



Indian Staffing Federation
3rd Labour Program
Decoding Labour Reforms for
Indian Corporates

12th February 2018 | ITC Grand Chola, Chennai

EVENT REPORT

Chief Guest



Shri K Pandiarajan
Hon'ble Minister, Ministry of Archaeology, Tamil Language & Tamil Culture
Government of Tamil Nadu

Eminent Speakers



V Srinivas,
Dy Chief Labour
Commissioner (Chennai),
Ministry of Labour and
Employment.



P B Mani, Additional
Commissioner and
Regional Director (Tamil
Nadu Region), ESIC,
Ministry of Labour and
Employment.



Dr. R. Magesh,
Senior State Medical
Commissioner, (Tamil
Nadu Region), ESIC,
Ministry of Labour and
Employment.



Salil Shankar,
Regional PF Commissioner
Grade I (Chennai), EPFO,
Ministry of Labour and
Employment.



Madhu Damodaran,
Director- HR,
Quess Corp



Soundarajan K,
VP – HR,
TVS Logistics



Prasad Rajappan,
MD,
Zing HR



Antony Prakash,
Sr. GM-HR,
SDF Group



**Manik Sabharwal Major
General (Retd)**
CEO
Domestic Workers Sector
Skill Council

EVENT SUMMARY

ISF Decoding Labour Reforms for Indian Corporates

Indian Staffing Federation (ISF) hosted its Interactive Labour Program Series - Decoding Labour Reforms for Indian Corporates at ITC Grand Chola, Chennai on 12th February 2018. The gathering of about 150 delegates represented 80+ companies from leading companies whose profile ranged from Corporate IR Heads, HR heads, Legal experts to the Business heads.

The day had eminent panellists, subject matter experts and participants equally sharing insightful detail on the various facets of business impact arising due to the existing/upcoming labour law developments. The points discussed were based on individual interpretation of the acts/rules/reforms/amendments which were intriguing and high value on case to case basis. No interpretation is expected to be used in isolation and should not carry any implication on ISF acting as knowledge facilitators for the program.

Session 1: Impact and Implications of Labour Laws for Corporates



L to R: Dr. R. Magesh, Senior State Medical Commissioner, (Tamil Nadu Region), ESIC, Ministry of Labour and Employment, Government of India; P B Mani, Additional Commissioner and Regional Director (Tamil Nadu Region), ESIC, Ministry of Labour and Employment, Government of India; V Srinivas, Dy Chief Labour Commissioner (Chennai), Ministry of Labour and Employment, Government of India; Madhu Damodaran, Director – HR Business Services, Qess Corp Limited; Prasad Rajappan, Founder and MD, Zing HR; Soundarajan K, VP – Human Resources, TVS Logistics Ltd; Salil Shankar, Regional PF Commissioner Grade I (Chennai), EPFO, Ministry of Labour and Employment, Government of India; Antony Prakash, Sr. GM & Head – Human Resources, SDF Group

Panellists:

- V Srinivas, Dy Chief Labour Commissioner (Chennai), Ministry of Labour and Employment, Government of India
- P B Mani, Additional Commissioner and Regional Director (Tamil Nadu Region), ESIC, Ministry of Labour and Employment, Government of India
- Dr. R. Magesh, Senior State Medical Commissioner, (Tamil Nadu Region), ESIC, Ministry of Labour and Employment, Government of India
- Salil Shankar, Regional PF Commissioner Grade I (Chennai), EPFO, Ministry of Labour and Employment, Government of India
- Soundarajan K, VP – Human Resources, TVS Logistics Ltd
- Antony Prakash, Sr. GM & Head – Human Resources, SDF Group
- Prasad Rajappan, Founder and MD, Zing HR

Session Chief: Madhu Damodaran, Director – HR Business Services, Qess Corp Limited

Eminent panellists discussed how 44 central Labour Laws has been converted into 4 labour codes in order to simplify them. The four codes will pertain to Labour code on wages, Industrial Relations, Social Security and Welfare and Safety and Working Conditions. Panellists deliberated on the government initiatives, mainly, ease of compliance and the online administration for the employees. Session was majorly focused on the labour codes of Security and the Welfare and Safety and Working Conditions. On the Security aspect, some of the major points was highlighted which helped in the ease of doing business to a great extent such as Universal Account Number (UAN), Unified Portal, PF Registration and digitisation for filing return. Government has also initiated the process of linking PF account with the Aadhar card to provide hassle free online services to the employee.

To provide Health and Social Security Services to the stakeholders, ESIC has implemented an IT Roll Out Plan to provide online facilities to employers and insured people for registration, payment of premium, disbursement of cash benefits and automated Medicare services to all insured people. Talking about recent initiatives, Government of India has implemented a policy that if the ESI Act is already implemented in a particular district, the entire district will be covered.

Chief Guest Address: Shri K Pandiarajan, Hon'ble Minister, Ministry of Archaeology, Tamil Language & Tamil Culture, Government of Tamil Nadu

In his address, Shri Pandiarajan stated that the staffing industry has come a long way and the stated position of the organised sectors in the country has reached 11%. He believes that the social security could play a major role in the organised sector to a great extent. He also mentioned that the Tamil Nadu has the highest percentage of organised flexi staffing and have the largest numbers of healthcare workers in India.



He concluded that the public strength towards the codes is not strong enough and the industry needs to come forward and set target of the organised sectors in the country. It was suggested that the Industry Associations needs to collaborate with multilateral companies like World Bank, ADP and JICA for using organised sectors in the project employment.

Decoding Acts & Implications for Corporates



Subject Matter Expert: Madhu Damodaran, Director Business HR, Co-Achieve India (part of Qness Corp)

He briefed about the major changes that has been added in the Contract Labour (Regulation and Abolition) Amendment Bill 2017 which includes new Concepts, New Licensing Regime and the new Prosecution Process. He further discussed about the implications of these changes and proposed further changes. Going deep in the discussion, he talked about “Regular Employee of a Contractor”; Contract for “supply of mere human Resource”; Welfare & Health; Disbursement of Wages; National Licence; Licensing Process and Qualifications of Contractors. He stated that these steps bring more clarity and therefore is a welcome move.

The discussion highlighted that the role of principal employers will be held much more responsible than ever before. While the acts/reforms were cited both in in favourable as well as unfavourable situations, most in the audience felt, the changes haven't been well thought out from an impact on business, before bringing them into action. The expected amalgamation into 4 codes was welcomed by most, but the group anticipation is that, it will continue to clash with state laws. Clarity into details may be the need of the hour about many finer nuances.

The most heated issue lay around the unplanned business expenses which will hit the productivity in coming year due to the amendments. Basic enhancements as defined in some amendments like crèche, canteen were not clear to many on the actual implementation required. Thus, it was collectively felt that framing the rules should have mentioned criterion like size of business etc, which isn't clear in most such amendments. Also, difference in state and central laws, create a

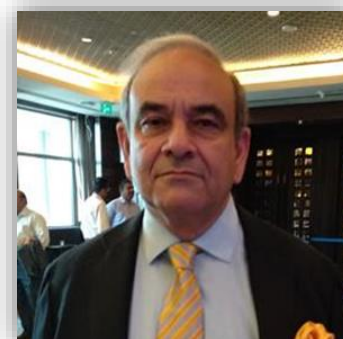
huge gap and is likely to be caught in the web of inspections eg Shops and Estb act which varies in Maharashtra compared to Central.

To take the discussion forward, Madhu, being one of the pioneers in managing compliances through digital platforms, provided insights to help business with labour law compliances. He highlighted various methods wherein digital platforms plays a pivotal role now – online remittance of PF Contribution with no physical payment (From 2015 onwards) ; a Temporary Insurance Card – Aadhar Card easily generated online; Submission of half yearly returns, ESIC registrations online, Shops and Commercial Establishments registrations and so on.

Furthermore, he concluded that there are other awaited challenges in the future that has to be taken care of – evidence management, fast and rapidly changing laws, & volumes of data to be managed. The audience found his inputs noteworthy, with the discussion oriented towards safety of data and due diligence that will be necessary to adopt in future to be relevant to each business.

Spring-boarding opportunities Forging Industrial Linkages Between Property Management Solutions & Domestic Workers Sector Skill Council

Subject Matter Expert: Manik Sabharwal Major General (Retd), CEO, Domestic Workers Sector Skill Council



He shared that the Domestic Workers sector is the newest sector and its aim is to train and skilled the domestic workers to provide them placement. As of today, there is 7.7 million demand for the placement in the Domestic Sector which will grow to 10.2 million in 2020.

He shared an overview of the Facility Management Companies in India. The Indian Facility Management markets are growing in tandem with the rampant growth of the construction sector. According to the report of Global Infrastructure Facilities and Project Managers Association, potential for FM services, which is anticipated to grow at a CAGR of around 17 per cent during 2015-2020 and reach to approximately \$19.4 billion by 2020 in India. About 54.9% of the overall market was for soft services and 45.1% for hard services in 2010. General housekeeping and General Executive is one of the key verticals.

He highlighted the functional Linkages between the Facility Management & DWSSC are Service oriented industries with immense growth rates-especially on the demand side; Increasing need to facilitate a healthy environment for the workers and employers, especially in institutions and both sectors are highly fragmented and disorganised. He stated that the lack of qualified staff has increased the lead time in mobilising resources after the successful contraction of projects and also the unbridled mushrooming of unorganised service providers who provide services at a low cost sacrificing quality and standards has become the roadblocks for the FMCs. But there is a growing maturity of end users and the need of improved safety and professional maintenance given the stiff competition and looming international standards. The Facility Management Companies are moving towards an organised approach towards higher marker penetration and maturity to overcome the hurdles.

He further suggested the keys indicative roles for collaboration such as General Housekeeper, Child Care Giving Roles, Child Care Roles for Institutions, Elderly Caretaker and General Executive.

Vote of Thanks

The Conference was closed by Thammaiah BN, Chairperson – South Chapter, Indian Staffing Federation; Managing Director, Kelly Services India who thanked Sponsors, Delegates, Eminent Speakers, Subject Matter Expert & ISF Secretariats.

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Event Gallery



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