

iGlobal Law : 2022 Annual Update : India

Legal Change	Effective Date	Action required
<p><u>Enforcement of Haryana local employment law</u></p> <p>The Government of Haryana has set 15 January 2022 as the date for implementation of Haryana State Employment of Local Candidates Act 2020. The law, when implemented, will require most private sector employers to reserve 75% of new recruitment in specified private sector posts for local candidates. These posts are those where the gross ‘salary or wages’ (<i>not defined under the law</i>) is up to INR 30,000 per month.</p>	15 January 2022	No immediate action is required. However, upon implementation of the law, employers hiring in the covered posts will have to get the eligible employees registered in the state-specified portal within three months. There are also certain procedural compliance requirements that will assume relevance upon implementation of the law, such as submission of quarterly reports.
<p><u>Enforcement of the labour codes</u></p> <p>Between 2019 and 2020, the President of India granted his assent to the four labour codes on wages, industrial relations, working conditions, and social security, respectively. The codes, which aim to consolidate and consequently replace 29 Central labour laws, are yet to be brought into force, barring provisions relating to (a) Central Advisory Board on minimum wages; and (b) identification of workers and beneficiaries through Aadhaar number for social security benefits.</p> <p>In 2021, several state governments (including Maharashtra, Delhi, and Karnataka) released draft rules for public consultation under the upcoming labour codes. The draft rules envisage important procedural aspects of the labour codes (including filing and reporting requirements for employers).</p>	FY 2022-23 (tentative)	No immediate action is required. However, upon implementation of the labour codes, employers may have to revisit their work arrangements. Fixed-term employment will see an important change in that employees engaged for a specified duration will also enjoy tenure-based benefits similar to permanent workforce (albeit on a pro-rated basis). Engagement of contract labour in an establishment’s core activities would be barred except in certain situations. On the cost front, employers may see some impact on their expenses towards gratuity, severance compensation, etc. as these may have to be calculated on at least 50% of the total remuneration paid to an employee.