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Compliance or Collapse: The Legal Burden on Indian Employers under the New Labour Codes

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ABSTRACT

The enactment of India's four consolidated Labour Codes—on Wages, Social Security, Industrial Relations, and Occupational Safety—was heralded as a landmark step towards rationalizing and modernizing the country's labour law regime. While these reforms aim to simplify compliance and enhance worker welfare, they simultaneously impose a complex and often disproportionate burden on employers, particularly those in the MSME and start-up sectors. The new codes mandate an expanded range of compliance obligations without providing corresponding legal safeguards or procedural protections for employers, who often remain exposed to bureaucratic discretion, penal liability, and operational disruption. This article critically examines the asymmetrical nature of these legal reforms, arguing that the Labour Codes prioritize worker rights at the cost of employer viability and business continuity. The paper explores how the statutory framework lacks provisions for addressing employer grievances, protecting against vexatious claims or strikes, and offering clear dispute resolution pathways. Drawing comparative lessons from jurisdictions like the UK, Canada, and Singapore, the article proposes a balanced labour governance model that recognizes the rights and realities of employers, thereby ensuring regulatory fairness, industrial peace, and sustainable compliance.

I. INTRODUCTION

"In the quest to empower workers, India's new labour codes may have inadvertently shackled its employers. This paper explores the unseen legal burden borne by enterprises navigating a one-sided regulatory regime."

Labour law in India has historically operated within a welfare-centric framework, rooted in the post-independence ideology of protecting workers from exploitation in a deeply hierarchical society. Over the decades, this approach has resulted in a fragmented, highly regulated, and often adversarial legal ecosystem that places the employer and employee on

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 [ISSN 2581-5369]

opposite sides of the industrial equation. In an effort to address this complexity, the Government of India undertook a sweeping legislative consolidation, culminating in the passage of four Labour Codes between 2019 and 2020. These include the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety,and Health and Working Conditions Code, 2020. Together, they repeal and merge over 29 central labour statutes.

Much of the academic and policy discourse around these Codes has focused on their implications for workers—whether in terms of wage security, social protections, or dispute resolution mechanisms. However, what remains relatively underexamined is the perspective of the employer i.e the individual or entity that is expected to comply, finance, and operationalize these new regulatory frameworks. For small businesses, startups, and even mid-sized enterprises, these codes often translate into a labyrinth of registrations, declarations, inspections, and penalties. Ironically, the promise of simplification has, in many cases, resulted in a new kind of legal and procedural entanglement.

The central thesis of this article is that the Labour Codes, while well-intentioned in their emphasis on worker protection and formalization, are structurally imbalanced in that they neglect to provide a parallel framework of rights, remedies, and procedural safeguards for employers. This asymmetry is not merely academic; it has real-world consequences in the form of compliance fatigue, operational uncertainty, and potential constitutional infirmity. Employers face punitive liabilities for delays or errors in compliance, with limited recourse against vexatious claims, inspection abuse, or worker misconduct. The Codes do little to address the legitimate concerns of employers regarding absenteeism, productivity loss, or malicious strikes. Moreover, there is no clear institutional mechanism for employers to seek redressal or clarification, resulting in an atmosphere of regulatory fear rather than cooperative compliance.

The consequences of this one-sided legal architecture are particularly acute in India's MSME sector, which accounts for nearly 30% of GDP and employs over 110 million workers. Most of these enterprises operate on razor-thin margins and lack the legal or administrative capacity to engage with a high-compliance regime. For them, the cost of compliance is not merely financial but existential. Faced with opaque rules, legal uncertainty, and punitive enforcement, many employers either choose to remain in the informal sector or resort to underreporting, thereby undermining the very objective of formalization and labour welfare.

This article seeks to rebalance the narrative by placing employer rights and realities at the

 [ISSN 2581-5369]

centre of labour law discourse. It critically analyzes the employer's position under the four Labour Codes, identifying key areas where the law is silent, ambiguous, or overtly penal. Finally, it draws on comparative legal frameworks from countries like the United Kingdom, Canada, and Singapore to propose a more symmetric and sustainable model of labour regulation—one that protects workers without punishing employers.

A. Overview of the New Labour Codes

The New Labour Codes introduced by India are a major reform that aims to overhaul the existing labour laws of India. The goal of the codes is to make compliance easier and to standardize the working conditions of millions of workers. The reform plans to bring together more than 40 existing laws into four laws. Doing this will reduce duplication and enhance the clarity of the laws. The new labour codes in India are meant to ease of doing business and protect workers.

The Code on Wages, 2019, represents a significant legislative reform aimed at consolidating and simplifying the complex web of existing wage-related laws in India. The Payment of Wages, Minimum Wages, Bonus and Equal Remuneration Code attempt to combine four major labour laws, namely the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965; and the Equal Remuneration Act, 1976. The purpose of this amalgamation is to eliminate conflicting definitions and multiple authorities which in turn makes compliances easier for establishments (Shardul Amarchand Mangaldas & Co, 2019). An important point in the Code is that they will apply to all workers in the organized and unorganized sector: more than the earlier laws. Moreover, the Code states that a 'floor wage' shall be specified by the Central Government which shall be a minimum wage applicable in different areas of the country. The purpose of the clause is to ensure uniformity in wage structure, keeping in view the living standard of workers. The Industrial Relations Code, 2020 introduces significant reforms aimed at modernizing labor laws in India. The main features include the requirement for trade unions to issue a strike notice 14 days in advance; and the ability of establishments with less than 300 workers to lay off workers without government approval. It has also set up a fund to retrain laid-off workers (Corrida Legal, 2025). The Code on Social Security, 2020, aims to extend social security benefits to a broader workforce, including those in unorganized sectors, by consolidating nine major labor laws (Ahlawat & Associates, 2023). The Occupational Safety, Health and Working Conditions Code, 2020, mandates employers to ensure hygienic working conditions, prevent occupational hazards, and maintain emergency procedures, thereby enhancing workplace safety standards (Dubey & Das, 2025).

 [ISSN 2581-5369]

B. Intended Benefits and Real-World Implications.

The new labour codes of India aim at simplifying and consolidating the existing labour laws among other things for enhancing the ease of doing business. This reform is expected to simplify compliance requirements and, as a result, reduce the regulatory burden on business. This may ultimately lead to the growth of the economy. They want that you can easily hire and fire workers. Supporters think it would generate more jobs and improve productivity. Despite these changes, there has been much debate over what the actual impact will be on workers and jobs. People are saying the new labour codes could hurt and impact employees and favour employers . Further aggravating labour laws. Laws were streamlined for businesses but also diluted workers' rights, especially women and informal workers, and other disadvantaged groups. Cohen was cited as stating that the new codes do not correctly resolve maternity benefits and childcare disbursals for women to enter the labour force (Chigater, 2021). Now that the pandemic has happened, informal workers are now exposed and who are usually left out of formal labour protections have raised concerns over the adequacy of new codes for informal workers. Ultimately, the new labour codes can promote economic activity only when they can balance the conflicting interests of employers and employees. For economic development to be truly fair and sustainable, it is important that the reforms do not infringe upon workers' rights. We will be examining the issues that affect different stakeholders listed in these codes.

II. MATERIALS AND METHODS

The research methodology adopted in the study is doctrinal and comparative legal. It is based on statutory interpretation and critical analysis of India's four new Labour Codes namely, the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020 and; the Occupational Safety, Health and Working Conditions Code, 2020. It mainly studies the statutory texts of the new Labour Codes to identify their gaps and ambiguities, and regulatory asymmetries that impact employers, particularly MSMEs and startups.

Also, analogy legal scrutiny has been adopted towards studying employer protections, and compliance models in United Kingdom, Canada, Singapore, Nigeria, and France. This way we can better comprehend how various labour governance models strike a balance between employer and employee rights.

Secondary data was taken from research papers, whitepapers of law firms, rulings of courts, notifications of the government, and reports of policy think tanks working in the law and policy domain. The arguments made above were framed using doctrinal tool(s) consisting of

 [ISSN 2581-5369]

reviewing case laws and interpreting principles. The paper does not confine itself to empirical data and fieldwork but focuses on a theoretical evaluation which engages in a prescriptive legal analysis for proposing reforms.

III. WHAT HAS CHANGED FOR EMPLOYERS?

India has rolled out 4 NEW labour codes, each with compliance guidelines for present and new employees. The new labour codes mainly apply to establishments and not to managers (office bearers) One of the major changes is further consolidation of more than 40 distinct labour laws into four codes to simplify compliance and reduce ambiguities in litigation (LinkedIn 2025). As one bigger law, there is lesser litigation in the court. Moreover, the employers have legal clarity. Employees will also find themselves adapting to new document and record-keeping requirements for which they'll need to have digital systems for recording employee information and compliance reports. Shifting to electronic system will not only promote transparency but also help in further modernization of Indian labour architecture (LinkedIn, 2025). The new codes also redefines components of salary. As a result, the employers will need to alter the existing pay rolls system so that there is clarity in calculations of wages and payments of wages along with the definitions and specifications of wages according to the codes. New payment and overtime rules have been specified under the new labour codes for employees. Payroll operations will include these automatically calculated at the right rates and on time (Brooks Pierce, 2023). As per the new definitions in the labour codes, employers must also reassess their workforce management strategies, including worker classification. This new classification should give better protection to contract and gig workers than ever before. So, these workers will benefit from these regulations. To sum up, while the new codes pose hurdles in terms of compliance and operations, there is no doubt that they present an opportunity for the employers to improve upon their workforce management and create a fairer and transparent workplace.

A. Compliance Challenges for Employers

Today's business environment presents employers with compliance challenges that are complicated and numerous. The COVID-19 pandemic has made things worse. Companies now have to work their way through a tangled mess of federal and state rules or laws including the CARES Act and the Families First Coronavirus response act (ADP, 2021) Employers must know what laws apply, what rules you need to comply with, and what you must report and to whom, all while juggling payroll taxes, wage garnishments, tax credits and more. This paper looks into these concerns and looks at the suggestions on how to improve

 [ISSN 2581-5369]

them. Navigating employer compliance entails dealing with regulations influencing the manner in which you manage your workplace. Employers often find it very difficult to follow such regulations since they have to comply with many laws at once. It is not just a bureaucratic issue but rather an issue with complexity that can affect the efficiency of firms. Mendoza et al., (2016) point out regulations are often perceived as burdensome, however, firms will find it fair as long as it spurs them on to acquire the knowledge necessary to comply. It is this perception of fairness which mediates the relationship between regulatory complexity and compliance.

This suggests that firms' compliance behaviour is influenced not merely by cost-benefit analyses, but also by perceptions of the law's fairness (Mendoza et al., 2016). The digital divide creates a serious problem for small firms, especially those in rural areas. This is because real digital capabilities are increasingly important for businesses to compete. Rural small businesses often do not keep up even as broadband infrastructure improves which is important to help them reach a larger market and increase competitiveness (Suburban Stats, 2017). The split isn't only in having internet connectivity but also in the utilization, which is essential for businesses to grow and sustain oneself. The difference in clicking can stop a person living in the rural area from using an online platform to increase customers and ease operations. Thus, they can be at a disadvantage to urban people.

The effects of the digital divide worsen during economic downturns such as that caused by the COVID-19 pandemic. SMEs within the rural region, which rely even more on consistent digital connectivity for their core business functions, are unable to cope with resilience without adequate digital delivery (Morris, Morris, & Bowen, 2022). Because these businesses do not have access to reliable digital connectivity, are unable to diversify or adapt to changing market conditions, and may not last long. It is crucial for a policymaker to tackle these digital gaps if they want to bolster the economy and promote the growth of rural areas and bring small business into the digital economy.

A. Absence of Employer Protections

A shortcoming in one of the labor law is employer immunity. Lack of skilled works will destabilize the labor market. Besides, the employer will also be faced with legal risks. According to the Fair Work Act, workers may bargain, yet it does not confer total immunity on employers from civil action (Forsyth 1993). This writing will analyze how the lack of this regulation impacts the relationship between the employer and employee. Also, it will include how to fix it. When labor inspectors come, there are often accusations that the workers are

fraudulent because there isn't enough protection against the lying employer. According to Foo (1994), the situation is made worse by the absence of any labour laws and any inspection staff. To counter such risks, it is necessary to keep your worker legislation correct and get proper treatment at inspections. Employers are facing more and more frivolous claims with employment law. This can bring serious reputational damage and loss of money. Attorneys and clients who abuse the legal system by filing frivolous lawsuits flood the courts and cause backs up from the judges. This results in extra costs and legal litigation. Even though employers may be falsely accused of discrimination, this does not mean that they do not pay to fight the accusation (Calvasina, Calvasina, & Calvasina, 2003). This is going to be an extremely costly outcome as the economic system must rechannel these economic resources. Employers now face more claims which are bringing them to courts. There should be a mechanism to weed out such discoveries. When an inspection is held, the employer's rights are limited. This may affect the outcome of the investigation. Work sites need to be inspected for safety, according to Lindblom and Hansson (2004) but inspections do not capture particulars. Employees' rights are held in higher regard than those of employers in Nigeria; this is not the case. The weaker parties in such disputes cannot guard or protect their rights due to lack of proper representation (Gazal-Ayal & Perry, 2014). Considerable numbers of implications attributed to implementation failures of the labour law; in other words, systemic failure is one cause that is causing an emergence of another. Dispute resolution programs are often not as effective as they could be because of the turnover and inadequate training of those running the processes (Bingham 2004). This is especially true in mediation. The employer and employee may not achieve the best outcome unless there are skilled mediators. Moreover, inefficient admin services, such as those provided by the ADR or AAA (USA), will slow the process and increase costs for all. In a nutshell, one must critically question the inadequacy to those tasked with resolving the disputes. We need to address these matters if there are to be an efficient and effective mechanism to resolve workplace disputes. The issue is that employers cannot be sued for onboarding or offboarding a worker, it is a problem. Employers and applicants are restrained from discriminating against applicants and employees by various laws. Essentially, these laws safeguard the right to work for all, thereby creating a compatible labour market. Unions currently hold excessive negotiating power in this labour relation. An industry will show a dominant hold of the unions over that industry. Power means capacity to impose will even in the objection of the other party. The power impact of bargaining just makes it unequal. The structural dimension causes a difference in the bargaining power. This dimension is concentration and size of union, centralization of bargaining and economic

 [ISSN 2581-5369]

environment of unions. Mishel (1986) states that as overspending coverage grows, the presence and constraints of firms' discretionary pricing power bolster bargaining strength. Hence, at such constraints, union wage gains are maximized. In industries that are not competitive, unions can exercise their bargaining power more effectively (Mishel 1986).

However, while the recent fortunes of trade unions have been declining, rising the situation of trade union has reversed. The teachers' union is on the back foot as it faces a fall in the education sector now. Teacher unions have lost power due to shifts in policy and political conditions (Howe et al., 2018). According to some, the modification of laws and alteration of opinions has strained these powers so that the unions cannot negotiate effectively any longer (Osborne-Lampkin et al., 2018). Even though unions are not necessarily strong in certain sectors, they are still important to workers in many ways. Companies invest a substantial amount of money in research and development, allowing them to investigate the factors that influence union power and government functions, among other things, in order to obtain the best possible deal.

IV. CONSTITUTIONAL AND LEGAL PROVISIONS

The perspective of the constitution and law is one of the main components of study in law where we study the principle of governance of a system with law. If you look at it this way, you will begin to see how the laws are structured. Hirschl (2013), notes that comparative constitutional law has spawned constitutional studies, which signals a further evolution in the thinking of lawyers and practitioners and a desire for more interdisciplinarity. This section contains the elementary aspects of constitutional perspectives. The principles of natural justice are particularly relevant in employment law. Natural justice means a fair hearing and bias of any sort must be avoided. These principles safeguard against arbitrary dismissal. There are principles on how to deal with hiring, promoting, disciplining and firing members of an organization. Nonetheless, when application natural justice in employment contexts, it faces hurdles often while paired with employer rights. Employers are entitled to manage their employees as they see fit, which includes the right to hire, discipline and dismiss employees. However, their right to manage is subject to the rules of fair dismissal (Fredman & Lee, 1986). In cases where there is no debate about some instance of procedural fairness, we can see the tension between rights and principles of natural justice. However, the employer states that management discretion is necessary for operating efficiently.

Natural justice is considered by some to be an infringement of the managerial prerogative of the employer in contracts of employment. This sentiment is especially evident in the common-

law systems where statutory codification of employment rights is weak. And that leaves plenty of room for judgement and dispute (Grogan, 1992). The employer's rights need to be balanced with the requirement of procedural fairness. One should focus on the rights of the employee as well as the employer. Equally important is having a balance and right to seek redress for the employers and the employees. In today's legal regime, it is important to maintain a balance between natural justice and ease of doing business. Natural justice shows assurance of the process on the decision of the administrative authority. It is only fair that an impartial decision-maker hears everyone's version (Mullan, 1975). But sometimes, achieving natural justice in the economy may prevent an efficient and de-regulated business environment from being created. We need order to have economic activities but it creates conflict with justice.

Levin and McDowell (1983) discuss the balance theory of contracts which states that capacity for fairness promotes business efficiency and vice versa. The permissive requirements have their roots in the classical theory that permissiveness can be produced out of either consequence or assumption. The result of a situation may permit growth. If not, legal obligations can get too burdensome and prevent real business activity. It is necessary to strike this balance. This theory can enable legal systems to enforce contracts without imposing too much on the parties, thereby advancing justice and economic development (Levin & McDowell, 1983). This approach calls for a legal concept that will embrace a dual requirement for justice and for business facilitation.

V. COMPARATIVE JURISPRUDENCE

Comparative jurisprudence helps to evaluate the contrasts and similarities of two legal systems. According to Valcke (2004), this area is no longer a comparative one, as people often perceive it to be an area of identity crisis. But rather an area that intends to construct a body of knowledge that integrates of empirical and theoretical. Canada, the UK and Singapore have distinct laws that protect employers, particularly on non-compete clause. The judiciary in Singapore says that the employers must prove beyond to protect confidential information with reference to the UK context (Moynihan, 2022). Comparative jurisprudence's legal frameworks are important for statutory law and common (i.e. judge-made) law. From a "world comparative" vantage point, one can analyses how different systems respond to the same issues, thus realising a better understanding of legal pluralism and unity (Valcke, 2004). Comparative jurisprudence examines the implementation and working of the laws in various countries. These mechanisms help to fix or reduce harm and reinforce important norms of

 [ISSN 2581-5369]

society. This guarantees that the legal system has orderliness and coherence.

Models of dispute resolution in comparative jurisprudence seek to achieve a balance. More specifically, the idea is to incorporate various legal traditions. Further, the objective is to achieve more effective and sensuously-integrated mechanisms for dispute resolution. In Nigeria's case, the UK and US study on dispute resolution Egbunike-Umegbolu, 2024 model consists validly of both the formal legal system and tradition. Models that blend mediation and arbitration with restorative justice to meet the current challenges of litigation and improve access to justice. Mediation and arbitration are very comparative term of jurisprudence which is totally different than going to court. Mediation refers to when a third party attempts to help the disputants one way or another so that they reach a mutually agreeable and satisfactory solution. Because of its flexible and collaborative nature, this process is able to yield more sustainable results. A neutral arbitrator reviews the evidence and arguments presented at arbitration and makes a final and binding decision. The method is more formal than mediation but it is less formal than going to court meaning it does offer some formalty but it does already offer a strong grounds to make it enforceable. Mediation and arbitration are two choices to settle a dispute. Various countries are developing different systems of comparative jurisprudence which indicate the social, political, economic, legal and institutional framework. These devices demonstrate how the justice system will help parties that need an effective resolution outside of courts. When a country is transparent and predictable in the area of comparative jurisprudence, it enables administrative procedures to be smoother and gives more trust in the transparency of the legal system. Valcke (2004) explains that the factors that enhance the legal outcomes are predictability, intelligibility, compel confidence (trust).

A. Lessons for India

One comparative jurisprudence can put to Indian legal systems which can learn a lot from. This will help them refine their own jurisprudence. India and France’s comparative study shows that the Judicial Review is a mechanism for the legality of state action (Garg, 2021). It is indicated through this research that judicial review maximizes state actors legal compliance by restricting arbitrary use of power. The research suggests some things India can adopt from France with the help of looking at the applications of Judicial Review in both India and France. There is a mechanism of filtering cases to be sent to a constitutional court. Garg (2021) explains that a person's economic efficiency relates to the time taken to decide. India's Supreme Court jurisprudence requires that the provisions of the Indian Constitution possess capacity for dynamic interpretation and improvement through comparative inputs. (Baxi, 2014) India must learn these lessons about constitutional law.

 [ISSN 2581-5369]

B. Adapting Best Practices

The term comparative jurisprudence refers to a method of understanding a legal system with the help of the aspects of other systems. Copying other countries' laws into one's own law in itself is not adoption of laws and laws will not be deemed to have been adopted unless it has been clear from the context. Unity and plurality together require the comparability of legal systems - Valcke (2004). While two legal systems may have the same objectives, the means to achieve them may differ widely (Valcke, 2004). Moreover, more and more jurisprudence on social rights emerges illustrating how rapidly comparative law is evolving with different trends and practices. Langford (2008) states that the South African Journal of Human Rights has given an outstanding contribution to comparative constitutional law. This demonstrates the creativity of legal regimes and how adaptable they can be. The process of adaptation does not involve merely borrowing the norms instead it is the conversation that they develop which will be an addition to the two legal orders and which will strengthen them. The best practices in comparative jurisprudence cannot just be applied, they must be applied iteratively as they are not easy to apply. It must bring together indigenous legal customs and modern legal approaches.

VI. WAY FORWARD: REIMAGINING BALANCED LABOUR LAW

Workplace legislation is essential in industrial relations, which is referred to the relation between employer and employee. Keeping the balance at the workplace must be maintained because it empowers employees to make a constitutional contribution towards a stable economy and nation. Some laws help businesses avoid interruptions while others give protection to workers. According to some experts, it is rigid labour laws that are leading to non-traditional employment such as gig, platform, etc, in India. This explains how we can rethink balanced labour law for today’s problems through innovations.

Labour laws have been changed to give employer labor more power. This will serve as a solid basis for industrial relations. Employer charters are like a constitution. They can assist in the drafting of labour laws within the ambit of fundamental rights and justice. The Charter, according to Beatty (1987), may further industrial democracy and protect against the erosion of labour rights. This is said to be more compatible with Charter values than the traditional model of collective bargaining as it entails the promotion of voluntary and plural representation of employee interests (Beatty 1987). The employee employer charter’s aim is to deal with the illegal and legal behaviour of employers during the time of certification elections, first contract campaigns and the likes of it. Like earlier, this also pertains to the

labour law reform. In the end, the bargaining council regime can be strengthened considerably by both employer charters and unions mobilising. (Bronfenbrenner 1994). The charter will determine the expectations of the employers from the workers so that they do not get unfair. In conclusion, the country's labour laws have a charter for employers which is a positive step in the right direction. The charter will help create balanced workplace relationships. Worker rights and social justice definitely are protected by labour law.

A. Safeguarding Against Abuse of Labour Law Processes

It is important to stop the misuse of labor law processes. This will require legal as well as moral framework. As per Melnyk et al. (2020), if the worker's action or inaction in labour relations motivated by anti-social motives then it represents abuse of the right. On top of that, discrimination and violations of Safe Labour conditions have arisen from them. Weil (2008) has indicated that if regulations regarding strategic labour inspections take systemic effects and sustainability into account, then they can avert exploitations and abuses. In labor law, a claim that is frivolous shall guarantee access to justice as well as diversion of other resources. The rules should safeguard genuine complaints and discard feckless ones. According to Rhode (2004), we must alter the incentive structure for suing, and judges must have wider scope to dismiss meritless suits. It would be good to use technology to change the labour law, useful for legal literacy and democratization of workplace relations. Estlund (2023) highlights that, by improving the application of labour law, technology could enhance more equal and equitable relations in the labour market by providing better information and tools to workers to organize and demand. According to Rogers (2023), information technology cannot only allow employer control through data collection, but also empower workers, with the employer having modern tools to select from (Rogers, 2023). According to labor laws, using tech provides other options to simplify processes. Digital tools facilitate the process of completing tasks by an organization without error. Through tech, achieving compliance with the law might be possible. For example, labor practices can be monitored continuously. And this can be done without the interference of organizations. In the workplace, there will be cooperation and increasing transparency as well as accountability. With changing technology in work spaces, it can get easier to meet legal requirements. It provides accessibility from labor law protections that currently exist. Should the argument that technology is shrinking the legal space be a message for legal framers to rethink their framing of legal questions? (Katsabian, 2021)

 [ISSN 2581-5369]

B. The Collaborative Roles of Courts, Government, and Industry Bodies.

The court, the government and industry bodies all help develop labor law to the mutual benefit of all. Through court decisions, labour jurisprudence has been changed by courts and the work culture. Through landmark court judgement, Indian courts have not only protected worker's rights but have also evolved legal doctrines to give effect to new social values and economic realities (Bagchi, 2023). The government agency that produces legislation establishes limits which determine the functioning of labour relations and permits judicial intervention. These government institutions enforce, ensure, deal with and maintain peace in the industry in various senses of the law. Organizations working in the Industry act as intermediaries for discussion between employers and employees. Moreover, they assist in negotiating all kinds of contracts, including collective ones. Any legislative or charter body granting regulatory authority to regulatory agencies that modify the hybrid sector must regulate government collaboration with said regulatory agencies. The COVID-19 pandemic has highlighted tensions between business owners and workers, and has sparked labour protests. Industrial harmony keeps order and peace. It contributes to the ease of doing business. The first task or goal of the ruling parties should be the establishment of harmony between employer, employee government through individualism.

C. Suggestions for Code Amendments.

As we rethink labour, we must bear in mind amendments which represents changes to labour management relations. Improving collective bargaining and extending its purview to all types of employees is a major recommendation. In other words, it entails reevaluating the NLRA and putting in place measures which would mimic the conditions ordinarily present in the labor market for employees with atypical work arrangements (Gould, 2003). The goal of the labour laws is to make negotiations fairer and hence, reduce disputes to increase equity among workers. Additionally, the Labor Department indicates that it'll be necessary for the rules to be smart and flexible enough to adapt when the economy does. To put in different words they are concerned with removing redundancies and hence the rules which should never have been there but also the more useful ones which may help in improving the efficiency of the labour market (United States Department of Labor 1995). The legislation assists employers and employees to attain sustainable economic development by eliminating the duality of labor regulation. Changes are necessary to make them just and economical.

VII. CONCLUSION

The four New Labour Codes introduced by the government of India are a turning point in the

journey of Labour Reforms in India. This article has shown that, in spite of their intention to simplify compliance and improve worker protection, the Codes remain afflicted by a structural imbalance. The reforms focused almost entirely on labour welfare and, in doing so, have sidelined the role, problems and rights of employers, particularly the small and medium enterprises that are the backbone of the Indian economy. We must change the way we look at labour policy. It must not be looked at just as a tool to protect workers. But as a legal framework that also empowers creators of jobs. In a developing country like India, where employment generation is critical to inclusive growth, treating employers only as regulatory subjects, and not as stakeholders, goes against the very spirit of formalization, economic productivity and social welfare. A more dialogic and rights' based framework which recognises employers' need for clarity of procedure, safeguards against misuse of inspection powers and provides access to redress is crucial for sustainable industrial relations. Future research and legislation must go beyond the doctrine and engage with facts on the ground. How do MSMEs comply with regulations? Questions like these arise. What types of institutional mechanisms can be introduced for the protection of employer interests without diluting the rights of the workers? Is it feasible for India to implement a cooperative compliance model like that of Netherlands or Singapore? There is a need to conduct more interdisciplinary research and consult more stakeholders in these areas. It is only then that Indian labour law can genuinely achieve a framework that is fair and economically viable.

A. Recommendations

To augment the reforms in labour governance for greater equality and sustainability, the following is recommended-

- "Employer Charter" in Statute: Provide for an "Employer Charter" setting out procedural safeguards, rights to redressal and accountability for inspections
- Set up grievance redressal cells and tribunals of the employer that function independently within the labour inspectorate.
- Grants for Digital Literacy to MSMEs: State-sponsored compliance tech support and digital onboarding programs for rural and small enterprises.
- Change laws for a better balance between trade unions and employer organisations, and reduce misuse of strike benefits.
- Workable Solutions: Try out cooperative compliance models (e.g. Singapore/Netherlands) to encourage mutual trust and efficiency in industrial relations.

 [ISSN 2581-5369]

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