

Workers connect...

Do we need a new law to protect Zohra Bibi?

The recent Zohra Bibi incident in Noida on 12 July led to the unfolding of a series of events, exposing the fault lines of class that characterise urban India. This was an incident that yet again exposed the power of the middle and upper middle class over the working class and how this defines public opinion.

The 2015 Draft National Policy for Domestic Workers places the number of domestic workers in the country at 30 million. With two thirds of the workers in urban areas, Tier I and Tier II cities have the highest demand for domestic workers.

India's largest cities in the past several decades have expanded exponentially, in many cases have merged with satellite cities, like Noida and Gurgaon around Delhi, with multi-storied apartments in gated colonies to accommodate the influx of the growing middle class and industrial working class in these cities. On the other hand, a large section of the rural landless are migrating in search of work in these growing cities and constituting a reserve army that creates conditions for low wage and poor working conditions.

Domestic work: Workplace control by Employers

We all know it is difficult to unionise domestic workers and much has been written on why.

Workplaces of domestic workers can be classified into three broad categories in order to understand strategic unionising:

- **Live-in** workers in standalone residences or in flats in gated apartments/ apartment blocks
- **Live-out** workers in standalone residences/ flats **in un-gated areas**
- **Live-out** workers in flats **in gated** apartments/ apartment blocks

Live-in workers in Tier-I and II cities, are mostly workers brought in or trafficked from the poorer states of Jharkhand, West Bengal, and states in the North east through organised networks of agents. They are bound to their agents through complex relations of debt and family complicity and are placed by these agents across a city and hence are difficult to access for organising.

Live-out workers in un-gated areas live near these areas or in cases where cities have been 'cleaned' of slums, they are forced to come to these areas from the resettlement colonies where they live. Their workplaces are disconnected and scattered with each contract of work being negotiated individually with no interface with any collective body of residents. Even monitoring of work and worker is done individually by the employers. Here access to workers may be easier but effort required to organise would be higher and negotiations would have to be with individual employers.

However, with a growing number of workers being employed in gated apartments/apartment blocks in the large cities, it may be seen as a strategic point of entry for unionising **live-out workers in these gated apartments**.

The gated apartments, as we saw in the infamous Mahagun Moderne apartment in Noida where Zohra Bibi was accused of theft, confined and then the issue was communalised when her family and neighbours gate crashed to find her and finally their slum razed to the ground, have the following characteristics:

- Administered by powerful Resident Welfare Associations (RWAs)
- RWAs are empowered to hire security services to ensure security of residents; entry and exit from gates are monitored by security personnel; security guards frisk all workers and check their belongings at entry and exit; CCTVs are installed to ensure security of residents
- RWAs issue identity cards to domestic workers who are allowed to work in the apartment/ apartment complex after police verification
- Many RWAs also fix rates of wage of domestic workers working in the apartment complex
- Many RWAs allocate separate toilets and drinking water facilities for domestic workers within the apartment
- RWAs act as dispute resolution bodies in case of dispute between residents and between residents and non-residents.

Thus the RWAs are representatives of residents

and hence in the case of domestic workers, representatives of employers within a defined geographical boundary with power to appoint and dismiss, fix wages and working conditions, control and monitor. If employers' interest can be protected and represented through the RWAs, the gated apartment complex represented by the RWA should be treated as an integrated employer that provides employment to the several domestic workers. This would ensure employer accountability and responsibility. It therefore should be the responsibility of RWAs to ensure basic rights of domestic workers within their premises to:

- **Minimum wages:** Many states have already notified hourly minimum wage for domestic workers.
- **Equal wages for equal work**
- **Payment of wages by 7th of every month**
- **Weekly off**
- **Medical leave and Annual leave**
- **Bonus**
- **Protection under the Sexual Harassment of Women at Workplace Act:** RWAs should set up an Internal Complaints Committee within the apartment complex.

If the RWA employs 20 or more workers, not just domestic workers, the workers should also be covered under:

- **Employees State Insurance including paid Maternity leave:** The government has already proposed that domestic workers will soon be included in ESI scheme with employers contributing Rs. 200 as a pilot scheme in Delhi and Hyderabad. (This proposal though is in violation of the ESI Act, where employers' contribution must be linked to wage and not some absolute amount.)
- **Provident Fund:** There is also a proposal to extend PF to unorganised sector workers.

The possible reactions to such a proposition would be:

	Reactions of Employers	Possible response
1	Each domestic worker is employed individually by the household that hires her	That may be true but the RWA conducts security checks on her, issues identity cards to her, monitors her entry and exit, fixes her wage in some cases and ensures her dismissal from the apartment in case of gross misconduct.

2	RWAs do not have the mandate to hire any worker. They do not have employer-employee relation with anybody.	RWAs hire agencies in most apartments that provide workers, such as cleaning workers, maintenance workers, security workers, including estate managers.
3	RWA cannot take responsibility for workplace conditions.	Since many employers deny access to toilets and drinking water to the workers working within the apartment complex, the RWAs allocate toilets and drinking water facilities for service providers.
4	RWAs do not have the right to dismiss workers.	If a worker commits a grave act of misconduct, the individual employer fires her, but in case of serious misconduct, the employer also ensures that she is not given access to the apartment complex. Thus RWAs exercise power to deny access to employment to serve their interest.
5	RWAs do not monitor the domestic workers	CCTVs are installed and checked by representatives of the RWA. Security personnel hired by RWAs frisk domestic workers. Text, Whatsapp messages are used to monitor movement of domestic workers within an apartment.
6	PF, ESI apply to factories, shops and not to residential apartments	True in the strict sense of the law but the law can also be opened for interpretation on establishing existing clear employer-employee relation.

Looking beyond and Stretching the existing laws

In April 2013, Brazil passed a constitutional amendment that placed domestic workers among the other categories of workers mentioned in article 7 of chapter II of the Brazilian Constitution, which provides for social rights. Only in 2015, after enactment of the Enabling Law of 1 June, was it possible to state that the occupational activities of domestic workers were fully defined and regulated.

Constitution of South Africa too guarantees rights of domestic workers as universal rights.

Rights	Brazil	S Africa
Compensation in the event of dismissal without just cause	✓	✓
Unemployment insurance	✓	
Time of Service Guarantee Fund (FGTS)	✓	
Wages not less than the minimum	✓	✓
Bonus for night work	20%	
Wage protection	✓	
Family-Wage	✓	
8 hour workday and 44 hours a week	✓	- 45 hours per week - 9 hours for a 5 day work week - 8 hours for a 6 day work week
Overtime	At least 1.5 times	1.5 times
Work in a place where standards of hygiene, health and safety are met	✓	
Right to collective bargaining	✓	
Insurance against work-related accidents	✓	
Equal remuneration	✓	
Night work		At least 10% of the ordinary daily wage
Annual Leave		3 weeks leave per year
Sick leave		1 day for every 26 days worked
Maternity leave		4 months
Prohibition of wage discrimination against workers with disabilities	✓	
Prohibition of employment of minors of less than 16 years	At night, dangerous, or unhealthy work	Less than 15 years

Why is this important for India?

India has not ratified the Domestic Workers Convention (C189) which among its other

provisions requires ratifying countries to ensure minimum wage protection for domestic workers, regulations for occupational health and safety and social security of workers.

India has only managed to put together a National Domestic Workers Policy that is only a guiding document for states and not legally binding.

All organisations/ unions of domestic workers and working with them have been demanding a robust legislation specific to the domestic workers that encapsulates the specificity of the employment.

The concern for the specificity of the employment and the belief that it requires a special law comes from the underlying principle of protecting the right of employers to privacy. It is time to think of laws for workers that protect the interest of the workers and not their employers. This was never a problem in any other employment and in the demand for laws in these areas of work as there was no underlying need to protect employer interest in the mind of those demanding the law. With all policy makers, those advocating for the law, almost without exception, being employers of domestic workers, there is always a conflict of interest that has been the greatest barrier to the regulation of this sector.

There is no reason why the domestic workers cannot be brought under the ambit of all labour laws, like in Brazil, that relate to them.

There is no reason for unions to wait for a new law to regulate employment conditions of domestic workers.

There is no reason for unions to wait to negotiate with employers for better wages and workplace protection.

Policy News

Constitution 123rd Amendment Bill passed with amendment in Rajya Sabha:

31 July 2017: The Rajya Sabha passed the Constitution (123rd Amendment) Bill, 2017, providing for setting up of a National Commission for Backward Classes, after dropping Clause 3, regarding the constitution and powers of the National Commission for Backward Classes. The amended bill will now have to be returned to the Lok Sabha for its fresh approval.

Union Cabinet clears Wage Code bill:

26 July 2017: The Union Cabinet on 25 July approved the new wage code bill that integrates the Minimum Wages Act, 1948; the Payment of Wages Act, 1936; the Payment of Bonus Act, 1965; and the Equal Remuneration Act, 1976. The

approval for the draft bill was given by the Union Cabinet chaired by Prime Minister. The bill seeks to empower the Centre to set a national floor level minimum wage in all sectors and states across the country.

The bill is likely to be introduced in Parliament during the monsoon session which will conclude on 11 August.

Collective Bargaining

Private hospital Nurses win after month long strike:

20 July 2017: On an indefinite strike since 27 June in Thiruvananthapuram, Thrissur, Ernakulam, Malappuram and Kozhikode, the United Nurses' Association (UNA) in Kerala is fighting for the implementation of a 2016 recommendation of the Supreme Court. The special committee appointed by the Supreme Court recommended that all privately owned hospitals with 50 bed plus capacity had to make sure that nurses get salaries at par with those in government hospitals. This came after the nurses' struggle in 2013. According to a pay scale revision in 2013, the basic wage for nurses was fixed at Rs. 9500. The UNA claims that many hospitals continue to violate this. There are about 80,000 nurses in the private sector.

The union is demanding a minimum monthly wage of Rs. 18,000 and the hospitals have agreed to pay only Rs 12,000.

In a relief to striking nurses, the Kerala government on 20 July said it would implement the Supreme Court directive of paying Rs. 20,000 as minimum wage to nurses working in private hospitals with less than 50 beds. With regard to the salary and allowances of hospitals with more than 50 beds, a special committee would be formed to fix their wages which would submit its report within one month. This report would then be placed before the Minimum Wages Committee.

The Government also urged the hospital management not to take any action against the nurses who went on strike.

Pricol case referred to labour court, workers end their fast after 16 days:

12 July 2017: Following a 16 day hunger strike and other protest actions by the Pricol workers, the Government of Tamil Nadu issued a GO on 5 July 2017 referring the case of deducting 8 days wages for a one-day strike to the labour court.

Responding to a state wide bandh call by several unions in solidarity with the Tamil Nadu farmers, the Pricol union had struck work on 25 April 2017.

Pricol management retaliated by deducting 8 days of wages for the one day strike. The Labour Department refused to take action, which led to the indefinite hunger strike by 22 workers and supporters demanding that the case be referred to the Labour Court.

Discrimination

Who have been hit by GST?

Powerloom workers: In Surat, around 1,200 powerloom units located in Anjani industrial estate downed their shutters. For the power loom sector, the GST is levied at multiple stages.

Fishworkers: The fisheries sector is bracing itself to face a fresh crisis triggered by the high tax rates on fishing equipment under the GST regime. Taxes have increased on basic fishing equipment like nets, rods, and fishing tackles that had hitherto been exempt from taxation.

Ragpickers: Ragpickers are reeling under the repercussions of the new rate of tax on waste plastic. The 18% GST on waste plastic has sparked a downward spiral in prices in the waste recycling markets. Plastic recyclers faced with the new tax are protecting their margins by slashing the prices at which they buy from the thousands of ragpickers.

FM introduces bill to amend Banking Regulation Act:

24 July 2017: The Finance Minister introduced an amendment to the Banking Regulation Act 1949 in Lok Sabha to replace the ordinance issued by the government in May 2018.

The measure allows the RBI to initiate insolvency resolution process on specific stressed assets. The RBI would also be empowered to issue other directions for resolution, appoint or approve for appointment, authorities or committees to advise the banking companies for stressed asset resolution. In June, RBI had identified 12 large loan defaulters who account for 25% of the total bad loans in the banking sector.

Legal News

Aruna Hotel Employees approach the NCLT to recover dues:

24 July 2017: Employees of Aruna Hotels filed an appeal before the National Company Law Tribunal (NCLT) in Chennai against their former employer for commencement of the corporate insolvency resolution process. The Chennai bench of NCLT admitted the application filed by three employees. Employees allege that Aruna

Hotels has failed to pay arrears of salary, gratuity and leave salary of these employees.

Over 125 cases have been referred before NCLT by either financial creditors or operational creditors since the Bankruptcy code, this is the first instance that employees have approached the bankruptcy court.

Supreme Court Bench reviews implementation of Tea Act:

22 July 2017: On August 6, 2010, a three-judge bench of the Supreme Court took note of the plight of tea plantation workers in the petition filed by the International Union of Food & Agricultural Worker and directed the central government to carry out its statutory duties under the provisions of the Tea Act, 1953 [sections 16B, 16C, 16D, and 16E] within a period of six months. This direction has not been implemented anywhere, making it a ripe case for contempt of court.

On 21 July, a two member Supreme court bench heard this contempt petition and directed the Centre to proceed against the erring tea companies by calling upon the statutory authorities to issue notices to them, for recovery and payment of wages to the workmen who lost their livelihood due to closure of tea estates in Assam, West Bengal, Kerala and Tamil Nadu.

Multiple Banking System for EPFO contribution and payments:

5 July 2017: For facilitating 'Ease of doing business', EPFO has entered into agreement for collection of EPF dues from employers and payment to beneficiaries through multiple-banks instead of the single banking system existing till date. Collections of EPF dues have been started with PNB, Allahabad Bank, Indian Bank, Union Bank of India in addition to State Bank of India through direct online mode. EPFO has signed agreement with five other banks viz. Bank of Baroda, ICICI Bank, HDFC Bank, Axis Bank, Kotak Mahindra Bank for collection of remittances and payments to beneficiaries, at zero transaction charges.

Health and Safety

ESIC & DGFASLI sign MoU for collaboration on occupational health and safety:

11 July 2017: A Memorandum of Understanding (MoU) was signed between the ESIC and Directorate General Factory Advice Service & Labour Institutes (DGFASLI) for collaboration in the field of occupational health and prevention of occupational injuries and diseases.

The MoU seeks to establish a mutual collaboration

that will enhance Occupational Health of workers; reduce the occurrence of work related injuries and diseases. Special focus shall be paid to precarious working conditions in the formal and informal sectors. This Memorandum will remain in force for a time period of three years.

Health and Safety watch

4 workers lose life cleaning a water tank in Delhi

Swarn Singh (45), Deepu Dubey (28), Anil (23), and Balwinder Singh (32) lost their lives on July 15 while attempting to clean a water harvesting tank in Delhi. Though an FIR was registered against the owner of the building and his staff, two of his gardeners have been arrested for not providing safety equipment to the workers before they entered the tank.

1 migrant worker dies at metro construction site in Chennai

Amarendra Ram, 34, a migrant worker from Bihar working at the Metro rail construction site near Chennai Central died on 3 July after an iron rod fell on his head. According to police, the incident occurred around 8.30 pm.

5 workers die and 11 seriously injured in fire cracker factory in Tamil Nadu

5 workers were charred to death on 20 July while 11 others critically injured in a blast at a fire cracker factory in Dindivanam town of Viluppuram district in Tamil Nadu. About 30 workers working in the factory at the time of the blast. The workers were working in preparation to meet the Diwali demand.

3 workers die and 15 injured in fire cracker warehouse in Bikaner

3 workers died and 15 others injured when a firecracker warehouse caught fire in Naya shahar area in Bikaner on 6 July.

In and Around

Air India plans to offer voluntary retirement to a third of its 40,000 workers:

18 July 2017: Air India is drawing up a proposal to offer voluntary buyouts to just over a third of its 40,000 employees, as the airline slashes costs ahead of a 2018 sale. Air India's board approved the proposal in April but nothing further had been done.

Air India is on the block after the cabinet approved plans to privatise it by selling part or all of the company last month.

The joint forum of unions representing Air India employees however has threatened to launch an

“agitation” in August if the government pursues its privatisation plans.

MGNREGA wages less than minimum farm wages in 15 states:

10 July 2017: The Committee for revision of wages paid under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has found that minimum agricultural wages are higher than MGNREGA wages in 15 states. An upward revision in MGNREGA wages is estimated to require a Rs 4,500 crore increase in its budget.

Based on these findings, the panel, under Additional Secretary in the Ministry of Rural Development Nagesh Singh, is expected to make its recommendations in another month.

As per data being examined by the committee, the minimum wages paid to agricultural workers are significantly higher than MGNREGA wages in Karnataka, Punjab, Jharkhand, Uttarakhand, West Bengal, Mizoram, and Andaman and Nicobar Islands. The other states where MGNREGA wages fail to match up are Sikkim, Andhra Pradesh, Telangana, Haryana, Madhya Pradesh and Bihar. In Rajasthan and Himachal Pradesh, the minimum wages are marginally higher than MGNREGA wages.

News from Around the World

UNISON in Court of Appeal victory over employers who fail to consult unions:

28 July 2017: UNISON has won a landmark court victory that makes it obligatory for employers to consult with unions around any workplace issues that affect their members. Until now, unions only had the right to be consulted where the law required this, for example under Transfer of Undertakings (Protection of Employment) Regulations 1981 where employees are transferred from one employer to another, and in redundancy cases.

The ruling means employers will now also have to involve unions in issues such as those around working hours and holiday pay. This order will benefit thousands of employees whose rights at work are under threat and means that employers will face greater scrutiny over their treatment of employees.

The victory came about after the union took up a case involving parks police who were made redundant by the London Borough of Wandsworth. The Court of Appeal ruled that UNISON had the right to be consulted by Wandsworth over the job losses.

Peru miners start nationwide strike:

Lima, 22 July 2017: Members of 56 mining unions (within the National Federation of Mining, Metallurgical and Steel Workers of Peru, FNTMMSP) started a nationwide strike on 19 July to protest the government's proposed labour reforms in the world's second biggest copper producer, Peru. The miners are demanding President Pedro Pablo Kuczynski to drop proposed labour reforms that would loosen safety regulations, make it easier to fire workers and shift the burden of paying into an unemployment fund from employers to workers.

After several explosive days of demonstration by over 5000 miners, culminating in clashes with riot police on 20 and 21 July that brought Lima to a standstill, striking mining workers in Peru agreed to return to work by 24 July after the President assured to name a task force to discuss labour laws with the unions.

Bangladesh garment workers win termination benefits:

20 July 2017: In December 2016, garment workers in Ashulia area went on a strike demanding an increase in minimum wages. Employers and the government responded with repression on trade union activities, incarceration of activists and termination of about 1074 workers. The garment workers unions have been demanding reinstatement of the terminated workers, withdrawal of criminal cases against the workers and activists.

Invoking the GFA, IndustriALL called on H&M to intervene and urge its suppliers to take steps to create an environment conducive to 'well-functioning industrial relations'. Subsequently, H&M issued three conditions to its 6 suppliers from the Ashulia area:

- Withdrawal of the criminal cases filed by the six suppliers
- Reinstatement of the wrongfully dismissed workers
- Actively commit to engage with the National Monitoring Committee in order to achieve well functioning industrial relations

It was decided through a series of meetings that the factory management will be open to reinstating workers, and where it is not possible, the worker will be paid termination benefit and due wages. Out of 1,074 dismissed workers from the six suppliers, a total 984 workers have received their compensation. 76 workers can claim their termination benefits. On the criminal cases filed against workers, the court dismissed four out of seven cases. About 11 cases of

reinstatement are expected to be resolved soon.

South Africa: Uber Drivers Protected by Labour Laws:

18 July 2017: The Department of Labour has welcomed the Commission for Conciliation, Mediation and Arbitration (CCMA) ruling which states that Uber drivers are fully protected by the South African labour laws.

Following the death of an Uber driver in an attack in Pretoria, the department clarified the position in terms of labour legislation that there are no exceptions. Uber drivers are fully protected by the South African labour laws, including the Compensation for Occupational Injuries and Diseases Act 130 of 1993. This act provides for compensation of employees who are injured during the course of duty or deceased thereof. The department clarifies that employees will not be penalised or forfeit their benefits because of unregistered employers. Instead, such employers will be fined. Employers must register their companies with the Compensation Fund so that employees are covered under the COID Act.

Lafarge-Holcim signs GFA with IndustriAll and BWI:

13 July 2017: On 12 July 2017, LafargeHolcim and global unions, IndustriALL and Building Workers International (BWI), signed a Memorandum of Understanding (MOU) in Zurich, as final step towards a Global Framework Agreement (GFA). The MoU is a prelude to the GFA, reaffirming the commitment to a comprehensive agreement, to be signed later this year. The Swiss-based Group employs more than 90,000 direct workers with operations in around 80 countries.

Brazil's Senate reforms the Consolidated Labour Law (CLT):

12 July 2017: The Brazilian Senate approved the labour reform bill 50 to 26 with one abstention. The bill allows more temporary work contracts and outsourcing, gives more freedom to employers to negotiate individually with workers rather than collectively through unions, eliminating mandatory union dues, in effect weakening workers' rights. Young workers, specifically black, will be especially harmed, as they are primarily employed in precarious jobs and are the majority of the unemployed. The International Labour Organization (ILO) also said that the amendment violates the international conventions signed by Brazil.

Unions across Brazil launched a 24-hour general strike in April, after the lower house approved the bill. In June, Brazilian unions once again organised a nationwide general strike that closed schools, shut down transport networks

and led to clashes with public security in several cities.

Pension reform that raises the age of retirement from 54 years with full retirement benefits to 65 for men and 62 for women has met with even more resistance, as it requires a constitutional amendment to become effective.

Construction firm fined \$250,000 for workplace safety lapses that led to worker's death: Singapore, 11 July 2017:

Construction firm Or Kim Peow Contractors has been fined \$250,000 for safety lapses that resulted in four workers falling 6.4m to the ground. Its safety coordinator and site supervisor Victor Tan Kok Peng was also fined \$12,000 under the Workplace Health and Safety Act for performing a negligent act.

One worker, aged 24, from India, died, while three others, from India and Bangladesh, were injured in the incident on 22 September 2015.

The four workers were installing a reinforcement system to the underside of the flyover when the accident occurred. Investigations found the company neither had trained scaffold erectors to assemble the standing platform, nor were the workers under the immediate supervision of a scaffold supervisor. The firm also failed to erect the platform according to the Professional Engineer's design.

Boiler Explosion in Bangladesh garment factory kills 13, injures over 50:

4 July 2017: On 3 July 2017, a boiler exploded at Multifabs Ltd factory in Nayapara, Kashimpur in Ghazipur, in the outskirts of Dhaka leaving 13 killed and over 50 injured. Multifabs Limited is listed by the Bangladesh Accord as actively supplying the following signatories: Lindex, ALDI North, ALDI South, Dansk Supermarked A/S, Shop Direct, Wuensche Group, Teddy Spa, and Gekås Ullared AB.

According to the Boiler inspector of the Labour Ministry, the license for the boiler had expired on 24 June and yet the boiler continued to be in operation. The safety device had developed a fault and was repaired partially to ensure that it continued to run, resulting in the explosion.

Legal Challenge against Addison Lee:

3 July 2017: After the Uber order, GMB, the union for private hire drivers, has launched a fresh legal challenge against Addison Lee seeking confirmation of members' worker status in another bogus self-employment case. The hearing began on 4 July at the Central London employment tribunal.

The test case brought by the GMB involves three Addison Lee drivers. GMB asserts the drivers are

workers and therefore entitled to the national minimum wage and holiday pay - benefits they are currently denied.

In October, GMB won the case against Uber establishing that drivers are entitled to be paid at least the national minimum wage and holiday pay amongst other benefits. This landmark case has major implications for more than 30,000 drivers across England and Wales. Uber is currently appealing the decision in the employment appeal tribunal, which is due to be heard in September.

ETUC signs the Madrid Declaration against gender discrimination:

1 July 2017: The European Trade Union Confederation (ETUC) celebrated the 2017 World Pride at a trade union conference, hosted and co-organised by the Spanish trade unions CC.OO and UGT, on 'The Rights of LGBTQI* People in the Workplace', which took place on 29-30 June.

The conference renewed the commitment of ETUC to full equality and non-discrimination, respect and dignity for lesbian, gay, bisexual, trans-gendered questioning and intersex persons and workers (LGBTQI*) and to seek that no-one within the workplace, on the labour market and the wider society will be bullied, harassed, discriminated (directly or indirectly) against or even killed on the basis of sexual orientation, gender identity, expression and/or family diversity. The Madrid Declaration, drafted and signed at the end of the trade union event, coinciding with World Pride, sets out current and forthcoming trade union actions to make Europe a better place for everyone, irrespective of their sexual orientation, gender identity or expression.

Corporate Watch

Amazon's Aggressive India Strategy

Amazon.com saw its overall profits plunge by 77% in the second quarter, mainly because of its investments in India, but the US-based e-commerce giant intends to aggressively pursue expansion in the market.

New Investment

Global giant Amazon has invested an additional ₹ 1,680 crore in its India unit as to further strengthen operations in the booming e-commerce market here.

On June 25, Amazon CEO Jeff Bezos met with Indian Prime Minister Narendra Modi in Washington DC alongside over a dozen other corporate leaders. After the meeting, Bezos

tweeted that the meeting was "terrific" and that he was "energized by optimism and invention in India." He pledged to expand Amazon's already \$5 billion investment in the company's India operations, which launched in 2013. Amazon India is estimated to have already received over \$ 2 billion in funding. This fresh infusion will also provide more arsenal to Amazon to compete for market leadership with its local rival, Flipkart.

In April, Flipkart had raised USD 1.4 billion in funding from Tencent, eBay and Microsoft. It is also believed to be in discussions to buy smaller rival, Snapdeal that is expected to further intensify the battle. These new investments are being directed towards building warehouses, strengthening logistics and increasing product assortment.

Entry into Food Retail

The Department of Industrial Policy and Promotion has this month also approved three foreign direct investment proposals in food retail, including that of Amazon Retail, Grofers and Supermarket Groceries Supplies. The total proposed investment is more than Rs. 3,750 crore, led by Amazon that plans to invest Rs 3,500 crore. This will allow companies such as Amazon to sell locally manufactured food items both online and on offline platforms.

The International Amazon Workers Voice spoke with Indian Amazon workers who reported that warehouse packing workers make just about Rs. 15000 per month. In sharp contrast, the list of highest paid employees of Amazon India as below show how important India is to Amazon.

	Employee	Position	In INR
1	Steve Walter	HR director, India & China	4.29 crore
2	Amit Devendra Agarwal	VP India, country manager	3.16 crore
3	Nitesh S Kripalani	Director, Amazon Video India	2.41 crore
4	Samir Kumar	Vice President - category management	2.27 crore
5	Mahendra Nerurkar	General Manager, Junglee.com	2.17 crore
6	Kishore Thota	Sr. manager marketing	1.96 crore
7	Raghava Rao	Director Finance, India	1.83 crore
8	Rajiv M Mehta	Country Manager, Kindle India	1.73 crore