

# **THE MADHYA PRADESH CODE ON EMPOWERING WORK SPACES, 2026**

An Act to consolidate and codify the extant state legislations in the State of Madhya Pradesh related to employer-employee relationship; protecting the rights and promoting the safety and welfare of the employees; providing for a transparent, citizen centric governance framework which can address the society level challenges arising from technological and economic developments by increasing ease of value creation and employment generation.

## **INDEX**

### **CHAPTER I — PRELIMINARY**

1. Short title, extent, commencement and application
2. Definitions
3. Commissioner of Labour
4. Citizen-centric, technology-enabled and transparency based administration
5. Power to make rules and issue notifications

### **CHAPTER II — REGISTRATION AND ESTABLISHMENTS**

6. One-time, intimation based, lifetime registration
7. Unique establishment number
8. Exemptions
9. Night work

### **CHAPTER III — WAGES, WORKING CONDITIONS, AND SAFETY**

10. Wages
11. Working hours, weekly holiday, and overtime
12. Leave
13. Employment of women: night shifts permitted
14. Employment of adolescents and prohibition of child labour
15. Fixed-term employment
16. Occupational safety and health
17. Fire safety
18. Occupational safety and health committees
19. Safety measures
20. Self-disclosure and rating
21. Registers, records, and single integrated return
22. Inspector-cum-Facilitator; randomised inspection scheme
23. Participatory compliance, audits, and public accountability

### **CHAPTER IV — UNORGANISED WORKERS WELFARE**

24. Application and alignment with the Code on Social Security, 2020
25. Registration
26. Welfare schemes
27. Madhya Pradesh Labour Advisory Board

28. District Labour Committee
29. Constitution of the Board
30. Functions of the Board and national portability
31. State Unorganised Workers Welfare Fund

## **CHAPTER V — ORGANISED WORKERS' WELFARE**

32. Application
33. Constitution and continuation of the Shram Kalyan Mandal
34. Shram Kalyan Nidhi
35. Welfare measures and schemes
36. Slate Pencil Workers' Welfare: special fund under the Mandal

## **CHAPTER VI — INDUSTRIAL RELATIONS**

37. Application
38. Adoption of the Industrial Relations Code, 2020
39. Threshold for prior permission for lay-off, retrenchment, and closure
40. Industrial Tribunal
41. Conciliation officers
42. Standing orders
43. Workplace dialogue and portal module

## **CHAPTER VII — INSPECTION, RECOVERY, OFFENCES, AND DECRIMINALISATION**

44. Inspector-cum-Facilitator for welfare funds
45. Assessment and recovery of dues
46. Decriminalisation of minor procedural lapses
47. Compounding of offences
48. Penalties for serious contraventions and repeat offences
49. Protection of action taken in good faith

## **CHAPTER VIII — REPEAL, SAVINGS, AND TRANSITION**

50. Repeal
51. Savings
52. Transfer of pending proceedings
53. Transition period
54. Stakeholder consultation mechanism

- 55. State Rules: timeline and framework
- 56. Construction of references
- 57. Removal of difficulties

## **CHAPTER I — PRELIMINARY**

### **1. *Short title, extent, commencement and application.*—**

- (1) This Code may be called the Madhya Pradesh Code on Empowering Work Spaces, 2026.
- (2) It extends to the whole of the State of Madhya Pradesh.
- (3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint; and different dates may be appointed for different provisions of this Code.
- (4) This Code applies to all establishments, as defined in the Code on Wages, 2019, in the State of Madhya Pradesh.
- (5) The provisions relating to industrial relations and industrial standing orders shall apply mutatis mutandis as mentioned in the Code on Industrial Relations, 2020.

### **2. *Definitions.*—**

In this Code,—

- (a) the definition of terms shall be adopted from the Code on Wages, 2019, primarily; the definition of terms in Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety and Health Code, 2020 respectively shall be adopted in the event of definition not being available in Code on Wages, 2019; in the event of different definitions in different codes, the definition more advantageous to workers or employees would be adopted unless otherwise explicitly stated.
- (b) “State enactments” for the purposes of this Code means the Madhya Pradesh Shops and Establishments Act, 1958 (as amended up to 2026); the Madhya Pradesh Industrial Relations Act, 1960; the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961; the Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, 1982; and the Madhya Pradesh Asangathit Karmkar Kalyan Adhiniyam, 2003;
- (c) (b) “Commissioner of Labour” means the Commissioner of Labour appointed under sub-section (1) of section 3;

### **3. *Commissioner of Labour.*—**

(1) The State Government shall, by notification, appoint a person to be the Commissioner of Labour for the State and may appoint the following categories of Officers to assist the Commissioner of Labour:

- (a) Additional Labour Commissioner
- (b) Deputy Commissioner of Labour;
- (c) Assistant Commissioner of Labour.
- (d) Labour Officer

(2) The Additional/Deputy/Assistant Commissioners of Labour and the Labour Officers shall, subject to the control of the Commissioner of Labour and to the conditions and restrictions, if any, prescribed by the State Government, exercise such powers and perform such duties of the Commissioner under this Code as may be delegated to them by the Commissioner of Labour from time to time.

**3A. *Dignity of the employee and prohibition of coercive engagement.*—**

(1) Every employer shall, in the engagement and employment of any person, respect and uphold the dignity and free will of such person as guaranteed under Articles 21 and 23 of the Constitution of India.

(2) No employer shall—

- (a) engage or continue to engage any person in a manner that compels such person to render service against his will, or that prevents him from exercising his free will regarding his continuation in the engagement;
- (b) withhold any identity document, original certificate, travel document, or personal belonging of an employee so as to restrict his freedom to leave the employment;
- (c) impose any financial penalty, recovery of advance, or debt obligation that has the effect of compelling an employee to remain in employment or to render service against his will;
- (d) impose any condition of service that has the effect of reducing the employee to a status analogous to servitude or bondage, whether by restriction of movement, communication, or access to redress; or
- (e) engage in any practice that treats the employee as a commodity, including transfer of an employee from one employer to another without the written and informed consent of the employee.

(3) Any employee aggrieved by a contravention of this section may file a complaint with the Commissioner of Labour or the District Labour Committee, who shall inquire into the matter in such manner as may be prescribed.

(4) Contravention of sub-section (2) shall be punishable under section 50, and shall, where it amounts to forced labour within the meaning of Article 23 of the Constitution or bonded labour within the meaning of the Bonded Labour System (Abolition) Act, 1976, be proceeded against under the applicable law.

(5) Nothing in this section shall prevent an employer from enforcing a lawful notice period or a lawful non-compete clause that is reasonable in duration, geography, and scope, and that does not amount to coercion.

**4. *Citizen-centric, technology-enabled and transparency based administration.*—**

(1) The State Government shall establish and maintain a designated system for citizen-centric administration of registrations, licences, filings, returns, notices, inspections, and scheme delivery under this Code for ensuring employer-employee relationship as per the Central and State Codes.

(2) The designated system shall provide for seamless facilitation, including—

(a) a unified electronic interface for the purposes of registration, application, filing, and intimation under this Code;

(b) electronic generation, issuance, and display of certificates, acknowledgements, licences, and other prescribed documents;

(c) filing of the single integrated return and such other prescribed returns, statements, or particulars;

(d) interoperability with relevant Central, State, and other lawful databases so as to reduce duplication and promote efficient compliance and administration;

(e) facilitation of enrolment under, access to, and delivery tracking of welfare schemes, benefits, and entitlements under this Code, together with maintenance of audit trails in respect thereof; and

(f) public-facing transparency features, including publication of non-sensitive compliance indicators, aggregated outcomes, and service standards, in such manner as may be prescribed.

(3) The State Government may, by rules, prescribe a framework for—

- (a) periodic internal process audits of aspects related to safety, rights or welfare of employees, including third-party audits, results of which will be transparently disclosed;
- (b) risk-based ratings or grades of establishments for compliance purposes;
- (c) publication of key performance indicators derived from audits, returns, and inspections, subject to lawful confidentiality and privacy safeguards; and
- (d) secure citizen, worker, and consumer feedback and grievance inputs, including verified complaints, to inform risk assessment.

(4) Data collection and publication under this section shall be proportionate and limited to compliance and facilitation objectives, and shall be subject to privacy, confidentiality, and data-protection safeguards under applicable law, including safeguards against malicious or frivolous reporting.

**5. *Power to make rules and issue notifications.*—**

- (1) The State Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Code, consistent with the Central Codes.
- (2) Without prejudice to the generality of sub-section (1), rules may provide for forms, fees, digital processes, registers, returns, inspection schemes, designation of authorities, portal workflows, scheme parameters, compounding schedules, and transitional mechanisms.
- (3) Every rule made under this Code shall be laid, as soon as may be after it is made, before the Madhya Pradesh State Legislature.

## CHAPTER II — REGISTRATION AND ESTABLISHMENTS

### **6. One-time intimation based lifetime registration.—**

(1) Every employer shall submit an intimation on the designated portal in the prescribed form and manner.

(2) The intimation shall be deemed to be registration upon submission and payment of the prescribed fee; and the registration shall be acknowledged in real time.

(3) Registration shall be one-time and for lifetime; no periodic renewal shall be required:

*Provided that* the employer shall update particulars within such period as may be prescribed.

(4) The registration certificate shall be displayed at the establishment in such manner as may be prescribed.

(5) Closure shall be intimated in such form and within such period as may be prescribed upon which the registration may be removed or cancelled by the competent authority.

### **7. Unique establishment number.—**

Every registered establishment shall be assigned a unique establishment number, which shall serve as the single identifier for all compliance under this Code and may be linked with Central databases.

### **8. Exemptions.—**

The State Government may exempt any class of establishments from registration where it is already covered under a Central registration workflow:

*Provided that* no exemption shall derogate from any minimum standard under the Central Codes.

### **9. Night work.—**

(1) There shall be no general restriction on establishments under this Code regarding working hours. The State Government may separately notify non-working hours for specific classes of establishments like liquor shops as prescribed.

The State Government may, by notification, prescribe a higher weightage for working hours falling within such night hours as may be specified, for calculating total hours of work.

(2) The weightage, classes of establishments, and categories of employees to which it shall apply shall be as prescribed.

(3) Nothing in this section shall derogate from the OSH Code, 2020, or the Code on Wages, 2019.

## CHAPTER III — WAGES, WORKING CONDITIONS, AND SAFETY

### 10. *Wages.*—

- (1) Minimum wages, payment of wages, deductions, and bonus shall conform to the Code on Wages, 2019.
- (2) The State Government shall notify minimum wage rates at or above the floor wage, on such criteria as may be prescribed.

### 11. *Working hours, weekly holiday, and overtime.*—

- (1) No worker shall work more than such daily and weekly hours as may be prescribed, consistent with the OSH Code, 2020. However, employer may allow, but not require, that the employee completes his designated number of weekly hours by working more hours in a day—not exceeding twelve hours, in which case the overtime will be applicable to hours over and above the weekly maximum.
- (2) Overtime shall not exceed such limits per quarter and per day as may be prescribed.
- (3) Overtime wages shall be at not less than twice the normal rate, or such higher rate as may be prescribed.
- (4) Every worker shall be entitled to a weekly rest day and rest intervals as may be prescribed.
- (5) For night-work hours to which section 9 applies, overtime shall be calculated on weighted hours.
- (6) Where the OSH Code, 2020, prescribes a more beneficial standard, the Central standard shall prevail.

### 12. *Leave.*—

- (1) Every worker who has completed such period of continuous service as may be prescribed shall be entitled to annual leave with wages at such rate as may be prescribed.
- (2) Workers shall also be entitled to casual leave and special leave on such terms as may be prescribed.
- (3) Every employee shall be given a weekly off day.

### 13. *Employment of women: night shifts permitted.*—

(1) Women shall be permitted to work during night hours, subject to such safety, transportation, infrastructure, and consent requirements as may be prescribed, consistent with the OSH Code, 2020.

(2) The State Government may prescribe additional facilitative measures for women-friendly infrastructure.

**14. *Employment of adolescents and prohibition of child labour.*—**

No child below fourteen years shall be employed in any establishment as provided for in the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986. Employment of adolescents shall be subject to the OSH Code, 2020.

**15. *Fixed-term employment.*—**

(1) An employer may engage a worker on a written fixed-term contract for a specific project, seasonal work, or temporary purpose.

(2) A fixed-term employee shall receive the same wages, hours, allowances, and conditions as a permanent worker doing the same or similar work.

(3) Statutory benefits shall accrue pro-rata.

(4) Gratuity shall accrue pro-rata if the contract is for such minimum period as may be prescribed, notwithstanding non-completion of five years' service.

(5) Termination on expiry of the contract shall not be deemed retrenchment.

(6) Engagement shall be direct; no contractor or intermediary shall be required.

**16. *Occupational safety and health.*—**

(1) Safety, health, and working conditions shall be governed by the OSH Code, 2020 but will be applicable to all establishments.

(2) The State Government may prescribe additional measures consistent with the Central Code. The provision for toilets, canteens, crèches etc. can be on a shared basis for establishments which have less than ten employees.

**17. *Fire safety.*—**

(1) Every employer shall ensure fire safety in the establishment in accordance with the standards prescribed under this Code, the OSH Code, 2020, and any other applicable law.

(2) The State Government shall, by rules, prescribe a fire safety framework, providing for—

- (a) fire prevention measures, fire detection and alarm systems, and fire-fighting equipment;
- (b) fire escape routes, evacuation plans, and periodic fire drills;
- (c) fire safety audit by such agency, at such intervals, and in such manner as may be prescribed;
- (d) fire safety officer designation in establishments exceeding such threshold as may be prescribed; and
- (e) reporting of fire incidents and corrective action.
- (f) transparent reporting regarding fire-safety audit enabling citizens to take informed decisions on consumption.

(3) The rules may provide for grading of establishments on fire safety preparedness and for incentives for compliance.

(4) Non-provision of prescribed fire safety measures shall be punishable under section 46.

**18. *Occupational safety and health committees.*—**

(1) Every establishment employing such number of workers as may be prescribed shall constitute an occupational safety and health committee, with such composition, tenure, and procedure as may be prescribed.

(2) The committee shall include representatives of both the employer and the workers, with worker representatives being not less than the employer's representatives.

(3) The functions of the committee shall include—

- (a) identifying hazards and recommending corrective measures;
- (b) reviewing accident reports and near-miss incidents;
- (c) promoting safety awareness among workers; and
- (d) such other functions as may be prescribed such as identifying and implementing nudges in workspaces for promoting occupational health.

(4) The State Government may prescribe the frequency of meetings, reporting obligations, and the manner in which recommendations of the committee shall be acted upon.

(5) Failure to constitute or maintain the committee shall be punishable under section 46.

**19. Safety measures audit:—**

- (1) Every establishment, or such classes of establishments as may be prescribed, shall maintain a transparent record of even minor safety lapses, near-miss incidents, and workplace injuries along with preventive measures adopted for future in such form and manner as may be prescribed
- (2) The State Government shall, by rules, prescribe a framework for—
  - (a) periodic evaluation of the safety posture of the establishment;
  - (b) classification and grading of safety lapses;
  - (c) corrective action timelines and escalation protocols; and
  - (d) publication or display of the safety posture record in such manner as may be prescribed.
- (3) The information shall be filed on the designated portal and may be taken into account for compliance grading and inspection prioritisation under this Code.
- (4) Persistent or wilful failure to maintain or report the safety measures adopted shall be punishable under section 46.

**20. Self-disclosure and rating:**

- (1) The State Government shall, by rules, prescribe a self-disclosure and rating framework, under which every employer, or such classes of employers as may be prescribed, shall periodically declare on the designated portal—
  - (a) measures taken for safety, health, and welfare of employees;
  - (b) measures taken for education and skill development of employees;
  - (c) compliance with applicable Central and State labour legislations; and
  - (d) such other matters as may be prescribed.
- (2) The State Government shall, by rules, prescribe—
  - (a) the criteria, methodology, and periodicity for the rating;
  - (b) the manner of verification, including third-party audit where appropriate;
  - (c) the manner of publication of ratings on the designated portal; and
  - (d) incentives for higher-rated establishments, which may include reduced inspection frequency, priority in Government procurement, or such other benefits as may be notified.

(3) The self-disclosure shall be a statement of fact and the employer shall be responsible for its accuracy.

(4) Wilful misrepresentation in the self-disclosure shall be punishable under section 46; and in cases of fraud, under section 48 of this Code.

**21. *Registers, records, and single integrated return.*—**

(1) Every establishment shall maintain such registers and records, and file such returns, on the designated portal in such form and at such intervals as may be prescribed.

(2) A common return may replace multiple State-specific filings.

(3) No person shall be required to furnish the same information twice.

(4) Establishment may maintain the records electronically using the designated system of the Department of Labour in which case returns will be self generated.

**22. *Inspector-cum-Facilitator; randomised inspection scheme.*—**

(1) The State Government shall appoint Inspector-cum-Facilitators whose functions shall be consistent with the Central Codes.

(2) The Inspector-cum-Facilitator shall adopt a facilitative approach without compromising worker safety.

(3) The State Government shall implement an inspection scheme which may provide for randomised allocation, jurisdiction-free assignment, web-based verification, unique inspection numbering, and such other features as may be prescribed.

(4) Inspections shall avoid cross-department duplication; checklists and compliance grading may be prescribed.

**23. *Participatory compliance, audits, and public accountability.*—**

(1) The State Government may prescribe a framework for participatory compliance, including audits, establishment ratings, publication of compliance indicators, and authenticated feedback from workers and citizens.

(2) Safeguards against misuse, including penalties for false reporting, shall be prescribed.

(3) Public inputs shall not substitute due process for enforcement action.

## CHAPTER IV — UNORGANISED WORKERS WELFARE

### **24. Application and alignment with the Code on Social Security, 2020.—**

- (1) This Chapter operates as a State implementation framework consistent with the Code on Social Security, 2020.
- (2) Unorganised workers under this Code include gig workers and platform workers, and such other categories as may be prescribed.
- (3) Where inconsistent with the Central Code, the Central Code shall prevail.

### **25. Registration.—**

- (1) Every eligible unorganised, gig, or platform worker may register through the portal, facilitation centres, or notified agents.
- (2) Registration shall be linked to the Government of India Portal for national portability and de-duplication.
- (3) A registered worker shall be issued a unique identity number and digital credential as may be prescribed.
- (4) Workers registered under the Madhya Pradesh Asangathit Karmkar Kalyan Adhiniyam, 2003, shall be deemed registered until re-verification:

*Provided that* re-verification shall be facilitative and shall not interrupt benefits except for fraud.

- (5) The State Government may specify the employer contribution and registration/renewal fee for the membership in the Board
- (6) The Board constituted shall act as the Board constituted under SS Code for unorganised workers.

### **26. Welfare schemes.—**

- (1) The State Government may, by notification, frame welfare schemes for unorganised, gig, and platform workers, consistent with the SS Code, 2020.
- (2) Schemes may provide for such benefits as may be prescribed, including accident relief, pension, insurance, education, medical, maternity, and housing assistance.
- (3) Every scheme shall specify eligibility, procedure, scale of benefit, funding, and grievance mechanism.

***Intra-State migrant workers.—***

(1) In this section, “intra-State migrant worker” means a person who is recruited or engaged for remuneration in one district of the State of Madhya Pradesh to work in an establishment situated in another district of the State, whether recruited directly by an employer or through a contractor, agent, or intermediary.

(2) This section shall apply to every employer or contractor who recruits or employs, or who recruited or employed on any day of the preceding twelve months, such number of intra-State migrant workers as may be prescribed.

(3) Every employer or contractor to whom this section applies shall—

(a) register every intra-State migrant worker on the designated portal at the time of recruitment, specifying the worker’s district of origin, place of employment, nature and expected duration of work, and wages payable;

(b) issue to every such worker a digital credential or passbook, accessible on the designated portal, containing the particulars specified in clause (a) along with the name and registration number of the employer or contractor;

(c) pay to every such worker, at the time of recruitment, a displacement allowance of such amount as may be prescribed, which shall not be refundable and shall be in addition to wages;

(d) bear the travel expenses of the worker for the outward journey from his district of origin to the place of work and for the return journey upon completion or termination of engagement, and pay wages for the period of such journeys as if the worker were on duty;

(e) ensure that the wages, hours of work, holidays, and other conditions of service of an intra-State displaced worker are not less favourable than those applicable to a local worker performing the same or similar work in the same establishment, and in no case less than the minimum wages notified for the area and the type of work; and

(f) provide or arrange for such residential accommodation, drinking water, medical aid, and other facilities at the place of work as may be prescribed, having regard to the fact that the worker is away from his place of ordinary residence.

(4) Where the recruitment is through a contractor, the contractor and the principal employer shall be jointly and severally liable for compliance with sub-section (3):

*Provided that* the principal employer shall be entitled to recover from the contractor the amount of any payment made by him on account of the contractor's default.

(5) No employer, contractor, or agent shall withhold or retain any identity document, Aadhaar card, bank passbook, ration card, or personal belonging of an intra-State displaced worker so as to restrict his freedom of movement or his ability to leave the employment.

(6) Every intra-State migrant worker registered on the designated portal shall be entitled to—

(a) access welfare schemes and benefits under this Code and under any Central or State scheme at the place of employment, and the District Labour Committee of the district of employment shall facilitate such access;

(b) access to the public distribution system and government health facilities at the place of employment on the basis of his registration under this section, pending issue of local documentation; and

(c) continuity of enrolment of his children in a government school at the place of employment, subject to the Right of Children to Free and Compulsory Education Act, 2009.

(7) The employer or contractor shall, within such period as may be prescribed, intimate the engagement of intra-State displaced workers to the authorities prescribed in the district of origin and the district of employment; and the designated portal shall generate an automated intimation to both authorities upon registration of the worker.

(8) The Commissioner of Labour or the District Labour Committee may, on receipt of a complaint or on its own motion, inquire into any contravention of this section and pass such orders as may be prescribed.

(9) Contravention of sub-section (3) or (5) shall be punishable under section 49; and where such contravention amounts to forced labour or bonded labour, it shall be proceeded against under the Bonded Labour System (Abolition) Act, 1976, and under section 50 of this Code.

(10) The State Government may, by rules, prescribe the threshold number of workers, the quantum of displacement allowance, the nature and standard of facilities, the form of the digital credential, reporting timelines, and any other matter necessary to give effect to this section.

(11) Nothing in this section shall derogate from the provisions of the OSH Code, 2020, relating to inter-State migrant workers, or from any Central law for the time being in force.

**27. Madhya Pradesh Labour Advisory Board.—**

(1) The State Government shall constitute a Board to be known as the Madhya Pradesh Labour Advisory Board, with such composition as may be prescribed, to advise the State Government on all matters pertaining to labour policy, welfare, and administration across the Department of Labour.

(2) Without prejudice to the generality of sub-section (1), the Board shall advise on—

- (a) welfare schemes for unorganised, gig, and platform workers under this Code;
- (b) minimum wages and conditions of service;
- (c) occupational safety, health, and working conditions;
- (d) industrial relations policy;
- (e) social security and portability of benefits; and
- (f) such other matters as the State Government may refer.

(3) The composition, tenure, procedure, and quorum of the Board shall be as may be prescribed:

*Provided that* the Board shall include representatives of Government, employers, trade unions, unorganised workers, gig and platform workers, and independent persons of eminence.

**28. District Labour Committee.—**

(1) The State Government shall, by notification, constitute a District Labour Committee in every district for integrated administration and monitoring of all labour-related matters in the district, including—

- (a) welfare of unorganised, gig, and platform workers;

- (b) prevention and rehabilitation of child labour;
- (c) identification, release, and rehabilitation of bonded labour;
- (d) implementation of welfare schemes under this Code and the Central Codes;
- (e) monitoring of safety and health compliance; and
- (f) such other matters as the State Government may prescribe.

(2) The composition, functions, and procedure of the District Labour Committee shall be as may be prescribed:

*Provided that* the Committee shall include the District Collector or his nominee as Chairperson, and representatives of employers, workers, and such other members as may be prescribed.

(3) Where any District Committee has been constituted under any Central enactment relating to child labour, bonded labour, or building and other construction workers, the District Labour Committee under this section shall, to the extent not inconsistent with the Central enactment, discharge the functions of such Committee in the district.

**29. Constitution of the Madhya Pradesh Unorganised Workers, Gig and Platform Workers Welfare Board.—**

(1) The State Government shall constitute the Madhya Pradesh Unorganised Workers, Gig and Platform Workers Welfare Board, with such composition as may be prescribed:

*Provided that* the Board shall include representatives of employers, aggregators, and workers, including gig and platform workers, in such manner as may be prescribed.

(2) The Board shall be a body corporate with perpetual succession and shall appoint such officers and staff as may be necessary.

(3) The Board may appoint agents, including Panchayats, urban local bodies, and common service centres, with audit safeguards.

**30. Functions of the Board and national portability.—**

The Board shall recommend and administer welfare schemes; maintain the portal and a worker database integrated with the Government of India Portal; recommend budgets; and submit an annual report to the State Government.

**31. State Unorganised Workers Welfare Fund and Social Security Fund transition.—**

- (1) There shall be constituted the Madhya Pradesh Unorganised Workers Welfare Fund.
- (2) The Fund shall be credited with such receipts as may be prescribed, including State grants, lawfully levied cess, member, employer, and aggregator contributions, amounts from the Central Social Security Fund, and other lawful receipts.
- (3) The State Government shall progressively transition from the existing State funding model to alignment with the Social Security Fund under the SS Code, 2020.
- (4) Amounts under the 2003 Act Welfare Funds shall vest in this Fund.
- (5) Accounts shall be audited as prescribed.

**Explanation.**—No provision herein creates any new tax, duty, or cess.

## CHAPTER V — ORGANISED WORKERS WELFARE

### **32. Application.—**

This Chapter applies to workers in factories and such other establishments as may be notified, who have completed such period of continuous service as may be prescribed.

### **33. Constitution and continuation of the Shram Kalyan Mandal.—**

(1) The State Government shall constitute or continue the Madhya Pradesh Shram Kalyan Mandal as successor to the body under the 1982 Adhinyam, with such composition as may be prescribed.

(2) The Mandal shall be a body corporate with perpetual succession and shall appoint such officers and staff as may be necessary.

### **34. Shram Kalyan Nidhi.—**

(1) The Shram Kalyan Nidhi shall continue, administered by the Mandal.

(2) The Nidhi shall be credited with such contributions, grants, and other receipts as may be prescribed:

*Provided that* employer contributions shall not be recovered from wages.

(3) Amounts under the 1982 Adhinyam shall vest in the Nidhi, subject to committed liabilities.

### **35. Welfare measures and schemes.—**

The Mandal may implement such welfare schemes as may be approved by the State Government. The Mandal shall submit an annual report, which shall be laid before the Legislature.

### **36. Slate Pencil Workers' Welfare: special category under the Mandal.—**

(1) The Slate Pencil Karmkar Kalyan Board shall stand merged into the Mandal as a special category.

(2) A ring-fenced Slate Pencil Welfare Fund shall be maintained, applied only for such welfare objects as may be prescribed.

(3) Amounts under the 1982 Slate Pencil Adhinyam shall vest in this Fund.

(4) Fund expenditure shall not substitute any employer's statutory obligations under the OSH Code, 2020.

## CHAPTER VI — INDUSTRIAL RELATIONS

### **37. Application.—**

(1) This Chapter applies to industrial establishments employing such number of workers as may be prescribed, being not less than three hundred.

(2) Standing orders, conciliation, adjudication, and the Industrial Tribunal shall not apply below the prescribed threshold.

*Explanation.*—The threshold shall be computed by reference to workers employed on any day during the preceding twelve months.

### **38. Adoption of the Industrial Relations Code, 2020.—**

(1) Industrial disputes, conciliation, adjudication, trade unions, standing orders, strikes, lockouts, lay-off, retrenchment, and closure shall be governed by the Industrial Relations Code, 2020.

(2) This Chapter is a State facilitation and institutional-designation layer; it shall not create parallel forums inconsistent with the IR Code.

### **39. Threshold for prior permission for lay-off, retrenchment, and closure.—**

The threshold for prior Government permission for lay-off, retrenchment, or closure shall be such number as may be prescribed, being not less than three hundred workers:

*Provided that* this threshold shall be subject to Central notifications under the IR Code, 2020.

### **40. Industrial Tribunal.—**

(1) The State Government shall constitute one or more Industrial Tribunals consistent with the IR Code, 2020, with such composition as may be prescribed.

(2) The procedure, jurisdiction, and bench composition shall be as prescribed, consistent with the IR Code.

### **41. Conciliation officers.—**

The State Government may appoint conciliation officers with such jurisdiction and functions as may be prescribed, consistent with the IR Code, 2020.

**42. *Standing orders.*—**

- (1) The MP Industrial Employment (Standing Orders) Act, 1961, stands repealed; standing orders shall be governed by the IR Code, 2020.
- (2) Existing standing orders, to the extent not inconsistent, shall continue until modified.
- (3) The State Government may designate certifying officers and appellate authorities as may be prescribed.

**43. *Workplace dialogue and portal module.*—**

- (1) The State Government may promote consultative mechanisms for dispute prevention as may be prescribed. Such mechanisms shall not curtail statutory rights.
- (2) The State Government may provide a portal module for industrial relations matters.

## CHAPTER VII — INSPECTION, RECOVERY, OFFENCES, AND DECRIMINALISATION

### **44. *Inspector-cum-Facilitator for welfare funds.*—**

- (1) The State Government may appoint Inspector-cum-Facilitators for welfare schemes and funds, with such powers and safeguards as may be prescribed.
- (2) Powers shall be exercised facilitatively and without duplicating inspections.

### **45. *Assessment and recovery of dues.*—**

- (1) The competent authority may determine amounts payable after a reasonable hearing.
- (2) Dues may be recovered as arrears of land revenue or as prescribed.
- (3) Pending recovery proceedings under repealed enactments shall continue.

### **46. *Decriminalisation of minor procedural lapses.*—**

- (1) No imprisonment for such categories of minor procedural and compliance lapses as may be prescribed.
- (2) Penalties for such lapses shall be limited to such monetary amounts as may be prescribed, with the option of compounding.
- (3) A compliance notice shall precede any penalty; rectification within the notice period shall extinguish liability.

### **47. *Compounding of offences.*—**

- (1) Offences punishable only with penalty, or minor lapses under section 46, may be compounded on payment of a compounding fee as may be prescribed.
- (2) The compounding authority, fee schedule, and procedure shall be as prescribed.
- (3) Upon compounding, no prosecution shall lie; pending prosecution shall stand abated.
- (4) Compounding shall not be available for offences involving death or grievous harm, child labour, or such other categories as may be prescribed.

### **48. *Penalties for serious contraventions and repeat offences.*—**

- (1) Any person who contravenes any provision of this Code or the rules thereunder relating to fire safety, occupational safety and health, safety committees, the safety

related measures, or the employment of children, or who obstructs an Inspector-cum-Facilitator in the discharge of his duties, shall be punishable with such penalty as may be prescribed, which may include fine and, in serious cases, imprisonment as provided under the applicable Central Code or any other law.

(2) Where the contravention of any provision relating to fire safety under section 17, safety committees under section 18, occupational safety under section 16, or the rules made thereunder, directly results in the death of, or grievous hurt or permanent disability to, an employee, the employer or the person in charge of the establishment and responsible for such contravention shall be punishable with imprisonment for such term as may be prescribed, not being less than one year which may extend to such maximum as may be prescribed, and with fine:

*Provided that* the court may, for reasons to be recorded in writing, impose a sentence of imprisonment for a term less than the prescribed minimum.

(3) Where an offence under sub-section (2) is committed in an establishment in which a contravention of a similar nature has been previously compounded under section 47, or in respect of which a penalty under this section has been imposed on any previous occasion—

(a) the offence shall be cognizable and non-bailable;

(b) the minimum term of imprisonment shall be twice the minimum prescribed under sub-section (2), or such higher minimum as may be prescribed; and

(c) the fine shall be not less than twice the fine imposed for the earlier contravention.

(4) Where an offence under this Code is committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to the company for the conduct of its business, shall be deemed guilty of the offence and shall be liable to be proceeded against and punished accordingly:

*Provided that* nothing in this sub-section shall render any person liable if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(5) Where an offence is committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary, or other officer of the company, such person shall also be deemed guilty and shall be liable to be proceeded against and punished accordingly.

(6) Wilful misrepresentation in any self-disclosure or return under this Code shall be punishable with such fine as may be prescribed; and where such misrepresentation amounts to fraud, with imprisonment for a term not exceeding two years, or with fine, or with both.

(7) No prosecution under this section shall be instituted except with the previous sanction of the Commissioner of Labour or such other authority as may be prescribed.

(8) Nothing in this section shall bar prosecution for an offence otherwise made out under the Bharatiya Nyaya Sanhita, 2023, or the Bharatiya Nagarik Suraksha Sanhita, 2023, or any other law for the time being in force.

(9) No penalty under this section shall duplicate the penal provisions of the Central Codes for the same subject matter.

**49. *Protection of action taken in good faith.*—**

(1) No suit or proceeding shall lie against the State Government, the Board, the Mandal, or any officer for anything done in good faith.

(2) Officers acting under this Code shall be deemed public servants within the meaning of the Bharatiya Nyaya Sanhita, 2023.

## **CHAPTER VIII — REPEAL, SAVINGS, AND TRANSITION**

### **50. Repeal.—**

On and from the commencement of this Code, the following enactments stand repealed—

- (a) the Madhya Pradesh Shops and Establishments Act, 1958 (as amended up to 2026);
- (b) the Madhya Pradesh Industrial Relations Act, 1960;
- (c) the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961;
- (d) the Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, 1982; and
- (e) the Madhya Pradesh Asangathit Karmkar Kalyan Adhiniyam, 2003.

### **51. Savings.—**

(1) Notwithstanding the repeal of the State enactments under section 50, any notification, order, rule, scheme, registration, identity card, appointment, direction, assessment, demand, recovery proceeding, award, settlement, or instrument issued, made, or taken under the repealed enactments shall, in so far as it is not inconsistent with this Code, be deemed to have been issued, made, or taken under the corresponding provision of this Code and shall continue in force until it is superseded by anything done or any action taken under this Code.

(2) For the avoidance of doubt—

- (a) any right, privilege, obligation, or liability acquired, accrued, or incurred under the repealed enactments shall not be affected by such repeal;
- (b) any penalty, forfeiture, or punishment incurred in respect of any offence committed against any of the repealed enactments shall not be affected;
- (c) any investigation, inquiry, or legal proceeding pending or existing at the commencement of this Code shall not be affected, and any such investigation, inquiry, or proceeding may be instituted, continued and disposed of as if the repealed enactment had not been repealed;
- (d) all standing orders in force immediately before commencement shall continue as standing orders under this Code until modified or superseded;

- (e) all funds constituted under the repealed enactments and all amounts standing to their credit shall stand transferred to and vest in the corresponding Funds under this Code, subject to committed liabilities;
  - (f) all registrations and identity cards issued under the repealed enactments shall continue until re-verification under rules; and
  - (g) all welfare schemes in force immediately before commencement shall continue until modified, merged, or replaced by schemes framed under this Code.
- (3) The savings and repeal provision as in Section 6 of General Clauses Act 1897 will apply, *mutatis mutandis*, to the case of the legislations repealed by this Code.

**52. *Transfer of pending proceedings.*—**

- (1) Every proceeding pending immediately before the commencement of this Code before any authority, officer, tribunal, or court under any of the repealed State enactments shall, on such commencement, stand transferred to the corresponding authority, officer, tribunal, or court exercising jurisdiction under this Code, and shall be continued and disposed of as if it had been instituted under this Code.
- (2) Any step lawfully taken, evidence recorded, order (whether interim or final) passed, notice issued, or other thing done in or in relation to any such proceeding before the date of transfer shall not be rendered invalid merely by reason of the repeal or of such transfer, and may be acted upon, enforced, or continued by the transferee authority as if taken, recorded, passed, issued, or done under this Code.
- (3) The State Government may, by rules, prescribe the manner of transfer, the mapping of authorities under the repealed enactments to the corresponding authorities under this Code, and the timelines within which such transfer shall be completed.

**53. *Transition period.*—**

- (1) Establishments registered under any repealed enactment shall have such transition period as may be prescribed to comply with this Code.
- (2) During the transition, existing registrations shall be recognised, records shall be migrated, and no penalty shall be imposed for transition-attributable lapses.
- (3) Upon expiry of the transition period, unmigrated registrations shall lapse.

**54. Stakeholder consultation mechanism.—**

- (1) Before framing rules, the State Government shall consult trade unions, industry bodies, employers' associations, and worker organisations.
- (2) Draft rules shall be published on the portal and in the Gazette; such period as may be prescribed shall be allowed for objections.
- (3) A summary of objections and reasons for acceptance or rejection shall be published.

**55. State Rules: timeline and framework.—**

- (1) State Rules shall be framed within such period of commencement as may be notified.
- (2) Rules shall cover wages, occupational safety, industrial relations, and social security, aligned with the respective Central Rules.
- (3) Pending finalisation, existing rules shall continue to the extent not inconsistent.

**56. Construction of references.—**

References to any repealed enactment in any instrument, contract, notification, or document shall be construed as references to the corresponding provisions of this Code, unless the context otherwise requires.

**57. Removal of difficulties.—**

- (1) The State Government may, by order in the Gazette, make provisions to remove difficulties, not inconsistent with this Code:

*Provided that* no such order shall be made after such period from commencement as may be prescribed.

- (2) Every such order shall be laid before the State Legislature.