

# Deregulating Capital, Regulating Labour

## The Dynamics in the Manufacturing Sector in India

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This paper identifies the channels and processes which have increased the vulnerability of employment in the organised manufacturing sector. It explores the exemptions from specific labour regulations accorded to particular activities and locates the anti-labour positions in the arbitration mechanisms under the state and judicial reinterpretations of existing laws. The popular discourse on labour regulation in India has been arguing in favour of labour market flexibility and doing away with restrictive labour legislation since it believes that labour laws hamper investment and growth of employment. This paper points to the increasing tendency of the Indian state to circumvent the gamut of existing labour laws, which in any case exist more on paper than in practice, by disengaging from the popular discourse on labour reforms and instead engaging in seemingly harmless norms of voluntary action and corporate social responsibility to facilitate accumulation.

### 1 Introduction

The Indian State has ensured, in recent years, that employers have a far greater control over labour than before. The idea of the neo-liberal state as one that is more disengaged in its political economic functioning is a misplaced one. The neo-liberal state has shown increasing duality, leading to inaction in certain areas (such as enactment of social security for the workforce), while simultaneously demonstrating concerted efforts in other areas by facilitating capital.

This view is distinct from the dominant discourse on labour regulation. The prevailing discourse on labour regulation, in India, has been arguing in favour of labour market flexibility and doing away with restrictive labour legislation since it believes that labour laws hamper investment and growth of employment. The constraints that employers are faced with when it comes to questions of hire and fire, redeployment and use of contractual labour, pressure from trade unions, has, as per this view, led to poor growth in employment and an overall disappointing industrial performance in the country. It is argued that employers facing stringent labour laws do not want to employ more people and thus firms suffer, rendering employers unable to adjust to the fluctuations of the market. Employers in a globalised economic environment favour flexible labour strategies where they ask for the freedom to hire workers for a fixed term even for perennial activities and discontinue their services when not needed.

Giving into the discourse of the “flexibility school”, the Indian state, in its reinvented role as facilitator of capital, appears to agree that the current labour market is fraught with rigidities that hamper the growth of Indian industry. Responding to the growing demands for the implementation of a set of “second generation labour reforms”, there have been repeated calls for relaxation of labour laws in various official reports and documents that have come out in recent years, most notably in the Planning Commission’s report of the Task Force on Employment Opportunities (2001) and the report presented by the Second National Commission on Labour (2002). The focus has been primarily on flexibility in the labour market and skill enhancement of the labour force rather than a serious assessment of proper enforcement of the existing laws, of varied working conditions of different categories of workers and coverage of the social security system. However, neither the Industrial Disputes Act (IDA), 1947 nor the Contract Labour (Regulation and Abolition) Act (CLA) have seen any central amendments in

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recent times that would lead to widespread appeasement to the corporate class or face the ire of the labouring class.

In this context, how and why do we argue that the Indian state has enhanced its control over labour? The paper will examine some of the core channels and processes that have consolidated the power of capital. To establish its viewpoint the paper will –

- (i) identify the increasing vulnerability of employment in the organised manufacturing sector and how these changes have impacted the bargaining power of labour through increased usage of contractual labour, decreasing wage shares, reduced trade union participation and low coverage of workers under any form of social security benefits (through an empirical exercise with the Annual Survey of Industries (ASI) and National Sample Survey Office (NSSO) rounds);
- (ii) explore the exemptions from specific labour regulations accorded to particular activities and introduced in the recent years. Labour legislation being on the concurrent list is amenable to reforms at the state level and exemptions and amendments at the federal level bypass central labour legislation;
- (iii) locate the anti-labour positions in the arbitration mechanisms under the state and judicial reinterpretations of existing laws and identify the ones that are blatantly biased in favour of capital; and
- (iv) look at the role of Indian corporations in formal and informal norm building in India by specifically examining the recent National Voluntary Guidelines (NVG) on Social, Environmental and Economical Responsibilities of Business, 2011 and the Companies Act, 2013.

The paper is divided into four sections, accordingly.

## 2 The 'Formal' Manufacturing Sector

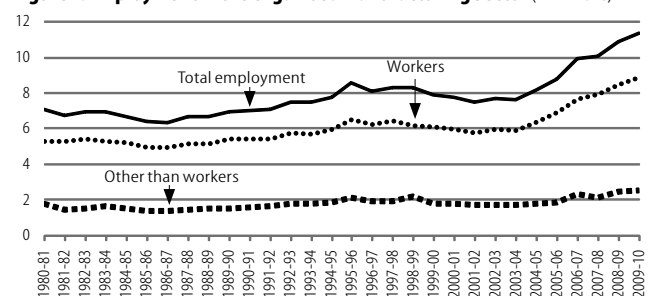
The workers in the formal or organised manufacturing sector<sup>1</sup> are protected by legislation and enjoy greater entitlements than unorganised sector workers. Many laws protect and promote the interests of workers employed in this sector – like their health, wages, safety, minimum timely payment, maternity leave for women, bonus, provident fund, gratuity, etc. About 4.5 million workers in factories with 100 or more workers have job security under Chapter V-B of the IDA. The Act states that to retrench even a single worker, the firm has to seek the state's permission. This section does not apply to supervisors and managerial staff as they are considered to be a part of the management. This job security legislation has been the bone of contention for many years as the lack of ability to "hire and fire" is believed to have adversely affected output and employment growth. It is also widely believed that the Indian manufacturing sector has stuck to smaller employment-size categories because of the presence of this clause in the legislation, which has not allowed firms to expand beyond the 99-plus employment threshold, lest they be subject to the stringent job-security clause.

However, despite this legislation, the Indian manufacturing sector has been able to lay off labour through the 1980s and 1990s whenever required. As can be seen from Figure 1, job losses happened in the 1980s after the amendment to the IDA

came into force in 1984 to extend its ambit from 300 or more workers to 100 or more workers. In the early 1990s, employment in the organised sector increased during the initial boom in investments after the reforms. From 1997-98 to 2003-04, 0.73 million employees lost their jobs, of which 0.52 million were workers. This had a lot to do with the Voluntary Retirement Scheme implemented in May 1999, which legitimised lay-offs and retrenchments in the organised private sector. So although the existing gamut of labour laws were not touched, it was possible to retrench workers. As Nagaraj (2004: 3,388) puts it,

perhaps setting up of the National Renewal Fund – to finance mainly retrenchment of workers in public sector enterprises – was a signal of the government's tacit support for similar initiatives in the private sector. Although the labour laws remained the same, their enforcement was diluted or government ignored their evasion by employers. In effect, it was reform by stealth.

**Figure 1: Employment in the Organised Manufacturing Sector** (in millions)



Source: Annual Survey of Industries, Various Years (Data for the manufacturing sector – Aggregated for NIC98 15 to NIC98 36).

One of the visible markers of the onslaught on labour by the capital-state nexus is the growth in informality and the corresponding rise in vulnerability in the manufacturing sector. The following section attempts to position the debate surrounding regulation and deregulation within the context of a labour market that is increasingly becoming casual in nature, and standards of employment that are persistently being lowered to accommodate capital's insatiable appetite for profit.

Informal employment covers those jobs that despite being located in sectors/enterprises traditionally seen as organised, are nevertheless not backed by any form of job security or social protection. In fact, according to the National Commission for Enterprises in the Unorganised Sector (NCEUS) (2009) report, the employment generation that took place in the organised sector post the economic reforms has been largely informal in nature. Surveys by Sharma and Sasikumar (1996) have shown that employment expansion in the manufacturing sector during the early 1990s took place mostly through a non-permanent workforce. The work by Bhandari and Heshmati (2006) concur stating that the share of contract as well as temporary workers in the Indian manufacturing sector, excluding administrative and managerial workers, has doubled over the period 1992-2001. Informal workers in organised enterprises are more often than not excluded from the scope of regulations stipulating conditions of work, retrenchment and minimum wages that are applicable to their formal counterparts. Papola and Sahu (2012) show that employment growth in the

organised sector, which seems to have picked up in recent years, has been mostly of the aforementioned type.

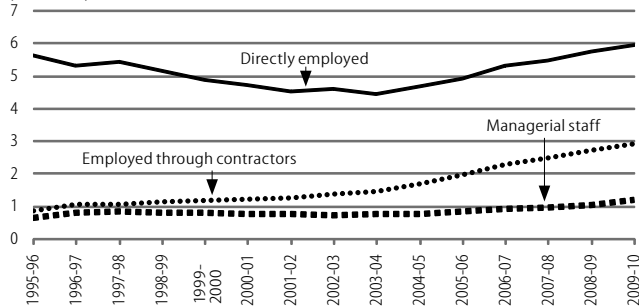
As Figure 2 shows, from the late 1990s to the early 2000s, the employment loss was in the category of directly employed workers, while contractual employment saw a rise throughout the years. So there was a substitution of directly employed workers by contractual workers in spite of the existing job security legislation. A turnaround in the organised employment scenario has happened in the recent years – from 2003-04 onwards when organised sector employment saw an unprecedented increase – the increase has been much more for the contractual workers than the directly employed workers, the former grew by 12.4% from 2003-04 to 2009-10, while directly employed workers grew by 5.1%. The total workforce in organised manufacturing has grown by 7.1% in this period (Table 1). The share of contract workers in total organised employment has risen from 10.5% in 1995-96 to 25.6% by 2009-10, while the share of directly employed workers has fallen from 68.3% to 52.4% in the same period (Figure 3a).

The proportion of contractual workers employed has huge sectoral variations with the tobacco sector with the highest proportion of contractual workers (64%) followed by refined petrochemicals and non-metallic mineral products (more than 40%), while textiles, wearing apparel and publishing industries, had less than 15% contractual workers in 2009-10. As a trend, however, all sectors saw an increase in contractual employment.

There is a variation in the degree of contractual worker employment by employment size distribution of factories. The practice of employing more contract workers in larger-sized factories (50 workers, where IDA, chapter VA applies) is much stronger by the end of the decade of the 2000s than seen in the beginning. The use of contract workers is more than double in the 50-99 employment-size category than the 0-49 category in 2009-10, a trend which was not as pronounced even in the beginning of the decade in 2000-01 (Figure 3b). In the above-5,000 workers-size category, the contract workers employed in total employment was close to 50% by 2009-10. This clearly shows the tendency of employers to seek flexibility in the production processes despite the presence of the IDA, with a vast disregard to the CLA.

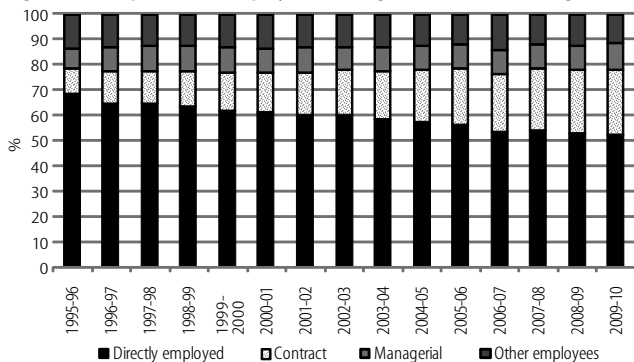
The directly employed workers earn higher wages than the contractual workers, though the ratio has declined over the years from close to double the wages of the contractual

**Figure 2: Type of Employment Generated in Organised Manufacturing** (in millions)



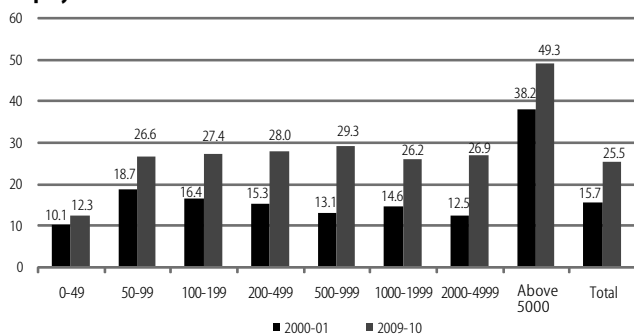
Source: Annual Survey of Industries, various years.

**Figure 3a: Composition of Employment in Organised Manufacturing Sector**



Source: Annual Survey of Industries, various years.

**Figure 3b: Percentage of Contract Workers in Total Employment by Employment Size of Factories**



Source: Annual Survey of Industries, Unit Level Records, 2000-01 and 2009-10.

**Table 1: Growth Rate by Category of Workers in Organised Manufacturing**

	1995-96 to 2002-03	2003-04 to 2009-10	1995-96 to 2009-10
Directly Employed Workers	-3.15	5.11	0.38
Employed through Contractor	5.35	12.37	8.70
Managerial Staff	0.34	8.24	2.69
Total Persons Engaged	-1.47	7.10	2.21

Source: Annual Survey of Industries, various years.

workers to 1.5 times (Figure 4, p 61) – more sharply since 2003-04. This perhaps is an indication that the kind of work performed by the two types of workers has seen more convergence over the years, though in terms of entitlements, the contractual workers get much less on their plates. It is to be noted that managerial salaries compared to the wages of the workers have risen sharply through the 2000s, indicating that inequalities are rising in the organised manufacturing sector with supervisory staff enjoying more and more of the wage pie.

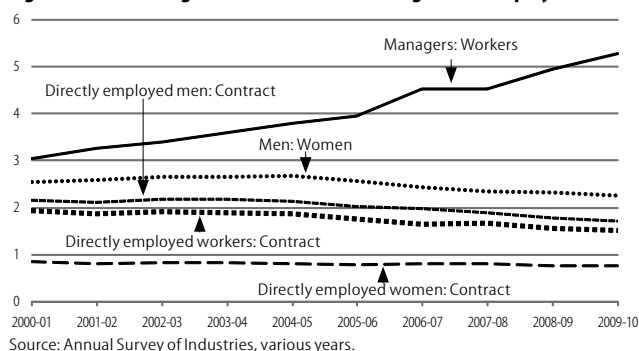
Through the course of the analysis, we observe that women workers fare worse than their male counterparts when it comes to the quality of employment. The wages of directly employed women workers are far lower than contractual workers. The gender figures for contractual employment, however, are not reported in the available data.

The growth rate of real wages of workers has been negative in the 2000s, mainly owing to the negative growth rate of wages for directly employed male workers. The growth rate of wages for women workers has been positive (though starting from a lower base, as reflected by the wage rate for women workers being even lower than that of the contractual workers). Contractual workers have seen a positive growth rate of

wages, while the managerial salaries have seen a steady rise through the 2000s (Table 2).

Along with this phenomenon of high contract labour employment, we see that wage share of workers in gross value added has greatly reduced over the years, even as labour productivity has increased in a way that the gains of productivity have accrued only to the employers. There has been no nominal or real wage rigidity as the wages of workers have remained stagnant over the decade of the 1990s and the real wage growth rate for workers has actually been negative in the 2000s. The gains have clearly gone to capital as shown by the rise in share of profits, particularly in the 2000s (Figure 5).

**Figure 4: Ratio of Wages between Different Categories of Employment**



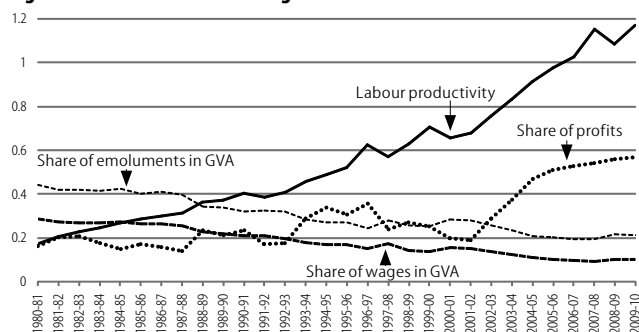
Source: Annual Survey of Industries, various years.

**Table 2: Growth Rate of Wages by Different Categories of Employment**

	Total Emoluments	Workers	Directly Employed	Directly Employed Men	Directly Employed Women	Contract Workers	Managers
1980s	4.52	4.38					
1990s	1.53	0.08					
2000s	1.86	-0.19	-0.12	-0.20	2.19	3.25	5.32

Source: Annual Survey of Industries, various years. Data for the different categories in the 1980s and 1990s is not available.

**Figure 5: Share of Profits and Wages in GVA**



Source: Annual Survey of Industries, various years.

This increasing contractualisation of the workforce has resulted in severe degradation in the quality of employment being generated and has in effect made the labour market far more flexible for the employer. Workers (even those employed as regular wage workers) in the organised manufacturing sector are experiencing increasingly vulnerable terms of employment which has affected their bargaining power in the labour market. They mostly work under short-term contracts with little or no social security to support them. The increasing informality in the organised labour market has, in turn, led to the blurring of distinctions between formal and informal

labour. The unstable nature of the jobs generated is a grave concern for they can, in times of low demand or industrial disputes, given the weak contracts under which they are employed, be easily shed. Thus, there remains the question of sustainability of employment growth. Secondly, since work in such sectors is characterised by low wages and deplorable working conditions, a simple multiplication of such jobs will ultimately result in the expansion of underemployment and exploitation of the working class.

The following section uses NSSO data from the 68th and 61st round employment-unemployment surveys to assess the quality of employment being generated in the organised manufacturing sector.<sup>2</sup> Broadly, taking four indicators to measure job quality – (i) type of job contract, (ii) eligibility for paid leave, (iii) access to social security benefits, and (iv) membership in trade union – it tries to assess the degree of vulnerability that workers are facing in organised manufacturing sector today.<sup>3</sup>

The type of job contract being offered to the workers, for one, serves as a good indicator of the nature of job security, hence employment quality. A verbal or a contract of a short duration is generally seen as an indicator of growing vulnerability of the workforce with the employer being granted more freedom in hiring and firing workers as per requirement. The danger of being exploited is especially high when it comes to the question of oral contracts which seldom have any legal validity. According to Beck (2000), the growth of such contracts represents a shift in risk-taking from the employing organisation to the individual. Long-term contracts, on the other hand, provide much more security and stability to the workers, not to mention legal redress if any stipulation is violated by the employers.

We find that for 2011-12, 77.5% of the total workforce employed in the organised manufacturing sector had no written job contract with another 2.43% having a written job contract for less than a year (Table 3, p 62). Only 17.41% of the total workers had a written job contract of more than three years. What is even more disturbing is the fact that more than 70% of all regular salaried workers in the organised sector had no written job contract.<sup>4</sup>

Compared to the data for the 61st round (2004-05), we observe that in the past seven years, the contract situation of workers has in fact deteriorated. Female workers find themselves in a far more precarious situation with more than 91% having no written contract and only 6.3% having a contract of more than three years in 2011-12. The contract situation of women workers has declined alarmingly with a rise of about 12% in the share of workers having no written contracts between 2004-05 and 2011-12.

Another key indicator of the quality of employment (and thus of the flexibility observed in the labour market) concerns the entitlement to paid leave for workers. Paid leave may take on various forms with the most common being the observance of paid holidays where the worker receives the same amount that he/she is entitled to on a regular working day. Eligibility for paid leave signifies that the worker's employment is secure

and not subject to the daily vagaries associated with vulnerable employment. It is a good indicator that the worker in question is employed in the formal economy and whose contract is backed by legal redress mechanisms. Not only do paid leave entitlements ensure greater job security, they often play a crucial role in times of crises such as sickness of the worker or a dependant. Paid leaves make certain that a regular income stream is reaching the family of the worker, especially when expenses (health costs, etc) are rising. In the absence of sick paid leaves, workers are often forced to decide between taking care of their health (or that of their family) and losing their jobs and income.

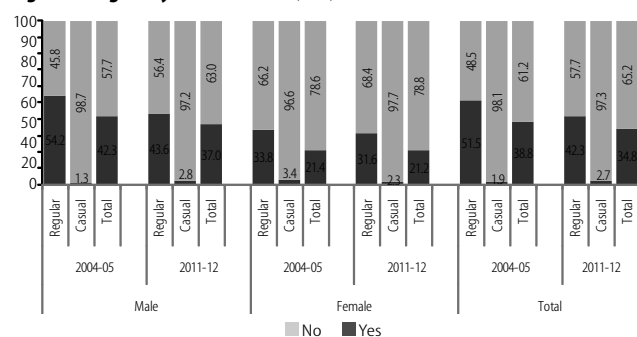
As seen in Figure 6, only 42.7% of regular workers are entitled to any paid leaves, while only a negligible proportion of casual workers have any paid leave at all. The condition, even

**Table 3: Type of Job Contract Offered in Organised Manufacturing**

Sex	Status	No Written Job Contract		For One Year or Less		More than One Year to Three Years		More than Three Years	
		2004-05	2011-12	2004-05	2011-12	2004-05	2011-12	2004-05	2011-12
Male	Regular	62.63	70.97	2.76	2.92	3.37	3.4	31.24	22.71
	Casual	97.35	97.75	0.37	1.07	1.09	0.11	1.19	1.08
	Total	70.43	75.3	2.22	2.62	2.86	2.87	24.49	19.21
Female	Regular	67.54	86.85	2.64	1.81	3.34	2.03	26.48	9.31
	Casual	96.19	98.96	1.68	0.24	0.47	0	1.66	0.8
	Total	79.25	91.14	2.25	1.25	2.17	1.31	16.34	6.3
Total	Regular	63.28	72.73	2.74	2.8	3.37	3.25	30.61	21.23
	Casual	97.04	98.06	0.72	0.85	0.92	0.08	1.31	1.01
	Total	71.89	77.5	2.23	2.43	2.75	2.65	23.13	17.41

Source: Calculated from unit records, NSS 68th and 61st rounds.

**Figure 6: Eligibility for Paid Leave (in %)**



Source: Calculated from unit records, NSSO 61st and 68th rounds.

**Table 4: Social Security Benefits amongst Regular and Casual Workers (in %, 2004-05 and 2011-12)**

Social Security Benefits	2004-10			2011-12		
	Regular	Casual	Total	Regular	Casual	Total
Only PF/ pension (i.e, GPF, CPF, PPF, pension, etc)	13.94	0.99	10.63	12.16	0.72	10.01
Only gratuity	0.92	0.02	0.69	1.27	0.15	1.06
Only healthcare and maternity benefits	1.82	0.29	1.43	3.44	0.99	2.98
Only PF/ pension and gratuity	4.07	0.17	3.07	4.18	0.67	3.52
Only PF/ pension and healthcare and maternity benefits	6.09	1.13	4.82	5.88	2.54	5.25
Only gratuity and healthcare and maternity benefits	3.13	0.08	2.35	2.1	0.13	1.73
PF/ pension, gratuity, healthcare and maternity benefits	21.6	1.19	16.38	10.65	1.49	8.92
Not eligible for any of above social security benefits	48.44	96.12	60.63	60.32	93.31	66.54
Total	100	100	100	100	100	100

Source: Calculated from unit records, NSSO 68th and 61st rounds.

by this indicator, has deteriorated in the last six years. The entitlements to female workers are fewer than their male counterparts.

Our next indicator pertains to the coverage of social security benefits ensured to organised sector workers. As Table 4 shows, 60% of the regular workers and 93% of the casual workers are not eligible for any of the social security benefits mentioned in 2011-12. Again we see a stark deterioration of the situation in the last six years. Female workers in the organised sector are seen to be bereft of benefits compared to male workers (Table 5).

**Table 5: Social Security Benefits amongst Male and Female Workers (2004-05 and 2011-12, in %)**

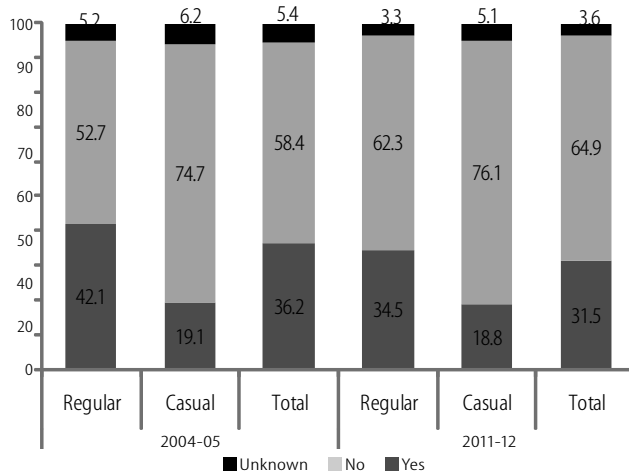
Social Security Benefits	2004-10			2011-12		
	Male	Female	Total	Male	Female	Total
Only PF/ pension (i.e, GPF, CPF, PPF, pension, etc)	10.64	10.36	10.59	10.68	5.87	10.01
Only gratuity	0.73	0.48	0.68	1.07	0.95	1.06
Only healthcare and maternity benefits	1.33	1.90	1.42	2.91	3.38	2.98
Only PF/ pension and gratuity	3.35	1.65	3.06	3.73	2.26	3.52
Only PF/ pension and healthcare and maternity benefits	4.91	4.32	4.81	4.87	7.65	5.25
Only gratuity and healthcare and maternity benefits	2.49	1.60	2.34	1.66	2.13	1.73
PF/ pension, gratuity, healthcare and maternity benefits	17.84	8.77	16.33	9.56	4.98	8.92
Not eligible for any of above social security benefits	58.72	70.94	60.76	65.52	72.80	66.54
Total	100	100	100	100	100	100

Source: Calculated from unit records, NSSO 68th and 61st rounds.

Union presence and participation remain key markers of the processes of social dialogue and worker involvement in any sector/industry. A collective organisation of workers formed for the purpose of securing better conditions of work for all, trade unions aim to negotiate with firm owners over concerns regarding job security, wage hikes, working hours, etc. Moreover, they seek to protect workers against unfair dismissals and support claims of compensation for injuries sustained during the course of work.

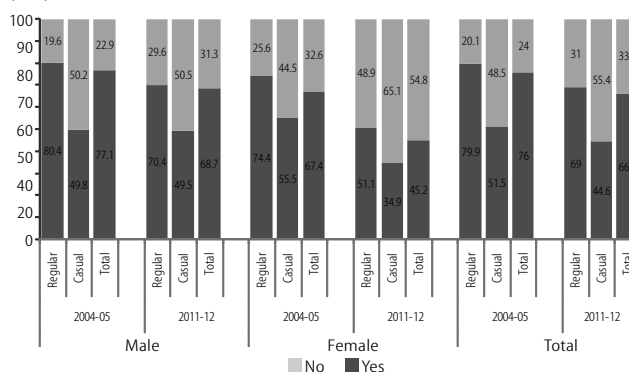
The presence of trade unions or associations in one's activity is generally considered as an improvement in the quality of employment that one is undertaking. The individual worker possesses little bargaining power against his/her employer. In case of a dispute or grievance, the only way to take concerted action against the employer is to approach the larger collective, i.e, the union. Another important advantage of trade unions is that they often serve to minimise discrimination at the workplace. Trade unions, moreover, serve to ensure adequate protection for workers from various types of shocks and income insecurities by pressuring the management to invest in welfare services and securing retirement benefits for the workers.

Figure 7 (p 63) shows that in the organised sector, only around one-third of the workers have access to a union in their organisation. While 36.2% of total workers knew of a union or association in their activity in 2004-05, the number has further fallen to 31.5% by 2011-12. Even among regular workers, by 2011-12, only 34.5% were aware of unions in their workspaces. Moreover, we note that membership of the labour unions is declining along with the overall presence of the

**Figure 7: Presence of Union/Association in 2004-05 and 2011-12 (in %)**

Source: Calculated from unit records, NSSO 61st and 68th rounds.

union or association in any activity. As Figure 8 informs us amongst those workers who admitted of the presence of a union or association in their activity, it was found that for the year, 2004-05, only 76% were members of a union or an association which has fallen to 66.3% in 2011-12. The same trends are visible for male and female workers where the percentage of total workers in the corresponding time period has fallen by 8.4 and 22.2 percentage points, respectively, in just these last six years. The condition of regular employment has also deteriorated with the percentage of regular workers who have membership in a union/association (within the one-third of workers who have access to unionisation) falling from 79.9% in 2004-05 to 69% in 2011-12.

**Figure 8: Whether Member of a Union/Association in 2004-05 and 2011-12 (in %)**

Source: Calculated from unit records, NSSO 61st and 68th rounds.

The main picture emerging from the analysis above is that the quality of employment has come down drastically in the organised manufacturing sector in the post-reform period. In terms of nature of job contract, eligibility of paid leave, social security benefits, and extent and participation of union activity, the last six years have witnessed further casualisation of the workforce, which indicates the lowering of “hire and fire” costs for employers. Workers (even those employed as regular wage workers) in the organised manufacturing sector are experiencing increasingly vulnerable terms of employment that has affected their bargaining power in the labour market.

### 3 Labour Legislation – Implementation and Dilution

In the section above, we have noted how organised manufacturing labour has been increasingly subject to informality even though the labour laws per se have not witnessed a radical change to bring about flexibility in the labour market. In this section, we look at three main labour laws – the IDA, CLA and the Trade Union Act – along with a few others, to study how the dilution of the law itself, or their lack of implementation has brought increased flexibility in the labour market along with increased vulnerability that labour faces today.

The IDA, particularly Chapter VB, has been the bone of contention as it does not allow employers the “hire and fire” flexibility they desire. However, as we have seen in the earlier section, employers have been able to shed labour as and when they deem necessary. While the 1982 amendment to the IDA increased the ambit of workers covered by it by reducing the threshold of employment size to 100 instead of the earlier 300 workers, and was a pro-labour amendment in labour laws, a few changes that were made to the legislation are not given their due importance, while in practice they have rendered the labour legislation far more porous and flexible. The most important of these changes are in relation to the definition of retrenchment itself.

Retrenchment of workers in factories requires notice and payment of compensation for establishments covered by Chapter VA (employing more than 50 workers) plus official permission for factories covered by Chapter VB. In 1982/84, when the IDA was amended, it changed the definition of retrenchment in Section 2(oo) to exclude from it, the termination of service resulting from non-renewal of contract or under a stipulation contained in the contract (Bhattacharjya 2006). So termination of service resulting from non-renewal of contract would henceforth not be termed as retrenchment. This instituted far more flexibility in the organised labour market than before.

This change in the definition of retrenchment also led to the practice of increasingly employing “fixed-term worker” in many factories, as under this clause, retrenchment can hardly be difficult. As per an amendment in December 2003 to the Industrial Employment (Standing Orders) Act 1946, the term “fixed-term employment” has been inserted to the same, which allows employers to hire workers for fixed periods of time. These fixed-term workers are technically not contract workers though they too are hired on a tenure basis. The argument given for this amendment was that it would provide the firms greater flexibility, especially for those units that require workers for shorter periods of time to accommodate fluctuations in demand. However, the permission given to employers to hire workers for fixed terms meant that the earlier entitlements that workers had to social security measures were no longer available. It weakened their bargaining power.

Also, Chapter VB of IDA does not apply to termination of employees in case of transfer of the enterprise. Shyam Sundar (2008) has reported how this loophole was used to transfer the entitlement of an enterprise and thereby terminate workers in Maharashtra in spite of the IDA. Another clause of the IDA which is of consequence is that employees have to be in continuous

service for 240 days for being eligible for retrenchment benefits, which is often breached by employers by lockouts. The definition of lockouts was also amended in 1982/84 to mean temporary closing of a place of employment along with the existing definition of the suspension of work, or the refusal by an employer to continue to employ any number of persons hitherto employed. These dilutions in the IDA actually made the job security clause far more flexible than before.<sup>5</sup>

Labour being on the concurrent list of the Constitution, the state governments can change the existing central laws with the approval of the president of India. So even without changing the existing central law, the state governments in various ways have made labour markets flexible. For example, Uttar Pradesh in 1983 amended the Chapter VB clause in IDA to apply to establishments employing more than 300 workers. Andhra Pradesh through an amendment in 2006 chose not to apply IDA in special economic zones (SEZs) and export-oriented units. Similarly, Gujarat inserted a Chapter VD in the IDA which makes the SEZs exempt from the labour laws under Chapter VA and VB of the IDA. Other states like Tamil Nadu, Karnataka, Andhra Pradesh and Goa have also issued amendments to the SEZ Act (Singh 2008).

While this deals with the job security aspect of labour laws, the bargaining power of the workers has been reduced by the attitude of the state towards employment of contractual labour and its attitude towards trade unions.

The CLA, 1970 seems to hold no ground at all in practice, with contract labour employment in India's manufacturing sector seeing an increase from 10.5% in 1995-96 to 25.5% in 2009-10. The law intended to restrict the use of contractual workers in perennial activities has been bypassed with some states like Bihar and Andhra Pradesh where more than 40% of the total persons employed in the organised manufacturing sector are employed through contractors. Haryana, Odisha, Uttar Pradesh and Uttarakhand too have high levels of contract worker employment of more than 30% by 2009-10.

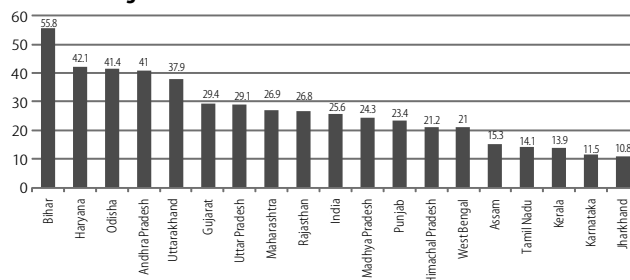
While the central law has not seen any change, in some states, the law has been amended. For example, in Andhra Pradesh in 2003, the state government amended the law to reduce its scope and coverage. CLA was amended to be applicable to firms and contractors employing 20 contract workers or more for 12 months continuously. It also introduced the core and non-core activities distinction into the law defining a large number of activities as non-core activities (including activities that were incidental to core activities, as Reddy (2008) points out, leading to a very porous clause) where contract workers are allowed freely. In certain cases, employing contract workers in core activities is also permitted. Most importantly, the enforcement of the CLA is a major issue as the fine for violation is just Rs 100 or Rs 200, which employers do not mind paying (Shyam Sundar 2008) even if inspections were to happen.

What is important to note here again is that although the CLA has been amended in Andhra Pradesh, and not in other states, Bihar, Haryana and Odisha have a higher proportion of contract labour employment (Figure 9). So the CLA in

perennial and core activities of the firm seems to have been done away with for all practical purposes and serves as a law only on paper.

As regards to the right of workers to form a trade union, several characteristics of unions and enterprises are worth mentioning. Some of them are (a) multiple unionism, (b) close but advisedly avoidable nexus between political parties and different trade union national federations, (c) dominance of inter-union rivalry often extending to industrial disputes, and (d) familiar anti-union bias of the managerial class characterised by engineered factionalism, union busting and even efforts to keep the enterprise "non-union".

**Figure 9: Percentage of Contract Workers Employed in Organised Manufacturing in States of India in 2009-10**

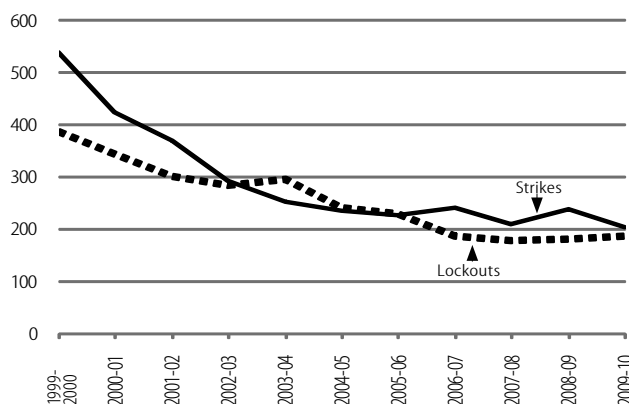


Source: Annual Survey of Industry, 2009-10.

The Trade Union Act has been amended in 2001 by the central government. Two important changes were made to the Act. Before the amendment, not less than one-half of the office bearers of the trade union would have to be actually engaged or employed in the industry with which the trade union is connected. While this provision is retained for the unorganised sector, for the organised sector, all office bearers except not more than one-third or five, whichever is less, can be outsiders. The other amendment of importance is that a registered trade union must have not less than 10% or 100 workers, whichever is less, subject to a minimum of seven, engaged or employed in an establishment or industry as its member.

The fact that the bargaining power of the trade union is reduced is visible from the sharp decline in the number of strikes vis-à-vis lockouts (Figure 10, p 65). Strike action is often seen as an indicator of strength of trade unionism and collective bargaining. The power that employers enjoy over trade unions in their industrial relations policies is indicated by the fact that during the decade, for most of the years, the number of man-days lost due to lockouts has been greater than those lost due to strikes, a trend that Nagaraj (2007) points out has been prevalent since the late 1980s. Lockouts, as he defines them, are temporary closures of plants by employers/managements when their negotiations with trade unions fail. In labour economics, it is often taken as a proxy for the employer's offensive against workers. From Table 6 (p 65), we see that except for the year 2007, every year more man-days have been lost to lockouts as compared to strikes. In fact, the 10-year period has seen a total of 170 million man-days lost to lockouts as compared to 84.05 million due to strikes. While industry bodies like the Federation of Indian Chamber of Commerce and Industry (FICCI) attribute the aforementioned trends to good

**Figure 10: Strikes and Lockouts in the Organised Manufacturing Sector, 1999-2000 to 2009-10**



Source: Economic Surveys, various issues.

human resources management and a skill-oriented work culture in the era of globalisation, while trade unions such as the Centre of Indian Trade Unions (CITU) believe that disputes, particularly strikes, are declining because of the absence of redressal/reconciliation mechanisms in companies, which has deepened the threat of job loss for workers.

Trade unions in the meantime have become weak. As shown earlier, their familiar membership base shrank, and the drive to enrol more members in newer areas has been limited. Their capacity to protect and promote workers' interests has become ineffective. Employers' bargaining power grew and they started asserting. This is evident from more man-days lost due to lockouts than due to strikes and increasing incidence of closure.

The other crucial change that has taken place has been in the state's attitude towards inspections under the Factories Act over the years. This relates more to the enforcements of the rights of the workers under the Factories Act. Though the corporate sector has been complaining of an "inspection raj", the fact remains that the inspection rate in factories has seen a sharp decline from around 63% to a mere 17.8% in recent years (Table 7).

Labour Bureau statistics also reveal that the strength of the factories inspectorate staff is far from sufficient to carry out the required inspections (Pais 2008). In 2001, Punjab was the worst among all states with one inspector in charge of 996 factories. Other states such as Andhra Pradesh, Rajasthan, and Tamil Nadu have over 200 factories per inspector. Delhi, Madhya Pradesh and Odisha have over 100 factories per inspector. It would be physically impossible for the inspector to even organise one visit per factory per year in about seven of the 12 states for which the data is available.

Given the decline in the number of inspections every year, it comes as no surprise that the Self-Certification Scheme (scs) launched in many states has not done well in states like Punjab and Gujarat. The main deterrent to the adoption of the scs seems to be the requirement of filing an affidavit which contains a declaration that the employer would comply with all the provisions of the labour laws covered under the scheme and that the employer would accept the penalty prescribed under the law for violations detected. The risks and the probability of getting penalised even for minor violations are higher under this scheme. The better alternative for the employer is to continue to remain under the usual inspection system where the costs of violation are lower as there is some scope for "managing things" to the advantage of the employer. The scs is also applicable to contractors who hire contract workers for the main firm. Given this attitude of

**Table 7: Inspections under the Factories Act, 1948**

Year	No of Factories on Register at the End of the Year	Number of Factories Inspected	Inspection Rate
1986	1,65,637	1,04,435	63.05
1987	1,84,043	1,11,660	60.67
1988	1,28,660	64,771	50.34
1990	1,22,070	78,969	64.69
1991	89,030	67,342	75.64
1994	84,431	63,084	74.72
1995	1,11,742	61,216	54.78
1996	1,47,310	87,564	59.44
1997	86,053	58,620	68.12
1998	2,58,440	1,41,930	54.92
1999	2,46,252	1,15,006	46.70
2000	88,702	50,832	57.31
2001	1,61,036	90,836	56.41
2002	1,63,534	77,887	47.63
2003	1,36,231	54,300	39.86
2004	1,89,887	59,923	31.56
2005	2,02,662	71,188	35.13
2006	2,43,309	92,261	37.92
2007	1,79,787	22,845	12.71
2008	1,49,506	26,732	17.88

Source: Indian Labour Year Book, Labour Bureau, various issues.

the firms and the failure of the inspection (which are documented to be suffering already from lack of government officials to carry out the inspections), self certification and self-regulation by the employers themselves will only be a licence to avoid any form of labour regulations.

#### 4 Labour and Judiciary

The other mechanism through which labour's position has substantially weakened is the marked shift in the judiciary's position on a number of key labour issues. Though historically given to pro-labour verdicts, of late, we note a growing number of judgments that blatantly favour the interests of capital and are in tune with the new policy regime adopted after the reforms. For one, as Thakur (2007) points out, agitations, demonstrations, bandhs, processions, etc, are being curbed with firm judgments. This was clearly evident in the Kerala High Court's 1997 judgment that held the calling for "bandh" by any association, political party or organisation and the enforcement of the same as illegal and unconstitutional.<sup>6</sup> The right to call for strikes by even government employees, as evident in the mass strike case in Tamil Nadu in 2003, was deemed illegal by the judiciary.<sup>7</sup>

A number of these contentious judgments surround the use and regulation of contractual workers in industries. For instance, in 2001, the Supreme Court, in *Steel Authority of India Ltd (SAIL) & Others vs National Union of Waterfront Workers*



and *Others* prospectively quashed the 1976 central government notification which prohibited the use of contract labour for tasks like cleaning, sweeping, dusting and guarding buildings owned and occupied by central public sector units.<sup>8</sup> This judgment of the Supreme Court in the process also overruled the 1996 judgment *Air India Statutory Corporation vs United Labour Union & Others*<sup>9</sup> and held that neither Section 10 of the Act nor any other provision in the Act expressly or by necessary implication provides for automatic absorption of contract labour. The principal employer, thus, cannot be required to order absorption of the contract labour working in the concerned establishment.

Similarly in 2010, the Supreme Court, presiding over *G M, BSNL & Ors vs Mahesh Chand* ruled that it is for a non-regular employee to prove that he/she has continuously worked for 240 days in a year to seek regularisation of work and avert an arbitrary termination, quashing in the process, the reasoning adopted by an earlier bench of the Rajasthan High Court which placed the burden on the employer.<sup>10</sup> It is not difficult to see the advantages this judgment carries for employers. Since most casual labour (as we have seen above) work on oral contracts it would be extremely difficult for them to establish the duration of their employment. Moreover, with lack of transparency concerning the maintenance of muster rolls, such a task becomes altogether more arduous.

In another landmark judgment, in the case *JK Synthetic Ltd vs K P Aggarwal and Another*, 2007, the Supreme Court held that if an illegally-sacked employee is reinstated on the orders of a Court, it would not automatically entitle him to back-wages.<sup>11</sup> Moreover, an earlier judgment in *Kendriya Vidyalaya Sangathan vs S C Sharma*, 2005 stated that it is the worker's burden to prove that in the interim period he/she was not gainfully employed. As Kumar (2008) states, today there is less emphasis on reinstatement of dismissed employees and least in regularisation of the employees by the Courts. Even in cases where the dismissal or discharge of the workmen has been found to be illegal, relief of reinstatement is converted into compensation.<sup>12</sup>

Arguing against the above judgment, Hirway and Shah (2011) claim that managements can now throw out workers illegally without having to worry much about the payment of full back-wages even if they get reinstated. Moreover, what makes matters worse is that workers are generally in no position to go to a labour court to fight a case of illegal termination for they do not have the money to hire a lawyer.

### 5 'Informal' Norm Building Practices in India

The facilitatory attitude of the state in accommodating capital's insatiable tendency of accumulation finds its expression not only in the changes that have come about in the regulation of the labour force per se, but in fact even more effectively in its numerous attempts to deregulate capital in the economy.

One of the more visible markers of the same has been a conscious shift in the manner in which capital is expected to be monitored, evaluated and disciplined by the regulatory regime. What we observe, in the last 20 years, is a shift in onus of regulation from the state to enterprises themselves, particularly on

the question of disclosure and reportage. A case in point being the nvg on Socio-Economic and Environmental Responsibilities of Business brought out by the Ministry of Corporate Affairs in 2011.

A revision of the Voluntary Guidelines on Corporate Social Responsibility in 2009, the nvg purportedly endeavours to direct businesses in the country towards a set of practices that encompass "the social, environmental and economic" responsibilities while aiming to achieve the "triple bottom line – people, planet and profit". Consisting of a set of nine "Principles" and corresponding "Core Elements", the guidelines serve to execute the same via a set of indicators that self-monitor the implementation process. Interestingly, these indicators have been categorised under two heads, "Essential" and "Leadership", with the former expected "from every business that has adopted these Guidelines" and the latter reserved for those "businesses which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible" (GOI 2011: 30). In other words, only a select few businesses are obligated, under this new framework, to follow these leadership indicators while tracking the implementation of the guidelines. A glance at the procedural outline of this tracking mechanism reveals the pro-capital attitude of the same.

On the question of monitoring and evaluation, businesses under essential indicators are expected to undertake only a self-assessment and a review of their performance on various principles and core elements. Third party assessment, verification and impact analysis of a business performance are deemed necessary only for those select businesses aspiring to follow the leadership metrics. Similarly, on the question of disclosure, essential indicators require a business to merely disclose its performance to priority stakeholders, the latter being identified by the said businesses themselves. Disclosure to a wider public is required for only leadership indicators. What these guidelines, thus, effectively intend is for the majority of businesses to self-assess their performance and adherence towards labour standards while restricting the reportage of the same to a select few.

What we thus observe is a movement away from a modus operandi where the state intervened (or was at least obliged to do so) in the regular activities of business enterprises in an attempt to discipline capital (specifically in its treatment of labour) to a regulatory mechanism where business enterprises themselves are expected to take on this dual role of both the abider and enforcer of labour standards in the country. Moreover, the voluntary nature of these guidelines leaves businesses with the option of bypassing a number of crucial labour legislation with the only expectation out of them being a regular reportage of their performance.<sup>13</sup>

An interesting change that is already taking place is the attitude of the state and the changes in legislation that have taken place with respect to the question of inspection as well as self-certification. The Small and Medium Enterprise Development Bill 2005, enacted by Parliament in June 2006 as the "Micro, Small and Medium Enterprises Development Act, 2006", for one, entails a number of provisions for simplified inspections, maintenance and filing of returns. The Act

exempts industries classified as “micro”, “small” and “medium” from inspection under a series of labour legislation, viz, Payment of Wages Act, 1936, the Employees’ State Insurance Act, 1948, the Factories Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Bonus Act, 1965 and the Payment of Gratuity Act, 1972. In place of inspection by government authorities, it seeks to promote self-certification/regulation by the enterprises themselves. On the question of self-certification, pro-labour reformers argue that with increased awareness amongst both employees and employers, it is possible for the latter to ensure compliance themselves. Moreover, employers, it is argued, should have the freedom to suo moto certify the implementation of the concerned regulations. This would help employers focus on their core businesses.

Similarly, The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Amendment and Miscellaneous Provisions Bill, 2011, introduced in Parliament in March 2011, seeks to free the employer from a number of obligations towards labour under the existing legislation. Changing the definition of “small establishments” from any place employing between 10 to 19 people on any day of the preceding 12 months to that employing between 10 to 40 people it seeks to widen the number of establishments that are exempted from furnishing returns and maintaining registers. Moreover, the bill seeks to amend the list of Acts exempting small establishments from filing returns and maintaining registers, namely, the Motor Transport Workers Act, 1961; the Payment of Bonus Act, 1965; the Beedi and Cigar Workers (Conditions of Employment) Act, 1966; the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979; the Dock Workers (Safety, Health and Welfare) Act, 1986; the Child Labour (Prohibition and Regulation) Act, 1986; and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

In many states where the scs is available – Punjab, Haryana, Himachal Pradesh, Uttar Pradesh, Andhra Pradesh, Karnataka, Rajasthan, Gujarat, Maharashtra – not many enterprises have volunteered to the scheme, as the penalty for non-compliance with labour laws when adopting self-certification is higher than through inspections. It is difficult to understand how, after this experience, there is still belief that the nvg will serve any serious purpose. The characteristics of the labour market identified earlier can now be easily understood in the background of weak implementation and the state’s endeavour to dilute the provisions of the law. Outright changes in the law have not been pursued by the state but voluntary guidelines are set to replace and bypass the already malfunctioning mechanism of labour laws, further weakening the position of labour vis-à-vis capital.

## 6 Conclusions

Thus we see how the position of labour has weakened over time, more rapidly since the adoption of neo-liberal policies in the last two decades. The call for more flexibility in the labour market so as to adjust to a more competitive global economy is

a view that is not only borne out by the capitalists but is also instantaneously echoed by the state. In this neo-liberal phase, “growth” is the legitimising principle used by the state to rationalise its actions, in contrast to the “social welfare” stance of earlier years. Our findings show that the entire economic logic of the profiteer being one who earns his profits or incurs losses subject to the risks she takes is given away and the brunt of the risks in the current globalised environment are passed on to the workers. The Indian state has not withered away in its presence, but the nature of interventions has changed. The calls for “hire and fire” are given tacit approval, not via an overhaul of existing labour laws per se, but via a mechanism which is far more dangerous as it on one hand circumvents the mechanism for the protection of labour (through the informal norm-building processes, arbitration mechanism and weak enforcement of laws), while weakening the bargaining power of labour (declining power of trade unions, declining wages, lack of social security coverage) on the other.

Workers even in the “protected” organised sector face increased vulnerability with much lower levels of job security, reduced coverage of social security, reduced wage shares in output as well as stagnant real wage growth while greater use of contract labour and “fixed-term” workers make it more and more difficult for workers to unionise. This declined trade union participation further weakens their bargaining power. The last 15 to 20 years, as the paper points out, have in fact witnessed the active presence of the state in its efforts to facilitate capital, whether it be in the form of exemptions granted to businesses from a number of regulatory exercises, positions taken up by arbitration mechanisms under the state that are against the interest of labour or are pro-capital judicial reviews of the law. Circumventing the gamut of the existing labour legislation, which in any case exist more on paper than in praxis, the Indian state has been able to facilitate accumulation by disengaging from the popular discourse on labour reforms and instead has engaged in seemingly harmless norms of voluntary action and corporate social responsibility.

The changing dynamics between labour, capital and the state and the manner in which they have played out in the labour market have moreover rendered the calls for “second generation labour reforms”, entirely redundant. Labour, operating under increasingly vulnerable conditions, with scant social security nets and inadequate legal backing finds itself subject to the vagaries of the market with precious little to fall back on. This in a context where there has been an overall withdrawal of the state from a number of its responsibilities when seen from a welfarist standpoint. The need of the hour, thus, is not to press for further relaxations, which would only exacerbate the precarious existences of those in the labour force but to work towards securing and safeguarding the employment conditions of labour in the country.

## NOTES

- 1 India’s manufacturing sector accounts for about 16% of measured GDP, 10% of total workforce, and slightly less than 80% of merchandise exports. The organised manufacturing sector includes factories employing 10 workers or more with power and 20 workers or more without power. This sector

constitutes about two-thirds of the value added and one-fifth of employment in manufacturing. The rest is contributed by the unorganised sector.

2 The following study wishes to study the degree of informality and employment vulnerability that exists in the firms seen as part of the organised manufacturing sector. For this we have adopted the Annual Survey of Industries (ASI) Factory definition which states that organised sector comprises factories with 10 or more workers using power or 20 or more workers without using power (under sections 2(m)(i) and 2(m)(ii) of the Factories Act, 1948). We have taken this definition for a number of reasons. Firstly, this allows us to come closest to the framework adopted by the ASI. The factories/establishments surveyed under the very same framework, recorded growth in employment, which is the prime focus of our study. Our objective is to see the changes that have come about in the quality of work in units covered by the ASI. Unlike a number of definitions adopted earlier which concentrate more on informality and informal sector, categorising the rest as the formal sector (which has its own inclusion and exclusion errors), here our concern is to arrive at the closest approximation of the organised sector. Secondly, it does not permit the gross error of estimations as observed in the NSSO definition where a number of firms surveyed under the Factories Act, 1948 come under its purview. Third, the very same framework is adopted by a number of labour legislation to classify whether a particular unit is to come under its purview or not. Since we are arguing that it is relaxations in these very regulations that have raised the overall vulnerability of workers in the sector, it appears fruitful to study quality of work using this very definition.

3 It is to be noted, that the two rounds carry information on a number of these indicators only for usual status groups 31, 41 and 51, i.e., casual and regular workers and thus we shall not be taking into account the self-employed category in our study.

4 As per the NSSO, casual wage labour is defined as "A person who was casually engaged in other's farm and non-farm enterprises (both household and non household) and, in return, received wages according to the terms of the daily or periodic work contract." A regular salaried/wage worker on the other hand is defined to be one which "receives salary or wages on a regular basis, either time wages or piece wages and full time or part time". As is clear from the definition provided by the NSSO, workers in their surveys are categorised as casual and regular workers solely on the basis of time criterion of payment of wages. Though, the casual workers are far more vulnerable in terms of the conditions of work and employment when compared to regular wage salaried workers, they do not, as Goldar and Aggarwal (2010) point out, necessarily reflect the idea of "contractual workers" as given in the data provided by the Central Statistics Office. As the authors show in their study, it is possible that a significantly large number of contract workers getting regular wages are automatically included in the regular wage worker category. Thus it is necessary to go beyond figures of regular wage and casual employment and assess the quality of employment that both face, for the discrepancies in definitions, as we shall subsequently observe, undermine the real extent of informality in the manufacturing sector.

5 The degree of freedom a firm actually enjoys in the hire and fire policy, regardless of plant size considerations and stipulations of the IDA was fully demonstrated in the attitude of the administration during the Maruti Suzuki workers strike that took place in Manesar in 2011. The 55-day struggle for better working conditions and right to form a new union was eventually brought to an end without any significant

demands of the workers being accepted by the management. Not going into the details of the particular case, the point to be noted is that firm managements operating under supposedly "rigid" labour laws do, in fact, have all the freedom to exercise stringent disciplinary actions even when faced with resistance from the working class and its trade unions. During the initial stages of the aforementioned strike, 11 leaders of the newly-formed Maruti Suzuki Employee Union (MSEU) were dismissed by the management without a moment's notice. No due process was followed. In July, when tensions broke out in the plant once again, another six were suspended while four were arrested by the police. By 28 August 2011, 11 workers had been dismissed while 10 were suspended. Meanwhile, the plant management had already started hiring new people from outside Delhi on contract. By the end of the strike 62 workers had been fired for "gross misconduct". Not only did this case highlight the ease with which contract workers can be removed from employment, it also showcased the deterioration in the bargaining power of trade unions in the era of reforms.

- 6 *Bharat Kumar vs State of Kerala*, AIR 1997 Ker 291, viewed on 20 October 2013 <http://indiankanon.org/doc/741017/>
- 7 *In T K Rangarajan vs Government of Tamilnadu and Others* (i), viewed on 20 October 2013 [http://articles.timesofindia.indiatimes.com/2003-08-06/india/27183945\\_1\\_employees-strike-state-or-nation](http://articles.timesofindia.indiatimes.com/2003-08-06/india/27183945_1_employees-strike-state-or-nation)
- 8 "S O No 779 (E) December 8 & 9, 1976, In exercise of the power conferred by sub-section (1) of section 10 the Contract Labour (Regulation And Abolition) Act, 1970 ( 37 Of 1970 ), the Central Government, after consultation with the Central Advisory Contract Labour Board, hereby prohibits employment of contract labour on and from 1 March 1977, for sweeping, cleaning, dusting and watching of buildings owned or occupied by the establishments in respect of which appropriate government under the Act is the Central Government. Provided that this notification shall not apply to the outside cleaning and other maintenance operations of Multi-Storeyed buildings where such cleaning or maintenance operations cannot be carried out except with specialised experience." Viewed on 21 October 2013, [www.aisbopef.org/wp-content/uploads/.../AISBOPEF-CIR-NO.24.docx](http://www.aisbopef.org/wp-content/uploads/.../AISBOPEF-CIR-NO.24.docx)
- 9 In the Air India Statutory Corporation case, the Supreme Court held that though there exists no express provision in the Act for absorption of employees in establishments where contract labour system is abolished by publication of the notification under Section 10(1) of the Act, the principal employer is under statutory obligation to absorb the contract labour. The linkage between the contractor and employee stood snapped and direct relationship stood restored between principal employer and contract labour as its employees.
- 10 Lawyers Club India (2010), viewed on 11 May 2013, <http://www.lawyersclubindia.com/forum/Employee-seeking-regularisation-should-prove-eligibility-SC-13656.asp#.UZDChALQnF8>
- 11 Viewed on 10 May 2013, <http://www.icsi.edu/cs/March2008/Articles/Back%20Wages%20on%20Reinstatement%20-%20No%20Longer%20Automatic%20by%20H.%20L.%20Kumar%206.pdf>
- 12 Back Wages on Reinstatement—No longer Automatic (2008), viewed on 10 May 2013, <http://www.icsi.edu/cs/March2008/Articles/Back%20Wages%20on%20Reinstatement%20-%20No%20Longer%20Automatic%20by%20H.%20L.%20Kumar%206.pdf>
- 13 Securities and Exchange Board of India – as a part of its circular on 13 August 2012, has made it mandatory for top 100 BSE and NSE listed

companies (as on March 2012) to disclose their Business Responsibility Practices through a report adhering to the NVG framework. Viewed on 20 October 2013, <http://efficientcarbon.com/blog/introduction-to-national-voluntary-guidelines-business-responsibility-reporting>

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