

STATUTORY UPDATES

1. EPFO FURTHER SIMPLIFIES TRANSFER CLAIM PROCESS THROUGH REVAMPED FORM 13

The Employees' Provident Fund Organisation (EPFO), through its Notification bearing No. *WSU/Amendments in IT, 1961/E-33306/2025-26/21* dated April 25, 2025, has further simplified the provident fund (PF) transfer process to enhance ease of living for its members. Under the newly introduced Revamped Form 13, the requirement for approval from the Destination Office has been eliminated. Once a transfer claim is approved by the Source Office, the PF accumulations are now automatically and instantly credited to the member's current account at the Destination Office. This improvement is expected to significantly reduce transfer processing time, ensuring faster and more seamless service. The revised process is anticipated to benefit over 1.25 crore members annually, facilitating the transfer of approximately INR 90,000 crore each year.

2. ER-I REPORT SUBMISSION DEADLINE FOR GURUGRAM EMPLOYERS

The Employment Department, Government of Haryana, vide Notification bearing No. *EMI/CNV/2025/333* dated April 1, 2025, has directed all employers and HR managers in the Gurugram district to submit the ER-I report for the quarter ending March 31, 2025, on or before April 30, 2025, via the official portal on *hrex.gov.in*. Failure to comply with this requirement within the prescribed timeline will constitute a violation of the provisions of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and may result in penalties and other legal consequences.

3. ADVANCE UNDER PARA 68B(7) OF THE EPF SCHEME BASED ON SELF-DECLARATION

The EPFO through its Notification bearing No. *WSU/RationalisationofAdvances/E-48776/2025-26/18* dated April 17, 2025, has streamlined the procedure for availing advances under Paragraph 68B(7) of the Employees' Provident Funds Scheme, 1952. Members can now obtain advances for the purchase or construction of a house, or for repayment of loans, by submitting a self-declaration. This declaration must confirm that the advance is being sought after a period of 60 months from the date of completion of the house and is not connected to any prior withdrawals under this paragraph. The revised process is aimed at simplifying and expediting the withdrawal mechanism for eligible members. The changes in this regard have already been implemented on the EPFO's official website.

4. TELANGANA RELEASES DRAFT LAW FOR GIG WORKERS' WELFARE

The Government of Telangana has recently released a draft bill titled *The Telangana Gig and Platform Workers (Registration, Social Security and Welfare) Act, 2025*, with the objective of establishing a robust legal framework to safeguard the rights and welfare of gig and platform workers in Telangana. The proposed legislation seeks to provide comprehensive social security, as well as health, safety, and welfare measures for gig and platform workers. Key provisions of the bill include the establishment of a dedicated Welfare Board to oversee implementation, mandatory registration of aggregators, maintenance and periodic updating of worker databases, etc. The bill also places a strong emphasis on preventing discrimination within platforms. Telangana is one of the few states in India taking proactive steps to formally regulate the gig economy, underscoring need to fairness, security, and dignity for gig and platform workers in this digital age.



JUDICIAL FINDINGS

1. SUPREME COURT UPHOLDS BONUS ENTITLEMENT FOR WORKERS IN CHARITABLE TRUST'S FACTORIES

In *The Management of Worth Trust v. Worth Trust Workers Union* [Civil Appeal No. 20474 of 2025], the Hon'ble Supreme Court affirmed the applicability of the Payment of Bonus Act, 1965 ("Bonus Act") to workers employed by Worth Trust, a charitable organization engaged in manufacturing activities. Despite the trust's charitable objectives and history with the Swedish Red Cross, the Court noted a significant commercial shift since 1985, including the manufacture and sale of industrial goods. As these activities fall squarely under the definition of a "factory" per the Factories Act, 1948, the workers are entitled to statutory bonus provisions.

The Court dismissed the appellant's claim of exemption under Section 32 of the Bonus Act, clarifying that Worth Trust is neither run by nor similar to the Indian Red Cross Society, nor can it be considered a non-profit institution for the purposes of this exemption. The Tribunal's award of an 8.33% bonus (adjusted against any ex-gratia already paid) was upheld. Worth Trust has been directed to pay bonuses to eligible workers from 1996-97 onwards within one month of the judgment.

2. MP HIGH COURT: EMPLOYER'S OBLIGATION TO PAY GRATUITY NOT DEPENDENT ON EMPLOYEE'S APPLICATION

In *Little World Higher Secondary School v. State of M.P.*, 2025 SCC OnLine MP 3266, the Hon'ble Madhya Pradesh High Court reaffirmed that an employer's obligation to pay gratuity under the Payment of Gratuity Act, 1972 ("Gratuity Act") arises automatically upon an employee's exit from service, without requiring a written application from the employee. A Division Bench of the Hon'ble Court held that the 30-day timeline for payment of gratuity begins from the date it becomes payable, not from any formal request by the employee.

The case arose from a challenge to the Controlling Authority's order dated 11-10-2021, which had directed the appellant school to pay ₹21,09,385 along with 10% interest per annum to a former teacher who had served from 2001 to 2011. The Court rejected the appellant's reliance on Rule 7(1) of the Payment of Gratuity (Madhya Pradesh) Rules, 1973, stating that the Rules cannot override the central Act, which imposes no limitation period for such claims. It was also held that oral requests made by the employee to the employer were sufficient to

demonstrate an attempt at resolution before approaching the Controlling Authority under Section 7(4).

Notably, the Court dismissed the argument that a teacher is not covered under the Gratuity Act, noting that post-2009 amendments and in light of *Birla Institute of Technology v. State of Jharkhand*, (2019) 4 SCC 513, teachers are clearly included under the definition of "employee" in Section 2(e).

Dismissing the appeals, the High Court directed the employer to comply with the Controlling Authority's order within 30 days if payment had not already been made.

3. CGIT EMPOWERED TO REGULATE PROCEDURE, PASS INTERIM ORDERS: BOMBAY HIGH COURT

In the case of *Central Board of Trustees, EPF v. Bajaj Allianz Life Insurance Co. Ltd. & Ors.* [Writ Petition No. 2876 of 2025], the Bombay High Court upheld the discretionary powers of the Central Government Industrial Tribunal in regulating procedures under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("EPF Act"). The petitions, filed by the Employees' Provident Fund Organization (EPFO), challenged ad-interim orders issued by CGIT, which restrained EPFO from coercive recovery actions against various establishments pending appeals under Section 71 of the EPF Act.

The EPFO raised concerns over CGIT's practices, including issuing oral directions, granting stays with minimal or no deposits contrary to the mandatory 75% pre-deposit under Section 70, and passing ex-parte orders without hearing EPFO. The Respondents countered that delays by EPFO in filing replies necessitated interim measures and that CGIT's actions were within its procedural autonomy under Section 7J and Rule 21 of the Tribunal (Procedure) Rules, 1997.

The Hon'ble Bench declined to interfere with the ad-interim orders, emphasizing CGIT's authority to regulate its procedures and pass interim measures based on case-specific circumstances. The Court noted the Tribunal's efforts to address a backlog of cases and its ongoing disposal of Section 70 applications.



4. CALCUTTA HIGH COURT AFFIRMS GRATUITY ENTITLEMENT OF BADLI WORKER AFTER 37 YEARS OF SERVICE

In *Hooghly Infrastructure Private Limited v. S.K. Alam Ismail and Others* [Writ Petition Application No. 28770 of 2024], the Hon'ble Calcutta High Court upheld an order granting gratuity to a badli worker who rendered uninterrupted service for 37 years, recognizing the employee's statutory right to gratuity.

The Respondent had joined the company in 1978 as a badli worker - engaged to substitute for permanent employees during their absences—and was covered under the EPF Act. Upon attaining the age of superannuation, the Respondent sought gratuity, asserting non-payment, and approached the Controlling Authority for its assessment and disbursal.

The Controlling Authority directed the Petitioner to pay gratuity corresponding to the entire 37-year tenure, along with interest, prompting the current challenge before the High Court.

The Hon'ble Court held that the Respondent had been in continuous service in roles equivalent to regular posts and that the employer's denial of gratuity amounted to a misuse of legal provisions. Stressing the intent of beneficial legislation, the Court held that an individual who has consistently contributed to the enterprise in such a capacity is entitled to retiral dues.

5. COURTS HAVE DISCRETION TO AWARD INTEREST UNDER SECTION 33C(2) OF ID ACT: BOMBAY HIGH COURT

In *Deepak Vallabhdas Intwala v. Casby Logistics Private Limited and Others* [Writ Petition No. 3428 of 2022], the Hon'ble Bombay High Court held that the grant of interest under Section 33C(2) of the Industrial Disputes Act, 1947 ("**ID Act**"), lies within the discretion of the adjudicating authority in claims for outstanding dues.

The Petitioner, who was transferred from Mumbai to New Delhi, challenged the transfer on grounds of illegality and procedural lapses under the ID Act. The Industrial Court decided in his favour, declaring the transfer as an act of unfair labour practice and setting aside the transfer order. Subsequently, the Petitioner approached the Labour Court under Section 33C(2) to recover alleged outstanding payments, including interest, but his claim was dismissed.

Upholding the Labour Court's ruling, the Hon'ble High Court noted that although the transfer was found to be unlawful, the Petitioner was not entitled to recover payments for the period during which he remained absent without sanctioned leave. It further clarified that while Section 33C(2) allows claims for due amounts, the inclusion of interest is not automatic and is subject to the court's discretion. As such, the Petitioner's demand for interest along with back wages was deemed untenable.





Labour and Employment Practice at DSK Legal

DSK Legal distinguishes itself through its progressive and pragmatic counsel across the entire spectrum of employment and labour law. The acumen we bring to bear, coupled with our capacity to furnish insightful perspectives on the foreseeable consequences of labor reform, has engendered the trust of our corporate clientele within this specialized domain.

Recognizing the paramount significance of human capital and its pivotal role in securing enduring business success, DSK Legal is committed to providing comprehensive support. Our purview spans the gamut of pertinent Indian labor laws, regulatory prerequisites incumbent upon employers, and the meticulous drafting and scrutiny of employment contracts and staff manuals. We extend our expertise to include aiding in the formulation and execution of robust employee retention and reward strategies. Our proficiency encompasses both contentious and non-contentious realms, incorporating counsel on good faith bargaining, preemptive measures against industrial actions, and, when imperative, strategic litigation guidance. Furthermore, we excel in formulating and ensuring the effective implementation of workplace policies.

Drawing upon our well-established connections in the human resources industry, we possess a unique vantage point to comprehend the nuanced impact of labor and employment issues on distinct businesses. This insight empowers us to devise bespoke solutions that safeguard our clients' commercial interests with precision and foresight.

Our Employment Practice covers:

- Review and drafting of Employment Agreements
- Reviewing and drafting Personnel Policy/Manuals
- Advising on applicable labour and employment laws
- Advising on regulatory requirements mandated for employers
- Developing and Implementing Employee Incentive Plans
- Advising on termination strategy and retirement policies
- Conducting due diligence reviews of employment law compliance
- Advising on strategy and documentation for safeguarding confidential information and protecting intellectual property
- Advising on data protection and privacy issues
- Advising on non-compete issues and their enforceability
- Litigation strategy





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Suyash Srivastava is a Partner at DSK Legal. He advises companies on all labour and employment law related matters, particularly advising clients in the area of Employment & Service Laws, HR Compliances, Due Diligence and Litigation. He also advises companies in conjunction with individual legal issues, mass redundancies and proceedings relating to unfair dismissals.

Suyash and his team represent companies in labour court proceedings against employees and trade unions. Suyash along with his team of dedicated, experienced and trained lawyers have also acted as independent external investigators for various multinational companies for investigations pertaining to various internal policy violations i.e. workplace harassment, whistle-blower policy, code of conduct, fraud, sexual harassment etc.

Akanksha, a seasoned transaction lawyer, also specializes in corporate compliance, particularly workplace sexual harassment laws. She has extensive experience advising clients on statutory compliance, drafting and reviewing policies, and filing annual reports.

She serves as an external member on Internal Committees, guiding organizations on harassment complaints. Along with her team, she has conducted numerous training sessions, including specialized programs for Internal Committees and employees to prevent and address workplace harassment.

Akanksha is committed to fostering safe and inclusive workplaces by helping organizations navigate legal obligations and implement best practices. Her expertise ensures companies not only comply with the law but also cultivate a culture of respect and accountability.



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Kumar Prem Anand is an Associate Partner at DSK Legal, specializing in Labour and Employment laws. With 12 years of experience, he advises corporate clients on HR compliance, audits, and workforce issues, including redundancies and C-suite exits. Anand also represents clients in employment disputes before courts and tribunals. His expertise extends to internal investigations on workplace misconduct and policy violations.

He plays a key role in guiding companies through complex employment regulations, ensuring compliance while balancing business needs. Anand's ability to provide strategic legal solutions makes him a trusted advisor to multinational corporations navigating India's evolving labour law landscape.

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