

GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 998**  
ANSWERED ON 12.12.2023

**Mass layoffs in private sector**

998 Prof. Manoj Kumar Jha:

Will the Minister of Corporate Affairs be pleased to state:

- (a) whether Government is aware of the prevalence of mass layoffs within private companies occurring without prior notice or adequate provisions for employee security benefits;
- (b) if so, number of layoffs categorized by sectors since the beginning of 2019, including a breakdown by industry (e.g., technology, manufacturing, services);
- (c) the primary reasons cited by these companies for implementing mass layoffs and the measures, if any, taken to address this issue;
- (d) whether Government has considered implementation of regulations or guidelines to safeguard employees' rights during such mass layoffs in the private sector; and
- (e) if so, the details of such measures or regulations proposed?

**ANSWER**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

(RAO INDERJIT SINGH)

(a) to (e) : As informed by the Ministry of Labour and Employment, the matters relating to layoff of industrial establishments are governed by the provisions of Industrial Disputes Act, 1947 (ID Act). The establishments employing 100 persons or more are required to seek prior permission of the appropriate Government before effective closure or retrenchment or lay-off. ID Act also provides for right of workmen laid-off and retrenched for compensation and contains the provision for re-employment of retrenched workmen.

(i) “Labour” as a subject falls in the Concurrent List. Based on their respective jurisdiction as demarcated in the Industrial Disputes Act, Central and State Governments take actions to address the issues of the workmen and protect their interest. In the establishments that lie in the jurisdiction of Central Government, the Central Industrial Relations Machinery (CIRM) is entrusted with the tasks of maintaining good industrial relations and protecting the interest of workers including matters relating to layoff and its prevention.

(ii) Similarly, different State Governments and UTs are entrusted with the task under the ID Act and maintain their own information.

So far as establishments under the Central Sphere are concerned, as per information received from the office of the Chief Labour Commissioner (Central) under Ministry of Labour and Employment. In 2022-23, 4,810 workmen were laid-off in M/s. Singareni Collieries Company Ltd., due to a fire incident. The laid-off workmen were paid a compensation of Rs. 44,69,210.49 (Rupees Forty Four Lakh Sixty Nine Thousand Two Hundred and Ten and Forty Nine Paise). Further, all the laid-off workmen were retained and engaged on their regular and normal duties with effect from 06.03.2023 by M/s. Singareni Collieries Co. Ltd.

\*\*\*\*\*