the employee contribution in terms of percentage of the wages remains the same at 0.2% of the wages per month, the maximum limit of the contribution has been revised from INR 31 to INR 34 per month. Under the LWF Act, an employer is required to contribute twice the amount contributed by the employee. The employer is required to deduct the employee's contribution from their wages, and deposit the total contribution (i.e., employer's contribution and employee's contribution) to the constituted Welfare Board on or before December 31st for the concerned year, through online mode in favour of the Welfare Commissioner. The amendment is in effect from January 1, 2025.

Telangana State introduced the Draft Telangana Gig and Platform Workers (Registration, Social Security and Welfare) Bill, 2025.

The State of Telangana introduced the draft Telangana Gig and Platform Workers (Registration, Social Security and Welfare) Bill, 2025 ("**Draft Bill**") on April 14, 2025. The said Draft Bill has been released for public consultation and outlines comprehensive measures for gig workers engaged in sectors such as ride-sharing services, food and grocery delivery services, logistics services, e-market place, content and media services and any other goods and services provider platform.

The key provisions of the Draft Bill include the establishment of the Telangana Gig and Platform Workers Welfare Board, self-registration of gig and platform workers, aggregators/platforms with the registration, income security, social security and welfare fund for gig and platform workers- funded by welfare fund fees, worker contributions to specific schemes, government grants, CSR funds, donations, gifts and other sources, and grievance redressal mechanism. The Draft Bill mandates the aggregators to contribute 1-2% of each transaction's payout to the welfare fund, the aggregator is also mandated to deposit the welfare fund fee at the end of each quarter. All payments are mapped on Welfare Fund Fee Verification System (WFFVS) which is administered by the government to ensure transparency in fee collection and expenditure. If the aggregator. The Draft Bill also mandates the issuance of Unique Identification Number to each worker. The Telangana Government is seeking public feedback on the Draft Bill with the aim to finalise and implement the same by May 1, 2025, coinciding with International Worker's Day.

Developments in Haryana's Gig Worker Welfare initiatives.

(i) **State-wide e-Shram Registration Drive**: The Haryana Labour Department conducted an extensive registration campaign to enrol gig workers, platform-based workers, and other unorganised sector employees into the national e-Shram portal in the month of April. This portal provides workers with a formal identity and access to various social security schemes. The initiative included setting up camps across all districts, offering on-the-spot Aadhar authentication and registration assistance. As a result, over 54 lakh workers were successfully registered.

(ii) **Launch of dedicated gig workers portal**: On March 17, 2025, the Chief Minister of Haryana, Nayab Singh Saini, announced the establishment of a dedicated online portal for gig workers. This platform aims to connect gig workers with various government schemes and opportunities, providing them with improved access to social security benefits, financial stability and enhanced working conditions.

Kerala Issues Circular to Protect Security Personnel in Commercial Establishments

The Kerala Government issued a circular on March 10, 2025, requiring employers to comply with Section 21B of the Kerala Shops & Commercial Establishments Act, 1960 ("**KSCE Act**"), specifically concerning security personnel. The circular mandates that establishments provide security personnel, particularly those stationed outdoors or in open areas, with essential and basic facilities, including seating facilities and drinking water, in order to protect their physical and mental well-being and protect them from harsh weather. Security personnel near highways or exposed areas must also be provided with reflective coats, caps, and goggles. All safety equipment should comply with Bureau of Indian Standards guidelines, especially when there is a risk of bodily injury or exposure to physical or chemical hazards.

Additionally, all shops and commercial establishments must register themselves under the Wage Security Scheme and provide minimum wages, overtime pay, entitled leave, and other employment benefits to these security personnel. Any non-compliance with this directive will result in possible monetary penalties for the employers.

JUDICIAL DEVELOPMENTS

SUPREME COURT

Sl. No.	Ratio	Brief details
1.	Exclusive jurisdiction clauses in employment contracts are valid and enforceable provided they don't absolutely bar legal remedies or confer courts with jurisdiction that was not inherent, and clearly specify which courts have exclusive jurisdiction. *Rakesh Kumar Verma v. HDFC Bank Ltd., 2025 INSC 473*	The Supreme Court of India addressed two civil appeals concerning the validity and enforceability of exclusive jurisdiction clauses in employment contracts. In the lead appeal, Rakesh Kumar Verma challenged the Patna High Court's judgment that allowed HDFC Bank's revision application, while in the connected appeal, HDFC Bank contested the Delhi High Court's dismissal of its revision application against Deepti Bhatia. Both cases presented nearly identical facts, in which the employees, Rakesh Kumar and Deepti Bhatia, who were terminated by HDFC Bank for alleged fraud and misconduct, filed suits in their local courts (Patna and Delhi, respectively) challenging their terminations, seeking reinstatement, despite employment contracts containing clauses stipulating that courts in Mumbai would have exclusive jurisdiction over disputes. The Court conducted a comprehensive analysis of legal precedents and established three mandatory criteria for valid exclusive jurisdiction clauses: (1) compliance with Section 28 of the Contract Act, 1882 (not absolutely restricting legal proceedings), (2) the designated court must inherently possess jurisdiction under law and the contract must not confer jurisdiction on a court that didn't have it in the first place, and (3) the parties must have explicitly or implicitly conferred jurisdiction on specific courts. The Court found all three criteria satisfied in both cases, as the clauses didn't prohibit legal remedies but

SUPREME COURT		
Sl. No.	**Ratio**	**Brief details**
		merely restricted venue. Mumbai courts had jurisdiction since employment decisions were made there, and the contracts explicitly used the term "exclusive jurisdiction." The Court firmly rejected arguments that employment contracts should be treated differently from other contracts due to unequal bargaining power, characterizing such distinctions as violations of contractual equality principles. It also distinguished between public service (governed by status) and private employment (governed by contract), noting that in private employment when parties enter into employment contracts, there is a prior meeting of minds, and thus their intentions must be gathered from the employment terms. Hence, they are bound by those terms, regardless of relative power imbalances. The Court directed both plaintiffs to file their suits in Mumbai courts, allowing them to either to have their current plaints returned for presentation in Mumbai or to withdraw their suits and file fresh ones there, with liberty to seek amendments to their plaints.

HIGH COURT		
Sl. No.	**Ratio**	**Brief details**
1.	*Buryat Bangalore Hotels Association and The Principal Secretary, WP 9358/2024 and WP 12931/2025.*	The Karnataka High Court addressed writ petitions challenging the Karnataka Compulsory Gratuity Insurance Rules 2024 (the "**Insurance Rules**"). The petitioners' primary arguments challenged the Insurance Rules on two main grounds: first, that they compel employers to pay gratuity insurance premiums for employees who haven't completed the requisite five years of service (when gratuity only becomes payable after five years of service under the Payment of Gratuity Act, 1972); and second, that the Insurance Rules fail to distinguish between employers based on financial capacity, creating undue burden on small-scale industries. The respondent unions countered that the Insurance Rules, though implemented decades after Section 4-A was introduced to the Payment of Gratuity Act in 1989, serve to protect employees from enduring lengthy litigation processes to secure their gratuity benefits.

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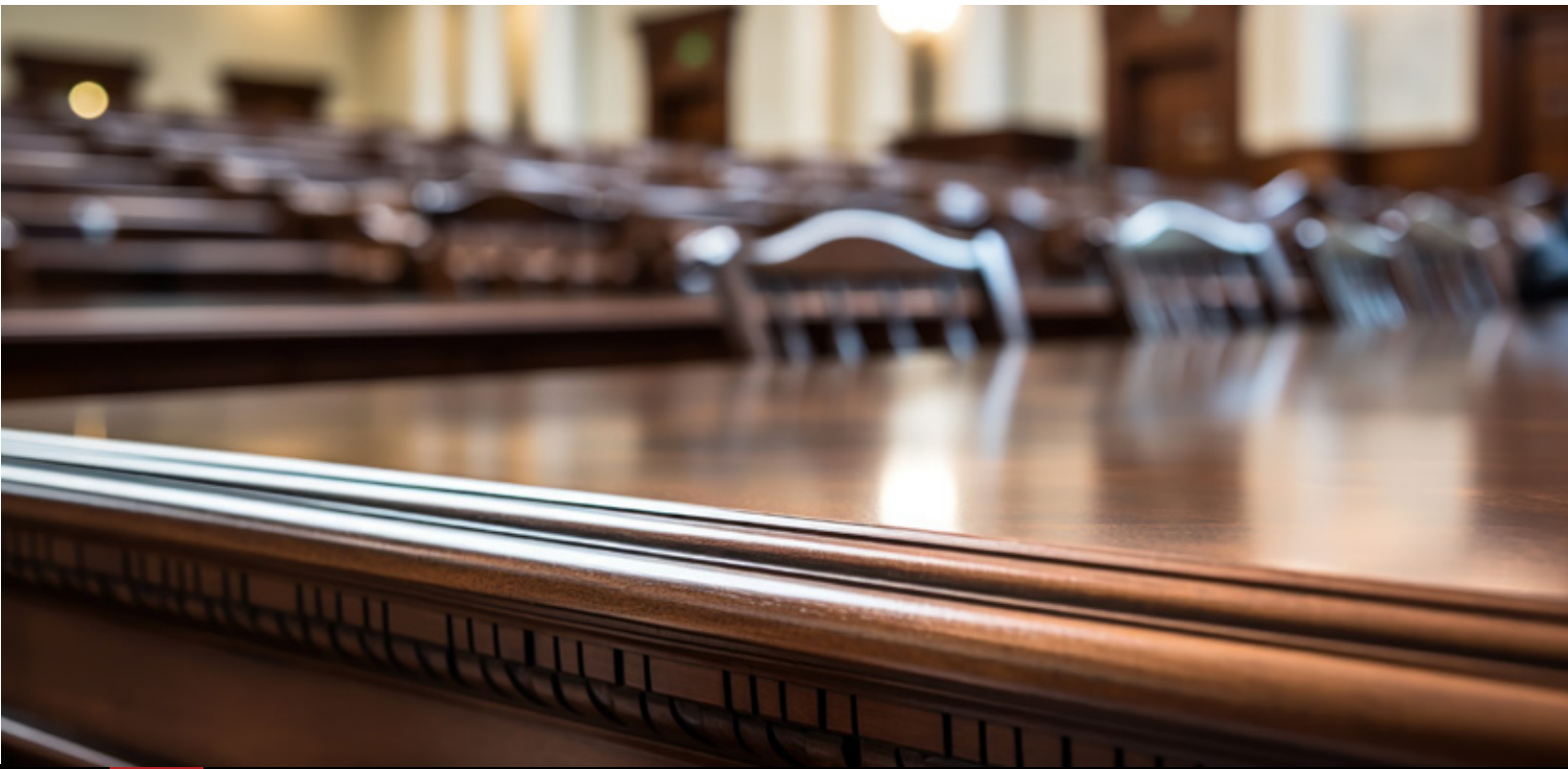
HIGH COURT		
Sl. No.	**Ratio**	**Brief details**
		After considering these arguments, the Court issued a balanced interim order, directing the State Government to refrain from taking coercive measures against the petitioners for default in paying the Gratuity Insurance Premium, if they pay insurance for employees who have completed five years of service. This order effectively creates a temporary compromise solution while the substantive challenge to the Insurance Rules proceeds.
2.	The determination of a worker's status as a 'workman' depends on the principal duties performed, not just job title, with the burden of proof lying on the employee claiming workman status. *Pandurang Punja Avhad v. Director, the Automotive Research Association of India, 2025 LLR WEB 406*	Pandurang Punja Avhad, the appellant, challenged his termination from the Automotive Research Association of India, seeking reinstatement through a Labour Court reference. One of the key issues included whether the appellant qualified as a "workman" under Section 2(s) of the Industrial Disputes Act ("**ID Act**"). The Bombay High Court conducted a detailed analysis of the appellant's employment history and responsibilities to determine his status. Multiple factors weighed against classifying him as a workman. His career trajectory showed significant progression. The Court also noted his role as Senior Project Manager involved more than technical work, including coordinating genset testing, instrumentation maintenance, and supervising daily laboratory activities. Critically, he also performed several supervisory functions: recommending leaves for employees, sanctioning tour programs, and being designated as a "team leader." The Court upheld the Labour Court's decision that the appellant was not a workman based on the duties performed by the appellant.
4.	When a proposed change in service conditions affects all workmen in an establishment with a registered union, a notice under Section 9A of the ID Act, displayed on notice boards and sent to the union secretary through registered post constitutes sufficient compliance with legal requirements; individual notices to each workman are not required. *The Management of Bharat Earth Movers Ltd. v. The General Secretary, Bharat Earth Movers Employees Association & Ors., 2025 LLR WEB 409*	The management of Bharat Earth Movers Ltd. ("**BEML**") sought to change vacation leave encashment, which was computed by dividing the monthly wage by 30 to arrive at wage per day. The divisor used in calculating vacation leave encashment was changed from 26 to 30 (reverting to the method used prior to 1982). The BEML Employees Association challenged this notice, claiming it was illegal because (i) individual notices were not issued to each workman, thus violating the requirements of Section 9A of the ID Act and; (ii) notice under Section 9A was issued by an officer (Deputy General Manager) covered under the definition of 'employer' in the Certified Standing Orders and not by 'employer' as per the ID Act (Board of Directors).

HIGH COURT		
Sl. No.	**Ratio**	**Brief details**
		The Karnataka High Court examined Section 9A of the ID Act and Rule 35 of the Industrial Disputes (Karnataka) Rules, 1957 (the "**Kar Rules**") and concluded that when a proposed change affects all workmen and the establishment has a registered union, individual notices to each workman are not mandatory. The Court noted that Rule 35 provides that a notice "shall be displayed conspicuously by the employer on a notice board at the main entrance to the establishment and in the manager's office," with an additional requirement to send a copy to the union secretary by registered post. The Court also observed that Rule 36 of the Kar Rules, which previously required personal service in certain circumstances, was deliberately omitted in 1960, indicating a legislative intent to dispense with personal notices. The Court also analysed the certified Standing Orders of BEML and found that the Deputy General Manager was authorized under the standing orders to issue the notice and make such decisions.
4.	When termination of a daily wage worker is based on allegations of misconduct and findings from a preliminary inquiry without conducting a proper departmental inquiry or following the principles of natural justice, such termination cannot be classified as simple retrenchment but constitutes punitive dismissal, which is unsustainable in law. *State of HP v. Ramesh Chand, 2025:HHC:3754*	Ramesh Chand was engaged as a daily wage beldar by the Public Works Department ("**PWD**") of the State. He was served with a one-month notice of retrenchment on February 26, 1999. The basis for his termination was an allegation of misconduct for tampering with official records. Before the Labour Court, the respondent contended that no proper inquiry was conducted, nor were principles of natural justice followed. He further stated that although a criminal case was registered against him regarding the same allegations, he was acquitted by the Judicial Magistrate. The PWD, on the other hand, argued that the respondent was not entitled to work charge status or regularization. They contended that his services were terminated after serving one month's notice of retrenchment because he was found tampering with records. The Labour Court ordered in favour of the respondent. On appeal the Himachal Pradesh High Court observed that the findings of misconduct were based wholly on the preliminary inquiry and his own admission of guilt. The Court held that order of termination was passed by the department without holding a regular departmental enquiry and therefore, was by way of punishment. Thus, it cannot be treated as a simple retrenchment and was unsustainable in law.

HIGH COURT		
Sl. No.	**Ratio**	**Brief details**
5.	Retrenchment compensation must be offered at the time of issuing the termination letter, and subsequent payment months after termination does not cure the illegality of the retrenchment process. Notably, the court ordered reinstatement of the employee despite the employee's advanced age, rather than payment in lieu of reinstatement, emphasizing the severity of consequences for procedural violations in the retrenchment process. *J Fibre Corporation v. Maruti Harishchandra Amrute, 2025:BHC-AS:10312*	The appellant, J Fibre Corporation, challenged the Labor Court award that directed the reinstatement of the respondent, Mr. Maruti Harishchandra Amrute with full back wages following his termination. The respondent had been employed as a Shift Supervisor since April 2011 until his termination on May 17, 2018, which the company justified based on reduced production needs and cost-cutting measures. The key issues before the Bombay High Court included: (1) whether the respondent was a "workman" under Section 2(s) of the ID Act; (2) whether his termination was legal, and (3) whether reinstatement was appropriate given his age. The Court found that the Labor Court correctly determined the respondent qualified as a "workman", as his predominant duties were technical rather than managerial. Regarding the termination, the court found the termination in the present case to be illegal because the employer failed to follow proper retrenchment procedures as the petitioner(i) did not provide compensation at the time of termination (only deposited it six months later) and (ii) failed to produce a seniority list demonstrating that respondent was junior-most for retrenchment. However, the Court modified the Labor Court's award regarding reinstatement, noting that since the respondent had already reached retirement age (60 years) on June 24, 2021, reinstatement was impossible. Instead, the Court awarded lumpsum compensation of INR 3,58,073 (comprising INR 2,35,828 deposited with the court as 50% back wages plus INR 1,22,245 previously credited to the respondent for various entitlements).
6.	If the approval sought by an employer under Section 33(2)(b) of the ID Act is not granted by the Labour Court, the order of discharge or dismissal is deemed never to have been passed, and consequently, the employee is deemed to be in continuous service, entitling them to all benefits. *Man Singh (deceased) through his Legal Representatives namely Smt. Dev Kanyaand Ms. Ritika Thakur v M/s. HFCL Limited, 2025 LLR WEB 424*	Man Singh, the deceased workman, was dismissed from service by HFCL Limited on July 17, 2020. Following this dismissal, the employer filed an application under Section 33(2)(b) of the ID Act seeking ratification of the dismissal. Concurrently, the deceased workman Singh filed a complaint under Section 33A of the ID Act alleging that his service conditions were changed illegally during the pendency of reference petitions. The Labour Court dismissed the employer's application under Section 33(2)(b), finding that the company failed to justify the dismissal beyond a preponderance of probabilities. However, while allowing the deceased workman's complaint under Section 33A of the ID Act, the Labour Court awarded him only INR 5,60,000 as

HIGH COURT		
Sl. No.	**Ratio**	**Brief details**
		lump sum compensation instead of reinstating him, citing "loss of confidence" between the employer and employee, which was challenged by the legal heirs of the deceased workman. The Himachal Pradesh High Court *cited Kanhiyalal Agarwal v. Factory Manager, Gwalior Sugar Company Ltd. (2001) 9 SCC 609*, which outlined the three essential requirements for establishing loss of confidence: (i) the workman must hold a position of trust; (ii) he must have abused that position; and (iii) continuing him in service would be detrimental to discipline or security. None of these elements were pleaded or proved in this case. Thus, the Labour Court's finding regarding "loss of confidence" was held to be fundamentally flawed. Further, the Court relied on precedents from the Supreme Court, particularly the five-judge bench decision in *Jaipur Zila Sahakari Bhoomi Vikas Bank Ltd. v. Ram Gopal Sharma (2002) 2002) 2 SCC 244*, which established that if approval under Section 33(2)(b) is not granted, the employee is automatically deemed to have continued in service with all benefits. The Court, therefore, modified the relief to grant the deceased workman's legal heirs all monetary and other benefits from the date of illegal dismissal until his death.



WHAT'S TRENDING

De Facto Resignation in Italy: New Framework Clarified for Employee Absences

Italy's Ministry of Labour has recently issued a circular, providing essential clarification on the "de facto resignation" regulations that took effect on January 15, 2025. The framework, initially approved by Parliament on December 13, 2024, addresses scenarios where employees abandon their positions without formal resignation. The circular establishes that employment termination due to unjustified absence is not automatic but remains at the employer's discretion. When exercising this option, employers must notify the Labour Inspectorate, which verifies resignation grounds. The regulations specify a minimum 15-day absence period applies unless Collective Bargaining Agreements ("**CBAs**") indicate otherwise, with CBAs permitted to extend but not reduce this timeframe. Significantly, employees terminated under this provision will not qualify for unemployment benefits, and employers are exempt from dismissal fees. The Ministry has also determined that collective rules on disciplinary dismissals for unjustified absences do not apply to these scenarios.

AI-Powered Safety Technologies Transform Workplace Health Protocols in 2025

As highlighted by the World Day for Safety and Health at Work 2025's focus on digitalisation and Artificial Intelligence ("AI") in workplace safety, Vedanta has implemented a comprehensive suite of AI-driven safety solutions across its operations, including AI surveillance systems, smart wearables, and VR-based training simulators that have resulted in 80% reduction in manual inspection efforts. The integration of technology with human oversight—through innovations like smart helmets with live audio-visual connectivity, fatigue-detection systems for vehicle operators, and computer vision for equipment monitoring— reflects a broader industry shift toward predictive safety models where AI anticipates potential hazards in real time before they materialize and represents a fundamental transformation in how organizations approach workplace safety.

UK Workplace Pregnancy Discrimination Case Sets £93,000 Precedent

A landmark United Kingdom's employment tribunal ruling has awarded an investment consultant over £93,000 (approximately INR 1 crore) for unfair dismissal and pregnancy discrimination, highlighting evolving workplace protections for expectant mothers. The Birmingham-based case involved Roman Property Group terminating employment via text message—complete with a "jazz hands" emoji—after she requested remote work accommodations for severe morning sickness per medical advice. The court determined that the dismissal was directly linked to her pregnancy, rejecting employer's contention that the casual text didn't constitute formal termination.

This ruling comes amid increasing scrutiny of digital communication in employment terminations, with courts clearly establishing that informal messaging platforms don't diminish employers' legal responsibilities toward vulnerable employees. The substantial compensation reflects both financial losses and the emotional impact of discrimination during pregnancy, setting an important precedent for workplace equality standards.

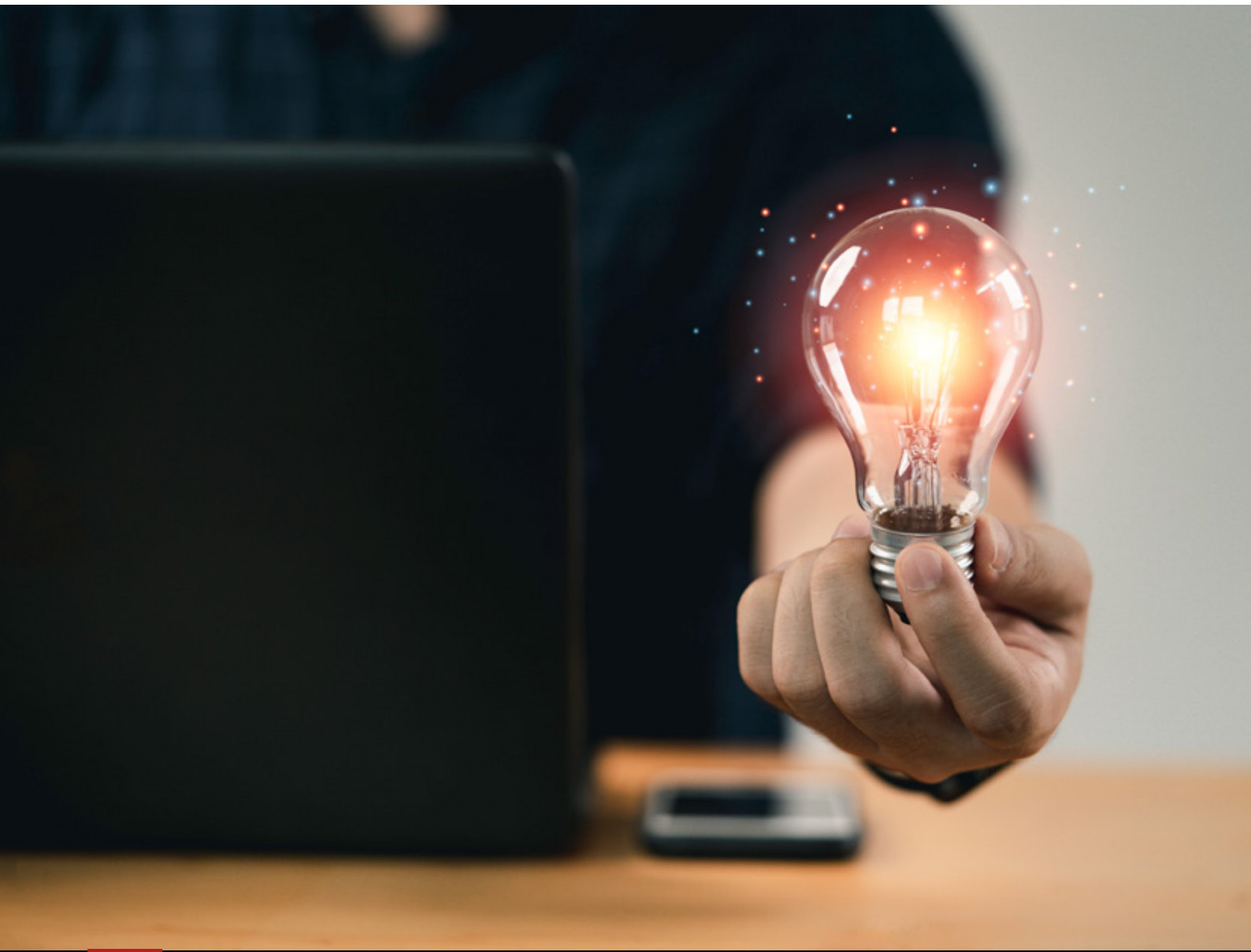
FOOD FOR THOUGHT

Balancing Business Needs and Cultural Inclusivity in Indian Workplaces

In today's diverse work environment, Indian employers face the delicate challenge of balancing operational necessities with cultural sensitivity—particularly regarding holiday leaves and flexible work policies. Recent controversies highlight the tension between employers exercising their legal rights to manage leaves based on "business necessity" and employees' expectations for cultural accommodation.

While companies can legally determine which festivals qualify as holidays beyond the statutorily mandated ones (Republic Day, Independence Day, and Gandhi Jayanti), this discretion may create workplace friction when culturally significant days aren't recognized, sometimes seen in companies with a foreign parent entity and catering exclusively to foreign business needs Similarly, the resistance to remote work arrangements reflects a persistent trust deficit in traditional Indian workplace hierarchies that prioritize visibility over outcomes.

This raises a critical question at the intersection of legal rights and business strategy: While employers maintain the legal authority to strictly control leave policies and work arrangements, does exercising this authority to its fullest extent truly serve long-term business interests? Organizations that demonstrate cultural respect through thoughtful leave policies and reasonable flexibility may gain competitive advantages in talent retention and productivity—particularly among younger generations, who increasingly value these workplace attributes—even while operating within the same legal framework as their more rigid counterparts.



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