

India's Labour Codes 2025:

A Closer Look at the Impact on Women Employees

Effective 21 November 2025

Overview

The implementation of India's four new Labour Codes marks a significant milestone in strengthening workplace protections, equality, and participation for women employees across sectors. Effective **21 November 2025**, these reforms aim to modernise legacy labour laws while creating a safer, more inclusive, and more equitable employment environment for women—across factories, offices, services, and emerging work models.

While the Codes introduce progressive provisions around equal pay, maternity benefits, workplace safety, and representation, the overall impact will depend on **effective implementation, employer readiness, and forthcoming state-level operational guidelines**. This Insight Note outlines the key implications for women employees, highlights opportunities, and flags practical challenges that organisations must navigate.

1 Overview of the New Labour Codes

India has consolidated 29 central labour laws into four unified Codes:

- **Code on Wages, 2019**
- **Industrial Relations Code, 2020**
- **Social Security Code, 2020**
- **Occupational Safety, Health & Working Conditions (OSH) Code, 2020**

Together, these Codes seek to standardise employment practices, clarify compliance, and extend protections across formal, informal, and emerging employment models—many of which employ large proportions of women.

2 Key Impacts for Women Employees

A. Equal Pay & Non-Discrimination (Code on Wages)

- Mandatory equal pay for equal work, explicitly prohibiting gender-based wage discrimination
- Gender neutrality embedded across hiring, remuneration, and employment conditions
- Stronger legal backing to challenge biased pay structures

Impact: Greater wage transparency and reduced systemic pay gaps.

B. Enhanced Maternity Benefits & Care Support (Social Security Code)

- **26 weeks of paid maternity leave** for women with up to two surviving children (minimum 80 days of service)
- **12 weeks of leave for:**
 - Women with two or more surviving children
 - Adoptive mothers (child below 3 months)
 - Commissioning mothers (surrogacy)
- **6 weeks leave** in case of miscarriage
- Nursing breaks and mandatory crèche facilities (subject to workforce thresholds)
- Provision for work-from-home post maternity leave where feasible
- Medical bonus of ₹3,500 where pre-natal care is not provided

Impact: Improved ability to balance career continuity with maternal responsibilities.

C. Workplace Safety & Night Shift Participation (OSH Code)

- Women permitted to work night shifts (7 p.m. to 6 a.m.) with consent
- Applicability extended across sectors, including factories, mines, and hazardous establishments
- Mandatory safety measures—transport, security, lighting—subject to State Government guidelines

Impact: Expanded job opportunities, especially in manufacturing, logistics, and services, subject to effective safety implementation.

D. Representation & Grievance Redressal (Industrial Relations Code)

- Mandatory adequate representation of women on:
 - Grievance Redressal Committees (GRCs)
 - Advisory boards and wage-related committees
- Inclusion of women's perspectives in dispute resolution and workplace policy decisions

Impact: More balanced decision-making and sensitive handling of gender-related issues.

E. Expanded Social Security Coverage

- Broader access to healthcare, maternity benefits, disability cover, and pensions
- Inclusion of women workers in gig, platform, and unorganised sectors, subject to scheme notifications

Impact: Improved social protection for women in non-traditional employment models.

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Opportunities for Women's Workforce Participation

- Safer workplaces and night-shift access open doors to previously restricted sectors
- Wage equality and statutory benefits support long-term career and financial security
- Reforms align with national goals to improve women's labour force participation, historically among the lowest globally

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Key Challenges & Practical Considerations

Implementation & Coverage Gaps

- Informal and unorganised women workers may still face access limitations
- Crèche facility thresholds (e.g., minimum employee count) may reduce applicability in smaller establishments

Employer Cost & Compliance Concerns

- Higher compliance costs for PF, gratuity, ESI, and maternity benefits
- Risk of unintended hiring bias if benefits are perceived as cost-intensive

Safety Infrastructure Readiness

- Night-shift permissions are effective only if transport, security, and workplace safety are fully implemented
- Many establishments may need operational upgrades to comply

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Importance of POSH Act Compliance

While the **POSH Act, 2013** is outside the Labour Codes framework, its relevance is heightened in the current context.

- Mandatory Internal Committee (IC), awareness training, and complaint redressal
- Critical to ensuring dignity, safety, and trust at the workplace
- Non-compliance carries legal, financial, and reputational risks

POSH compliance remains foundational to the success of the broader women-centric protections under the Labour Codes.

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Employer Roles & Responsibilities

Employers must:

- Ensure wage equality and non-discriminatory practices
- Implement maternity, safety, and social security provisions effectively
- Build a robust safety infrastructure for women employees
- Maintain compliant grievance and POSH mechanisms
- Monitor evolving Central and State notifications to stay aligned

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Role of Ascent HR

Ascent HR actively supports organisations by:

- Tracking all Labour Code notifications impacting women's employment
- Monitoring compliance across wage, safety, maternity, and social security provisions
- Issuing advisory notes where gaps or risks are identified
- Supporting clients in aligning policies and payroll processes with evolving regulations

Conclusion

The November 2025 Labour Codes represent a decisive step toward strengthening women's rights at work—through equality, safety, representation, and social security.

While the framework is progressive, its real impact will depend on effective implementation, employer commitment, and clarity from forthcoming state-level rules.

Organisations that prepare thoughtfully—balancing compliance, culture, and care—will be best positioned to support women employees and benefit from a more diverse, resilient workforce.