

**No.Z-20025/103/2013-Coord.
Government of India/Bharat Sarkar
Ministry of Labour and Employment
Shram aur Rozgar Mantralaya
(Coordination Section)**

**Shram Shakti Bhavan, Rafi Marg,
New Delhi the 18th November,2013**

ORDER

Subject:-Constitution of a Tripartite Committee for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises regarding.

The 45th Session of Indian Labour Conference (ILC) was held on 17-18 May, 2013. Item No.3 of the Agenda for Indian Labour Conference was LABOUR LAWS FOR THE MICRO AND SMALL ENTERPRISES.

2. The extracts of Summary Record of Discussion on “Conference Committee on Labour Law for Micro, Small and Medium Enterprises” are enclosed.

3. The Recommendations of the Conference Committee are:

- Any suggestions or proposals made for rationalization or simplification of procedures in compliance of labour laws will be examined by the Ministry of Labour & Employment for appropriate action.**
- A Tripartite Committee having representatives of all stakeholders including the Employers’ Associations, Trade Unions, Central Government and State Governments will be constituted for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises and submit its recommendations regarding any further action required to the Government.**

:-2:-

4. It has been decided to constitute a “Tripartite Committee” to suggest ways of moving forward for effective implementation of the Recommendations of the Conference Committee under the Chairmanship of Shri A.K. Khachi, Joint Secretary, Ministry of Labour & Employment.

5. The composition of the Tripartite Committee will be as under: -

01.	Shri A.K. Khachi, Joint Secretary	Chairman
02.	Shri Vinod Kumar, Director	Convener
03.	Joint Secretary, Ministry of Micro, Small and Medium Enterprises	Member
04.	Joint Secretary, Department of Industrial Policy & Promotion	Member
05.	Joint Secretary, Ministry of Woman & Child Development	Member
06.	Director General, V.V. Giri National Labour Institute	Member
07.	Chief Labour Commissioner (Central)	Member
08.	Director General, Factory Advice Service & Labour Institutes (DGFASLI)	Member
09.	Principal Secretary (Labour), Government of Rajasthan, Jaipur	Member
10.	Principal Secretary (Labour), Government of Andhra Pradesh	Member
11.	Principal Secretary (Labour) Government of Maharashtra	Member
12.	Principal Secretary (Labour), Government of Bihar	Member
13.	Principal Secretary (Labour), Government of Assam	Member
14.	President or his Representative, Bharatiya Mazdoor Sangh	Member
15.	President or his Representative, Indian National Trade Union Congress	Member
16.	President or his Representative, Centre of Indian Trade Unions	Member
17.	President or his Representative, Hind Mazdoor Sabha	Member

:-3:-

18.	President or his Representative, All India Trade Union Congress	Member
19.	President or his Representative, United Trade Union Congress	Member
20.	President or his Representative, Council of Indian Employers	Member
21.	President or his Representative, All India Manufacturers' Organization	Member
22.	President or his Representative, Confederation of Indian Industry	Member
23.	President or his Representative, Laghu Udyog Bharti	Member
24.	President or his Representative, ASSOCHAM	Member
25.	President or his Representative, FICCI	Member

3. Terms of Reference:

The Tripartite Committee will suggest ways of moving forward in important labour matters and laying down a framework for effective implementation of labour laws applicable to Micro, Small and Medium Enterprises Sector. Any other issue relating to subject will be put-forth for discussions with the approval of Chairman of the Committee.

4. The Chairman of the Tripartite Committee may include any additional term(s) of reference and co-opt any other expert as Member of the Group.

5. The Committee shall submit its report within a period of six months.

:-4-:

6. The expenses towards TA/DA of the Official Members of the Tripartite Committee shall be met by the Government Departments/ Institutions to which they belong. The TA/DA of non-official Members and invitees to meetings will be paid by Ministry of Labour and Employment as admissible to Class I Officer of the Government of India {SR 190(a)}

**Sd/-
(G.A. Raghuvanshi)
Under Secretary to the Govt. of India
Tele.No.23766936**

Distribution:

All Members of the Tripartite Committee (As per List attached)

Copy for information to: PS to JS(AK) / PS to DIR(VK)

**Sd/-
(G.A. Raghuvanshi)
Under Secretary**

List of Members of the Tripartite Committee

Ministries / Departments of Ministry of Labour & Employment

01. The Joint Secretary, Micro, Small and Medium Enterprises, Nirman Bhawan, New Delhi.
02. The Joint Secretary, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi.
03. The Joint Secretary, Ministry of Women & Child Development, Shastri Bhawan , New Delhi.
04. The Director General, V.V.Giri National Labour Institute , NOIDA.
05. The Chief Labour Commissioner (Central). New Delhi
06. The Director General, Factory Advice Service & Labour Institute (DG,FASLI) CLI Building , Sion , Mumbai

State Governments

07. Principal Secretary (Labour), Government of Rajasthan, Jaipur
08. Principal Secretary (Labour), Government of Andhra Pradesh, Secretariat, Hyderabad
09. Principal Secretary (Labour), Government of Maharashtra , Mumbai
10. Principal Secretary (Labour), Government of Bihar , Patna
11. Principal Secretary (Labour), Government of Assam, Dispur.

Employees' Organizations

12. The General Secretary,
Bharatiya Mazdoor Sangh,
Dattopant Thengadi Bhawan, 27, Deendayal Upadhyay
Marg, Rouse Avenue, New Delhi-110 002
13. The General Secretary,
Indian National Trade Union Congress,
Shramik Kendra, 4, Bhai Vir Singh Marg, New Delhi-110 001.
14. The General Secretary,
All India Trade Union Congress,
35-36, Deen Dayal Upadhyaya Marg,
Rouse Avenue, New Delhi- 110 002.
15. The General Secretary ,
Hind Mazdoor Sabha,
120, Babar Road, New Delhi-110 001.
16. The General Secretary,
Centre of Indian Trade Unions,
B.T.Ranadive Bhawan, 13-A, Rouse Avenue,
New Delhi-110 002.
17. The General Secretary,
United Trades Union Congress,
249, Bipin Behari Ganguly Street,
1st Floor, Kolkata-700 012.

Employers' Organizations

18. The Chairman,
Council of Indian Employers,
Federation House, Tansen Marg,
New Delhi-110 001
19. The President,
All India Manufacturers' Organisation,
4th Floor, 'Jeevan Sahakar'
Sir P.M.Road,, Fort, Mumbai-400 001.

- 20. The President,
Laghu Udyog Bharati,
1-E/11, Swami Ramtirath Nagar,
Jhandewalan Extension, New Delhi-110 055**
- 21. The Director General,
Confederation of Indian Industry,
23, Institutional Area, Lodi Road,
New Delhi-110 003**
- 22. The Secretary General,
The Associated Chambers of Commerce & Industry of India,
5, Sardar Patel Marg, Chanakya Puri,
New Delhi-110 021.**
- 23. The President,
Federation of Indian Chambers of Commerce & Industry,
Federation House, Tansen Marg,
New Delhi-110 001.**

Extracts of Summary Record of Discussion Conference Committee on Labour Law for Micro and Small Enterprises

Conference Committee on the Agenda Item No. 3, “Labour Law for Micro and Small Enterprises” was chaired by Shri Hemochandra Singh, Hon’ble Minister of Labour & Employment, Government of Manipur. The Member-Secretary of the Committee was Shri K.M Gupta, Economic Advisor, Ministry of Labour & Employment, Government of India. The chairman of the committee highlighted the importance of the agenda item and welcomed all the members of the Committee. Thereafter he requested the Member-Secretary of the Committee to introduce the subject and initiate the discussion.

Views of Social Partners:

Employers’ Organisations

The representatives of employers’ associations expressed difficulty for compliance with large number of labour laws. They further expressed that medium and small establishments, being small, do not have expertise in labour laws. They, therefore, argued for having a comprehensive and consolidated labour law applicable to Micro and Small Enterprises having prescribed threshold limit of workers employed, besides the normal investment limit. They argued for the maintenance of single register and filing a simplified return while agreeing to protect the interests of workers.

Trade Unions

The representatives of the trade unions mentioned that any measures taken for promoting the Micro and Small Enterprises should ensure that the interests of the workers engaged in these establishments are not compromised and the basic requirements such as minimum wages, welfare, social security benefits and working conditions of the workers are adequately addressed. The other issues highlighted by the workers’ representatives included simplification of labour laws, application of ILO convention to MSME and establishment of tripartite committee to discuss about the issue of the workers.

State Governments

The representatives of various state governments in the committee expressed that there is a need to treat MSME sector differently in terms of its regulation without compromising with basic labour rights and the interest of the workers.

Consensus:

The Committee acknowledged the importance of Micro and Small Enterprises from the point of view of providing employment as well as inclusive growth in the country. It was agreed that the sector needs to be promoted and supported. However, the workers engaged in the sector should also be ensured minimum wages, welfare and social security benefits and safe and healthy working conditions. Any harassment caused to Micro and Small Enterprises in the process of complying with labour laws should be avoided while it should be ensured that the workers are not exploited.

The Recommendations of the Conference Committee are:

- Any suggestions or proposals made for rationalization or simplification of procedures in compliance of labour laws will be examined by the Ministry of Labour & Employment for appropriate action.
- A Tripartite Committee having representatives of all stakeholders including the Employers' Associations, Trade Unions, Central Government and State Governments will be constituted for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises and submit its recommendations regarding any further action required to the Government.

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(Coordination Section)**

Shram Shakti Bhavan, Rafi Marg,
New Delhi the 15th January, 2014

ORDER

Subject:- Constitution of a Tripartite Committee for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises regarding.

In partial modification of this Ministry's Order of even number dated 18.11.2013 on the above subject the terms of reference of the Tripartite Committee mentioned in Para-3 of the Order under reference are modified as under: -

3. Terms of Reference:

To examine all aspects of Labour Laws affecting the working of Micro, Small and Medium Enterprises and submit its recommendations for further action by the Government.

2. This issues with the approval of Hon'ble Minister for Labour & Employment.

Sd/-
(G.A. Raghuvanshi)
Under Secretary to the Government of India
Tele.No.23766936

Distribution:

All Members of the Tripartite Committee (As per List attached)

Copy for information to: PS to JS(AK) / PS to DIR(VK)

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**Shram Shakti Bhavan, Rafi Marg,
New Delhi the 14th February, 2014**

ORDER

Subject:- Constitution of a Tripartite Committee for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises regarding.

In partial modification of this Ministry's Order of even number dated 18.11.2013 on the above subject, the composition of reference of the Tripartite Committee mentioned in Para-5 of the Order under reference is modified as under: -

Composition:

Sl.No.	Name	Designation
01.	Shri A.C.Pandey	Chairman
02.	Shri A.K.Khachi	Co-chairman
03.	Shri Harsh Malviya	Convener

2. This issues with the approval of Hon'ble Minister for Labour & Employment.

**Sd/-
(Radha Krishan)
Under Secretary to the Government of India
Tele.No.23765232**

Distribution:

All Members of the Tripartite Committee (As per List attached)

PPS to Joint Secretary (AP) / PSs Joint Secretary (AK) / DS(HS)

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Government of India/Bharat Sarkar
Ministry of Labour and Employment
Shram aur Rozgar Mantralaya
(Coordination Section)**

**Shram Shakti Bhawan, Rafi Marg,
New Delhi the 28th May, 2014**

ORDER

Subject:- Constitution of a Tripartite Committee for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises regarding.

In partial modification of this Ministry's Order of even number dated 18.11.2013 on the above subject , All India United Trade Union Centre (AIUTUC) {earlier known as UTUC(LS)} 77/2/1, Lenin Sarani, Kolkata-700 013 has been included in the Tripartite Committee as a Member.

2. This issues with the approval of Secretary (L&E).

**Sd/-
(G.A. Raghuvanshi)
Under Secretary to the Govt of India
Tele.No.23766936**

Distribution:

- 1. The General Secretary, All India United Trade Union Centre (AIUTUC), 77/2/1, Lenin Sarani, Kolkata-700 013.**
- 2. All Members of the Tripartite Committee (As per List attached)**

Copy for information to: PS to Joint Secretary(AP) / JS(AK) / PS to DS(HM)

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Government of India/Bharat Sarkar
Ministry of Labour and Employment
Shram aur Rozgar Mantralaya
(Coordination Section)**

**Shram Shakti Bhawan, Rafi Marg,
New Delhi the 6th June, 2014**

ORDER

Subject:- Constitution of a Tripartite Committee for examining all aspects of labour laws affecting the working of the Micro and Small Enterprises regarding.

In partial modification of this Ministry's Order of even number dated 18.11.2013 on the above subject:

- 2. All the Central Trade Unions have been included in the Tripartite Committee as Members.**
- 3. Further, the tenure of the Tripartite Committee is extended for a further period of six months beyond May, 2014 and upto November, 2014.**
- 4. This issues with the approval of Hon'ble Minister for Labour & Employment.**

**Sd/-
(Harsh Malviya)
Deputy Secretary
Tele.No.23731574**

Distribution:

- 1. The General Secretaries of all Central Trade Unions (As per List)**
- 2. All Members of the Tripartite Committee (As per List attached)**

Copy for information to: PS to Joint Secretary (AP) / JS(AK) / PS to DS(HM)

Summary Record of the Tripartite Committee Meeting for examining all aspects of labour laws affecting the working of Micro and Small Enterprises under the Chairpersonship of Shri A.K. Khachi, Joint Secretary, Ministry of Labour & Employment held on 23.12.2013 at 11.00 AM in Main Committee Room, C-Wing, Shram Shakti Bhawan, New Delhi.

List of participants is enclosed at **Annexure-I.**

2. Shri Vinod Kumar, Director, Ministry of Labour & Employment and Convener of the Committee welcomed the participants. He also spoke about the importance of MSME in the Indian economy and the steps taken by the Ministry towards simplification of compliance of labour laws. Thereafter, he called upon the social partners to express their views.

3. Views of Trade Unions:

The representatives of the Trade Unions stated that the meeting for examining the labour laws affecting the workers of the Micro and Small Enterprises had been convened on the request of the employers' organizations and hence they would be able to like to hear them and would express their views once the specific proposals are on the table for discussion. The Unions stated that they are not against the concessions to the Micro and Small Enterprises but the nature of these concessions need to be understood carefully. Today, the Micro and Small Enterprises are impacted by a variety of factors such as high cost of funds, poor infrastructure etc. Labour laws are not responsible for the woes of these enterprises as most Micro and Small Enterprises are outside the ambit of labour laws. In fact, the Unions emphasized the need for stricter enforcement of labour laws such as minimum wages, social security benefits and decent working conditions for the workers. Any measure taken for promoting the Micro and Small Enterprises has to factor in the interest of workers engaged in these

establishments and there cannot be any compromise on the workers' rights. They also suggested that for a meaningful dialogue, detailed agenda notes need to be forwarded to stakeholders at least two weeks in advance and that the trade unions should have the liberty to nominate representatives to attend the tripartite meetings without insisting upon local representatives only.

4. Views of Employers' Organizations:

The representatives of the employers' organizations submitted that there is multiplicity of labour laws in the country and it is difficult for the Micro and Small Entrepreneurs to comply with all of them. Resultantly, this leaves them open to harassment by the enforcement agencies. They also clarified that they are not seeking any exemption from law laws; rather they seek simplification to reduce the compliance burden. They drew attention to the recommendations of the 2nd National Commission on Labour about a single labour law for Micro and Small Enterprises and requested that it should be implemented. They agreed that they would have internal discussions and submit specific agenda notes to the Ministry shortly so that this Committee could fulfill its mandate given by the 45th ILC. They also requested that the constitution of the members of the Committee should be reviewed to make it truly representative, as at present it appears to be loaded in favour of the Government.

5. Chairman's Comments:

The Chairman clarified that the present Tripartite Committee has been constituted as a follow up of the recommendations of the Conference Committee on MSMEs set up on the directions of the 45th Indian Labour Conference (ILC). The agreed mandate for this tripartite committee flows from the recommendations

of the Conference Committee and therefore, the Committee needs to restrict itself to the specific mandate given by the Conference Committee of the 45th ILC as contained in the recommendations. In so far as other suggestions regarding timely intimation of the meeting, permitting representatives as per the decision of the respective trade unions / employers organizations, Chairman clarified that the Ministry would have no objection and would ensure that the next meeting notice does not have any such conditionality. He also emphasized that point that labour is unlike other factors of production like land & capital, and this important distinction must be kept in mind by all. The Chairman also requested the Employers' Organizations to restrict agenda notes / proposals to Micro and Small Enterprises and not the entire manufacturing sector.

6. Consensus:

The consensus therefore, was that the employers' organizations would submit specific proposals for simplification of labour laws which could help to reduce the compliance burden for Micro and Small Enterprises without in any way affecting or jeopardizing the interest of the workers. The agenda notes so received from the employers' organizations would be circulated by the Ministry for consideration of all the members of the Committee at least two weeks before the next meeting of the Committee is convened.

The meeting ended with a vote of thanks to the Chair.

Annexure-I**List of Participants**

Sl.No.	Name & Designation	
01.	Shri Anil Kumar Khachi , Joint Secretary , Ministry of Labour & Employment	Chairperson
02.	Shri Vinod Kumar, Director Ministry of Labour & Employment	Convener
03.	Shri B.K.Sanwariya, Chief Labour Commissioner (Central)	
04.	Dr. Avneesh Singh, Deputy Director, DGFASLI ,Mumbai	
05.	Shri G.A.Raghuvanshi, Under Secretary	
06.	Shri D.P.Singh, Regional Labour Commissioner (Central) Hqrs.	
07.	Shri M.N.Singh, Secretary, UTUC	
08.	Shri Virjesh Upadhyay, Secretary , BMS	
09.	Shri G.L.Dhar, Secretary, AITUC	
10.	Shri A.K.Padmanabhan , President, CITU	
11.	Shri G.P.Srivastava, Chief Adviser, ASSOCHAM	
12.	Shri Sudarashan Sareen, Sr. Vice President, AIMO	
13.	Shri Shitangshee Taye , FICCI	
14.	Shri Vineet Bhardwaj , CII	
15.	Shri Suvendu Mahapatra, CII	
