



INDIAN JOURNAL OF  
LEGAL REVIEW

VOLUME 5 AND ISSUE 6 OF 2025

INSTITUTE OF LEGAL EDUCATION



## INDIAN JOURNAL OF LEGAL REVIEW

APIS – 3920 – 0001 | ISSN – 2583-2344

(Open Access Journal)

Journal's Home Page – <https://ijlr.iledu.in/>

Journal's Editorial Page – <https://ijlr.iledu.in/editorial-board/>

Volume 5 and Issue 6 of 2025 (Access Full Issue on – <https://ijlr.iledu.in/volume-5-and-issue-6-of-2025/>)

### Publisher

Prasanna S,

Chairman of Institute of Legal Education

No. 08, Arul Nagar, Seera Thoppu,

Maudhanda Kurichi, Srirangam,

Tiruchirappalli – 620102

Phone : +91 94896 71437 – [info@iledu.in](mailto:info@iledu.in) / [Chairman@iledu.in](mailto:Chairman@iledu.in)



ILE Publication House is the  
**India's Largest  
Scholarly Publisher**

© Institute of Legal Education

**Copyright Disclaimer:** All rights are reserve with Institute of Legal Education. No part of the material published on this website (Articles or Research Papers including those published in this journal) may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher. For more details refer <https://ijlr.iledu.in/terms-and-condition/>

## DISMISSAL AND RETRENCHMENT: LEGAL SAFEGUARDS AND REMEDIES

**AUTHOR** – MAITHREYAN, STUDENT AT TAMILNADU DR AMBEDKAR LAW UNIVERSITY/SCHOOL OF EXCELLENCE  
IN LAW

**BEST CITATION** – MAITHREYAN, DISMISSAL AND RETRENCHMENT: LEGAL SAFEGUARDS AND REMEDIES, *INDIAN JOURNAL OF LEGAL REVIEW (IJLR)*, 5 (6) OF 2025, PG. 794-802, APIS – 3920 – 0001 & ISSN – 2583-2344

### Abstract

The processes of dismissal and retrenchment play a crucial role in shaping employer-employee relations, particularly in maintaining a balance between managerial discretion and worker protection. This paper examines the legal framework governing dismissal and retrenchment under Indian labour law, with a focus on the Industrial Disputes Act, 1947. It analysis statutory provisions, judicial interpretations, and constitutional safeguards that regulate termination procedures and provide remedies to affected workers. The paper also highlights the growing challenges posed by informal employment, contractualisation, and the gig economy, which often operate outside traditional legal protections. Through a critical assessment of case law and international standards, particularly those of the International Labour Organization (ILO), the study underscores the need for legal reform and better enforcement to ensure fair treatment, procedural justice, and socio-economic security for workers in a rapidly evolving labour market.

### I. Introduction

The employment relationship, inherently unequal in terms of bargaining power, necessitates legal regulation to ensure fairness and protection for the weaker party—the employee<sup>180</sup>. In this context, the processes of dismissal and retrenchment are particularly sensitive as they directly impact the livelihood and socio-economic security of workers. Dismissal typically refers to the termination of employment by the employer for reasons such as misconduct or incapacity, while retrenchment generally involves the termination of workers due to redundancy, downsizing, or other reasons not attributable to the employee's conduct<sup>181</sup>. Though both are legally permissible under certain conditions, they are often misused, leading to arbitrary and unjust termination of services.

In India, the Industrial Disputes Act, 1947 (IDA), forms the cornerstone of labour law protections related to dismissal and retrenchment. It lays

down detailed procedural safeguards that employers must follow before terminating the services of a “workman” as defined under the Act. Sections such as 25F, 25G, and 25H specifically address the conditions precedent to retrenchment, the principles of last come, first go, and the right to re-employment, respectively.

Similarly, Section 11A empowers Labour Courts to review and modify the punishment of dismissal, ensuring a measure of judicial oversight. These provisions are rooted in the principles of natural justice, which include the right to be heard and the requirement for a fair and unbiased inquiry.

Apart from statutory protections, constitutional provisions like Article 14 (equality before the law) and Article 21 (right to livelihood) further strengthen the legal foundation for safeguarding workers against arbitrary termination<sup>182</sup>. Indian courts, particularly the Supreme Court and various High Courts, have played a pivotal role in interpreting these

1 K.D. Srivastava, *Commentary on the Industrial Disputes Act*, 9th ed., Eastern Book Company, 2018, p. 5  
2 ILO, *Termination of Employment Convention, 1982 (No. 158)*, Articles 4–6.

3 *Olga Tellis v. Bombay Municipal Corporation*, (1985) 3 SCC 545; *Maneka Gandhi v. Union of India*, (1978) 1 SCC 248.

provisions and expanding the scope of worker protections. Over the years, landmark judgments have reiterated the importance of procedural fairness and proportionality in cases of dismissal and retrenchment.

However, despite the existence of a well-defined legal framework, the practical implementation of these safeguards remains inconsistent. Employers often circumvent statutory requirements by hiring workers on fixed-term contracts, through third-party agencies, or in the informal sector where the IDA does not apply. Moreover, the advent of the gig economy and platform-based work models poses new challenges for labour law, as these workers often fall outside the traditional definitions of “workman” or “employee.” As a result, they are frequently denied protection against unfair termination<sup>1183</sup>.

This research paper aims to undertake a comprehensive analysis of the legal framework governing dismissal and retrenchment in India, critically examining its effectiveness through statutory interpretation, case law analysis, and comparative perspectives. It will also explore the remedies available to workers in cases of unlawful termination and evaluate the adequacy of these remedies in delivering substantive justice. Furthermore, the paper will address contemporary challenges and suggest possible reforms to ensure that labour laws continue to serve their protective function in a rapidly evolving employment landscape.

## II. Review of literature

- a. S.N. Mishra in his book “Labour and Industrial Laws” provides a detailed exposition of the Industrial Disputes Act, 1947, particularly Sections 2(oo), 25F, 25G, and 25H, which govern retrenchment. He emphasizes the procedural rigor required under these provisions and critiques the tendency of employers to bypass legal norms through casualisation and

contractualisation. His analysis of case law helps illuminate the judicial approach to interpreting “retrenchment” and “dismissal.”

- b. Dr. V.G. Goswami, in “Labour and Industrial Laws”, examines the conceptual distinctions between dismissal, discharge, and retrenchment. He underscores the importance of adhering to principles of natural justice in disciplinary proceedings and offers insight into how courts have upheld or struck down terminations based on procedural irregularities. Goswami also discusses remedies such as reinstatement and compensation, highlighting their evolution through judicial precedents.
- c. S.C. Srivastava, in his seminal work “Industrial Relations and Labour Laws”, delves into the philosophy of labour law and its protective nature. He argues that statutory safeguards against dismissal and retrenchment serve not just individual justice but also collective industrial peace. His commentary on judicial activism in labour jurisprudence brings out the judiciary’s crucial role in defending worker rights.
- d. K.D. Srivastava’s authoritative treatise focuses on the evolution of labour jurisprudence in India. His analysis of judicial trends shows how Indian courts have interpreted “retrenchment” expansively, even including termination for non-disciplinary reasons. Srivastava is particularly known for examining the role of Labour Courts under Section 11A in granting reinstatement and back wages in cases of wrongful dismissal.
- e. P.L. Malik discusses the distinction between lawful and unlawful termination of employment. He pays special attention to the safeguards provided to “workmen” under the Industrial Disputes Act and critiques the exclusion of a vast

4 Surya Deva, “Gig Workers and the Right to Livelihood: A Constitutional Approach,” *NUJS Law Review*, Vol. 13, 2020, pp. 289–304.

segment of informal workers from its coverage. Malik also provides in-depth case analyses on illegal retrenchment and the role of domestic enquiries in dismissal proceedings.

### III. Research methodology

The research is qualitative and descriptive, focusing primarily on the interpretation of laws, legal principles, and case law. It explores the statutory framework under the Industrial Disputes Act, 1947, and relevant constitutional provisions, supported by an analysis of authoritative legal commentaries and case law.

#### Sources of Data

##### A. Primary Sources

- a. **Statutory Provisions:** The core legislative instrument is the *Industrial Disputes Act, 1947*, with emphasis on Sections 2(oo), 25F, 25G, 25H, and 11A. Relevant provisions of the *Constitution of India* (Articles 14 and 21) are also analyzed.
- b. **Judicial Decisions:** Landmark judgments from the Supreme Court and High Courts such as *Workmen of Sudaram Finance Ltd. v. Management*, *Mohan Lal v. Bharat Electronics Ltd.*, and *Delhi Cloth & General Mills Co. v. Shambhu Nath* form the basis for understanding the application and interpretation of legal norms.

##### B. Secondary Sources

- a. **Textbooks and Commentaries:** Works by S.N. Mishra, K.D. Srivastava, P.L. Malik, and G.B. Pai have been referred to for academic commentary on dismissal and retrenchment.
- b. **Scholarly Articles and Journals:** Legal periodicals and research papers from Indian and international journals have been reviewed to understand contemporary debates and critical perspectives.
- c. **Reports and Policy Documents:** Reports such as the *Second National Commission on Labour (2002)* and

relevant publications by the *International Labour Organization (ILO)* have been used for policy analysis and international comparisons.

### C. Method of Analysis

The research follows an **analytical method**, where legal provisions are examined in light of judicial interpretations and practical challenges in implementation. Comparative insights have been drawn from international standards (especially ILO Convention No. 158) to evaluate the Indian legal framework. A **critical approach** has been adopted to assess the gaps in the existing legal regime and to propose potential reforms.

### IV. Research questions

- a. What are the key legal provisions governing dismissal and retrenchment under Indian labour law?
- b. What remedies are available to workers in cases of unlawful dismissal or retrenchment, and how effective are they in practice?
- c. To what extent do current legal safeguards protect workers from arbitrary and unjust termination?

### V. Findings

#### A. key legal provisions governing dismissal and retrenchment under Indian labour law

The key legal framework for dismissal and retrenchment in India is primarily governed by the Industrial Disputes Act, 1947 (IDA), supplemented by constitutional protections and relevant case law. These provisions aim to regulate the termination of employment to ensure procedural fairness and to prevent arbitrary or unjustified terminations.

#### a. Definitions under the Industrial Disputes Act, 1947

Section 2(oo) of the Industrial Disputes Act, 1947 defines "retrenchment" as the termination by the employer of the service of a workman for any reason whatsoever, other than as a punishment inflicted by way of disciplinary

action. However, this definition specifically excludes certain situations from being considered retrenchment, such as voluntary retirement of the workman, retirement upon reaching the age of superannuation, termination as a result of non-renewal of a contract of employment, and termination due to continued ill health of the employee. While the Act does not explicitly define "dismissal" or "discharge," these terms are generally understood in industrial jurisprudence to refer to the termination of a workman's services on grounds of misconduct or disciplinary action.

#### **b. Conditions Precedent to Retrenchment**

Before a workman who has been in continuous service for at least one year can be retrenched, Section 25F of the Act mandates the fulfillment of certain preconditions. The employer must provide the workman with one month's notice in writing (or wages in lieu thereof), pay retrenchment compensation equivalent to fifteen days' average pay for every completed year of continuous service, and serve a notice to the appropriate government authority<sup>1184</sup>. Additionally, Section 25G of the Act lays down the principle of "last come, first go," which requires that the employer follow the rule of seniority in retrenchment unless there are recorded and justifiable reasons for any deviation<sup>1185</sup>. Further, Section 25H ensures that if the employer subsequently undertakes re-employment, the retrenched workmen should be given preference in hiring<sup>1186</sup>.

#### **c. Special Provisions for Large Industrial Establishments**

In the case of industrial establishments employing 100 or more workmen, Section 25N of the Act imposes stricter conditions on retrenchment. Not only must the employer fulfill the requirements under Section 25F, but prior permission from the appropriate government

authority is also mandatory before any retrenchment can take place. Similarly, Section 25O applies to the closure of undertakings, stipulating that such closure cannot occur without prior permission and advance notice to the government. These provisions are designed to offer greater protection to workers in larger industrial settings.

#### **d. Dismissal for Misconduct**

Section 11A of the Industrial Disputes Act empowers Labour Courts and Industrial Tribunals to reappraise the evidence in cases involving dismissal or discharge of a workman for misconduct<sup>1187</sup>. The adjudicating authority may set aside the termination, direct reinstatement of the workman with or without back wages, or award suitable compensation depending on the circumstances of the case. Importantly, even in cases of alleged misconduct, courts have consistently upheld that the principles of natural justice must be strictly adhered to. This entails the issuance of a proper charge-sheet to the workman, the conduct of a fair and impartial domestic inquiry, and affording the workman a reasonable opportunity to be heard in his defense<sup>1188</sup>.

#### **e. Constitutional Safeguards**

The Constitution of India also provides important protections to workmen against arbitrary termination. Article 14 guarantees the right to equality before the law and equal protection of the laws, while Article 21 guarantees the right to life and personal liberty, which has been judicially interpreted to include the right to livelihood. In instances of mala fide, unfair, or arbitrary dismissal or forced retirement, these constitutional provisions are often invoked to ensure procedural fairness and to uphold the workman's fundamental right to livelihood.

5 *State Bank of India v. N. Sundara Money*, (1976) 1 SCC 822 – the Supreme Court emphasized the mandatory nature of conditions under Section 25F.

6 Section 25G, *Industrial Disputes Act, 1947*; see also *Bumpa Roy v. United Bank of India*, (2000) 10 SCC 528.

7 Section 25G, *Industrial Disputes Act, 1947*; see also *Bumpa Roy v. United Bank of India*, (2000) 10 SCC 528.

8 Section 11A, *Industrial Disputes Act, 1947*; inserted by the Industrial Disputes (Amendment) Act, 1971.

9 *Cooper Engineering Ltd. v. P.P. Mundbe*, (1975) 2 SCC 661 – emphasized the need for a proper domestic inquiry in line with natural justice.

## B. remedies available to workers in cases of unlawful dismissal or retrenchment

In cases of **unlawful dismissal** or **retrenchment**, Indian labour law provides several statutory and judicial **remedies** to protect workers and ensure justice. These remedies aim to restore the rights of the aggrieved worker and deter arbitrary or mala fide termination by employers. However, their **effectiveness in practice** often depends on multiple factors such as legal awareness, access to courts, nature of employment, and enforcement mechanisms.

### a. Reinstatement with Back Wages

Section 11A of the Industrial Disputes Act, 1947 empowers Labour Courts and Tribunals to reappraise the evidence in cases of dismissal and determine whether the termination was justified. If the dismissal is found to be unjustified or procedurally defective, the court may order the reinstatement of the worker, along with back wages, continuity of service, and other consequential benefits. While reinstatement with back wages was historically seen as the standard remedy for wrongful termination, its application in practice has evolved. Courts have become more cautious, particularly in situations where the employer-employee relationship has become hostile, where the worker has since found employment elsewhere, or where the original establishment has closed down or undergone structural changes. In such cases, reinstatement is often considered impractical, and compensation in lieu of reinstatement is increasingly awarded, especially in cases involving temporary or casual workers.

### b. Compensation in Lieu of Reinstatement

Where reinstatement is deemed impractical or undesirable, courts may award monetary compensation as an alternative remedy<sup>1189</sup>. This approach is commonly taken when the dismissed worker has only served for a brief

period, when the employer no longer wishes to retain the worker, or when reinstating the individual would disrupt the organization. Compensation provides a pragmatic solution and avoids the complications associated with forced reinstatement<sup>1190</sup>. However, its effectiveness is sometimes questioned due to the inconsistent amounts awarded and the absence of a standard formula, leading to unpredictability and perceived inadequacy in some cases<sup>1191</sup>.

### c. Retrenchment Compensation (Section 25F)

Under Section 25F of the Industrial Disputes Act, a workman is entitled to compensation if retrenched without fulfilling the statutory preconditions, such as giving prior notice or paying compensation. The retrenched worker must receive compensation equal to fifteen days' average pay for every completed year of continuous service, along with wages in lieu of the notice period. Although the law provides a clear framework, enforcement remains a significant challenge—especially in the informal sector—where employers often evade legal compliance, leaving retrenched workers with limited practical remedies.

### d. Right to Re-employment (Section 25H)

Section 25H grants a preferential right of re-employment to retrenched workmen if the employer decides to hire again in the future<sup>1192</sup>. This statutory protection is intended to offer retrenched workers a second opportunity for employment within the same establishment. However, the provision is frequently underutilized and can be difficult to enforce unless the workman actively monitors the employer's hiring activities and asserts this right in a timely manner, making it less effective in real-world application<sup>1193</sup>.

10 *Hindustan Tin Works Pvt. Ltd. v. Employees*, (1979) 2 SCC 80 – the Court held that compensation could be granted where reinstatement is not feasible.

11 *Jagbir Singh v. Haryana State Agriculture Marketing Board*, (2009) 15 SCC 327 – held that compensation may be appropriate in cases of short-term or irregular employment.

12 R.K. Aghor, “Reinstatement vs Compensation in Indian Labour Jurisprudence,” *Labour Law Journal*, Vol. 66, No. 1, 2021, pp. 34–47.

13 Section 25H, *Industrial Disputes Act, 1947*.

14 *Management of Karnataka State Road Transport Corporation v. M. Boraiah*, (1983) 3 SCC 254 – the Supreme Court affirmed the right of preference for re-employment to retrenched workers.

### e. Declaratory Relief and Damages

Workmen who face illegal or wrongful dismissal may seek declaratory relief through courts to obtain a formal declaration that their termination was void or unlawful. Additionally, they can claim damages for wrongful termination, particularly in cases involving breaches of natural justice, procedural irregularities, or mala fide intent on the part of the employer. While these remedies serve to recognize the wrong done and compensate the aggrieved workman, the legal process can be time-consuming and requires strong evidentiary support to succeed.

### f. Constitutional Remedies

Articles 14 and 21 of the Constitution of India provide powerful avenues for redressal in cases involving gross arbitrariness, discriminatory dismissal, or denial of the right to livelihood. Workmen can approach the High Courts or the Supreme Court directly through writ petitions when their fundamental rights are violated. Although these constitutional remedies are robust and authoritative, they are typically reserved for exceptional circumstances, given the high cost, complexity, and time involved in constitutional litigation.

### g. Alternative Dispute Resolution (ADR)

The Industrial Disputes Act also provides for the use of Alternative Dispute Resolution (ADR) mechanisms, such as conciliation, mediation, and voluntary arbitration, to resolve disputes amicably. ADR is valued for its potential to offer quicker, less adversarial, and cost-effective resolutions compared to formal adjudication. However, the success of ADR largely depends on the willingness of employers to participate in good faith and on the strength and credibility of the institutional framework facilitating the process.

### C. To what extent do current legal safeguards protect workers from arbitrary and unjust termination?

The Indian legal framework provides a range of safeguards intended to protect workers from

arbitrary and unjust termination. These safeguards are embedded in statutory provisions, reinforced by judicial decisions, and supplemented by constitutional principles. However, the actual extent of protection varies widely depending on the sector, nature of employment, and the ability of workers to access enforcement mechanisms.

### a. Statutory Safeguards under the Industrial Disputes Act, 1947 (IDA)

The Industrial Disputes Act, 1947 provides statutory protections primarily to those classified as “workmen” under Section 2(s). This definition excludes individuals employed in managerial, supervisory, or administrative roles who earn above a specified wage threshold, thus limiting the scope of legal protections. For those covered under the Act, Sections 25F, 25G, and 25N establish crucial safeguards against retrenchment. Employers are required to provide advance notice or wages in lieu thereof, pay retrenchment compensation, and in the case of establishments employing 100 or more workmen, obtain prior government permission. The Act also embodies the principle of “last come, first go,” requiring employers to follow seniority in retrenchment decisions unless valid reasons are recorded for deviation. Regarding dismissals, Section 11A empowers Labour Courts to examine the fairness and legality of the employer’s action, especially in cases involving misconduct. Courts assess whether a proper domestic inquiry was held, whether the principles of natural justice were adhered to, and whether the punishment imposed was proportionate to the alleged misconduct.

### b. Constitutional Protection

Beyond statutory safeguards, workers also enjoy constitutional protection under Articles 14 and 21 of the Constitution of India. Article 14 guarantees the right to equality before the law, while Article 21 guarantees the right to life and personal liberty, which has been judicially interpreted to include the right to livelihood<sup>194</sup>.

<sup>194</sup> *Maneka Gandhi v. Union of India*, (1978) 1 SCC 248 – expanded the scope of Article 21 to include substantive due process and fairness.

These provisions have been invoked in several landmark judgments to protect against arbitrary and capricious termination<sup>1195</sup>. For instance, in *Olga Tellis v. Bombay Municipal Corporation*, the Supreme Court held that the right to livelihood is an integral part of the right to life under Article 21, thereby emphasizing that any deprivation of livelihood must be just, fair, and reasonable.

### c. Judicial Trends and Evolving Interpretation

Judicial interpretation of labour laws has generally favoured workmen, particularly those who are permanent employees with long-standing service records. Courts have consistently emphasized the need for employers to act in accordance with legal and procedural requirements. In *Dharam Dutt Gautam v. Union of India*, the Supreme Court underscored that the right to terminate employment must be exercised within the bounds of legality and fairness. Similarly, in *Bharat Forge Ltd. v. Uttam Manohar Nakate*, the Court reiterated the importance of proportionality in imposing disciplinary penalties, indicating that excessive or harsh punishment could be set aside. At the same time, the judiciary has increasingly moved away from ordering automatic reinstatement, especially in cases involving temporary or contractual workers, preferring instead to award monetary compensation as a more practical remedy.

### d. Limitations and Gaps in Protection

Despite the existence of robust statutory and constitutional protections, several gaps and limitations undermine their effectiveness in practice. A significant concern is the exclusion of informal sector workers, gig workers, and those engaged under fixed-term contracts, many of whom do not qualify as “workmen” under the IDA and are therefore outside its protective ambit<sup>1196</sup>. Even where legal remedies

are available, enforcement remains a challenge due to procedural delays and non-compliance by employers. Labour adjudication processes are often slow, stretching over years, which discourages aggrieved workers from seeking relief<sup>1197</sup>. Moreover, employers frequently circumvent the law through practices such as forced resignations, repeated use of short-term contracts, or strategic outsourcing, thereby avoiding their retrenchment obligations. The introduction of the Industrial Relations Code, 2020, which is yet to be fully implemented, has also raised concerns. It relaxes certain restrictions on layoffs and retrenchment, especially for smaller establishments, potentially diluting the protective framework for workers in the future<sup>1198</sup>.

## VI. Suggestion

### a. Broaden the Definition of ‘Workman’

- The current definition under Section 2(s) of the Industrial Disputes Act excludes a large section of employees, such as those in supervisory, managerial, or administrative roles.
- Suggestion: Expand the coverage to include contractual, gig, and informal workers, as they are often the most vulnerable to arbitrary termination.

### b. Strengthen Implementation Mechanisms

- Even when laws exist, poor enforcement makes them ineffective.
- Suggestion:
  - Establish fast-track labour tribunals for quicker resolution.
  - Introduce time-bound enforcement of reinstatement or compensation orders.

16 *D.K. Yadav v. J.M.A. Industries Ltd.*, (1993) 3 SCC 259 – held that termination of service without due process violates Article 21.

17 R. Chandrashekar, “The Legal Status of Gig Workers in India,” *Labour Law Journal*, Vol. 68, No. 2, 2022, pp. 89–104; see also Section 2(s), *Industrial Disputes Act, 1947*.

18 Report of the Second National Commission on Labour, 2002 – noted significant backlog and delay in labour dispute resolution.

19 *The Industrial Relations Code, 2020*, Sections 77–78; see also P.T. Thomas, “The New Labour Codes: Dilution of Worker Protections?,” *Economic and Political Weekly*, Vol. 56, No. 48, 2021.

- Create digital tracking of compliance with tribunal decisions.

c. Introduce Mandatory Notice and Consultation for All Terminations

- Many employees are terminated without prior notice or discussion, especially in the private sector.
- Suggestion:  
Make it mandatory to conduct a formal hearing and provide written reasons for termination, including for non-permanent workers.

d. Encourage Use of ADR Mechanisms

- Lengthy court procedures discourage workers from seeking justice.
- Suggestion:  
Promote alternative dispute resolution (ADR) methods like conciliation, mediation, and voluntary arbitration, especially in non-adversarial dismissal cases.

e. Mandatory Legal Representation and Awareness Programs

- Most workers are unaware of their rights and lack legal support.
- Suggestion:
  - Provide free legal aid for industrial disputes.
  - Organize regular awareness campaigns by labour departments and trade unions.

## VII. Conclusion

The regulation of dismissal and retrenchment lies at the heart of maintaining industrial peace and ensuring fairness in employer-employee relations. Indian labour law, primarily governed by the Industrial Disputes Act, 1947, provides a reasonably comprehensive framework of safeguards and remedies intended to protect workers from arbitrary and unjust termination. These include mandatory procedures for

retrenchment, safeguards for dismissal on grounds of misconduct, access to labour courts and tribunals, and constitutional protections under Articles 14 and 21.

However, the practical application of these safeguards reveals significant gaps. The limited scope of the term 'workman', procedural delays, and the growing informalisation and contractualisation of labour have rendered many workers vulnerable and excluded from the protective ambit of labour laws. Moreover, judicial trends increasingly favour compensation over reinstatement, reflecting a shift in balancing employer interests with employee security.

The new Industrial Relations Code, 2020, while aiming to streamline and modernize existing laws, raises concerns about the potential dilution of worker protections, especially with relaxed thresholds for layoffs and retrenchment. Without strong enforcement mechanisms, awareness initiatives, and timely dispute resolution systems, even well-drafted legal provisions may fail to deliver real justice.

Therefore, to ensure that the principles of fairness, security, and due process are upheld, there is a pressing need for inclusive legal reforms, broader statutory coverage, and institutional strengthening. Recognizing and addressing the challenges faced by non-traditional workers, strengthening adjudicatory forums, and aligning domestic laws with international standards such as ILO Convention No. 158 are essential steps forward. Only then can the promise of "right to livelihood" be truly protected in India's dynamic and evolving labour landscape.

## VIII. References

1. Srivastava, S.C., *Industrial Relations and Labour Laws*, Vikas Publishing House, 2012.
2. Malik, P.L., *Industrial Law*, Eastern Book Company, Latest Edition.
3. Singh, Avtar, *Introduction to Labour and Industrial Law*, LexisNexis, 2020.

4. Rao, B.S., *Law Relating to Dismissal, Discharge & Retrenchment*, Asia Law House, 2017.
5. Mathew, A. (2020). "Reform of Labour Laws and Its Impact on Employment Security." *Indian Journal of Labour Economics*, 63(2), 215–230.
6. Sharma, V. (2019). "Retrenchment and the Changing Nature of Labour Protections in India." *NALSAR Law Review*, Vol. 15.
7. Deshpande, L.K. (2005). "Employment Security: The Indian Perspective." *International Labour Review*, Vol. 144(3).
8. Tripathi, P. (2021). "Legality of Dismissal and Retrenchment under Indian Labour Law: An Analysis." *International Journal of Legal Studies and Research*, Vol. 10(1).

