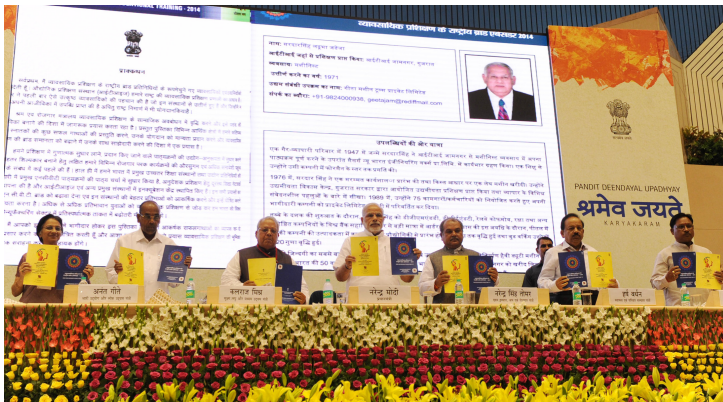


Do labour reforms help the biotech industry?

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Labour reforms by Modi govt : Does it help biotech industry?



The prime minister, Mr Narendra Modi in his speech at the Pandit Deendayal Upadhyay Shramev Jayate program, mentioned, "The "Shramev Jayate" initiatives were an essential element of the "Make in India" vision, as they would pave the way for skill development of youth in a big way, and even create an opportunity for India to meet the global requirement of skilled labour workforce in the years ahead."

The new labour reform policy by the Modi government has brought in much sought changes. The necessity for 16 labor forms has been replaced with one form. An attempt has been made to bring in transparency to the labour inspection scheme. Inspectors can raid any firm, anytime but the report of inspection has to be given within 72 hours. Also, the access to provident fund (PF) accounts and insurance has been made easier. PF number has been made portable and can be shifted with jobs. Also, the minimum pension of one thousand rupees has been guaranteed. All these when implemented can bring confidence to the employees in the private sector.

The biotech industry which has been caught in the web of a challenging regulatory environment may not list it as a major step for its way forward. However, it surely will boost the confidence and provide sense of security to the employees working in the sector. Dr Kiran Mazumdar Shaw, chairman and managing director, Biocon in a tweet comment to BioSpectrum's Rahul Koul remarked, "The biotech industry has regulatory challenges. It is not labour intensive."

As per Dr Hemanth Nandigala, executive director, Virchow Biotech, "From whatever I have understood, there is a talk about operational ease. It is definitely a step in the right direction but I would certainly like to see the fine print. They talk about an ease of use and only on implementation can we evaluate the full potential."

In its statement, Confederation of Indian Industries (CII) appreciated the government's move and said that it believes only a flexible, competitive, and efficient labour law can catalyze investment, growth, and employment.