

Euro Clothing Company - II

(A Unit of Gokaldas Exports Ltd.)

Katha No. S620-628, T.B. Road, Srirangapatna, Mandya District, Karnataka-571 438

31st July 2020

To,

Deputy Labour Commissioner
Government of Karnataka
Karmika Bhavana, Bannerghatta Road, Bangalore

Dear Sir,

Subsequent to the conciliation meeting held on 22nd June 2020, based on your advice we had given a formal offer proposal to amicably settle the matter vide our letter dated 23rd June 2020. With the lockdown, we were unable to hold the conciliation meeting that was scheduled on 20th July 2020. Through this letter we want to share with you the following developments at ECC-2 unit, for your kind information and records.

1. With the severe business disruption caused by COVID-19, we do not see any immediate recovery in the Global Apparel Sector or India Retail market. As the order book position will continue to remain zero for ECC-2, we are unable to commence operations /offer employment at ECC-2 unit in the near future. As we had submitted earlier, all our other Units in Bangalore are running way below capacity and we are facing a similar situation in other units too.
2. Given the above context, we did not want to continue the layoff situation indefinitely. Hence, we discussed with our employees and provided them an opportunity to be considered for employment with continuity of service at our Unit, Carnival Clothing Company, situated at No.2/A/1, Chikkaveeranna Road Cross, Bannimantapa Extension, Mysuru – 15 (12 Kms from ECC-2 Unit). We also announced a Voluntary Separation Scheme, which offered the following benefits for employees who did not want to take the option of transfer:
 - a. One Month's Wage for every completed year of service
 - b. Payment in lieu of Notice Period of One Month
 - c. Prorated Bonus for FY20
 - d. Leave Encashment and Gratuity as per Eligibility
 - e. Lumpsum pay of Rs.4000/- as part of settlement
3. Out of 541 active workmen, 500 workmen accepted the voluntary separation program and we have settled their accounts. Out of the 41 remaining employees, 21 have expressed their interest to accept transfer, 10 are planning to come to the factory between now and Monday to accept the Voluntary Separation Scheme and we are trying to establish contact with the remaining 10 employees.
4. In view of the above developments and that we have not been able to hold the conciliation proceeding last scheduled on 20th July 2020 due to the lockdown, we request your good office to call for a conciliation meeting at the earliest possible date to reach an amicable settlement.
5. We thank you and look forward to your support in this matter.

Yours faithfully

For Gokaldas Exports Ltd

(Dominic George)

Vice President - HR

Copy to: The Additional Labour Commissioner
Government of Karnataka
Bannerghatta Road, Bangalore