

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 581
TO BE ANSWERED ON 23.07.2026**

MASS LAYOFFS BY CORPORATE COMPANIES

581. SMT. JEBI MATHER HISHAM:

Will the Minister of Labour and Employment be pleased to state:

- (a) whether Government is aware of reported termination of around 800 employees by CorroHealth, a U.S based technology company, from its establishments in Kochi and Kozhikode, Kerala, in July 2026;**
- (b) whether Government has examined whether the provisions of the Labour Codes are being misused to circumvent workers' rights;**
- (c) whether the enhancement of the retrenchment threshold under the new Labour Codes has reduced prior Government scrutiny of large-scale layoffs; and**
- (d) the safeguards in place to protect employees affected by such mass retrenchments?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a) to (d): “Labour” as a subject falls in the Concurrent List. Based on their respective jurisdiction as demarcated in the Industrial Relations Code, 2020, Central and State Governments take actions to address the issues of the workers and protect their interests. In the establishments that lie in the jurisdiction of Central Government, the Central Industrial Relations Machinery (CIRM) is entrusted with the task of maintaining good industrial relations and protecting the interest of workers including in matters relating to termination, retrenchment or lay-off and its prevention.

State Government of Kerala has informed that they are aware of the retrenchment of employees by Coro Health Pvt. Ltd. from its establishments in Kochi and Kozhikode. The matter was brought to the notice of the Labour Department. The Government of Kerala convened discussions with the management and other stakeholders on 06.07.2026 and 10.07.2026. During the meeting, held on 10.07.2026, the management was advised to consider reinstatement of the retrenched employees and to maintain status quo.

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The Industrial Relations Code, 2020 contains various provisions to safeguard workers' rights and job security, including statutory safeguards in the form of mandatory notice period, retrenchment compensation and provision for retrenched workers to be given preference in re-employment are applicable for all retrenched workers. The Code also introduces Workers Re-skilling fund for training of retrenched workers for the first time with a view to providing financial support to retrenched workers to utilize that amount for his re-skilling. The Negotiating Unions/Negotiating Councils have been brought under the statutory provisions to strengthen collective bargaining.

Further, the industrial establishments having 300 or more workers are required to seek prior permission of the appropriate government for lay-off, retrenchment and closure.