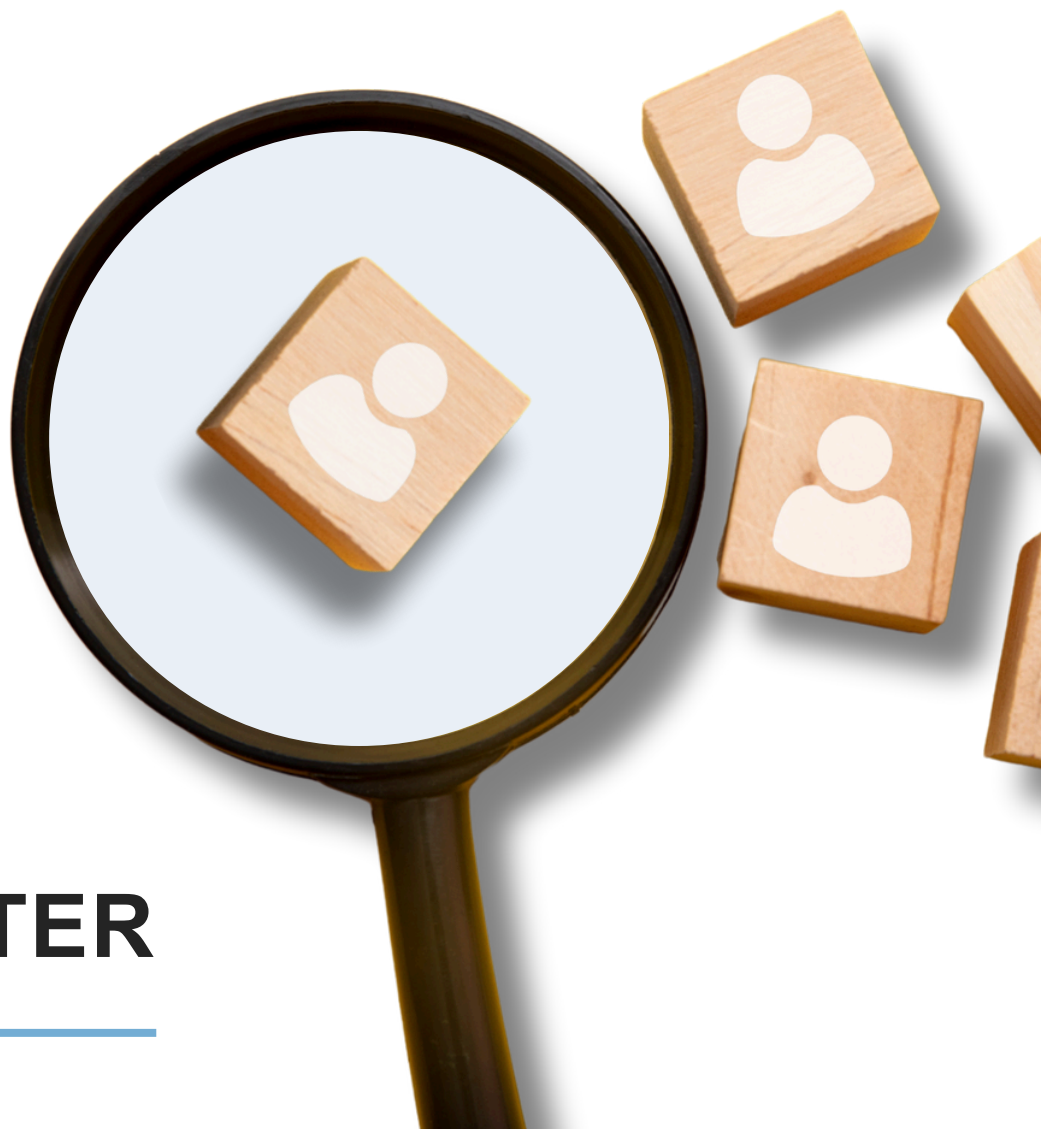


EMPLOYMENT LAW

UPDATES



NEWSLETTER

August 2025

INTRO

The August 2025 edition of the KSK Employment Law Newsletter captures a dynamic mix of judicial, regulatory, and policy developments that continue to redefine India's employment law framework.

KEY TAKEAWAYS

- 1** On the judicial front, the Delhi High Court has awarded damages against an employer for issuing a stigmatic termination letter, reiterating the importance of responsible communication in workplace separations.
- 2** The Calcutta High Court has upheld allowances for contract workers engaged exclusively by a principal employer, while the Andhra Pradesh High Court has rejected a workers' union plea for separate customary allowances over minimum wages.
- 3** The Himachal Pradesh High Court reiterates the principal of "Equal Pay for Equal Work" and in another ruling by the Himachal Pradesh High Court it is held that, in case the lessee has right to occupy the property and dictate its management, the lessee is also responsible for remitting the EPF contributions.
- 4** The Kerala High Court has clarified that allowances not universally paid across employees cannot be included in the provident fund wage base.
- 5** On the policy side, the government has rolled out Aadhaar-based biometric authentication for UAN generation, extended e-Shram coverage to domestic workers, and launched a ₹99,446 crore employment-linked incentive scheme.
- 6** State-level reforms include Punjab and Himachal Pradesh permitting women to work night shifts under strict safety conditions, alongside amendments to strengthen labour governance frameworks.
- 7** Together, these developments signal a continued balancing act between protecting worker rights and streamlining compliance for employers.



I. Case laws⁷

1. Gujarat High Court upholds ₹2 Lakh compensation to dairy employee, rejects employer's claim of job abandonment

In a case that blended workplace discipline, procedural lapses, and the fine print of who qualifies as a “workman” under the Industrial Disputes Act, the Gujarat High Court on August 12, 2025 upheld an award of ₹2,00,000 in favour of a long-serving employee of Amulfd Dairy (formerly Mother Dairy). The respondent, who joined as a trainee in 1994, rose to the position of Junior Officer in the Dispatch Department by 2007. Trouble began in December 2008, when the employer alleged that he watched prohibited movies during work hours and was asked to submit an apology. Instead, he proceeded on approved leave from 29–30 December, worked half a day on 31 December, and then took further leave due to his wife's illness. Upon attempting to resume duty in January 2009, he claimed he was denied entry amounting to oral termination.

The employer argued before the Labour Court that he was not a “workman” since he supervised staff, and further contended that he had abandoned his job rather than being retrenched. However, the Labour Court found that his primary duties preparing challans, daily reports, and clerical work were not supervisory in nature, and that incidental oversight of a few employees did not alter his status. The Court also noted that no apology letter, show cause notice, or departmental inquiry was ever placed on record to substantiate the misconduct allegation, and the leave taken was partly approved.

Taking into account his 14 years of service, age (52 years at the time of litigation), and uncontroverted unemployment since termination, the Labour Court awarded lump sum compensation of ₹2,00,000 in lieu of reinstatement and back wages. On appeal, Justice M.K. Thakker of the Gujarat High Court agreed that the burden was on the employer to prove that he was excluded from the definition of “workman” and to justify the manner of separation burdens they failed to discharge. The petition was dismissed, and the compensation award stood, serving as a reminder that procedural fairness and evidentiary rigour are non-negotiable in termination cases, especially when contesting an employee's statutory status.

2. Calcutta High Court Rules pension under employer's scheme is recoverable as ‘wages’ before payment of wages authority

On August 5, 2025 the Calcutta High Court in *M/s. Heinen and Hopman Engineering (I) Pvt. Ltd. v. The State of West Bengal & Ors.* has settled an important question whether pension benefits under an employer-administered scheme can be claimed before the authority under the Payment of Wages Act, 1936 (“PWA”). The Court held that such claims are maintainable, as pension payable upon cessation of employment forms part of “wages” under Section 2(vi) of the PWA.

The case arose from a dispute where a former employee, having resigned and received full and final settlement (including gratuity), later sought pension benefits under a non-contributory pension scheme established by the company. The employer rejected the claim, relying on amended eligibility rules, and contested the jurisdiction of the authority under the West Bengal Shops and Establishments Act, 1963. The authority, however, ruled in favour of the employee, holding that pension constituted “wages,” and the High Court upheld this finding.

In its reasoning, the Court distinguished between employer contributions to a pension fund which are excluded from the definition of wages and actual pension payments, which are contractual entitlements flowing from the terms of employment.

Since the pension scheme was expressly incorporated into employment terms and communicated through appointment and increment letters, it formed a wage liability payable on termination, regardless of whether the separation was by resignation or retirement, unless the scheme clearly provided otherwise.

This ruling confirms that employees covered under in-house, non-statutory pension schemes can seek recovery of unpaid pension before the payment of wages authority, providing a faster remedy than civil proceedings. For employers, it underscores the need for precise drafting of pension schemes and careful communication of eligibility terms, as withholding or delaying such payments may trigger proceedings under wage laws. While the principle applies to contractually linked, company-administered pensions, it does not automatically extend to statutory or government pension schemes lacking such a contractual basis.

3. Calcutta High Court directs HDFC Bank to pay allowances to contract workers, dismisses writ challenging Industrial Tribunal award

In a dispute intertwining the rights of contract labour, the obligations of a principal employer, and the procedural safeguards of the Industrial Disputes Act, the Calcutta High Court on August 12, 2025 upheld an award directing HDFC Bank Ltd. to ensure payment of certain allowances to security personnel and other contractual staff engaged through multiple service contractors. The case arose from a 2015 reference by the Ministry of Labour questioning the legality of stopping (i) Gun Allowance, (ii) Special Allowance, and (iii) Conveyance Allowance previously paid to such workers deployed exclusively in the Bank's operations.

The Central Government Industrial Tribunal, by its award dated 20 August 2024, held that these allowances though not part of "wages had been unilaterally withdrawn without compliance with Section 9A of the Industrial Disputes Act, 1947, amounting to an illegal change in service conditions. The Tribunal directed that both the contractors and the principal employer, HDFC Bank, were liable to make good the arrears from the date of stoppage until the workers' service ended, with the Bank empowered to recover the sums from contractors under Section 21(4) of the Contract Labour (Regulation & Abolition) Act, 1970. Payment was to be made within three months, failing which legal recovery proceedings could be initiated.

Challenging the award, the Bank argued that no employer–employee relationship existed between it and the contractors' staff, that Section 9A could not apply to a principal employer in such circumstances, and that restructuring of wage components by service providers could not form the subject matter of an industrial dispute with the Bank. It further contended that Section 21(4) of the CLRA Act was inapplicable and that the Tribunal's relief exceeded the scope of the reference.

The submissions made were rejected by the Court. Observing that the service conditions of the workers were shaped by the Bank's requirements and that they performed duties solely for the Bank, the Court held that the Bank was squarely within the ambit of "employer" in the reference. As such, any change in service conditions effected through the contractors was attributable to the Bank, triggering obligations under Section 9A. The Court also upheld the Tribunal's reliance on Section 21(4) of the CLRA Act to fasten liability on the principal employer for unpaid allowances.

Noting that the dispute had lingered for a decade, the Court dismissed the writ petition and directed immediate implementation of the award within six weeks, with payment of all dues along with 10% interest per annum. The decision underscores that principal employers cannot evade liability for statutory compliance in relation to contract workers engaged exclusively for their operations, particularly when unilateral changes in service conditions are involved.

4. Andhra Pradesh High Court rejects workers' union plea for separate customary allowances over minimum wages

In a dispute testing the interplay between “all-inclusive” minimum wages and claims for customary allowances, on August 5, 2025 the Andhra Pradesh High Court dismissed a writ petition filed by the Visakha Hotel and Restaurant Workers Union challenging a 2006 Industrial Tribunal award in favour of Park Hotel, Visakhapatnam. The case arose from a 2002 government reference under Section 10(1)(c) of the Industrial Disputes Act, 1947, on whether the hotel's workmen were entitled to payment of minimum wages by neutralising Dearness Allowance (“DA”) points with basic wages, while continuing to receive House Rent Allowance (“HRA”) and Conveyance Allowance (“CA”) as customary benefits.

The union argued that these allowances had been paid for over a decade and should remain separate from the “all-inclusive” minimum wages. The management countered that employees were already receiving wages above the statutory minimum and that the allowances formed part of the notified wage structure. The Industrial Tribunal, after evaluating oral and documentary evidence, held that under Sections 2(h) and 4 of the Minimum Wages Act, 1948, once minimum rates are prescribed whether basic plus DA or all-inclusive they form a single package and cannot be split into components. It found that employees were earning above the prescribed minimum wages, rendering the union's claim unsustainable.

On writ, the Court rejected the petitioner's contention that the case involved an “interest dispute” and that customary allowances should be preserved separately. The Court noted that such allowances are a matter of industry–cum–region bargaining and no material was produced to justify their continuance outside the notified wage package. Finding no jurisdictional error, perversity, or violation of statutory provisions in the Tribunal's award, the Court dismissed the writ petition without costs, reiterating that all-inclusive minimum wages cannot be dissected to carve out additional customary allowances.

5. Kerala High Court upholds exclusion of site allowance from PF wage calculation, dismisses EPFO writ

In a dispute over whether “site allowance” should be treated as part of basic wages for provident fund computation, on July 17, 2025 the Kerala High Court upheld an Employees' Provident Fund Appellate Tribunal order in favour of M/s Gobins India Engineering Pvt. Ltd., rejecting the Employees' Provident Fund Organisation's (“EPFO”) challenge. The controversy arose from a 2011 order by the Assistant Provident Fund Commissioner, Kochi, under Section 7A of the EPF & MP Act, 1952, which included site allowance in the wage base. On appeal, the Tribunal set aside this inclusion, noting the absence of findings that the allowance was universally paid to all employees or mandated under the contract of employment.

Before the High Court, EPFO argued that the Tribunal should have remanded the matter for evidence rather than outright exclusion, citing *Regional Provident Fund Commissioner (II) v. Vivekananda Vidyamandir* (2020). The company countered with records showing the allowance was paid only to select employees, relying on *Manipal Academy of Higher Education v. PF Commissioner* (2008). Justice S. Manu held that the “universality” test, as clarified in *TI Cycles of India v. Gurumani* (2001), was not satisfied and that the Tribunal's finding aligned with precedent.

Noting the long pendency of proceedings since 2011, the Court declined to order a remand and dismissed the writ petition. The ruling reaffirms that allowances not universally paid across a category of employees cannot be included in the provident fund wage base.

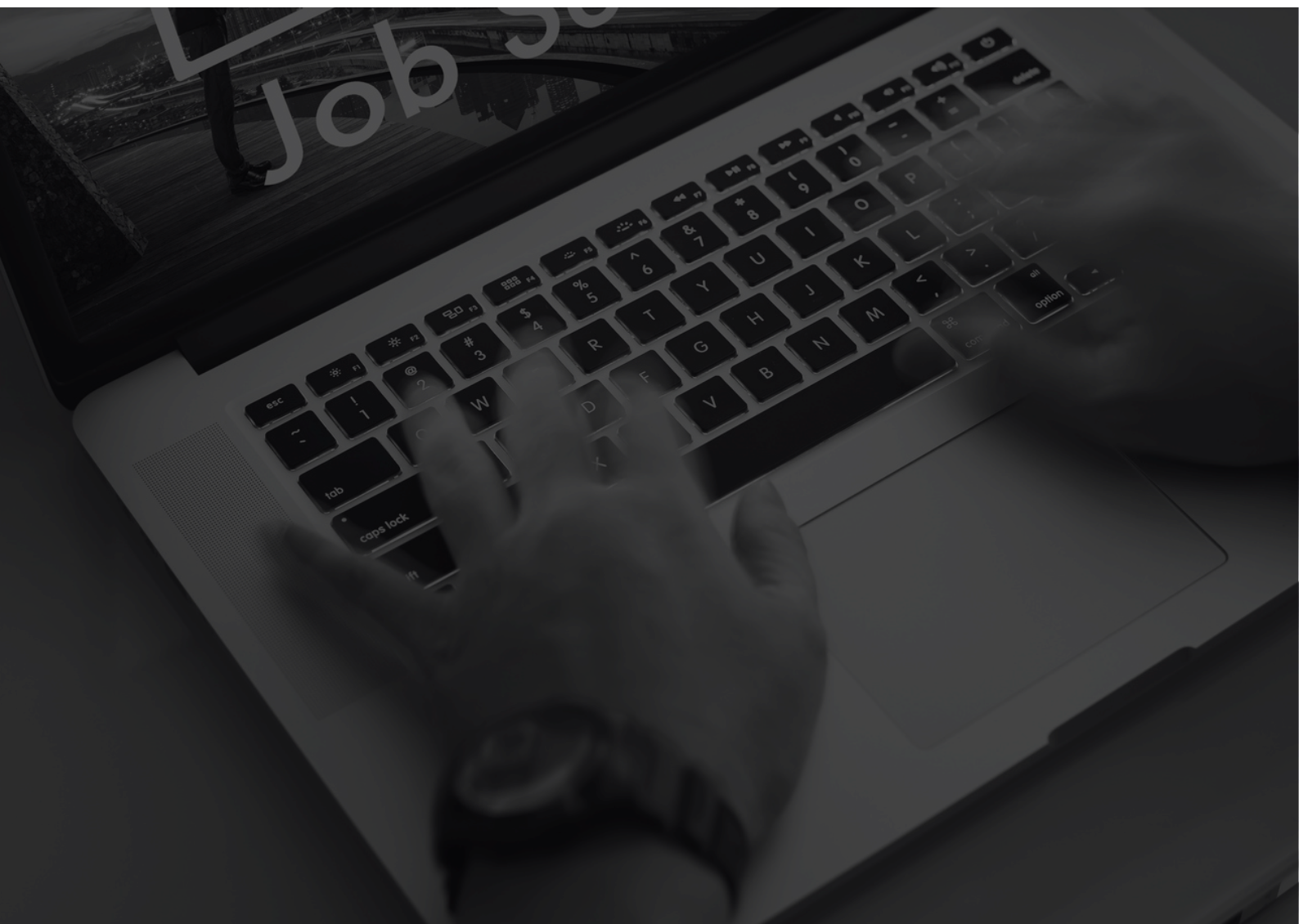
6. Delhi High Court orders wipro to pay ₹2 Lakh for defamatory termination letter

In a decision that underscores the fine line between professional communication and reputational harm, the Delhi High Court has directed Wipro Limited to pay ₹2 lakh in damages to its former employee, for including unsubstantiated and defamatory remarks in his termination letter. The dispute stemmed from Wipro's communication dated June 5, 2020, which accused former employee of “malicious

conduct” and a “complete loss of trust,” implying an irreparable breakdown in the employment relationship. Former employee countered these allegations with evidence of positive appraisals and internal performance reviews, exposing a clear disconnect between the language in the letter and his documented track record.

The Delhi High Court found that Wipro had failed to substantiate its claims or justify the inclusion of such remarks, concluding that the language was both false and defamatory. Importantly, the Delhi High Court applied the principle of “compelled self-publication,” noting that former employee would inevitably be required to share the termination letter with prospective employers, making the harm to his reputation foreseeable even if the document was initially private.

In addition to ordering the payment of damages, the Delhi High Court directed Wipro to issue a fresh termination letter free from stigmatic language. The ruling sends a clear signal to employers that termination communications must remain factual and evidence-based, avoiding emotive or speculative assertions that could tarnish an employee's professional standing. Even internal or ostensibly confidential documents can give rise to defamation claims if they are likely to be disclosed in future employment contexts. The decision serves as a reminder that in employment law, an exit is not merely a procedural event it is also a reputational moment, and mishandling it can carry significant legal and financial consequences.



II. Notifications and Circulars⁷

1 Government expands digital and legal protections for domestic workers through e-Shram integration

In a significant step towards formalising and protecting one of India's most overlooked workforce segments, the Ministry of Labour & Employment has extended comprehensive digital and legal coverage to domestic workers. As of 16 July 2025, over 30.94 crore unorganised workers, including domestic workers, have been registered on the Aadhaar-seeded e-Shram portal. The integration of the e-Shram "One-Stop-Solution" platform, launched in October 2024, now enables these workers to access and track benefits from 14 major social security and welfare schemes such as PM-SVANidhi, PMAY (urban and rural), PMJJBY, PMSBY, AB-PMJAY, NFBS, PM-KMY, MGNREGA and PMMSY, among others, through a single digital interface.

Protections under, the Unorganised Workers' Social Security Act, 2008, the Minimum Wages Act, 1948, the Sexual Harassment at Workplace Act, 2013, and anti-atrocity legislations are being actively enforced. The Ministry has further advised State and Union Territory governments to regulate private placement agencies, a critical move aimed at preventing exploitation and abuse. This policy shift signals an intent to replace invisibility with empowerment, using technology and legal reform as twin levers of change.

2 Government launches ₹99,446 crore employment linked incentive scheme to boost job creation

Running a two-year sprint to hire and empower jobseekers, the Government of India recently approved the employment linked incentive scheme with a hefty budget of ₹99,446 crore. Open from 1 August 2025 to 31 July 2027, the plan offers a two-pronged boost to kick-start new employment and expand existing opportunities.

The first prong delivers a one-time incentive for job-seekers entering the formal workforce equal to one month of EPF wages, capped at ₹15,000, disbursed in two instalments. The second prong rewards employers who create additional positions, offering up to ₹3,000 per employee per month for at least six months again, subject to scheme eligibility.

Crafted after in-depth dialogues with ministries, trade unions, industry bodies, and policy experts, this scheme aims to bridge the gap between job creation and workforce readiness, ensuring that incentives are meaningful, targeted, and impactful.

3 EPFO mandates aadhaar-based face authentication for UAN generation from August 1, 2025

The Employees' Provident Fund Organisation ("EPFO") has mandated that from 1 August 2025, all new Universal Account Numbers ("UAN") will be allotted and activated exclusively through the UMANG mobile application using Aadhaar-based Face Authentication Technology ("FAT"). This change builds upon the process first introduced in April 2025, with the objective of making UAN generation seamless, secure, and free from data errors. By leveraging FAT, the EPFO aims to replace cumbersome KYC submissions with instant biometric verification, reducing the risk of duplication and ensuring accuracy at the point of registration.

While this digital-first approach will become the norm, the existing employer-assisted UAN generation process will remain operational only for specific exceptions namely, international workers and citizens of Nepal and Bhutan reflecting the EPFO's recognition of practical challenges for certain categories. A detailed user manual for the FAT-enabled process has already been shared with stakeholders to aid smooth adoption.

For employers, this change signals the need to reorient onboarding processes so that new employees are prepared to complete UAN registration themselves via UMANG, equipped with Aadhaar-linked smartphones and internet access. For members, it promises faster activation, fewer documentation hassles, and an error-free EPF account right from day one. In effect, EPFO is making a decisive move towards biometric-backed, mobile-enabled governance for its 27 crore-plus members, marking a significant step in its digital transformation journey.

4 Punjab delegates powers on women's working hours under Factories Act to labour commissioner

The Punjab Government, through a notification dated 25 July 2025, has delegated its powers under Section 66(1)(b) of the Factories Act, 1948 which governs the regulation of women's working hours to the Labour Commissioner-cum-Director of Factories, Punjab. This move, aimed at expediting decisions and enhancing administrative efficiency, enables quicker approvals and streamlined handling of matters related to women's working hour permissions. By shifting authority from the state level to a specialised labour administration, the government seeks to make labour governance more responsive to workplace needs while maintaining compliance with statutory safeguards.

5 Himachal Pradesh allows women to work night shifts in Shops and Establishments with strict safety conditions

The Himachal Pradesh Government has issued a notification permitting women to work night shifts in all shops and commercial establishments across the State for a period of one year from the date of publication, as part of its Ease of Doing Business reforms under the 2024 Business Reform Action Plan. Exercising powers under Section 27 of the H.P. Shops & Commercial Establishments Act, 1969, this exemption from Section 29(1) aims to promote workplace gender equality while ensuring strong safety and welfare measures.

Women may now be engaged in work before 6:00 a.m. and after 7:00 p.m., with overtime governed by the Act's provisions, and maternity benefits under the Maternity Benefit Act, 1961 remaining fully applicable. Employers must provide secure, GPS- and CCTV-enabled transport, continuous workplace CCTV surveillance, adequate lighting, first-aid and ambulance access, and nearby sanitation and drinking water facilities. Compliance with the Sexual Harassment of Women at Workplace Act, 2013 is mandatory. Additionally, employers are required to submit quarterly electronic returns detailing women employed in night shifts.

By coupling operational flexibility with a comprehensive set of safeguards, the State seeks to encourage greater female participation in the workforce without compromising on safety, health, or dignity at work.

6 ESIC launches six-month SPREE scheme offering one-time opportunity for ESI registration without retrospective action

The Employees' State Insurance Corporation ("ESIC") has launched the Scheme to Promote Registration of Employers and Employees ("SPREE"), offering a one-time window from 1 July 2025 to 31 December 2025 for unregistered factories, establishments, and employees to come under the ESI Act, 1948 without the fear of retrospective coverage or punitive action. Employers registering during this period will be considered covered from their declared date of registration, and employees will enjoy ESI benefits from their own date of registration.

To ensure maximum participation, ESIC has directed its Regional and Sub-Regional Offices to spearhead awareness drives through industrial clusters, trade bodies, MSME associations, and labour departments, supported by facilitation centres, seminars, digital publicity, and outreach campaigns. Units covered under SPREE will be exempt from inspection for one year, barring specific directions from headquarters, and no surveys will be conducted during this period.

The scheme is aimed at closing coverage gaps in the social security net, particularly in the MSME sector, and aligns with ESIC's broader push to improve compliance through cooperation and awareness rather than coercion.

7 EPFO requires accurate wage reporting in ECR for ELI scheme eligibility from august 2025

The Employees' Provident Fund Organisation ("EPFO") has directed all employers to ensure precise reporting of gross wages in the monthly Electronic Challan-cum-Return ("ECR") to facilitate the extension of benefits under the Employment Linked Incentive ("ELI") Scheme to eligible employees. The scheme grants incentives to employees whose gross monthly wages do not exceed ₹1 lakh, making accurate wage disclosure essential for determining eligibility. This compliance requirement will take effect from the wage month of August 2025. EPFO has further instructed its regional, zonal, and district offices to actively disseminate this mandate and raise awareness among establishments within their respective jurisdictions to ensure smooth implementation.

8 BOPT requests contract details from establishments following NATS 2.0 portal downtime in July 2025

The Board of Practical Training ("BOPT") has notified all establishments and TPA partners that the National Apprenticeship Training Scheme ("NATS") 2.0 portal was unavailable for contract creation due to scheduled maintenance from 19 July to 24 July 2025. As contracts could not be created during this period and retroactive creation is not possible, establishments are requested to email the respective Assistant Directors by 29 July 2025 with the apprentice's enrolment number, date of joining, establishment name, and NATS ID for necessary action. The BOPT has expressed regret for any inconvenience caused and urged timely submission to ensure smooth processing.

9 Himachal Pradesh amends BOCW Rules to redefine tenure, powers, and benefits of board chairperson and members

The Himachal Pradesh Government has notified the Himachal Pradesh Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Amendment Rules, 2025, under the BOCW Act, 1996. As per the amendments, the Chairperson and non-official members of the BOCW Welfare Board will now serve a three-year term from the date of appointment, continuing in office until a successor is appointed, with the State Government retaining the authority to remove them at any time.

The Chairperson's headquarters will be located at the Board's head office, and the position will carry pay, allowances, and facilities equivalent to those of a Secretary to the Government of Himachal Pradesh. For purposes of travelling and dearness allowance, the Minister for Labour Employment & Overseas Placement will act as the controlling officer. These changes are aimed at streamlining governance, ensuring continuity in leadership, and aligning benefits with senior administrative roles.

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III. Beyond the briefs ⁷

Government expands digital and legal protections for domestic workers through e-Shram integration

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Protections under, the Unorganised Workers' Social Security Act, 2008, the Minimum Wages Act, 1948, the Sexual Harassment at Workplace Act, 2013, and anti-atrocity legislations are being actively enforced. The Ministry has further advised State and Union Territory governments to regulate private placement agencies, a critical move aimed at preventing exploitation and abuse. This policy shift signals an intent to replace invisibility with empowerment, using technology and legal reform as twin levers of change.

added flexibility to structure shifts, especially in sectors like retail, logistics, hospitality, and e-commerce.

The amendments also tackle penalties and compliance procedures. Penalties under Sections 21 and 26 have been revised, with the introduction of a three-month grace period between the first and second offences, and for all subsequent ones a move that balances enforcement with fairness. Most notably, the reforms introduce a decriminalisation provision, which eliminates the need for employers to appear in court for certain violations, thereby reducing the fear of criminal prosecution for minor procedural lapses. These reforms signal Punjab's intent to modernise its regulatory regime, aligning with the broader national agenda of reducing bureaucratic friction and creating a more business-friendly climate.

By streamlining procedures, enhancing labour flexibility, and easing punitive provisions, Punjab has positioned itself as a more attractive destination for entrepreneurs and investors alike offering not just ease of entry, but also ease of operations.

Genpact's 10-Hour workday policy sparks uproar, company says 'Still 9 Hours'

Genpact found itself at the centre of controversy after employees alleged that the company had begun enforcing an unofficial 10-hour workday across some teams, particularly in its Hyderabad office. Workers reported that managers were pressuring teams to log extended hours tracked through internal systems, with warnings that non-compliance could affect bonuses and appraisals. This change, they claimed, was introduced without any formal communication or salary revision. The backlash was swift and vocal. Employees took to Reddit and LinkedIn, criticizing what they described as surveillance-driven productivity" and calling out the

policy's impact on mental health, work-life balance, and fairness especially when 70% of the workforce reportedly earns under ₹10 lakh annually. As the issue gained traction in the media, Genpact issued a clarification stating that its official workday remains nine hours, and that no formal policy had been revised. However, the damage was already done, with the episode sparking broader concerns about transparency, coercive workplace practices, and the widening disconnect between corporate expectations and employee well-being.

Dadra & Nagar Haveli Unveils Draft Wages Regulation, 2025, a step towards simplified Labour Compliance

In a move to modernise and consolidate its wage-related laws, the Union Territory of Dadra & Nagar Haveli and Daman & Diu has released the Draft Wages Regulation, 2025 for public consultation. Issued on June 17, the draft seeks to align local labour regulations with the broader national push for uniformity and ease of compliance under the framework of the Central Government's labour codes.

The proposed regulation replaces earlier fragmented laws such as the Minimum Wages Act and the Payment of Wages Act, and introduces a comprehensive, single-window structure for wage governance across all types of establishments factories, offices, and shops included.

Notably, the draft brings clarity to key definitions, including “wages” and “contract labour,” and introduces anti-discrimination provisions, specifically addressing gender-based wage disparities. It also provides for the

constitution of an Advisory Board and appointment of Inspector-cum-Facilitators, aimed at streamlining enforcement and ensuring that employers and employees alike have access to transparent and fair wage practices.

The regulation is currently open for public feedback for 30 days, following which the final version is expected to be notified. Once implemented, it is likely to bring greater legal clarity for businesses operating in the region while also reinforcing worker rights in a structured and simplified manner.

Telangana allows 10-hour workdays for commercial establishments

The Government of Telangana has issued a notification dated July 5, 2025, allowing commercial establishments excluding shops to implement a 10-hour workday, while retaining the overall weekly cap of 48 working hours. This move, issued under G.O. Rt. No. 282 by the Labour, Employment, Training & Factories Department, forms part of the State's broader Ease of Doing Business reforms under the Telangana Shops and Establishments Act, 1988.

The notification grants exemption from Sections 16 and 17 of the Act and permits extended daily working hours, subject to conditions aimed at balancing operational

flexibility with worker welfare. While employees may now work up to 10 hours a day, no individual can be required to work more than six hours continuously without at least a 30-minute rest break. Additionally, the total spread-over of work and rest must not exceed twelve hours in a single day. Work done beyond the 48-hour weekly limit is subject to overtime wages, with a quarterly overtime cap of 144 hours.

Importantly, the government has clarified that any violation of these conditions may result in the immediate revocation of the exemption granted to an establishment, without prior notice.

Heat Insurance for Workers: Digit Launches ₹3,000 Parametric Payout Scheme for Migrant Labourers

In a first-of-its-kind initiative, Digit Insurance has rolled out a temperature-based insurance policy offering ₹3,000 payouts to migrant labourers exposed to extreme heat conditions. The policy activates when temperatures

exceed 42°C for five consecutive days, with claims processed without requiring proof of loss or medical documentation marking a significant shift toward parametric insurance in India. The initiative covers

workers in high-heat zones like Delhi, Noida, Ghaziabad, Gurgaon, and Faridabad, and is aimed at mitigating heatwave-linked livelihood risks for vulnerable daily-wage earners. Additional benefits include hospitalisation and accidental coverage of up to ₹5,000. Adarsh Agarwal, Chief Actuary at Digit Insurance, described the policy as a “much-needed safety net” for India’s migrant workforce.

The product has been developed in partnership with NGOs like Jan Sahas and IPE Global Foundation, reflecting a collaborative push towards climate-resilient social protection for informal workers. This innovative step signals growing recognition of climate risk in insurance design and offers a replicable model for other climate-sensitive sectors in India.

Delhi opens doors for women in night shifts with safety-first labour reform

In a progressive step toward workforce inclusivity, the Delhi Government has directed the Labour Department to allow women to work night shifts strictly with their explicit consent.

This decision, led by Lieutenant Governor VK Saxena and Chief Minister Rekha Gupta, aims to overhaul outdated labour laws and align them with the capital’s evolving employment landscape. The move targets Section 66(1)(b) of the Factories Act, 1948, which prohibits women from working between 7:00 p.m. and 6:00 a.m., and the Delhi Shops and Establishments Act, 1954, which imposes seasonal restrictions on women and young persons. Both provisions are being reconsidered to reflect the modern reality of 24x7 business operations.

The directive is part of Delhi’s broader “Ease of Doing Business” agenda. It includes raising the threshold for

registration under the Shops and Establishments Act, permitting round-the-clock operations, easing retrenchment norms under the Industrial Disputes Act, and streamlining environmental and fire safety clearances. While the business community has welcomed the reforms, labour unions and women’s groups have emphasized the need for strong safeguards such as safe transport, secure premises, and grievance redressal mechanisms to ensure that women’s participation in night shifts remains voluntary and dignified.

With a six-month implementation timeline, this reform is poised to reshape Delhi’s labour ecosystem. More than a legal amendment, it signals a cultural shift toward building a workforce grounded in equity, choice, and safety.

IV. Recent significant development:

Defamation in Employment Termination a case study of: Abhijit Mishra v. Wipro Ltd.

Introduction

Recently, the Delhi High Court ordered Wipro to compensate a former employee for making defamatory remarks in his letter of termination, awarding him ₹2 lakh. Although the case's facts are rather simple, the ruling is noteworthy because it addresses a topic that isn't frequently discussed in Indian employment law: the effects an employer's handling of a termination has on one's reputation. This brief shall examine, the case's facts, the Court's approach to the problem of defamation in the workplace, and potential future ramifications for both employers and employees.

Factual background & Legal Issues

The conflict started after Wipro fired an employee. Negative statements about the employee's behavior and character were purportedly included in the termination letter. The employee instituted a lawsuit to recover damages, arguing that the statements were untrue, unsubstantiated and defamatory. Whether such internal employment communications, especially a termination letter, could result in liability under the defamation law was the main legal question. The Court also had to decide whether reputational harm could be assumed or had to be proven, as well as the threshold for "publication" in this situation.

Court's Findings

The Delhi High Court decided in the employee's favor, concluding that Wipro had committed defamation with its remarks. The Court noted that Wipro had not provided evidence to support the serious accusations made against the employee, nor had the company provided an explanation for their inclusion in the termination communication. It made it clear that although employers are still allowed to record performance issues and send out termination letters, these correspondences cannot contain malicious or unsubstantiated accusations that could harm an employee's reputation in the workplace. Importantly, the Court observed that in this instance, publication, a necessary component of defamation, was satisfied. The letter may be considered published under defamation law even if it is only distributed to internal HR staff or outside background check companies. In recognition of the employee's reputational damage and mental distress, the court granted ₹2 lakh in general damages.

Implications for Employment law

This decision is significant for a number of reasons. First, it confirms that tort law (more especially, defamation law) applies in the workplace, even for private communications. This represents a change from Indian jurisprudence, which has traditionally handled employment disputes mainly through statutory or contractual frameworks.

Second, the decision places the responsibility for ensuring that termination communications are necessary and grounded in facts on employers. Now, using ambiguous or disparaging language can lead to tortious liability, especially if there is no supporting evidence. This has important ramifications for business HR procedures. Employers need to be aware that dismissal is a reputational event as well as a legal procedure, and that using careless or overly dramatic language may result in actionable claims.

Comparative legal systems provide helpful background information. Employers have long been held accountable by UK courts for internal communications or defamatory references that harm an employee's career. Employers in the US typically enjoy qualified privilege, though this can be revoked in situations involving malicious intent or careless disregard for the truth. Given the growing concerns about mental health and professional reputation, this ruling could potentially establish a precedent for tort-based employment litigation in India in the future.

Conclusion

The Delhi High Court's decision against Wipro highlights how India's employment laws are constantly changing. It proves that employers cannot disregard the legal requirements for accuracy and care in termination communications. The ruling indicates a move toward greater accountability in how employers handle exits as professional relationships become more formalized and reputational risk increases in the digital age.

The ruling serves as a reminder to practitioners to thoroughly review termination letters for tone and content. It serves as a reminder to workers that their reputational rights are important even after their employment is terminated. Traditional HR duties and civil liability doctrines are likely to interact more in Indian employment law in the future, especially when people's standing and dignity are at risk.



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