

NOTE ON COMMENCEMENT OF BUSINESS LOCKDOWN GUIDELINES

Executive Summary

The Ministry of Home Affairs, Government of India has issued Order bearing No. 40-3/2020-DM-I-(A) dated 15th April 2020 and revised guidelines issued on 16th April 2020 (collectively referred to as “**Orders**”). The Orders *inter alia* stipulate that with a view to mitigate hardship, certain select additional activities shall be permitted with effect from 20th April 2020. However, these relaxations must be considered bearing the following in mind:

- (i) All additional activities will be operationalized based on strict compliance with existing guidelines on lockdown measures;
- (ii) Before implementing lockdown measures, State / Union Territory (“UT”) administrations are required to ensure that all preparatory arrangements with regard to social distancing in offices, workplaces, factories and establishments and also any other sectoral requirements are in place. Therefore each such State/UT administration State may come up with additional rules/regulations/guidelines in this respect as per requirement of their respective local areas;
- (iii) Most importantly, these relaxations will not apply in containment zones demarcated by States / UT / District administrations;
- (iv) If at any time post 20th April 2020, an area is included as a containment zone, relaxations granted under the Orders would stand suspended.

While the Government has granted permission to operate certain establishments/ units, this has been limited to the extent set out in the Orders. In the event that an establishment resumes its operations in accordance with this report from 20th April 2020, it should ensure that the standard operating procedure for social distancing as enlisted in Annexure II of the Orders and set out herein as Schedule I is adhered to. It is imperative to note that these relaxations shall not apply to areas identified as ‘containment zones’ or subsequently declared to be containment zones.

We have analysed the impact of these guidelines across various sectors and the manner in which each of these sectors may resume operations in accordance with the Orders. For the purposes of this note, the following sectors have been considered:

- (i) Manufacturing
- (ii) Technology
- (iii) Plastic Industry
- (iv) Chemical Industry

- (v) Real Estate & Infrastructure (AEC/EPC)
- (vi) Financial Services
- (vii) Pharmaceuticals
- (viii) Hospitality and F&B
- (ix) Agriculture
- (x) Retail Sector
- (xi) Textile & Apparels

I. MANUFACTURING

1. What is Permitted

Under the guidelines issued by the MHA on 24 March 2020, very few manufacturing units were allowed to operate namely (i) manufacturing and distribution units pertaining to hospitals and all related medical establishments, (ii) industrial units manufacturing essential commodities (drugs, pharmaceuticals, medical devices, their packaging material, raw materials and intermediaries), (iii) production units requiring continuous process (after obtaining government permission), (iv) manufacturing units of packaging material for food items, drugs, pharmaceutical, medical devices, fertilizers, pesticides and seeds. The current Orders however seek to widen the scope of manufacturing units that maybe allowed to operate as follows:

- (i) **Pharmaceutical and Healthcare:**
 - a) manufacturing units of drugs, pharmaceuticals, medical devices, medical oxygen, their packaging material, raw materials and intermediaries continue to be operational. [clause 5(vii)]
 - b) Manufacturing units in respect of ambulances [clause 5(viii)]
- (ii) Agriculture and related Activities

The manufacturing and distribution of fertilisers, pesticides and seeds continues to be permitted under this Order. [Clause 6(vi)]
- (iii) Food industry

Food processing units in rural areas i.e. outside the limits of municipal corporations and municipalities are permitted.
- (iv) Packaging Industry

Manufacturing units of packaging material are permitted. It may be noted that the earlier guidelines only permitted packaging material to be manufactured for food items, drugs, pharmaceutical, medical devices, fertilizers, pesticides and seeds, however in the Order no such restriction has been laid. [clause 15(viii)]
- (v) Construction

Manufacture of brick kilns outside the limits of municipal corporations and municipalities are permitted.

(vi) Information Technology

Manufacturing of information technology hardware is permitted.

(vii) Textile

Jute industries have been permitted to operate, however will need to implement staggered shifts and social distancing [Chapter 15 (ix)]

(viii) Generic

- a) Industries operating in rural areas are permitted to function.
- b) Operation of manufacturing units and other industrial establishments with access control in Special Economic Zones and Export Oriented units, industrial estates and townships have been permitted. [clause 15(ii)]
- c) All such establishments are required to make arrangements for stay of workers within their premises or adjacent buildings. Further, transportation of workers to the workplace has to be arranged by the employers by having dedicated vehicles for the same and norms of social distancing will have to be ensured.
- d) Operation of production units requiring continuous process and their supply chains is permitted [Clause 15(v)]. Prior to the Orders, production units requiring continuous process were allowed to operate only after obtaining permission from the State Government, however this restriction seems to have been done away with.¹

2. **Precautions and Arrangements**

While all manufacturing units and industrial establishments are required to adhere to Annexure II of the Order (as set out in Schedule 1 herein), additional guidelines have also been provided for manufacturing units in Annexure I of the Order which include:

- (i) requirements for frequent cleaning of common surfaces and mandatory handwashing; *(The term 'frequent' has not been explained and is subjective based on the nature of the business. We are happy to advise you on what this would mean on a case by case basis)*
- (ii) no overlap in shifts and staggered lunch with social distancing; *(one could consider scheduling 30 minute slots beginning from 12:00 p.m. – 3:00 p.m. depending on staff strength)*
- (iii) communication and training on good hygiene. *(Please display instructions on washing hands, covering mouth while coughing or sneezing, keeping a one metre distance between people, wearing masks etc. at conspicuous places in the workplace)*

¹ reference taken from 'Consolidated Guidelines on the measures to be taken by Ministries/ Departments of Government of India, State/Union Territory Governments and State/ Union Territory Authorities for containment of COVID-19 Epidemic in the Country, as notified by Ministry of Home Affairs Order No. 40-3/2020-DM-I(A) dated 24.03.2020 and further modified on 25.03.2020, 27.03.2020, 02.04.2020, 03.04.2020 and 10.04.2020" issued by the Ministry of Home Affairs on 14 April 2020.

Establishments within enclosed economic zones/townships etc will be required to make arrangements for transport and stay of workers in a manner as set out in paragraph II 1(viii)1(viii)b) above.

II. TECHNOLOGY

1. Manufacturing

As discussed earlier, manufacturing of information technology hardware is permitted.

2. Services

- (i) Commercial and private establishments providing Information Technology (IT) and Information Technology enabled Services (ITES) are permitted to operate with upto 50% of strength. [Clause 14ef(ii)].
- (ii) Data and Call centres are allowed to operate however for the limited purposes of aiding Government activities only [Clause 14(iii)].
- (iii) Services provided by self-employed persons including IT repairs [Clause 14(xi)].
- (iv) Government approved common service centres (CSCs) at Gram Panchayat level are permitted to operate.

3. Precautions and Arrangements

The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).

III. PLASTIC INDUSTRY

1. Manufacturing

The plastics industry plays an important role in providing auxiliary services that are important to a range of industries *inter alia* involving the manufacturing of packaging materials, raw materials and medical devices. Though industries dealing with plastic manufacturing (irrespective of the purpose) have not been specifically exempted from the lockdown, the Orders permit the functioning and operation of certain units of packaging material and raw material that entail use of plastic goods for the following:

- (i) Packaging material, raw material and intermediaries required for manufacturing of drugs, pharmaceuticals, medical devices, medical oxygen. [Clause 5(vii)]
- (ii) raw materials and intermediates for essential goods² [clause 15(iii)]

² "Essential Commodities" as set out under the Schedule of the Essential Commodities Act, 1955 notified from time to time, sets out the following commodities as essential commodities:

(1) Drugs.

Explanation.—For the purposes of this Schedule, "drugs" has the meaning assigned to it in clause (b) of section 3 of the Drugs and Cosmetics Act, 1940;

(2) fertilizer, whether inorganic, organic or mixed;

- (iii) Packaging units relating to and/or used in the operations of fishing (marine and inland)/aquaculture industry [Clause 6(B)(i)]
- (iv) Packaging units relating to and/or used in the tea, coffee, rubber, cashew industry, bamboo, coconut, Arecanut, cocoa and spices provided that the maximum number of workers does not exceed 50%. [Clause 6(C)]

2. Precautions and Arrangements

The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).

IV. CHEMICAL INDUSTRY

The Indian chemical industry is diverse in nature, but the basic chemical categories include polymers, petrochemicals, intermediates, fertilizers, paints, pesticides, bulk drugs and pharmaceuticals (“**Chemicals**”). The Orders permit the functioning and operation of units producing such Chemicals, wherein such chemicals may be required either as raw materials for a product or in some other process of manufacturing, for the following:

1. Manufacturing

- (i) Manufacturing of drugs, pharmaceuticals, their raw materials and all intermediates;
- (ii) Manufacturing of essential goods;
- (iii) Manufacturing of fertilizers, pesticides and seeds for agricultural activities;
- (iv) Manufacturing of packaging materials;
- (v) other manufacturing units allowed to operate from rural areas, within special economic zones/townships and units which require continuous process and their supply chains.

2. Construction

Constructions activities of *inter alia* of roads, buildings, irrigation projects, renewable energy projects and other construction projects within the limits of municipal corporations and municipalities.

-
- (3) foodstuffs, including edible oilseeds and oils;
 - (4) hank yarn made wholly from cotton;
 - (5) petroleum and petroleum products;
 - (6) raw jute HI jute textiles;
 - (7) (i) seeds of food-crops and seeds of fruits and vegetables;
 - (ii) seeds of cattle fodder; and
 - (iii) jute seeds
 - (iv) Cotton seed
 - (8) Masks (2ply & 3ply surgical masks, N95 masks) & hand sanitizers

**** It may be noted that the Central Government may, if it is satisfied that it is necessary so to do in the public interest amend the Schedule so as to (a) add a commodity to the said Schedule; (b) remove any commodity from the said Schedule, in consultation with the State Governments.**

3. Public Utilities

- (i) Refining of oil and gas products such as petrol, diesel, kerosene, CNG, LPG, PNG etc.
- (ii) Sanitation and waste management sectors

The aforesaid activities of production of necessary Chemicals would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).

V. REAL ESTATE & INFRASTRUCTURE [AEC/EPC]

1. Construction Activities

The following construction activities have been permitted under the Orders:

- (i) Construction of roads, irrigation projects, buildings and all kinds of industrial projects (including MSMEs) in rural areas i.e. outside the limits of municipal corporations and municipalities;
- (ii) Construction of all kinds of projects in industrial estates;
- (iii) Construction of renewable energy projects;
- (iv) Continuation of works in construction projects within the limits of municipal corporations and municipalities, where workers are available on site and no workers are required to be brought from outside (In situ construction)
- (v) Construction activities in rural areas pertaining to water supply and sanitation, laying/erection of power transmission lines and laying of telecom optic fibres and cables along with their related activities.

2. Raw Material

- (i) In order to aid the permitted construction activities, the industrial establishments producing 'brick kilns' are permitted to operate in rural areas. [Clause 15(xi)]
- (ii) Trucks or other goods/ carrier vehicles as may be required to transport such raw material shall be allowed to ply. [Clause 12(i)] However, appropriate passes must be procured from the Incident Commander (i.e. the local Executive Magistrate) in accordance with Clause 21(iii).

3. Registration/ Government Departments

- (i) While the registration and other government departments granting land and construction related approvals and licenses remained shut in view of the lock down, the Orders call for all other Ministries and Departments and departments of State/UT Government and District administration departments to work with restricted staff.
- (ii) It has been clarified that the group A and B officers of the State/UT government departments may attend as required, however group C and levels below staff may

attend upto a strength of 33% to ensure social distancing. It has further been clarified that delivery of public services shall have to be ensured and necessary staff shall have to be deployed of this purpose.

In our view, this would entail re-opening of the local sub-registrar's office which would aid the various pending sale/leasing transactions to be completed. It remains to be seen if the various state governments put up guidelines/orders in respect of the manner of functioning of these offices in order to ensure social distancing. If and when such guidelines/orders are issued they will have to be followed in a strict sense.

VI. FINANCIAL SECTOR

1. What is permitted

As per Clause 7 of the Order, the following organisations engaged in the financial service sector are allowed to resume its business operation from the aforementioned date:

(i) Banks

- a) Reserve Bank of India (RBI) and other RBI regulated financial markets and entities such as NCPL, CCIL payment system operators and standalone primary dealer.
- b) Intermediaries such as bank branches, ATMs, IT vendors, Banking Correspondents (BCs), ATM operation and cash management services.

(ii) Non-Banking Financial Institutions (NBFC)

NBFCs including housing finance companies and micro finance institutions are permitted to operate with bare minimum staff.

(iii) Other financial sectors

- a) Securities and Exchange Board of India (SEBI) and such other capital and debt market services as notified by SEBI.
- b) IRDAI and Insurance Companies.

2. Movement of personnel

In view of the aforesaid relaxation, only the personnel engaged in any of the above financial sectors may travel to their workplace and back, however, such persons must procure passes from the Incident Commander (i.e., the local Executive Magistrate) in accordance with Clause 21(iii).

3. Precautions and Arrangements

- (i) The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).
- (ii) Additionally, Intermediaries such as banks/ ATMs etc. shall have to ensure that:

- a) Bank branches be allowed to work as per normal working hours till disbursement of direct benefit cash transfer is complete;
 - b) Local administrations shall have to ensure that adequate security personnel are provided at bank branches and Banking Correspondents shall maintain social distancing, law and order and other staggering of account holders.
- (iii) Additional guidelines have also been provided for functioning and operation of workplaces in Annexure I of the Order (as set out in Schedule II herein).

VII. PHARMACEUTICALS

1. Manufacturing

- (i) As per the provisions of Clause 5(vii) read with Clause 15(ii), (iii) and (viii) of the said Order, manufacturing units of drugs, pharmaceuticals, medical equipment, medical oxygen, their packaging material, raw materials and intermediaries have been permitted.
- (ii) Construction of medical and health infrastructure including manufacture of ambulances

2. Research and Developmental Facilities

- (i) The Government of India has granted permission to pharmaceutical and medical research labs and institutions to commence operations however, such permission has been granted only to those institutions who are engaged in carrying out research related to Novel Corona Virus (COVID-19).
- (ii) It is clarified that any organisation/institution which is not undertaking such research through any of its laboratories or institutions, then the said research and development facilities of such organisation/institution cannot resume its operations.

3. Sales and Distribution Operations:

- (i) All facilities in the supply chain of essential goods whether involved in manufacture, wholesale or retail of such goods, through local stores, large brick and mortar stores or e-commerce are allowed to operate, provided, the norms regarding social distancing are strictly followed.
- (ii) Since 'drugs' are included within the purview of 'Essential Commodities', therefore an organisation/institution engaged in a pharmaceutical sector may operate its offices engaged in sales and distribution of its pharmaceutical products.

4. Movement of Persons and Transportation

- (i) All personnel in any exempted category (such as stated above) are permitted to travel to their workplace and back. However, such persons must procure passes from the Incident Commander (i.e. the local Executive Magistrate) in accordance with Clause 21(iii) of the Order.

- (ii) Further, such organisation/institution may also engage trucks or other goods/ carrier vehicles as may be required to facilitate movement of its goods/products etc., from one place to another in accordance with Clause 12(vi) of the Order. Movement of such trucks is permitted with 2 (Two) drivers (carrying valid driving licence) and 1 (One) helper. It has also been clarified that empty trucks/ vehicles will be allowed to ply after delivery or for pick-up.

5. Other Offices:

Please note that the guidelines laid down under the Order, do not grant permission to operate to corporate offices (other than as set out in this Note) of companies engaged in pharmaceutical services. In our view, therefore, an organisation/institution engaged in a pharmaceutical sector should refrain from operating out of its other corporate offices, otherwise it may be construed as being non-compliant with the guidelines laid down in the Order.

6. Precautions and Arrangements

- (i) The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).
- (ii) In the event any of these pharmaceutical manufacturing units are set up in SEZs and EOUs, there is an additional requirement for such establishments to:
 - a) make arrangements of stay of workers within the premises or adjacent to such premises;
 - b) make arrangements for transportation of workers to the workplace ensuring social distancing.
- (iii) Additional guidelines have also been provided for manufacturing units in Annexure I of the Order. These include:
 - a) requirements for frequent cleaning of common surfaces and mandatory handwashing;
 - b) no overlap in shifts and staggered lunch with social distancing;
 - c) communication and training on good hygiene.
- (iv) Additional guidelines have also been provided for functioning and operation of workplaces in Annexure I of the Order (as set out in Schedule II herein).

VIII. HOSPITALITY SERVICES & F&B

1. What is permitted

- (i) As per Clause 14(ix) of the Order, all hotels, homestays, lodges and motels, which are accommodating tourists and persons stranded due to lockdown, medical and emergency staff, air and sea crew are allowed to resume its operations/business from the aforementioned date.

- (ii) Save as otherwise provided herein above, no other hospitality services are allowed to operate till 3rd May 2020 as per Clause 1(viii) of the Order. For the sake of clarity please note that the guidelines laid down under the Order, do not grant permission to operate to corporate offices of companies engaged in hospitality services. In our view, therefore, an organisation/institution engaged in a hospitality sector should refrain from operating out of its other corporate offices, otherwise it may be construed as being non-compliant with the guidelines laid down in the Order.
- (iii) Clause 1(x) of the Order also prohibits any cinema halls, malls, shopping complexes, entertainment parks, theatres, bars and auditoriums etc from operating.

2. Movement of Persons

In view of the aforesaid relaxation, the personnel engaged in such hotels, homestays, lodges and motels may travel to their workplace and back as per Clause 17(ii). However, such persons must procure passes from the Incident Commander (i.e., the local Executive Magistrate) in accordance with Clause 21(iii).

3. Precautions and Arrangements

- (i) The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).
- (ii) Additional guidelines have also been provided for functioning and operation of workplaces in Annexure I of the Order (as set out in Schedule II herein).

IX. AGRICULTURE

1. What is permitted

As per the provisions of Clause 5(vii) read with Clause 6 of the said Order, the following agricultural and horticultural activities are permitted to be operational

- (i) Permissible Agricultural and Horticultural Activities [Clause 6 A]
 - a) All agricultural and horticultural activities are permitted to remain operational during the period of the lockdown from farming to transport and movement of the finished agricultural products.
 - b) Further, it is permissible for farmers/farm workers to carry out farming operations and shop for agricultural machinery and its spare parts.
 - c) Custom Hiring Centres pertaining to farm machinery are permitted to be operational.
 - d) Manufacturing of pesticides/fertilizers and movement of harvesting and seeding machines both intrastate and interstate is permitted.
 - e) Agencies permitted in procurement of agricultural products, including MSP operations.

- f) Collection, harvesting and processing of Minor Forest Produce (MFP)/ Non Timber Forest Produce (NTFP) by scheduled tribes and other forest dwellers in forest areas is permitted.
- (ii) Provisions for Fisheries [Clause 6B]
 - a) Fishing operations (marine and inland), aquaculture including feeding & maintenance, harvesting, processing, packaging, cold chain, sale and marketing activities are permitted.
 - b) Hatcheries, feed plants and commercial aquaria are permitted to be operational.
 - c) Movement of fish/shrimp, fish products, seed/feed products is permitted.
- (iii) Plantations [Clause 6C]
 - a) tea, coffee and rubber plantations are permitted to remain functional subject to the condition that only 50% of the total workforce are allowed to work in the plantation.
 - b) Bamboo, coconut, Arecanut, cocoa, spice plantations are permitted.
 - c) All activities relating to harvesting, processing, packaging, sale and marketing of rubber, tea, cashew, coffee, bamboo, coconut, Arecanut, cocoa, spice are permissible during the period of the lockdown.
- (iv) Animal Husbandry [Clause 6D]
 - a) Collection, processing, distribution and sale of milk and milk products by milk processing plants will remain operational.
 - b) Permission for operating animal husbandry farms including poultry farms, hatcheries and livestock farming activities have been granted;
 - c) Industries which manufacture animal feed and feed plants including supply of raw material such as maize and soya are permitted to operate;
 - d) Operation of animal shelter homes including gaushalas (cowsheds) have been permitted.
- (v) Shops of agricultural machinery, its spare parts (including supply chain) and repairs are permitted to remain open.

2. Sales and Distribution Operations

- (i) As per Clause 13 of the Order, all facilities in the supply chain of essential goods whether involved in manufacture, wholesale or retail of such goods, through local stores, large brick and mortar stores or e-commerce are allowed to operate, provided, the norms regarding social distancing are strictly followed.
- (ii) Clause 6 of the Order provides that agricultural activities including the operation of

‘Mandis’ will be continued. However, the procurement is to be carried out through limited sources like the Agriculture Market Produce Committee and others as provided for in the Order.

3. Transport of goods:

- (i) As per the provisions of Clause 12(i) of the Orders, all goods will be allowed to be transported intra state as well as interstate including farm produce as well as fertilizers, pesticides, seeds, animal feed as maybe required.
- (ii) Clause 12(ii) further provides that the railways will be operational, including trains for transporting of goods. The warehousing facilities at railways will also continue to be operational for even private establishments, as is specifically provided for under Clause 14(vii) of the Order.
- (iii) Clause 12(iii) provides that operations of airports and related facilities for inter alia air transport of cargo will be permitted.
- (iv) Clause 12(iv) provides that operations of seaports and inland container depots (ICDs) for inter alia air transport of cargo, including authorized custom clearing and forwarding agents will be permitted.
- (v) Operation of land ports for cross land border transportation of essential goods including *inter alia* petroleum products, LPG and food products is permitted.
- (vi) Courier companies have been allowed to be operational
- (vii) Vehicles used by the e-commerce companies are allowed to ply with necessary permissions.

4. Movement of Persons and Equipment

- (i) In view of the aforesaid relaxation, the personnel engaged in sale/supply of produce or other related activities of such products as mentioned above shall be permitted to commute provided such persons procure passes from the Incident Commander (i.e., the local Executive Magistrate) in accordance with Clause 21(iii).
- (ii) Movement of such trucks is permitted with 2 (Two) drivers (carrying valid driving licence) and 1 (One) helper. It has also been clarified that empty trucks/ vehicles will be allowed to ply after delivery or for pick-up.
- (iii) Movement (inter and intra state) of harvesting and sowing related machines like combined harvester and other agriculture/horticulture implements is permitted.

5. Precautions and Arrangements

- (i) The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).
- (ii) Additional guidelines have also been provided for functioning and operation of workplaces in Annexure I of the Order (as set out in Schedule II herein).

X. RETAIL SECTOR

1. What is permitted

- (i) As per the provisions of Clause 13 all facilities in the supply chain of essential goods, including retail of such goods through local stores, large bricks and mortar stores or e-commerce companies have been allowed to operate, ensuring strict social distancing without any restriction on their timing of opening and closure.
- (ii) Shops (including Kirana and single shops selling essential goods) and carts, including ration shops (under PDS), dealing with food and groceries (for daily use), hygiene items, fruits and vegetables, dairy and milk booths, meat and fish, animal feed and fodder etc have been allowed to operate, ensuring strict social distancing without any restriction on their timing of opening and closure.
- (iii) The Orders further call upon authorities to encourage and facilitate home delivery to minimize the movement of individuals outside their homes.
- (iv) The retail sectors engaged in supplying of essential commodities can regulate their time of operating the stores.
- (v) E – Commerce companies have been allowed to be operational. We have found no restriction or specific reference on whether the same has been limited to providing services or goods categorized as essential.
- (vi) In addition thereof, the following clauses enlisted in the Order permit the retail of the following commodities:
 - a) Clause 6(A) (iv) states that shops of agriculture machinery, its spare parts (including its supply chain) and repair shall remain open.
 - b) Clause 6(A) (vi) states that retail of fertilizers, pesticides and seeds shall be permitted.
 - c) Clause 6(C) (ii) states that sale of tea, coffee, rubber, cashew shall be permitted.
 - d) Clause 11(1) states that operations of oil and gas sector, including retail of products eg. petrol, diesel, kerosene, CNG, LPG, PNG etc shall be permitted.
- (vii) the Order has specifically banned the sale of liquor, gutka and tobacco.

2. Transport of goods:

- (i) Entity engaged in the business of supplying/ retail of essential goods, the Client may engage trucks or other goods/ carrier vehicles as may be required to procure raw material for undertaking its manufacturing process in accordance with Clause 12(vi) of the Order. However, appropriate passes must be procured from the Incident Commander (i.e. the local Executive Magistrate) in accordance with Clause 21(iii).
- (ii) Clause 12(ii) further provides that the railways will be operational, including trains for

transporting of goods and parcel trains. The warehousing facilities at railways will also continue to be operational for even private establishments, as is specifically provided for under Clause 14(vii) of the Order.

- (iii) Courier companies have been allowed to be operational.
- (iv) Operation of land ports for cross border transportation of essential goods, including petroleum products and LPG, food products, medical supplies has been permitted.
- (v) Vehicles used by the ecommerce companies are allowed to ply with necessary permissions.

3. Movement of Persons

In view of the aforesaid relaxation, the personnel engaged in such hotels, homestays, lodges and motels may travel to their workplace and back as per Clause 17(ii). However, such persons must procure passes from the Incident Commander i.e., the local Executive Magistrate) in accordance with Clause 21(iii).

4. Precautions and Arrangements

- (i) The aforesaid activities would need to strictly adhere to Annexure II of the Orders (as set out in Schedule 1 herein).
- (ii) Additional guidelines have also been provided for functioning and operation of workplaces in Annexure I of the Order (as set out in Schedule II herein).
- (iii) No store manager should allow more than 5 persons in a shop/public place

XI. TEXTILE & APPAREL

1. Manufacturing

- (i) Clause 15(ix) of the Order *inter alia* provides that it would be permissible for private establishments engaged in industrial activities relating to jute to continue activities subject however to, such activities being carried on in staggered shifts
- (ii) It is relevant to note that Clause 11 of the Order *inter alia* provides that power and other utilities like water and waste management will also be provided / be functional, which would facilitate the carrying out of permissible activities in the textile industry.
- (iii) Any textile industry operating in rural areas is permitted to function.
- (iv) Operation of manufacturing units and other industrial establishments in the business of textiles and apparels with access control in Special Economic Zones and Export Oriented units, industrial estates and townships have been permitted. [clause 15(ii)]

All such establishments are required to make arrangements for stay of workers within their premises or adjacent buildings. Further, transportation of workers to the workplace has to be arranged by the employers by having dedicated vehicles for the same and norms of social distancing will have to be ensured.

- (v) Operation of production units requiring continuous process and their supply chains is permitted [Clause 15(v)]. Prior to the Orders, production units requiring continuous process were allowed to operate only after obtaining permission from the State Government, however this restriction seems to have been done away with.

2. Transport of goods

- (i) As per Clause 12(i) and (vi) of the Order, all traffic relating to good will be permitted to ply the roads including plying of trucks carrying such goods.
- (ii) Clause 12(ii) further provides that the railways will be operational, including trains for transporting of goods and parcel trains. The warehousing facilities at railways will also continue to be operational for even private establishments, as is specifically provided for under Clause 14(vii) of the Order.
- (iii) Clause 12(iii) provides that operations of airports and related facilities for *inter alia* air transport of cargo will be permitted.
- (iv) Clause 12(iv) provides that operations of seaports and inland container depots (ICDs) for *inter alia* air transport of cargo, including authorized custom clearing and forwarding agents will be permitted.
- (v) Courier companies have been allowed to be operational

3. Distribution & sales

Clause 1(x) of the Order *inter alia* provides that the operation of all shopping complexes will continue to be prohibited. This will affect the regular retail activities of the Client as well as its distributors. Clause 14(v) of the Order provides that vehicles used by E-commerce operators will continue to ply the roads, the Client would therefore be able to sell existing stock of goods, through such E-commerce operators.

4. Precautions and Arrangements

- (i) All manufacturing units and industrial establishments are required to adhere to Annexure II of the Order (as set out in Schedule I herein).
- (ii) Additional guidelines have also been provided for manufacturing units in Annexure I of the Order (as set out in Schedule II herein).
- (iii) Establishments within enclosed economic zones/townships etc will be required to make arrangements for transport and stay of workers in a manner as set out in paragraph 1 (iv) above.
- (iv) In view of the aforesaid relaxation, the personnel engaged in sale/supply/manufacture of products as mentioned above shall be permitted to commute provided such persons procure passes from the Incident Commander (i.e., the local Executive Magistrate) in accordance with Clause 21(iii).
- (v) Movement of such trucks is permitted with 2 (Two) drivers (carrying valid driving

licence) and 1 (One) helper. It has also been clarified that empty trucks/ vehicles will be allowed to ply after delivery or for pick-up.



Schedule I

Standard Operating Procedure for Social Distancing for Offices, Workplace, Factories and Establishments

The following measures shall be implemented by all offices, factories and other establishments:

1. All areas in the premises including the following shall be disinfected completely using user friendly disinfectant mediums:
 - a. Entrance Gate of building, office etc.
 - b. Cafeteria and canteens.
 - c. Meeting room, Conference halls/ open areas available/verandas/ entrance gate of site, bunkers, porta cabins, building etc.
 - d. Equipment and lifts.
 - e. Washroom, toilet, sink; water points etc.
 - f. Walls/ all other surfaces
2. For workers coming from outside, special transportation facility will be arranged without any dependency on the public transport system. These vehicles should be allowed to work only with 30-40% passenger capacity.
3. All vehicles and machinery entering the premise should be disinfected by spray mandatorily.
4. Mandatory thermal scanning of everyone entering and exiting the workplace to be done.
5. Medical insurance for the workers to be made mandatory. In our view, workers covered by ESIC should meet this requirement.
6. Provision for hand wash & sanitizer preferably with touch free mechanism will be made at all entry and exit points and common areas. Sufficient quantities of all the items should be available.
7. Workplaces shall have a gap of one hour between shifts and will stagger the lunch breaks of staff, to ensure social distancing.
8. Large gatherings or meetings of 10 or more people to be discouraged. Seating at least 6 feet away from others on job sites and in gatherings, meetings and training sessions.
9. Not more than 2/4 persons (depending on size) will be allowed to travel in lifts or hoists.
10. Use of staircase for climbing should be encouraged.
11. There should be strict ban of gutka, tobacco etc. and spitting should be strictly prohibited.
12. There should be total ban on non-essential visitors at sites.
13. Hospitals/clinics in the nearby areas, which are authorized to treat COVID-19 patients, should be identified and list should be available at workplace all the times.

Schedule II

The National Directives shall be enforced by the District Magistrate through fines and penal action as prescribed in the Disaster Management Act 2005

Necessary steps to be taken in public places

- a. Wearing of face cover is compulsory in all public places, work places.
- b. All persons in charge of public places, work places and transport shall ensure social distancing as per the guidelines issued by Ministry of Health and Family Welfare
- c. No organization/manager of public place shall allow gather of 5 or more persons
- d. Gathering such as marriages and funerals shall remain regulated by the District Magistrate
- e. Spitting in public spaces shall be punishable with fine
- f. There should be strict ban on sale of liquor, gutka, tobacco etc and spitting should be strictly prohibited.

Necessary steps to be taken for operations of work-spaces

- a. All workplaces shall have adequate arrangements for temperature screening and provide sanitizers at convenient places.
- b. Workplaces shall have a gap of one hour between shifts and will stagger the lunch breaks of staff, to ensure social distancing.
- c. Persons above 65 years of age and persons with co-morbidities and parents of children below the age of 5 may be encouraged to work from home.
- d. Use of Arogya setu will be encouraged for all employees both private and public.
- e. All organizations shall sanitize their workplaces between shifts.
- f. Large meetings to be prohibited.

Necessary Steps to be taken in Manufacturing Establishments

- a. Frequent cleaning of common surfaces and mandatory handwashing shall be mandated (*The term 'frequent' has not been explained and is subjective based on the nature of the business. We are happy to advise you on what this would mean on a case by case basis*)
- b. No overlap pf shifts and staggered lunch with social distancing in canteens shall be ensured. (*one could consider scheduling 30 minute slots beginning from 12:00 p.m. – 3:00 p.m. depending on staff strength*)
- c. Intensive communication and training on good hygiene practices shall be taken up (*Please display instructions on washing hands, covering mouth while coughing or sneezing, keeping a one metre distance between people, wearing masks etc. at conspicuous places in the workplace*)

This note has been prepared by Hitesh Jain (Managing Partner) hitesh.jain@parinamlaw.com, Pooja Tidke (Senior Partner) pooja.tidke@parinamlaw.com, Anuja Kedia (Partner) anuja.kedia@parinamlaw.com and Mallika Noorani (Partner) mallika.noorani@parinamlaw.com. You may reach out to us should you have further queries.

MUMBAI

4TH Floor Express Towers, Ramnath Goenka Marg, Nariman Point, Mumbai - 400 021

Tel - 022 42410000

NEW DELHI

4 Todarmal Lane, Bengali Market, New Delhi 110001

Tel - 9810400283

PUNE

2nd Floor, Kundan Chambers, Thube Park, Next to Sancheti Hospital, Shivajinagar, Pune- 411 005.

Tel - 020 2553 0711

www.ParinamLaw.com

If you wish to stop receiving emails from this mailroom, please click on [unsubscribe](#) to send the request.

