

LABOUR LAWS IN INDIA

Abstract

Labour law in India is a composite body of constitutional guarantees, central and State legislation, judicial doctrine, and administrative machinery, built up over more than a century and now in the midst of its most significant structural reform since Independence. This article offers a comprehensive overview of the subject for a general legal readership: its constitutional foundations, its historical layering from the colonial period to the present, the conventional classification of its subject matter, the principal statutes that have governed the field, the institutions that enforce it, the judiciary's role in shaping it, the 2019–2020 codification into four Labour Codes, India's position within the international labour law framework, and the contemporary challenges the system continues to face.

Classification of Labour Laws

Beyond the individual/collective distinction, Indian labour law is conventionally organised, particularly for teaching and reference purposes, into five functional categories. This taxonomy remains useful even after codification, since the four Codes themselves largely track it.

- Industrial relations law — governing trade unions, collective bargaining, and the resolution of industrial disputes. Principal pre-codification statutes: the Trade Unions Act, 1926; the Industrial Employment (Standing Orders) Act, 1946; the Industrial Disputes Act, 1947.
- Wage law — governing minimum wages, timely payment, and bonus. Principal statutes: the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965; the Equal Remuneration Act, 1976.
- Social security law — governing retirement benefits, health insurance, and maternity protection. Principal statutes: the Employees' State Insurance Act, 1948; the Employees' Provident Funds and Miscellaneous Provisions Act, 1952; the Maternity Benefit Act, 1961; the Payment of Gratuity Act, 1972; the Unorganised Workers' Social Security Act, 2008.
- Working-conditions law — governing health, safety, and hours of work at the establishment level. Principal statutes: the Factories Act, 1948; the Mines Act, 1952; the Plantations Labour Act, 1951; and a body of State-specific Shops and Establishments Acts.
- Welfare and special-category law — governing categories of workers thought to need particular protection. Principal statutes: the Child Labour (Prohibition and Regulation) Act, 1986; the Contract Labour (Regulation and Abolition) Act, 1970; the Inter-State Migrant Workmen Act, 1979; the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

It is worth noting that much of the litigation generated by this fragmented structure turned on definitional questions — who qualifies as a “workman” or “worker,” what constitutes “wages,” what amounts to an “industry” — because each statute answered these questions somewhat differently, and because “industry” itself was the subject of one of the Supreme Court's most expansive and contested exercises in statutory interpretation (discussed in Part VI below).

Major Pre-Codification Legislation

The table below lists nineteen of the most frequently cited of the 29 Central Acts that stood in force before the four Labour Codes took effect, spanning the five functional categories set out in Part IV.

Statute	Year	Core Subject
Trade Unions Act	1926	Registration and legal status of trade unions
Payment of Wages Act	1936	Timely payment of wages; permissible deductions
Industrial Employment (Standing Orders) Act	1946	Conditions of employment in industrial establishments
Industrial Disputes Act	1947	Investigation and settlement of industrial disputes
Factories Act	1948	Health, safety and welfare in factories
Minimum Wages Act	1948	Fixation and enforcement of minimum wages
Employees' State Insurance Act	1948	Medical, sickness and maternity insurance for workers
Plantations Labour Act	1951	Welfare of plantation workers
Employees' Provident Funds and Miscellaneous Provisions Act	1952	Retirement savings and pension
Mines Act	1952	Health and safety in mines
Maternity Benefit Act	1961	Paid maternity leave and related benefits

Payment of Bonus Act	1965	Statutory annual bonus
Contract Labour (Regulation and Abolition) Act	1970	Regulation and, in specified cases, abolition of contract labour
Payment of Gratuity Act	1972	Terminal retirement benefit
Equal Remuneration Act	1976	Equal pay for equal work, irrespective of gender
Inter-State Migrant Workmen Act	1979	Protection of migrant contract labour
Child Labour (Prohibition and Regulation) Act	1986	Prohibition of child labour in hazardous occupations
Building and Other Construction Workers Act	1996	Welfare of construction workers
Unorganised Workers' Social Security Act	2008	Social security for the unorganised sector

Table 1: Selected major Central labour statutes prior to codification, by year of enactment.

The 2019–2020 Codification

Parliament's response to decades of calls for simplification was the enactment of four Labour Codes, consolidating 29 Central Acts into a harmonised framework built around four objectives: simplification of overlapping and inconsistent definitions; ease of compliance through a single registration, licence, and return in place of Act-by-Act filings; universal coverage, extending statutory protection to gig, platform, and unorganised-sector workers for the first time; and modernisation, addressing forms of work — fixed-term employment and platform-mediated work in particular — that the older Acts had never anticipated.

Code	Year	Acts Merged	Core Subject Matter
Code on Wages	2019	4	Minimum wages, timely payment, bonus, equal remuneration, national floor wage
Industrial Relations Code	2020	3	Trade unions, standing orders, industrial disputes, fixed-term employment
Code on Social Security	2020	9	Provident fund, ESI, maternity benefit, gratuity, gig and platform worker welfare

Occupational Safety, Health and Working Conditions Code	2020	13	Factories, contract labour, inter-State migrant workers, working conditions
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Table 2: The four Labour Codes, the Acts each consolidates, and their principal subject matter.

Per the Ministry of Labour and Employment's own notifications, the four Codes were brought into effect on 21 November 2025, repealing the 29 Acts they replace. Because labour sits on the Concurrent List, both the Central Government and the State Governments have rule-making power under the Codes, and full practical operability depends on each State separately notifying its own rules — a process that, as of this writing, remains incomplete across much of the country. Compliance obligations therefore currently vary by State and by sector, and any assessment of a specific establishment's position should be checked against the Gazette notifications of the relevant appropriate government rather than assumed from the Codes' text alone.

India and International Labour Standards

India has been a member of the International Labour Organisation (ILO) since the Organisation's founding in 1919, and Indian labour law has developed in continuous, if uneven, dialogue with international labour standards. Of the ILO's eight fundamental (“core”) Conventions, India has ratified six: the Forced Labour Convention, 1930 (No. 29); the Abolition of Forced Labour Convention, 1957 (No. 105); the Equal Remuneration Convention, 1951 (No. 100); the Discrimination (Employment and Occupation) Convention, 1958 (No. 111); the Minimum Age Convention, 1973 (No. 138); and the Worst Forms of Child Labour Convention, 1999 (No. 182), the last two ratified together in 2017. India has not ratified the remaining two core Conventions — the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) — nor the two Occupational Safety and Health Conventions the ILO elevated to core status in 2022 (Nos. 155 and 187). Beyond the core instruments, India has ratified a substantial further body of ILO Conventions — numbering, in total, more than forty — touching wages, working hours, social security, and labour statistics.

This pattern is itself instructive: India's domestic labour law has long provided statutory recognition to trade unions and a functioning, if contested, system of industrial dispute resolution, even without formal ratification of Conventions 87 and 98, a gap frequently raised by the ILO's own supervisory bodies and by international trade union federations in their periodic reviews of India's labour framework.

Conclusion

Indian labour law rests on a constitutional commitment to correcting unequal bargaining power and protecting dignity at work, given effect through more than a century of accumulated, and until recently increasingly fragmented, legislation, substantially supplemented by an unusually active judiciary. The 2019–2020 codification represents the most serious attempt yet to rationalise that

inheritance into a coherent framework, extending statutory protection to gig and platform workers for the first time while simplifying compliance for employers. Its ultimate significance will be measured less by the text Parliament has enacted than by how completely, and how evenly, the Codes are given practical effect across India's States — a process that remains, as of this writing, a work in progress.

About The Author

Adv. Shreya Kalekar is the Founder Partner of Oblawgic Consulting LLP and a third-generation lawyer with over 12 years of experience. Her core practice is in employment and labour laws, POSH, and POCSO, and her work extends to national and international commercial and corporate law. She advises companies on workforce structuring, employee transitions during corporate restructuring, HR policies and audits, employment and confidentiality agreements, non-compete and non-solicitation obligations, contract labour, disciplinary proceedings, terminations, and compliance under employment, labour, and company law. Alongside her legal practice, she brings an organisational behaviour lens to her work, consulting on talent and performance management, competency mapping, second-level leadership, and compensation and benefits integration.

Shreya holds a degree in Law and an LL.M. in Constitutional Law from ILS Law College, Pune, and is a qualified Company Secretary. She also holds a Diploma in Labour Laws and Labour Welfare and an SHRM certification from IIM Lucknow. She is a Visiting Professor at FLAME University and a member of the World Independent Lawyers League (WILL), and Maharashtra Chamber of Commerce, Industries and Agriculture (MACCIA)s

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