

# **A Study on Layoffs in India and Its Legal Environment**

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## **Abstract:**

Global economic activity has increased significantly and India is now on par with its global counterparts. Especially since the pandemic, there has been an increase in the number of new companies and startups. Tech startups have thrived like everything else, and new startups keep popping up. This growth strengthens the Indian economy and will help it achieve its goal of becoming a global economic powerhouse. However, without strong legislation and active enforcement, such low growth cannot last long. As a result, there have been widespread layoffs across all sectors, led by new start-ups reeling in the face of global challenges and recession fears.

**KEYWORDS:** Layoffs, Startups, Economy, Labour Laws, Employment

## **INTRODUCTION:**

The new trend of layoffs has become the new normal across the world, along with India. Most big corporations have fired large numbers of employees, and this trend appears to be continuing, whether it is Microsoft, Meta, Twitter, Google, & Bluestacks, Unacademy, Wipro, and many others in the case of India. Employees took a sigh of relief as the year 2022 began with a halt in the layoff culture. However, the global oil crisis, the Russia-Ukraine war, low demand, and recession fear have thrown the world into a vicious cycle of layoffs for varied reasons, the majority of which is to manage expenditure costs and company restructuring. Even now, there is no solution in sight, as Twitter is on a firing spree following Elon Musk's takeover of the company. This research paper delves deeply into the relatively new culture of layoffs to determine the cause and, if any, legal redressal. Aspects of both the company and the employee have been listed and reviewed in this chapter.

## **RESEARCH METHODOLOGY:**

This paper objectives is to present the problems of large corporations and early-stage startups. My research is descriptive in nature and based on secondary sources such as news articles, blogs, and reports.

## **DATA COLLECTION**