

2015

Impact of Labour Reforms on Industry in Rajasthan

A survey study



Impact of Labour Reforms on Industry in Rajasthan: A survey study

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Executive Summary

Rajasthan is the largest state of India; over the last five years (FY11-FY14), the State has registered an average GSDP growth of 8%, with a strong services sector which has made it an attractive state for trade and investments.

However, the industry sector presents a dismal picture as it registered a growth rate of 1.1% in FY2015 and its share in state's GSDP is decelerating. The industry sector's share has declined from around 31% in FY2009 to about 28% in FY2015.

Rajasthan is a suitable location for investments in sectors viz. cement, IT and ITeS, ceramics, tourism, automotive and agro-based industries, mainly because of the availability of natural resources and strategic location. Tremendous opportunities exist in the areas of organic and contract farming as well as in infrastructure developments. The state has immense potential for electricity generation through renewable energy sources. Recently, the Government of Rajasthan had announced amendments in labour laws for the ease of doing business and to create more employment opportunities in the industrial sector.

Against this backdrop, PHD Research Bureau of PHD Chamber of Commerce & Industry conducted a survey with an objective to gauge the Ease of Doing Business in Rajasthan with the advent of recent Labour Law Reforms.

According to the survey, surprisingly, about 70% of the businesses were unaware of these reforms. Those, who were aware, were not found to be enthusiastic as 16% said that the reforms do not address the unavailability of skilled labour force. However, the respondents were of the view that the Apprentices Act which addresses the availability of workforce should also be amended which would provide leverage to industries to employ more and more labour. Further, few sectors such as real estate have had no impact of the reforms as they outsource labour force management in their businesses to contractors.

According to the respondents, the law seems fine if implemented in true letter and spirit. However, the impact of reforms is yet to be seen at the ground level. The survey revealed that the reforms in labour legislations are not expected to have widespread impact on various parameters of business activity as there is a massive shortage of trained manpower which is a matter of great concern and industry faces lot of operational problems in doing business.

Overall, the industries expect that the reforms are only expected to bring about only marginal improvement in ease of doing business in the state of Rajasthan, yet the businesses and firms operating in the state have high expectations from the state government.

During the survey, it was found that the MSMEs were worst hit by stringent labour laws as they do not have adequate resources to participate in legal processes as compared with large enterprises. The advent of labour reforms in the state is expected to address this issue. The industries are also significantly impacted by intervention of local politicians which hampers their day to day functioning. The industries in the state are intimidated by the local politicians who find industry as an easy target and derive benefit out of them. The industries are often pressurised to provide employment to the supporters of the respective parties, use vendors associated with the politicians for any outsourced and contractual jobs.

The businesses in the state also face various operational problems such as unavailability of land, power deficit, non-availability of skilled labour force, high wage costs, lack of financial resources,

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high costs of borrowings, poor transportation system, administrative bottlenecks, inadequate water resources and complex taxation system among others which increase the cost of doing business in the state. Going forward, the government of Rajasthan must address these operational problems to facilitate ease of doing business in the state thereby bolstering industrial growth in the coming times.

It is suggested that the Government of Rajasthan should create awareness about the labour reforms undertaken so far. Further, influx of skilled labour and investments are the crux of these reforms, which need to be propelled in the near future.

In a nutshell, the reform measures undertaken by the Rajasthan government are appreciable which would encourage investment inflows in the state. The businesses and firms in the state look forward to more such reforms and greater penetration, thereof; this would benefit the industry and spur economic growth of the state with immense employment opportunities in the coming times.

1. Rajasthan Economy (Brief Overview)

Rajasthan is the largest state of India located in North-Western India. It is primarily an agrarian economy. The state has immense potential for electricity generation through renewable energy sources and wind power. Rajasthan is a suitable location for investments in sectors viz. cement, IT and ITeS, ceramics, tourism, automotive and agro-based industries, mainly because of the availability of natural resources, lucrative policy incentives, strategic location and viable infrastructure. Tremendous opportunities exist in the areas of organic and contract farming as well as in infrastructure developments related to agriculture.

Over the last five years (FY11-FY14), the State has registered an average growth of 8%, with a strong services sector which has made it an attractive state for trade and investments. The real GSDP of the state has increased significantly from about Rs.186245 crores in FY10 to about Rs.257432 crores in FY2014. The agriculture sector's share in Rajasthan's GSDP is about 28%, the industrial sector's share is about 28% while services sector's share in the state's GSDP has been recorded at 44%¹.

However, the industry sector presents a dismal picture as it registered a growth rate of 1.1% in FY2015 and its share in state's GSDP is decelerating. The industry sector's share has declined from around 31% in FY2009 to about 28% in FY2015 (Exhibit 1.1). The declining industry sector's share coupled with slow growth rate is worrisome despite state's promising economic growth outlook.

Exhibit 1.1: Gross State Domestic Product and its Composition

Components	FY2009	FY2012	FY2014
GSDP at current prices (Rs. crore)	230949	414179	517615
NSDP at current prices(Rs. crore)	203939	374089	465504
Economic Growth % (GSDP at constant prices)	9%	8%	5%
Sectoral Share in GSDP at current prices (%)			
Agriculture	24%	29%	28%
Industry	31%	29%	28%
Services	45%	42%	44%

Source: PHD Research Bureau, compiled from CSO

¹ Central Statistics Office, Ministry of Statistics and Programme Implementation

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Nonetheless, the state has every potential to become an industrial hub in the coming times with its inherent natural resources, rich structure and favourable policy environment in the coming times.

2. Recent Reforms in Labour Laws

Recently, the state government had announced reform measures such as, amendments to Industrial Disputes Act (1947), Factories Act (1948), and The contract Labour (Regulation and Abolition) Act (1970), with the objective of enabling greater investments inflows and creation of employment opportunities in the coming times². The significant amendments made in each of the Acts are:

Acts	Amendments
The Industrial Disputes Act (1947)	• Empowering employers to retrench up to 300 employees without permission of the government (current limit is 100) • A worker should raise an objection within three years (no limit at present) • Trade union can be formed only if it gets 30% of the total workers as members (15% currently)
The Factories Act (1948)	• Increase the threshold limit of employment for factories operating without power from 20 to 40 and from 10 to 20 for factories operating with power. • Complaints against the employer about violation of this Act would not receive cognizance by a court without prior written permission from the state government.
The Contract Labour (Regulation and Abolition) Act (1970)	• Applicable only to companies that employ more than 50 workers, against the current 20.
Apprentices Act (1961) [In Process]	• Get skilled workers and generate more opportunities for the state's youth. • Fix the number of apprentice-training related seats in industry and establishments. • The stipend for apprentices will be no less than the minimum wage.

Source: PHD Research Bureau, compiled from Department of Labour, Government of Rajasthan

3. Impact of Labour Laws Reform on Industry: A survey

PHD Chamber conducted a survey with an objective to gauge the **Ease of Doing Business in Rajasthan with the advent of recent Labour Reforms** in the state of Rajasthan. The respondents included 61 firms from MSMEs and Large enterprises, operating in the state of Rajasthan. To conduct the survey, six districts of Rajasthan were taken into account, namely: Jaipur, Udaipur, Bhiwadi, Alwar, Ajmer and Jodhpur.

The industries surveyed³ were broadly from sectors namely Agro and food processing, Automobiles and auto components, Chemicals and chemical products, Drugs and pharmaceuticals, Electricals and electronics, Engineering products, FMCG, Gems and jewellery, Leather and leather products, Machinery and equipment, Minerals, Oil and gas, Steel and Textiles sectors.

² Labour laws appear in the Concurrent List of the Constitution of India, giving both the federal government and the state government legislative power

³ Some of these industries had industrial units in more than 1 district of Rajasthan

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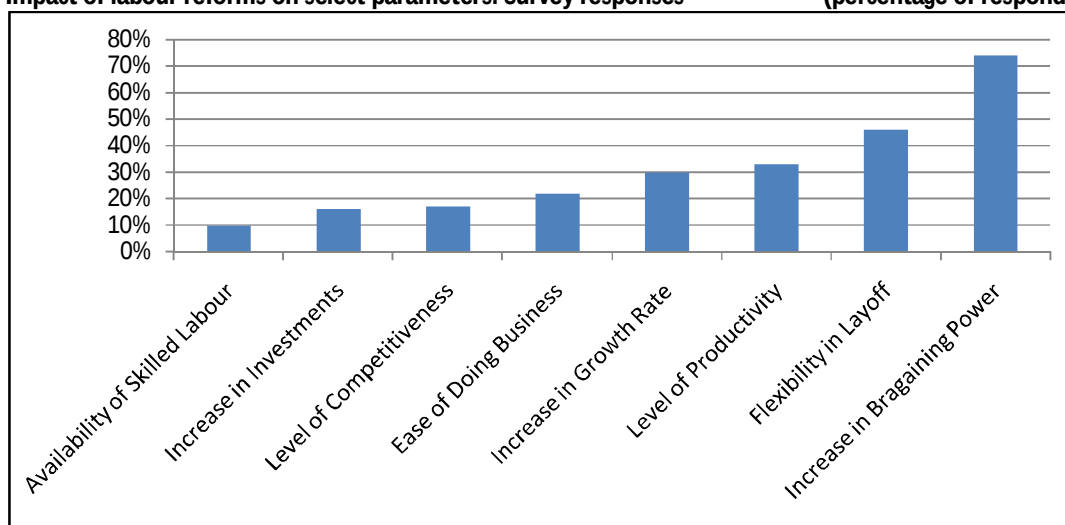
Surprisingly, around 70% respondents were not aware of the reforms undertaken in the economy of Rajasthan. Those, who were aware, were not found to be enthusiastic as 16% said that the reforms do not address the non-availability of skilled labour force, which is a major issue for industrial units in Rajasthan. The respondents were of the view that the Apprentices Act which addresses the availability of workforce should also be amended which would provide leverage to industries to employ more and more labour. About 14% of the respondents believed that these reforms will only help in retrenching the workforce. According to the respondents, the law seemed fine if implemented in true letter and spirit. However, it is too early for them to comment as the impact of the labour reforms is not seen at the ground level. The survey revealed that Automobile and Drugs & Pharmaceutical industries are not enthusiastic since there is a shortage of skilled labour force in the market. Further, flourishing industries, such as the real-estate, were not affected by the advent of these reforms, as many of these firms' labour force management is largely outsourced to contractors.

Nonetheless, the industries are optimistic that the launch of initiatives such as Make in India and pro-industry reforms pose a bright future for businesses in India and Industries operating in the state have high expectations from the government of Rajasthan in the coming times.

The survey revealed that the only 30% of the respondents believed that the labour reforms would lead to growth of their businesses while 16% of the respondents believed that the reforms would lead to increase in investments. On the other hand, only 22% of the respondents said that the reforms will facilitate ease of doing business.

Further, only 17% of the respondents said that the reforms in labour laws in the state shall lead to increased competitiveness of their businesses. 33% of the respondents believe that the labour reforms will lead to increase in productivity. 46% of them said that the reforms will lead to flexibility in layoffs while 74% of the respondents said that the reforms shall facilitate increased bargaining power. However, only 10% of the respondents said that the reforms shall facilitate availability of skilled work force in the state of Rajasthan.

Impact of labour reforms on select parameters: Survey responses (percentage of respondents)



Source: PHD Research Bureau, Report on impact of labour reforms in Rajasthan, May 2015

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During the survey, the respondents were asked about the impact of reforms in labour legislations in the state on certain parameters such as growth of businesses, increase in investments, ease of doing business, increase in productivity, among others. The respondents also ranked the impact of reforms on these parameters⁴.

The rankings given to labour reforms on each of the parameters are - Rank 5 (lowest) was given to Level of Awareness as a large number of industries do not have the knowledge or the know-how of the amendments. The businesses responded that the reforms may not lead to increase in investments as the reforms have not gained momentum and attracted investors in the state and hence given a low ranking. Further, they ranked the reforms in terms of facilitating Ease of Doing Business lowest as there is a lack of resources, and lastly, availability of skilled labour would also not be promoted because there is a massive shortage of trained manpower in Rajasthan.

Rank 4 was given to levels of competitiveness and productivity, as the respondents believe that the labour laws shall not contribute to any of these parameters and these variables shall progress through companies' own operational strategies. Rank 3 was given to increment in growth rate as Labour reforms may not impact growth rate much. Rank 2 was given to flexibility in layoff since reforms have made retrenchment and hiring of labourers easier, with reduced legal hassles. Rank 1 was given to increase in bargaining power as amendments have been made in the membership of trade unions among others.

Overall, these rankings suggest that industries are not satisfied with the labour reforms as the reforms are only expected to bring about only marginal improvement in ease of doing business in the state of Rajasthan.

Rankings to labour reforms on select parameters

Parameters	Rank	Remark
Increased bargaining power	1	The amendments in labor legislations have empowered the businesses
Flexibility in layoff	2	Permissible retrenchment number has been increased
Increase in Growth rate of the company	3	Labour reforms may not impact growth rate much. Rather company's own operational strategy is expected to increase the growth rate of the firm
Level of Competitiveness	4	Make in India will give an impetus
Level of Performance/ Productivity	4	Company's own operational strategy
Increase in Investments	5	Ground level implementation of reforms is awaited due to which there may not be increase in investments
Level of Awareness	5	Lack of awareness about reforms across industries
Ease of doing Business	5	Lack of financial resources
Availability of skilled labour	5	Mentioned In Apprentices Act, yet to be executed
Compliance and legal feasibility	5	No reduction in clearances and compliances and hence will not facilitate in ease of doing business

Source: PHD Research Bureau, Report on impact of labour reforms in Rajasthan, May 2015

Note: Rank 5 indicate lowest rank while rank 1 indicates highest rank which is most favourable

⁴ The respondents were asked to rank the labour reforms on select parameters to know whether the businesses will be facilitated with the advent of the reforms

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Further, most of the MSMEs were not aware of the labour reforms undertaken by the government of Rajasthan. However, few of the respondents (<10%) opined that these reforms are good for their business, since they were worst hit by stringent labour laws as they do not have adequate resources to participate in legal processes as compared with large enterprises. But, almost all the respondents unanimously felt that the biggest problem now is availability of skilled labour force.

4. Operational Problems faced by industries in Rajasthan

Apart from the impact of labour reforms on industries, the businesses were also asked about major operational problems faced by them while doing business in the state of Rajasthan. The top ten major obstacles hampering growth of industries in the state, as cited by the respondents, are-

1. Administrative bottlenecks/ local politics
2. Unavailability of land/ problematic land acquisition
3. Unavailability of power/ power deficit
4. Unavailability of skilled labour force
5. High wage costs
6. Unavailability of financial resources
7. High costs of borrowing
8. Poor transportation system
9. Inadequate water resources
10. Complex taxation system

According to the survey, the Industry faces administrative bottlenecks at various stages of operation in the state. The industries in the state are intimidated by the local politicians who find industry as an easy target and derive benefit out of them. The industries are often pressurised to provide employment to the supporters of the respective parties, use vendors associated with the politicians for any outsourced and contractual jobs. Further industries are also tormented by the local politicians on frivolous complains to extract benefit in cash or kind.

Industries are subject to the extortion of enforcement officials such as factory inspector, labour inspectors and environment and pollution officials. The enforcement agencies refer to the antediluvian laws of the land at their convenience which often lead to harassment.

It was reported that in certain cases, local politicians act as local mafias and derive undue advantage and benefits from industries. Any outsourced or contractual work if not awarded to their firms results into disruption of work. The firms which are associated to local politicians also do not act professionally and are often commercially unviable which is against the interest of the businesses and industry.

Even after the abolishment of License Raj, the industry in the state still faces the problem of Inspector Raj. Excessive power in the hands of enforcement agencies is one of the major impediments in the ease of doing business in the state.

The survey revealed that the industries in Rajasthan are impacted by unavailability of land. Though the state government recently made amendments in the land acquisition act, lots need to be done

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at the ground level. The industries in the state also face power deficit coupled with high costs of power as compared to other states which makes the industries uncompetitive. The respondents said that power tariffs for industry are higher than the power tariffs for domestic use. It may be mentioned that internationally, the wholesale rates are lower than the retail rate and hence the power tariffs should be addressed by the state government.

Further, non-availability of skilled labour force is a major issue for industrial units in Rajasthan. High wage costs also pose threat to the industrial growth in the state. There is a lack of financial resources along with high cost of borrowings especially for the MSMEs which significantly impact the ease of doing business in the state. Also poor transportation system in the state is a major deterrent to industrial growth.

The state also faces severe problem of inadequate water resources which is also one of the major problems faced by the industry sector in Rajasthan. Complex taxation system discourages businesses to invest in the state which should be addressed by the state government.

Going forward, the government of Rajasthan must address these operational problems to facilitate ease of doing business in the state thereby accelerating industrial growth in the coming times.

5. Conclusions and Suggestions

Rajasthan is the largest state of India; over the last five years (FY11-FY14), the State has registered an average GSDP growth of 8%, with a strong services sector which has made it an attractive state for trade and investments.

Rajasthan is a suitable location for investments in sectors viz. cement, IT and ITeS, ceramics, tourism, automotive and agro-based industries, mainly because of the availability of natural resources and strategic location. Tremendous opportunities exist in the areas of organic and contract farming as well as in infrastructure developments. The state has immense potential for electricity generation through renewable energy sources.

However, the industry sector presents a dismal picture as it registered a growth rate of 1.1% in FY2015 and its share in state's GSDP is decelerating. The industry sector's share has declined from around 31% in FY2009 to about 28% in FY2015.

Recently, the state government had announced reform measures such as, amendments to Industrial Disputes Act (1947), Factories Act (1948), and The contract Labour (Regulation and Abolition) Act (1970), with the objective of enabling greater investments inflows and creation of employment opportunities in the coming times. PHD Chamber conducted a survey with an objective to gauge the Ease of Doing Business in Rajasthan with the advent of recent Labour Law Reforms.

Surprisingly, around 70% respondents were not aware of the reforms undertaken in the economy of Rajasthan. Those, who were aware, were not found to be enthusiastic as 16% said that the reforms do not address the non-availability of skilled labour force, which is a major issue for industrial units in Rajasthan. However, the respondents were of the view that the Apprentices Act which addresses the availability of workforce should also be amended which would provide

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leverage to industries to employ more and more labour. About 14% respondents believed that these reforms will only help in retrenching the workforce.

According to the respondents, the law seems fine if implemented in true letter and spirit. However, the impact is yet to be seen at the ground level. Further, flourishing industries, such as the real-estate, were not affected by the advent of these reforms, as many of these firms' labour force management is largely outsourced to contractors.

The respondents also ranked the impact of reforms on various parameters affecting the growth and productivity of the organization. Overall, the rankings suggest that industries are not satisfied with the labour reforms as the reforms are only expected to bring about only marginal improvement in ease of doing business in the state of Rajasthan. The businesses are unaware of the reforms undertaken by the state government and there is a massive shortage of trained manpower which is a serious crisis faced by the businesses in the state at this juncture.

Although the impact of reforms are yet to be seen on the ground level, the industries are optimistic that the launch of various initiatives by the state governments and pro-industry reforms pose a bright future for businesses in the state. Thus, the businesses and firms operating in the state have high expectations from the state government.

Also, MSMEs are hopeful about the reforms since it will help them in mitigating huge legal costs. During the survey, it was found that the MSMEs were worst hit by stringent labour laws as they as they do not have adequate resources to participate in legal processes as compared with large enterprises. The advent of labour reforms in the state is expected to address this issue. The state government at this juncture, must create awareness about these reforms which would be beneficial for the growth and promotion of MSMEs in Rajasthan.

The businesses in the state also face various operational problems such as administrative bottlenecks, unavailability of land, power deficit, non-availability of skilled labour force, high wage costs, lack of financial resources, high costs of borrowings, poor transportation system, inadequate water resources and complex taxation system among others which increase the cost of doing business in the state. The biggest problem out of these, which the industries face, is the disturbances by local politicians which are rampant in the state.

According to the survey, the industries in the state are intimidated by the local politicians who find industry as an easy target and derive benefit out of them. The industries are often pressurised to provide employment to the supporters of the respective parties, use vendors associated with the politicians for any outsourced and contractual jobs. Further industries are also tormented by the local politicians on frivolous complains to extract benefit in cash or kind.

The enforcement agencies refer to the antediluvian laws of the land at their convenience which often lead to harassment. Even after the abolishment of License Raj, the industry in the state still faces the problem of Inspector Raj. Excessive power in the hands of enforcement agencies is one of the major impediments in the ease of doing business in the state.

Going forward, the government of Rajasthan must address these operational problems to facilitate ease of doing business in the state thereby creating more employment opportunities in the industrial sector in the coming times.

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It is suggested that the Government of Rajasthan should create awareness about the labour reforms undertaken. Further, to address the shortage of labour in the industry, appropriate skill development measures should be adopted which will increase the employability of the youth and boost employment opportunities in the state. Minimum skills required by the industry must be assessed and upgradation of required skillsets should be done accordingly. Influx of skilled labour and investments are the crux of these reforms, which need to be propelled in the near future.

In a nutshell, the reform measures undertaken by the Rajasthan government are highly appreciable. These reforms are aimed at facilitating the ease of doing business which will encourage investment inflows in the state. However, the unavailability of skilled workforce is a major deterrent to the growth of MSMEs and large enterprises which should be addressed at the earliest. Going ahead, the businesses and firms in the state look forward to more such reforms and greater penetration, thereof; this would benefit the industry and spur economic growth of the state with immense employment opportunities in the coming times.

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Questionnaire

Details of the Respondent

Name		
Designation		
Name of the organisation		
Sector(s) of operation		
Region of operation		
Address		
Tel		
Email		
Website		

Kindly tick (✓) or highlight the relevant option(s)

1. Are you a

i.	Micro Enterprise ⁵	
ii.	Small Enterprise ⁶	
iii.	Medium Enterprise ⁷	
iv.	Large Enterprise ⁸	

2. Are you a (you may tick more than one option)

i.	Manufacturer	
ii.	Manufacturer cum Trader	
iii.	Manufacturer Exporter	
iv.	Manufacturer cum Merchant Exporter	

3. To which sector(s) your organization belongs to?

i.	Agro and food processing	
ii.	Automobiles and auto components	
iii.	Chemicals and chemical products	
iv.	Drugs and pharmaceuticals	
v.	Electricals and electronics	
vi.	Engineering products	
vii.	FMCG	
viii.	Gems and jewellery	
ix.	Leather and leather products	
x.	Machinery and equipment	
xi.	Minerals	
xii.	Oil and gas	
xiii.	Steel	
xiv.	Textiles	
xv.	Others (please specify) Healthcare – Hard Empty Gelatin Capsule	

4. Your sales growth in the recent years has: Increased ☐ Decreased ☐ Constant ☐

⁵ a micro enterprise, where investment in plant and machinery does not exceed 25 lakh rupee

⁶ a small enterprise, where investment in plant and machinery is more than 25 lakh rupees but does not exceed 5 crore rupees

⁷ a medium enterprise, where investment in plant and machinery is more than 5 crore rupees but does not exceed 10 crore rupees

⁸ a large enterprise, where investment in plant and machinery is more than 10 crore rupees

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If increased, what are the major reasons? (You may tick more than one)

i.	Rising domestic demand	
ii.	Conducive policy environment	
iii.	Increasing overall size of the economy	
iv.	Technological advancement	
v.	Incentives by government	
vi.	Own operational strategy	
vii.	Any other, please specify	

If decreased what are the major reasons? (You may tick more than one)

i.	Increasing competition from local competitors	
ii.	Increasing competition from foreign competitors	
iii.	Recent financial crisis and decreased external demand	
iv.	Currency fluctuation	
v.	Lack of quality in products	
vi.	Lack of technological advancement	
vii.	Lack of innovative products	
viii.	Rising prices of the product	
ix.	Administrative burden	
x.	Any other, please specify	

5. Have Rajasthan's labour laws been beneficial for your company? If yes, then how? If not, then why?

6. Have the reforms facilitated in making your business flexible?

7. Are you satisfied with the reforms or would you like to give proposals for more changes? Do you see any loopholes in the amended laws?

8. How do you think these reforms will impact export competitiveness of India apropos world market?

9. What is the strength of employees and contractual workers in your organization?

10. What is the percentage of female employees in your organization? Do you believe these reforms will boost the recruitment of female employees?

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11. What has been the general trend of labour deployment in your company?

12. Are there any conflict of interests between the labourers and the management?

13. According to you, what are the major obstacles hampering manufacturing growth in India at present? (You may tick more than one) Also, kindly rate the obstacles according to severity. Rank at 20 point scale, where 1 is the least severe and 20 the most severe.

S.No.	Obstacles	Tick	Rank
i.	Government regulations		
ii.	Administrative bottlenecks		
iii.	Infrastructure bottlenecks		
iv.	Access to land		
v.	Water and power shortage		
vi.	Access to raw material		
vii.	Political risks		
viii.	High capital cost		
ix.	Increasing borrowing cost		
x.	Tax rates		
xi.	Rising labour cost		
xii.	Currency volatility		
xiii.	High inflation		
xiv.	Corruption		
xv.	Lack of capital and financial resources		
xvi.	Unskilled/untrained workforce		
xvii.	Labour regulations		
xviii.	Customs and trade regulations		
xix.	Inadequate research and development activity		
xx.	Others (Please specify)		

14. Do you think that Labour law reforms by the government will clear some of these obstacles? If yes, then to what extent?

15. Do you face any infrastructure constraints in your business?

Yes ☐ No ☐

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If yes, what are the policy initiatives in Infrastructure you would suggest that should be undertaken by government to give boost to manufacturing activity in our country?

16. Do you see any improvement in infrastructure development in next 3 years?

17. Do you expect an increase in investment in R&D by your company in next 3 years after labour law reforms?

Yes ☐ No ☐ Can't say ☐

18. Do you think that these sources of finance are adequate? (You can tick more than one option)

i.	Accumulated profits	
ii.	Bank Loans	
iii.	Friends and Family	
iv.	Advance from Supplier	
v.	SME Bank	
vi.	Local financiers	
vii.	Hundies	
viii.	Any other, please specify	

If no, then possible actions can be taken by government under Labour reforms to improve sources of finance in the country and for better access to finance?

19. Mention any government regulations you find that cause delay. What provisions you think should be incorporated to simplify these legal procedures?

20. Are you satisfied with the availability of supportive services in your State? Kindly rate at 5 point scale, where 5 implies the highest and 1 implies the lowest level of satisfaction.

	Services/Rank	1	2	3	4	5
i.	Power backup					
ii.	Water availability					
iii.	Connectivity and quality of roads					
iv.	Airport connectivity					
v.	Railway connectivity					
vi.	Access to Finance					
viii.	Tax Procedures					
ix.	Administrative procedures					
X	Research and development					
Xi	Skill development programmes					
Xii	Any other, please specify					

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21. Do you think that with the reforms in Labour Laws, the availability of various supportive services will improve?

22. Do you think that Labour Law reforms will improve global manufacturing competitiveness of our country?

23. What is the status of industrial relations in your State? Have industrial relations impacted your business? If yes, then how? Do you believe industrial relations will improve in India in near future after labour law reforms?

24. What is the present situation of manufacturing exports in India and according to you how can they be propelled further?

25. Has the current global economic slowdown negatively impacted your manufacturing exports?

Yes ☐ No ☐

If yes, please specify how? Do you think that reform of labour laws will make some difference to it?

26. Does the current policy environment impact your business?

Yes ☐ No ☐

If yes, please specify how?

27. How is performance of Indian manufacturing as compared to manufacturing activities in other countries? Do you think that this performance is likely to improve in coming times with the reforms in labour laws?

28. Do you think systematic reforms in the labour laws will integrate our Indian economy with the world economy by attracting foreign investment and investors?

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29. over the next five years, what will be the biggest challenge to the Indian manufacturing sector?

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30. Any other suggestions & recommendations you would like to give that should be incorporated under land reforms to boost the manufacturing sector?

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31. How would you define the future trajectory of your business?

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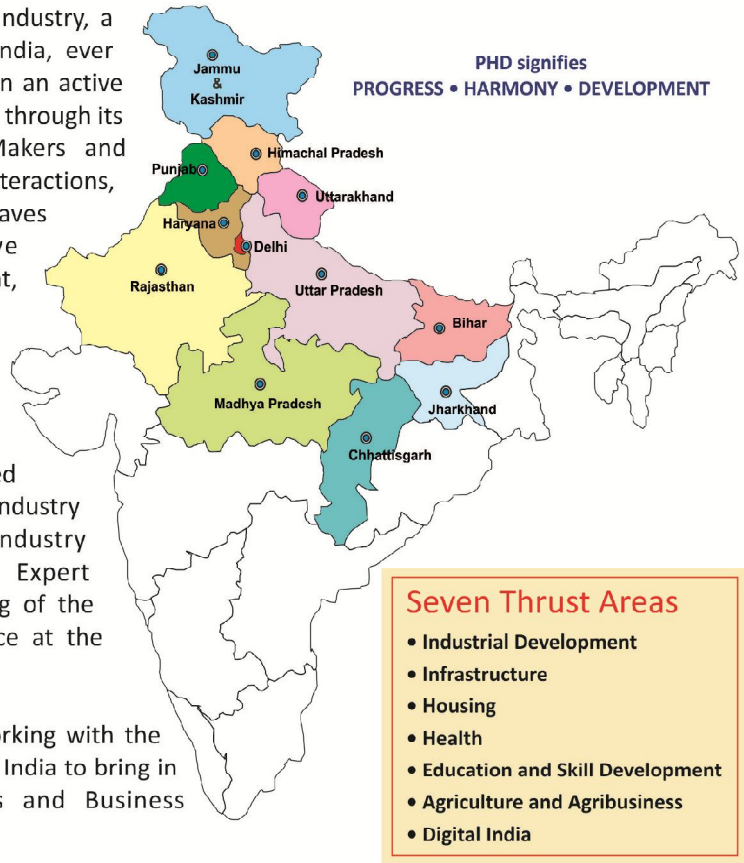
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