

**BEFORE THE ADDITIONAL LABOUR COMMISSIONER –I.R AND
CONCILIATION OFFICER UNDER THE INDUSTRIAL DISPUTES ACT 1947**

Between

Workers of Arvind Life Style Brands Ltd.
Represented by Garment and Textile Workers Union
Having its registered office at #17/1
1st floor (next to Balaji Kalyana Mantapa)
New Guddadahalli, Mysore road
Bengaluru- 560026
Represented by its President Prathibha R



... First Party

AND

The Management of Arvind Life Style Brands Ltd,
8th floor, Dupark Trinity,
F.M Kariyappa Colony, M.G Road
Shivajinagar, Bengaluru-560001
Represented by its Vice President (HRD)

... Second Party

**STATEMENT OF CLAIM OF THE FIRST PARTY UNION REGARDING
FAILURE OF SECOND PARTY TO RECOGNIZE WORKMEN AS PERMANENT
WORKMEN OF THE SECOND PARTY**

The First Party Union respectfully submits as under:

1. The First Party Union is a body of workmen registered under the Trade Union Act, 1926 and has membership in various garment and textile factories. The said Union has working with garment and textile workers and against exploitative practices carried out against the workers. The Union has been opposed to *inter alia* the illegal practice of the Management employing workmen in the guise of contract labour against jobs that are permanent and perennial with an intention of denying them their legitimate rights. The Union has been espousing the disputes relating to contract labour employed across industries, including in the present establishment.



2. The Second Party is a Garment manufacturer & exporter situated in Ramanagar which is also a packing and distribution centre and licensee holders for major European & US brands including Arrow, US polo, GANT, IZOD, RuF & TuF, NATICUA, Flying Machine, Aeropostele, ELLE and GAP.
3. The Second Party Management remains a highly profitable company over the past several years. The net sales of the company and operating profit has also increased substantially. This has been possible only because of the loyal hard work of the First Party workers.
4. The instant dispute is in regard to the failure of the Second Party Management to recognize the workmen mentioned in the annexure herein who are all working at the Second Party establishment at Ramanagara as the permanent employees of the Second Party Management instead terming them as "contract workers" in order to deprive them of their legitimate rights. The list of workers is enclosed herewith. **Annexure - I**
5. The First Party workmen perform the work of picking, packing, put away & dispatching the goods, as computer operators and also in inward and outward section.
6. The First Party Workmen were all hired and employed by the Second Party. Although the First Party Workmen are employed by the Second Party, the Second party has refused to recognize them as their employees and failed to give them benefits in that regard. The second party management has employed the First Party Workmen in core activities of the company such as picking, packing, put away, dispatching the goods and as computer operators while also engaging them in inward and outward section. Job description is enclosed herewith has. **Annexure - II** While the workers do all these activities, their designations in the company records is shown as 'helpers', which is far from reality. The Second party has also forced these workers to do extra work without any scientific and reasonable work time calculation while simultaneously not crediting salary in time and also not issuing the salary slip, leave cards. The workers have not even been issued with appointment letters after more than 13 years of service thereby violating numerous labour laws including the Industrial Employment (Standing Orders) Act.
7. These workmen are de-facto permanent employees, working with the Second Party Management from several years now, but have been deprived of their statutory rights and permanent status by the Second Party by an act of subterfuge. The First Party Workmen have repeatedly raised this demand with the Second Party management, but to no avail. The said workmen perform



- various highly skilled and skilled work with the Second Party Management, as indicated in the attached list.
8. Pertinently, the workmen are all employed by the Second Party Management as its workmen, but to deprive them of their rights various documents were fabricated and concocted for the same.
 9. Since 2011 First party union has strived hard in uplifting the worker's rights and has raised disputes for various reasons with the second party management so these workers are privileged with their rights and benefits.
 10. The Second Party is refusing to recognize the First Party Workmen as their employees and are claiming that they are employed through various so-called contractors. However, the entire system is nothing but a subterfuge and a sham to deprive them of their legitimate rights, and such so-called contractors are a sham and bogus. The selection of the workmen is done by the Second Party. The workmen were already working with the Second Party and thereafter the so-called contractors have been brought in. Hence, the arrangement with the contractor is not bona fide or genuine but is intended to hoodwink the provisions of labour legislations and deny the workmen their rights. The work performed is of a perennial nature, a necessary one and a core part of the work of the second party and is operating throughout the year.
 11. The Second Party has employed these workmen in the guise of contract labour so as to exploit them for cheap labour to deny them security of service and to prevent their unionization, etc. These employees have been denied equal wages for equal work, leave benefits, etc. These employees are paid only a meager consolidated salary.
 12. It is submitted that the First Party Workmen have been working various jobs which are permanent in nature and they are qualified persons. These workmen have been working on full time basis alongside the permanent employees of the Second Party. They discharge duties of same or similar nature as that of permanent employees. They were in fact appointed by the Second Party. The First Party Workmen work under the direct supervision and control of the second party. The First Party Workmen are called upon to do overtime as per the direction of the Second Party, who also takes their attendance and sanctions their leave. The so-called contractors are in fact strangers to the First Party.
 13. The Second Party has interposed a labour contractor, who is nothing but an artificial intermediary to deny these First Party Workmen equal wages, security of service and other benefits. These so-called contractors do not possess valid license issued by the competent licensing authority under the Contract Labour



(Regulation and Abolition) Act, 1970. Similarly, the Second Party has not registered itself with the competent authority to employ contract labour. The so-called contractors, who were intermediaries, were changed every few years, but the workmen continued with no change to the nature of work. Documents were created to show as if the First Party Workmen were working under the so-called contractors. However, these contracts are mere sham and the workmen are actually workmen of the Second Party.

14. It is submitted that the First Party Workmen have been doing the job of permanent workmen. However, they have been denied the status of permanent workmen and they have been further denied equal remuneration for equal work and other social security benefit. These workmen are being paid meager consolidated wages whereas the permanent employees have been given regular scales of pay and other benefits. Thus there is blatant discrimination and exploitation of these workmen.
15. Pertinently, these so-called contractors have come and gone but the workers remained the same. Their performance is evaluated by the Second Party. Hence, they work directly under the Second Party. It is submitted that the Second Party has interposed a so called labour contractor who is an artificial intermediary to deny these First Party Workmen equal wages, security of service and other benefits. These so-called contractors do not possess valid license issued by the competent licensing authority under the Contract Labour (Regulation and Abolition) Act, 1970. Similarly, the Second Party has not registered itself with the competent authority to employ contract labour. It is submitted that the so-called contractors, who were intermediaries were changed every few years, but the workmen continued with no change to the nature of work. It is submitted that documents were created to show as if the First Party Workmen were working under the so-called contractors. However, these contracts are mere sham and the workmen are actually workmen of the Second Party.
16. In the light of the above facts, the First Party/Union submits that the contract labour system perpetuated by the Second Party is highly unjust, illegal and is a sham. The Second Party has employed the workmen in the guise of contract labour from a particular date. Earlier, they were appointed directly by the Second Party. The contract labour system is not genuine or bonafide.
17. It is submitted that the First Party Workmen became members of the First Party Union in 2011 in order to better their working and service conditions. The First Party Union has also sought that the services of the workmen be



recognized as permanent workers. However, no reply has been received to the same.

18. The workers have been worked untiringly and selflessly all these years and have contributed to the successful completion of various projects, although they have been continuously exploited by the Management. In the course of their services in the Second Party, these workers have gained and acquired further skills, knowledge and experience in their jobs. They have continued to serve the Second Party with the legitimate expectation that their services would be recognized as that of employees of the Second Party and absorbed and that they would be granted appropriate scales of pay, allowance and other benefits as applicable to other permanent workers. However, the same is not done and the workmen are retained guised as contract workers for long periods of time.
19. It is submitted that the First Party Workmen have been doing the job of permanent workmen. However, they have been denied the status of permanent workmen and they have been further denied equal remuneration for equal work and other social security benefit. These workmen are being paid meager consolidated wages whereas the permanent employees have been given regular scales of pay and other benefits on par with the Central Government Employees.
20. Since 2011 the First party union has strived hard in uplifting the worker's rights and has raised disputes in order to ensure the betterment of workers. Despite repeatedly seeking that the workers be treated as their employees, they have failed to take any steps toward the same, thus depriving the First Party Workmen of their legitimate rights.
21. Thus, under the guise of a sham contract there is blatant discrimination and exploitation of the First Party workmen. This amounts to an unfair labour practice prohibited under Section 25T of the Industrial Disputes Act, 1947.
22. Further, the Second Party has been targeting and victimizing workers who have been seeking their legitimate rights.
23. Thus, it can be seen that the workmen are doing the job of regular workmen but are denied the status of permanent workmen and other social security benefits. Thus, there is blatant discrimination and exploitation of these workmen under the sham contract.
24. In light of the above facts, the First Party Union submits that the treatment of the First Party Workmen as contract workers and not as workmen is highly unjust, unconstitutional, illegal, and unconscionable and is a sham.



Hence, it is prayed that this dispute be taken into conciliation and the Second Party Management be advised to treat the First Party Workmen as its direct and permanent workmen and ensure the provision of all benefits as provided to permanent workers from their respective date of joining in the interest of justice and equity.

Place: Bengaluru

Date: 26.8.2020



Prateek
First Party