

Industrial Relations in India's Export Garment Sector

Tirupur District Cluster



Rights Education and Development Centre

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ABBREVIATIONS:

ABVKY – Atal Beema Vyakti Kalyan Yojana
AICCTU – All India Central Council of Trade Union
AITUC – All India Trade Union Congress
ATP – Anna Thozilsanga Peravai
BMS – Bharatiya Mazdoor Sangh
CCA – City Compensatory Allowance
CITU – Centre for Indian Trade Unions
DDU-GKY – Deen Dayal Upadhyay-Grameen Koshal Yojana
DISH – Directorate of Industrial Safety and Health
DLC – Deputy Labour Commissioner
IR – Industrial Relations
ILO – International Labour Organization
RTI – Right to Information Act, 2005
DA – Dearness Allowance
DISH – Directorate of Industrial Safety and Health
EPF – Employee Provident Fund
EPFO – Employee Provident Fund Organization
EPF & MP Act – Employee Provident Fund & Miscellaneous Provisions Act, 1952
ESI – Employee State Insurance
ESIC – Employee State Insurance Corporation
GOs – Government Orders
HMS – Hind Mazdoor Sabha
HRA – House Rent Allowance
ID Act – Industrial Disputes Act, 1948
INR – Indian National Rupees
INTUC – Indian National Trade Union Congress
INTTUC – Indian National Trinamool Trade Union Congress
LC – Labour Commissioner
LPF – Labour Progressive Front
NREGA – National Rural Employment Guarantee Act, 2005
MLF – Marumalarchi Labour Federation
PF – Provident Fund
PMKVY – Pradhan Mantri Kaushal Vikas Yojna
SEWA – Self- Employed Women's Association
TA – Travel Allowance
TEA – Tirupur Exporters Association
TUCC – Trade Union Co-Ordination Centre
UK – United Kingdom
US – United States
UTUC – United Trade Union Congress
UTUC (LS) – United Trade Union Congress (Lenin Sarani)

CHAPTER – I

Introduction:

The Textile sector plays an important role in India's economy. India is the source bank of raw materials exclusively cotton for the textile and garment industries. India is the second largest country in the world cotton trade market.¹ Also, it is the second largest sector in terms of employment, next to agriculture. The garment industry in India remains a key sector for both employment generation and debates on labour standards. Some of the largest garment exporters in India are located in the districts of Erode, Tirupur, Coimbatore, and Namakkal in western Tamil Nadu. As per the State Industrial Profile 2014-15, Tamil Nadu contributes 20% to India's total export of readymade garments, 28% of total employment in India's textile and apparel sector, and the sector provided employment to 35% of population in the State.² As per the government report, the district of Tirupur housed more than 6000 textile units (knitting and garments) in 2014-15. Industries in Tamil Nadu are involved in the entire supply chain, from ginning of cotton to finished apparels. Spinning, handloom, power loom, processing, garment manufacturing, knitting, hosiery are the leading industries in the supply chain in Tamil Nadu. Tirupur is the seventh largest city in Tamil Nadu, popularly known as "Dollar City"³ or "Small Japan" or "Banian City" excelling in knitted ready-made garments.⁴ It is a semi-arid region with little prospects for agricultural employment. Tirupur district was carved out in 2009 by reorganizing the districts of Coimbatore and Erode. Prior to this it was part of Coimbatore district.

According to the Asia Floor Wage report,

Tirupur came into the scene of apparel manufacturing with the production of 'baniyans' in 1970s. As per the 2009 data, Tirupur tops all hubs in terms of turnover (Rs 13450 crore). There are a total of 2599 manufacturing units in Tirupur and the direct and indirect employment generation in the textile and garment sector in Tirupur is estimated at 6 lakh. 74% of the total production is exported and EU is the largest market of followed by USA. The total annual capacity of the cluster is estimated at 200 crore [2,000 million] pieces; however, the actual production for the year was 144 crore [1,440 million] pieces and thus the industry is operating at 72% capacity utilisation. Average export price per piece of garment was calculated as Rs 100 in 2009. Tirupur focuses mainly on knitwear and hosiery.⁵

¹ Mint, 18 Feb 2008, "India second largest cotton producing country" 6 June 2020, <https://www.livemint.com/Money/o5Y0unGoIVqbLrRez3Yv3N/India-second-largest-cotton-producing-country.html>

² Government of India, MSME - Development Institute, *State Industrial Profile 2014-15: Tamil Nadu*, http://dcmsme.gov.in/old/dips/state_wise_dips/State%20Industrial%20Profile%20-%20Tamil%20Nadu_4316.pdf

³ There is even a documentary film by this name, made by P.R. Amudhan. See <https://news.trust.org/item/20161130164250-fhxt7/>

⁴ Venkatachalam S. "Problems faced by Tirupur Garment Industry", *Fibre2Fashion*, March 2008, <https://www.fibre2fashion.com/industry-article/3181/problems-faced-by-tirupur-garment-industry>

Swaminathan and Jeyaranjan (1994) list early works of Pamela Cawthorne for an understanding of Tirupur in the mid 1980s when it was just beginning to enter the export market. Pamela Cawthorne, "Amoebic capitalism as a form of accumulation: the case of the cotton knitwear industry in a South Indian town", Ph.D. dissertation, Milton Keynes: The Open University, 1990; and 'Of networks and markets: the rise and rise of a South Indian town - the example of Tiruppur's cotton knitwear industry', *World Development* 1995 vol. 23, issue 1, 43-56.

⁵ National People's Tribunal Living Wage as a Fundamental Right of Indian Garment Workers, 2012 <https://cleanclothes.org/livingwage/afw/resources/tribunal-verdicts/final-verdict-from-india-tribunal>

The goal of this study was to understand industrial relations prevailing in the garment sector in Tirupur, the nature of conflicts between garment workers and their factory management, to identify bottlenecks and obstacles that workers face in resolution of their complaints and disputes, and in accessing justice. We tried to do this by identifying patterns of labour law violations and complaints of garment workers – through both primary and secondary sources, via interviews with relevant stakeholders such as workers, union leaders, labour lawyers, labour department officials, news articles, and by tracing the life of labour disputes through case documents and interviews with the complainants, and their union or legal representatives.

Findings from the field work conducted during the course of December 2020 – September 2021 demonstrate the fallout of both the structural nature of the organization of production in the industry as well as the local evolution of social relations and labour relations. Industrial relations in Tirupur are shaped by the network of small and medium size units many of which may be unregistered, with tight labour control that varies cross the cluster and across the different firms⁶; the caste composition of owners and trade union leaders which seems to be one factor influencing a proclivity for informal settlements; the high proportion of female and migrant labour in the workforce; and the prevalence of non-standard forms of employment in the form of contract labour and piece-rate work (the other factor influencing a preference for informal settlements outside the formal industrial relations machinery). An attempt has been made to understand Tirupur's industrial sector in the “context of the historical and regional forces which gave rise to it.”⁷

The rest of this report is organised as follows. Chapter II discusses the scope of the study, methodology, and challenges of doing research during the covid-19 pandemic. It is followed by a discussion of the garment industry in Tirupur in Chapter III, focusing on a short discussion of the evolution of the Tirupur cluster in the 1980s, workforce composition including migration patterns, labour market in Tirupur, collective bargaining and industrial relations in the industry, and the Impact of Covid-19 Pandemic on the garment sector of Tirupur. Chapter IV outlines the role and functioning of the labour department in Tirupur and the experience of workers, unions and labour lawyers. Chapter V presents the case documentation of 25 cases and Chapter VI summarizes the findings and presents conclusions.

⁶ Chari (2000, p. 596) points out that the Gounders exercised control over the division of labour through contracting out and familial relations and control over the networks of firms in the social division of labour through ‘relational subcontracting’.

⁷ Chari 2000, p. 589.

CHAPTER – II:

Scope and Intent of the Report

a. Research Objective

The project aims to understand the industrial relations between garment workers and their factory management to identify bottlenecks and obstacles that workers face in accessing justice by tracing the life of labour disputes. This report is part of a three-cluster study of industrial relations in the garment manufacturing hubs of Bangalore, Tirupur and Gurugram. A common methodology was followed by all three clusters. However, based on each cluster's unique functioning this was tweaked at several places to accommodate and find ways around challenges and barriers. The section below outlines the methodology followed for this study of the Tirupur cluster with the justifications on modification from common methodology.

b. Methodology

Initial data collection focussed on the period 2015-20. At the time of planning the project it had been decided that the period will be further extended to capture cases from 2010-14, in case of insufficient data in the former scenario and if time permits. In Tirupur, the cases of Industrial Disputes are filing in a minimal rate over a decade, so it was decided to look over the wider period i.e. from 2010 to 2020. A total of 25 case studies of industrial disputes and 10 Life History of workers were aimed to collect as primary data by all the three clusters to feed the research project.

In the Tirupur cluster, the number of industrial disputes entering the formal resolution and adjudication process has fallen in the past decade. Since the workers want a faster and less expensive resolution, they try to resolve their complaints and disputes through compromise with the help of trade unions. Even such cases are very few. Hence, the Tirupur team decided to document 15 industrial disputes which were addressed through the formal industrial disputes resolution mechanism and 10 disputes or complaints which are resolved either semi-formally or informally. Primary data in the form of data sought through the Right to Information Act and interviews with a range of stakeholders was also collected. A total of 8 RTIs were filed to the departments like EPFO, ESIC, DISH, Labour Commissioner (Conciliation). The RTIs filed and responses received are given in **Annexure ____**. Secondary sources including media articles, relevant reports and documents collected from trade unions and other civil society organisations, as well as case documents were collected during field work.

c. Selection of the 25 Case Studies

At the start of the project, it was decided that 25 cases would be taken up for documentation. This involved writing case summaries along with collecting all relevant documents and also conducting interviews with the concerned worker(s). Researchers met with leaders of 4 trade union centres – Centre for Indian Trade Unions (CITU), All India Trade Union Congress (AITUC), Marumalarchi Labour Federation (MLF) and Labour Progressive Front (LPF) to

compile an initial list (universe) of industrial disputes in the export garment manufacturing units for the years 2010-2020. MLF and LPF shared that they had not taken up any cases to the labour department and their union leaders were unavailable for interviews as they are busy with Legislative assembly election process. AITUC shared only one case. It was very difficult to collect even 25 cases, as the trend of filing cases for disputes is very low in the Tirupur garment industries. Trade unions had very poor documentation and could hardly share any documents even for the few cases where they had represented workers. This left the team with collecting only those documents that were available with the workers. But in most of the cases, the workers also did not have valid documents with them. Several workers were untraceable as the unions had lost touch with them. Researchers then attempted to understand the pattern of violations, conflicts, and industrial disputes from key informant interviews, and based its selection of 25 cases from the pattern that emerged, and from a larger list of conflicts-disputes that was collated by the research team.

The larger list was created with the following objectives in mind:

- Identifying key areas of conflict and issues in Tirupur export garment industry
- Understand trends in industrial disputes and complaints
- Mapping the trajectory of resolution process of such industrial disputes

The team documented case studies of 25 disputes - 15 industrial disputes which are resolved formally and 10 industrial disputes which are resolved either semi-formally or informally.

The breakup is as follows:

1. Formal Disputes – 15 cases

The cases where complaints were raised with management and then a dispute was raised with the labour department and it went through the labour department conciliation process or judicial process in labour court.

2. Semi-formal Disputes – 3 cases

The cases where a complaint was raised with management or a protest was held against company (in case of accidents or deaths of workers for example) or even raised in public hearings, and settled without entering the conciliation or judicial process but was instead settled directly with management with the intervention of a lawyer or a union leader, or even a labour department or police official

3. Informal Disputes– 7 cases

The cases where a formal complaint was not raised but the matter was settled with management or contractor through verbal negotiations either by workers, trade union leaders or even lawyers helping the workers

These 25 cases involved the followed violations and complaints:

- Oral Termination – 10 cases
- Wage related issues – 5 cases
- Bonus related issues – 2 cases
- Both Wage & Bonus related issues – 2 cases

- PF claiming issues – 2 cases
- Accidents– 3 cases
- Death – 1 case

Of the 25 cases, 23 disputes were raised in the period from 2010 to 2020 and 2 disputes were raised in 2007 but concluded after 2010 i.e. in 2012 and 2016. Hence, those 2 cases were included in the study.

In addition, the breakup of cases filed individually or collectively is as follows:

- 14 disputes were raised by individuals (11 cases by male workers and 3 by female workers)
- 11 disputes were raised collectively (8 by male workers and 3 by female workers) involving 2-58 workers in the disputes.

24 of the 25 cases were raised by local or intrastate migrant workers and the remaining 1 case was raised by an inter-state migrant worker from Uttar Pradesh who is a labour contractor but designated as tailor on his company ID card.

Of the 25 cases, 2 cases are about the contractors including one for the death compensation of an interstate migrant worker and one regarding wage settlement issue of a Quality control consultant and his crew of workers. 5 cases were the results of the impact created by Covid-19 pandemic.

Table-1: List of documented Cases

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi- formal, Informal)	Year of Onset	Status	Year of Conclusion
Oral Termination					
1	Termination of Worker for demanding leave wages, bonus etc. (Male) – Well Knit Industries	1.Individual 2.Formal – Adjudication	2007	Resolved	2016
2	Termination of worker by making false acquisition (Male) – Meridian Apparels Pvt. Ltd.	1.Individual 2.Formal – Adjudication	2009	Resolved	2016
3	Termination of Worker for demanding bonus (Male) – Pratik Hosiery	1.Individual 2.Formal – Adjudication	2012	Appealed	2019
4	Termination of Worker for demanding proper work role (Male) – Fair Export	1.Individual 2.Formal – Adjudication	2018	Resolved	2018
5	Termination of Worker for raising queries (Female) – Premier Knits Apparels	1.Individual 2.Formal – Conciliation	2019	Resolved	2020
6	Termination of Worker for raising complaints (Male) – AKR Textiles	1.Individual 2.Informal – through TU	2019	Resolved	2021
7	Termination of workers due to shortage of orders as the effect of Covid-19	1.Collective 2.Formal – Conciliation	2020	Resolved	2020

	pandemic (Male Representative) – Cotton Blossom India Pvt. Ltd.				
8	Termination of Worker for demanding bonus and regular payment of wages (Male representative) – Aswathi Exports	1. Collective 2. Formal – Conciliation	2020	On going	-
9	Termination of Worker for demanding lockdown wages & OT wages (Male representative) – Alfine Knits	1. Collective 2. Formal – Conciliation	2020	On going	-
10	Termination of Worker for intervening in co-workers issue (Male) – Warrior Exports	1. Individual 2. Informal – through TU	2020	Resolved	2020
Wage Related Issues					
11	Wages were not given to a pool of workers on time (Female representative) – Zuhana Garments	1. Collective 2. Formal – Police Case	2016	Resolved	2017
12	Wage Settlement was not done to 58 workers after the sudden close of the industry (Male representative) – ARK Innovations (Best Corporation)	1. Collective 2. Formal – Conciliation	2017	Dropped	2017
13	Wages were not paid to worker as before due to loss in Covid-19 pandemic (Male) – Sunstar Clothing	1. Individual 2. Formal – Conciliation	2020	On Going	-
14	Wages were not given to worker since he relieved before the salary day (Male) – Start Time Apparels	1. Individual 2. Informal – through TU	2020	Resolved	2021
15	Wages were not given to the QC team (on contract) for the failure in inspection after the Covid-19 pandemic period (Male representative) – TSK Garments	1. Collective 2. Informal – Through TU	2020	Resolved	2020
Bonus Related Issues					
16	Bonus amount was reduced to the workers by pointing the loss for company (Male representative) – SRG Prime Tex	1. Collective 2. Formal – Conciliation	2019	Resolved	2020
17	Bonus amount was reduced to the workers by pointing shortage of orders due to Covid-19 pandemic (Male representative) – Rodamine Apparels	1. Collective 2. Informal – through TU	2020	Resolved	2020
Bonus & Wage related Issues					
18	Wages were not paid to the	1. Individual	2007	Resolved	2012

	worker regularly and fair bonus was not given (Male) – Tube Knits fashion Ltd.	2.Formal – Adjudication			
19	Wages and Bonus was not given regularly to the worker as said on the recruitment – Vetrivel Knits	1.Individual 2.Formal – Conciliation	2019	Failed	2020
PF Issues					
20	PF was found not deposited in the workers account at the time of claim (Female) – Armstrong Knitting Mill	1.Individual 2.Semi-Formal – through Public Hearing	2017	Resolved	2018
21	PF could not be claimed since there was an error in account number at the claim for balancing Covid pandemic impact (Female) – SCM Garments	1.Individual 2.Formal – Complaint to EPFO	2019	Resolved	2021
Accidents					
22	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Male representative) – Poppys Garments	1.Collective 2.Semi-Formal – through Police case	2018	Dropped	2018
23	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Female representative) – Carona Knitwear	1.Collective 2.Semi-Formal – through Police Case	2018	Dropped	2018
24	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Female representative) – New Line Industries	1.Collective 2.Informal – through NGO	2020	Dropped	2021
Death					
25	A interstate migrant worker (contractor) was died due to heart attack and the company has not provided any compensation/ support to send the deceased body to his own state for funeral services (Male) – Sreeja Hosieries	1.Individual 2.Informal – through TU	2020	Resolved	2021

d. Interviewing the workers

Locating workers involved in cases from nearly a decade ago proved challenging. In some cases the workers had left the company and had also lost touch with the union and therefore we were unable to interview them. In some instances, there was little interest in the worker to respond to the request for an interview. The Covid-19 pandemic also impacted the interviewing process and many workers could not be contacted during that time. Several interviews had to be conducted on the phone and this posed additional challenges and difficulties in eliciting case details or even details regarding the worker's life history. The workers and the researcher were not able to see each other and build a context of trust and might have contributed to the worker's apathy to respond.

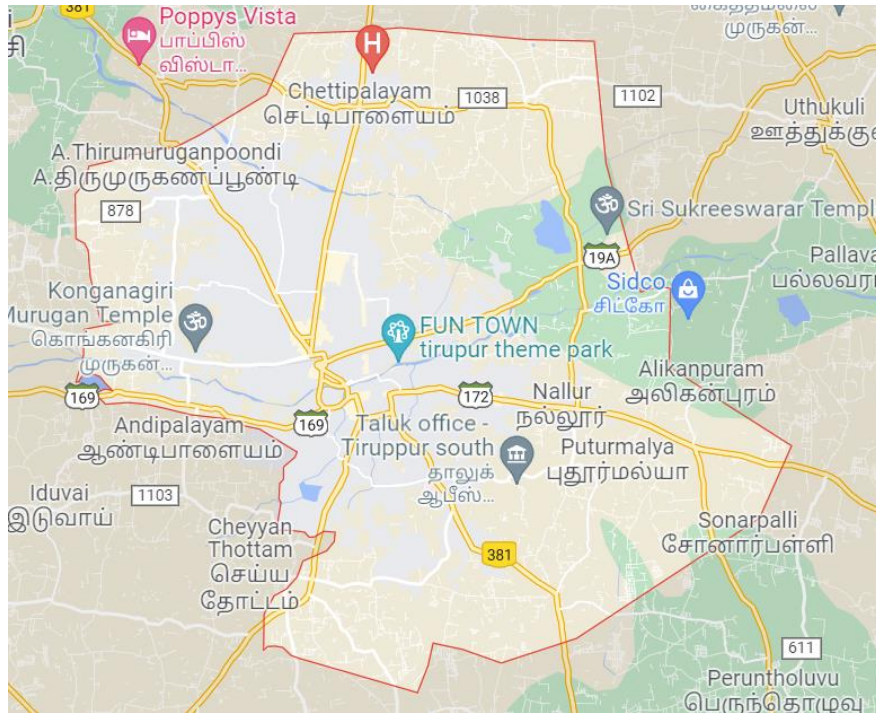
e. Impact of the COVID pandemic on data collection

Since the project started in December 2020, by the time we reached the point of primary data collection, it was already early February 2021. We were able to collect data effectively until early April. However from April 2021 onwards until the end of May 2021 the second wave of the COVID pandemic made collecting data almost impossible. Tirupur was severely affected and it was declared a Red Alert Zone and a strict lockdown was imposed for over 2 months, which made mobility a challenge. The research team is located in Sathyamangalam requiring 2-hour travel to reach Tirupur, which was risky for the team during the pandemic. In addition, mobility across district borders was also restricted by the government.

Moreover, the second Covid-19 wave and lockdown had a serious impact on the union leaders and workers. Several union leaders themselves and in some instances their entire families contracted Covid-19, which meant that they were inaccessible for a longer time. Workers are affected economically and psychologically, as many workers or their family members were infected with Covid-19. This made accessing workers extremely difficult, since they were far more focused on getting back to work once the lockdown lifted or their health improved. It was challenging for the team to even reach them through phone calls. They were non-cooperative when the team called 2 or more times. Understandably, responding to the study and questions was not a priority for them. Union leaders were also caught up with responding to distress calls regarding health and livelihood crises. These developments severely impacted primary data collection. Although the initial timeframe for fieldwork got extended and proved to be extremely challenging, the team concluded the field work by the end of September 2021 with 25 documented case studies.

In order to understand the nature of violations, complaints, disputes it is important to understand both the evolution of the structure of the Tirupur garment cluster and the local industrial relations, along with an understanding of the functioning of the labour department in implementing labour laws and the industrial relations machinery in providing access to justice to the garment workers raising industrial disputes. We turn to these discussions in the next chapters.

Chapter – III: Garment Sector and Working Conditions in Tirupur



Brief History of the Evolution of the Tirupur Cluster or Banian City

Tirupur started with the production of low valued cotton hosiery items during the 1930s and until the 1970s it catered to the domestic market with production units comprising mostly of “composite mills without any subcontracting system of production.”⁸ Tirupur entered the export market in the 1970s as a result of collaboration with an Italian cluster⁹ and by the late 1980s and early 1990s it emerged as an export hub and came to be known as the ‘T-shirt town’ of India.¹⁰

Chari (2000) describes the work relations and technologies in the mid-1990s as being “incredibly diverse across these worksites, and wage rates even for the same jobs vary from door to door. Indeed, the industrial form is replete with sharp contrasts in scale, technique and remuneration.”¹¹ Today the “Tirupur knitwear cluster has diversified its production basket from being the producers of basic knit garments for lower end of the domestic market to a range comprising, T-shirts, polo shirts, sportswear, sweat shirts, ladies dresses, children garment, nightwear, etc.”¹² Roy (2009, p.13) estimates that “30 to 35 per cent of the produce of Tirupur are fashion garments and the rest can be considered as basic garments.” Tirupur

⁸ Gunajit Kalita, “The Emergence of Tirupur as the Export Hub of Knitted Garments in India: A Case Study”, n.d., <https://www.econ-jobs.com/research/52329-The-Emergence-of-Tirupur-as-the-Export-Hub-of-Knitted-Garments-in-India-A-Case-Study.pdf>

⁹ Ibid. (Kalita.)

¹⁰ Alessandra Mezzadri, *The Sweatshop Regime: Labouring Bodies, Exploitation, and Garments Made in India*. Cambridge University Press, 2017.

¹¹ Sharad Chari, “The Agrarian Origins of the Knitwear Industrial Cluster in Tirupur, India”, *World Development*, 28(3), 2000, 579-599.

¹² Kalita, p. 7.

“exports around 60 per cent of its garment products, while the remaining stock goes to the domestic market.”¹³

While assessing the number of units is difficult, in 2008 the Tirupur Exporters Association (TEA) estimated that Tirupur cluster of textile and garment industries has over 6250 units in varied supply chain manufacturing as given in table 2 below.

Most of the units are of small and medium size. Roy (2009, p.13) estimates that there are very few “units in Tirupur employing less than 50 workers and the median size in terms of employment are those employing 50 to 100 workers.”

Chari (2000) writes that in the 1950s production “was organized in larger factories, with all elements of production in the same place” but by the 1970s when “Tirupur’s reach of the domestic market was growing, the industrial structure was much more decentralized” (p.580). A recent report suggested that there are 20,000 small to medium units in Tirupur.¹⁴ This might pose a problem in terms of formalization of the industry, since small units are predominantly unregistered and therefore function outside the regulatory system, as pointed out by an earlier report.¹⁵

Table – 2: Spread of Units in the Textile Value Chain in Tirupur Cluster

Value Chain Activities	Number of Units
Garment Making	2500
Knitting Units	1500
Dyeing and Bleaching	700
Fabric Painting	500
Other Ancillary Units	500
Compacting and Calendaring	300
Embroidery	250
Total	6250

Chari argues that the expansion in the domestic market in the 1970s was the result of Gounders’ production innovation involving “the production of ‘fine’ banians [vests] which increased the requirements for close labour supervision and control.” (p. 596) According to him the ownership of the industry was controlled predominantly by the agrarian Gounder caste, many of whom “were once industrial workers in Tirupur knitwear.”¹⁶ Out-competing

¹³ Apparel Resource news Desk, 31 December 2020, <https://in.apparelresources.com/business-news/trade/tirupur-set-see-record-export-growth-october-december-20-quarter/>

¹⁴ R. Mohan Kumaramangalam, “Unmade in India: the story of Tirupur’s decline”, *The Hindu*, 25 March 2018, <https://www.thehindu.com/business/Industry/unmade-in-india-the-story-of-tirupurs-decline/article23349892.ece>

¹⁵ Sampath Srinivas, “Case of Public Interventions, Industrialization and Urbanization: Tirupur in Tamil Nadu, India”, *The World Bank, Background Series No. 8*, April 2000. p.4. <https://documents1.worldbank.org/curated/en/329211468771703656/pdf/multi-page.pdf>

¹⁶ Also see Srinivas 2000 (p. 5), who writes that South India emerged as a region of power looms in the 1950s and by this time the Gounders had entered handloom weaving on an extensive scale since agricultural incomes were unstable due to scarcity of water in the arid region. Thereafter the Gounders switched to the power looms

the old mercantile origin industrialists, once the Gounders had consolidated their hold, “they were able to refashion the industrial form into a network of firms, which had the effect of quelling labour militancy and sustaining a decentralized form of capital accumulation.” (p. 581) He concluded that, what Swaminathan and Jeyaranjan¹⁷ call the ‘owner as worker’ and or ‘worker as owner’ phenomenon in the knitwear industry derives from “the agrarian origins of the class fraction who have become the pre-eminent knitwear capitalists of south India” namely the Gounders.

Similarly Kalita writes that the work ethic of the Gounder community contributed significantly to Tirupur’s success, along with community connections which helped in securing capital and financing. The tight knit community dynamic also ensured that orders were passed onto fellow community members if their own production capacity was unable to handle it. “Trust and hard work have helped this agricultural community's first-generation entrepreneurs to build companies worth several hundred crores.” (p.2)

Although the rise of Tirupur is attributed to the entrepreneurship of the Gounders, the very success of the garment cluster has attracted investors from across the country, leading to a diversification of ownership.

Interestingly, Chari (2004) points out that although Coimbatore district had “been a stronghold of Congress and Communist Party activism” it did not take a “radical communist, anti-caste, or nationalist-populist turn” allowing for the emergence of specialist towns with local capital at the helm, like in Tirupur.¹⁸

Roy (2009, p. 16) finds that although the “production organization in Tirupur includes a wide variety of subcontracting or outsourcing relationships between firms. However, it is quite different from the standard asymmetric relations assumed in parent-subcontracting relations or in putting out systems.” He describes (p.17) three types of job-working:

- a. The production process is segmented in several parts such as knitting, dyeing, processing, printing and so on and then outsourced to units that specialize in such activities. This may be termed as outsourcing or out-contracting in which case the exporter who coordinates the production process assigns specific jobs to relatively smaller specialized units.
- b. The second version can be termed as ‘in-contracting,’ which is separating parts of the production process—those performed by separate and dedicated sections of the same unit but run semi-autonomously by

which got a boost in the 1960s due to shifting of capital to Tirupur in the aftermath of industrial unrest in West Bengal. Even Tirupur saw some strikes in 1962 over wages and other issues leading to the closure of some units, primarily those owned by the Chettiar caste. This influenced the decision of the Gounders to keep their units small in order to avoid labour problems. And having been workers themselves they even worked on the shopfloor during labour shortages (p. 7).

¹⁷ Padmini Swaminathan and J. Jeyaranjan, The knitwear cluster in Tiruppur: An Indian industrial district in the making? MIDS Working Paper No. 126, November 1994. https://www.mids.ac.in/assets/doc/WP_126.pdf

¹⁸ Sharad Chari, “Provincializing Capital: The Work of an Agrarian Past in South Indian Industry”, *Comparative Studies in Society and History*, October 2004, 46(4), pp. 760-785.

respective managers. This happens in larger units where there is a fairly high level of integration. This is possibly another way of manoeuvring books of accounts in such a way as to show the sections of the same unit as independent SSI units and thus avail advantages there from.

- c. In some cases the bigger firms integrate the production process for the sake of their control over the production. But in such situations the capacities created in different sections, especially knitting and processing may not be exhausted by the production of the firm alone. Hence the exporting firm besides doing jobs for their own garments, work for others as job-work in order to utilize the skills to their full potential.

Roy adds that these arrangements allow for flexibility in the production process allowing firms to cater even to small orders rather than having “rigid standardized production lines which are well-suited for mass production. At the same time it helps in managing a large number of workers in a decentralized manner and gets rid of the liabilities and responsibilities attached to large employment.”

As per Kalita’s findings,

On an average the man to machine ratio in an apparel firm is 2:1 and across all the interviewed firms 35% to 25% of the workforce do not need machines to work and the activities involve checking and packaging. In a CMT unit the proportion of man to machine ratio is 1:1 for stitching and for cutting it is 3:1. (p.14)

The energy costs in textile washing, bleaching, dyeing, printing and finishing, which already compose up to 10% of the total costs, is the future challenge for the garment manufacturers. (p.15)

The growth of the industries in Tirupur has been aided in large part by the many industry associations and state government support.¹⁹ Srinivas (2000, p.14) points out that a number of the industry associations also play a role in resolving disputes, including among labourers and employers. Their role in maintenance of industrial relations needs special mention. Currently, there are more than twenty industry associations which are operating in Tirupur and playing a role in helping the manufacturers. These are:

1. Apparel Export Promotion Council (AEPC)
2. Banian Cloth Manufacturers Association
3. Computer Embroidery Association
4. Indian Hosiery Yarn Mill Association
5. South India Hosiery Mfrs. Association
6. Tirupur Bleachers Association
7. Tirupur Collar Stitching Section Association
8. Tirupur Cotton Merchants Association
9. Tirupur Dyers Association
10. Tirupur Exporters Association
11. Tirupur Export Knitwear Industrial Complex Association
12. Tirupur Export Knitwear Mfrs. Association
13. Tirupur Export Knit Printers Association
14. Tirupur Hosiery Yarn Merchants Association
15. Tirupur Kaja Button Owners Association
16. Tirupur Merchants Association
17. Tirupur Narrow Tape Manufacturers Association

¹⁹ Kalita, pp. 22-24; and Chari 2000, p. 597.

18. Tirupur Power Table Owners Association
19. Tirupur Power loom Association
20. Tirupur Screen Printing Association
21. Tirupur Steam Calendaring Association
22. Textiles Committee

These industrial associations keep an eagle eye on upholding business interests of the manufacturers. They play a crucial role in tripartite wage fixation and in settling other industrial disputes.

In addition, the government also has a role to play. Satyaki Roy points out that, “The growth of the cluster was very much influenced by government’s intervention in promoting exports during the quota regime. Providing cheap credits from public sector banks for technology and infrastructural development helped small firms to grow and produce according to international demand.”²⁰

However, the industry also faces many challenges in terms of industrial organization, city infrastructure, high cost of raw materials,²¹ need for skilled workers,²² electricity deficit,²³ export procedures, government policies, water supply especially for the water intensive processes of dyeing and bleaching along with high cost of treating industrial effluents, pollution and environmental degradation due to overexploitation of ground water resources.. In January 2011, “the Madras High Court ordered the closure of dyeing and bleaching units in Tirupur’s processing clusters, which have been blamed for polluting the Noyyal River. The verdict from the court has affected over 740 wet processing units in the cluster employing 40,000-50,000 workers and an estimated loss of Rs 50 crore (or almost US\$ 50 million) per day for the industry.”²⁴

According to a 2016 report, the Tirupur manufacturing units were expanding into nearby towns and districts due to shortage of labour in Tirupur city.²⁵ According to the then president of TEA, the companies had already expanded 10km in and around Tirupur and could not expand anymore, hence the need to look further. Although some companies also transport workers from nearby districts to their units in Tirupur city, the expansion to nearby towns and

²⁰ Satyaki Roy, “Garments Industry in India: Lessons from Two Clusters”, ISID Working Paper 2009/01 (MPRA Paper No. 23469), December 2009. p. 12. https://mpra.ub.uni-muenchen.de/23469/1/MPRA_paper_23469.pdf

²¹ <http://www.tea-india.org/news-board/16408-textile-sector-struggles-to-cope-with-spiralling-raw-material-prices-21st-january-2022>

²² See “Even free liquor for the skilled! Tirupur's battle for profit amid slowdown”, <https://www.newindianexpress.com/states/tamil-nadu/2020/feb/09/even-free-liquor-for-the-skilled-tirupurs-battle-for-profit-amid-slowdown-2100951.html>

²³ “Tirupur, one of the cluster earning almost 13,000 crores per annum of exports is facing acute shortage of 8 hours power cuts and one day weekly power holiday.” p. 20, http://iamrindia.gov.in/writereaddata/UploadFile/reportapparel_1750.pdf

²⁴ Solidard, “*Understanding the Characteristics of the Sumangali Scheme in Tamil Nadu Textile & Garment Industry and Supply Chain Linkages*”, May 2012. p. 3. https://www.fairlabor.org/sites/default/files/understanding_sumangali_tamil_nadu_0.pdf

²⁵ M. Soundariya Preetha, “In need of labour, Tirupur units spread out”, *The Hindu*, 5 July 2016, <https://www.thehindu.com/news/cities/Coimbatore/In-need-of-labour-Tirupur-units-spread-out/article14472537.ece>

districts is due to the availability of labour and lower labour costs. For example, the expansion into Pollachi town in Coimbatore district, and Udumalpet and Palladam towns in Tirupur district, where there are few factories and it is easier to get workers. In addition, the manufacturers were also expanding to towns Kumbakonam (Thanjuvur district), Palani (Dindigul district) and Thiruvarur (Thiruvarur district).

It is surprising that shortage of labour in Tirupur is not resulting in either better working conditions or higher wages and benefits (ESI, PF, gratuity, bonus, crèche for young mothers, maternity leave, better hostels etc.) for the workers.

As with all business operations, the Tirupur cluster also lost out during the Covid-19 pandemic. According to a news report, 1200 units in Tirupur city lost their summer exports worth more than Rs 2,400 crore [24,000 million] in 2020.²⁶ President of TEA estimated that,

For the fiscal ended March 31, 2020, Tirupur would have lost exports anywhere between Rs 1,000 crore [10,000 million] and Rs 2,000 crore [20,000 million] over the last fiscal's Rs 26,000 crore [260,000 million]. Since majority of the units are yet to get their export payments for March, the actual loss in exports will be known in the next one or two months, he added. For the fiscal 2020-21, it's too early to predict the the quantum of business loss, but may take a hit of around Rs 5,000 crore to Rs 6,000 crore [50,000-60,000 million].²⁷

Even prior to the Covid-19 crisis, the Tirupur garment industry was in trouble according to a newsreport.²⁸ The report stated that guesstimates claim that nearly 500,000 jobs, i.e. 50% jobs have been lost. According to Mr Sampath, the general secretary of the Baniyan and General Workers Union of the Centre of Indian Trade Unions (CITU),

The garment industry's struggle started with the announcement of demonetisation three years ago. Many of the transactions were done in cash, since a lot of job works are involved in manufacturing a finished good. When the industry was recovering from that crisis, the ...government announced the implementation of the Goods and Services Tax (GST). The small and medium companies were severely affected by the complex process of tax filing and hence the business was also affected.

Competition from Bangladesh, Cambodia and Indonesia was also impacting the industry severely.

As per the report of Confederation of Textile Industry (CITI), garment exports from Bangladesh increased by 56% after the implementation of GST in India during July-November 2017.

The president of Tirupur Exporters and Manufacturers Association (TEAMA), Muthurethinam, told *NewsClick* that, "There is a reduction of about 60% in exports and 80% in domestic sales. About 85% of the industries in Tirupur are small and medium ones, which have been the most affected due to government policies. The Union government's policy of exempting tax for garment import from Bangladesh is also playing a role in

²⁶ R. Ravichandran, "Lockdown relaxation: Tirupur garment cluster to resume ops; units start getting queries from abroad", *Financial Express*, 5 May 2020. <https://www.financialexpress.com/industry/lockdown-relaxation-tirupur-garment-cluster-to-resume-ops-units-start-getting-queries-from-abroad/1948220/>

²⁷ Ibid. 1 crore = 10 million.

²⁸ Neelambaran A., "#Economic Slowdown: Tirupur Garment Industry Gasps for Survival", *NewsClick*, 4 October 2019, <https://www.newsclick.in/economic-slowdown-tirupur-garment-industry-gasps-survival>

crushing the industry. The companies that procure the garments are happy to purchase cheap goods from Bangladesh resulting in fewer orders for local companies.²⁹

According to another report, by 2019-20 the industry had recovered from the impact of demonetization and GST and “close to Rs 28,000 crore [of] business happened during 2019-20”.³⁰ However, countries such as Bangladesh, Vietnam, Cambodia and China began production earlier than India after the Covid-19 pandemic lockdowns in 2020 leading to loss of orders by the Tirupur cluster according to newsreports.³¹ Although later reports speak of the Indian garment and textile industry making a robust recovery in April-November 2021 period on the basis of the quality of Indian products, others suggest that “The real surge is not in terms of quantity; it is because the economics have changed. We have seen input costs of yarn, dyes and chemicals go up by 40-50 per cent. This resulted in showing an increased turnover on paper”.³² In fact on 17-18 January 2022, the industry went on strike to ask the government to intervene in the face of the rising prices of raw materials.³³

It is clear that the textile and garment industry is in flux and the Covid-19 pandemic will result in some restructuring of the business. “While Asia is expected to continue to dominate global garment production also in the future, the sector is expected to evolve in multiple, sometimes competing and contradictory, ways in the coming years.”³⁴

²⁹ Ibid.

³⁰ Sampath Kumar, “Garment Industry in Tamil Nadu eyes 10-15% growth,” *The Times of India*, 30 September 2021, <https://timesofindia.indiatimes.com/city/coimbatore/garment-industry-eyes-10-15-growth/articleshow/86627934.cms>

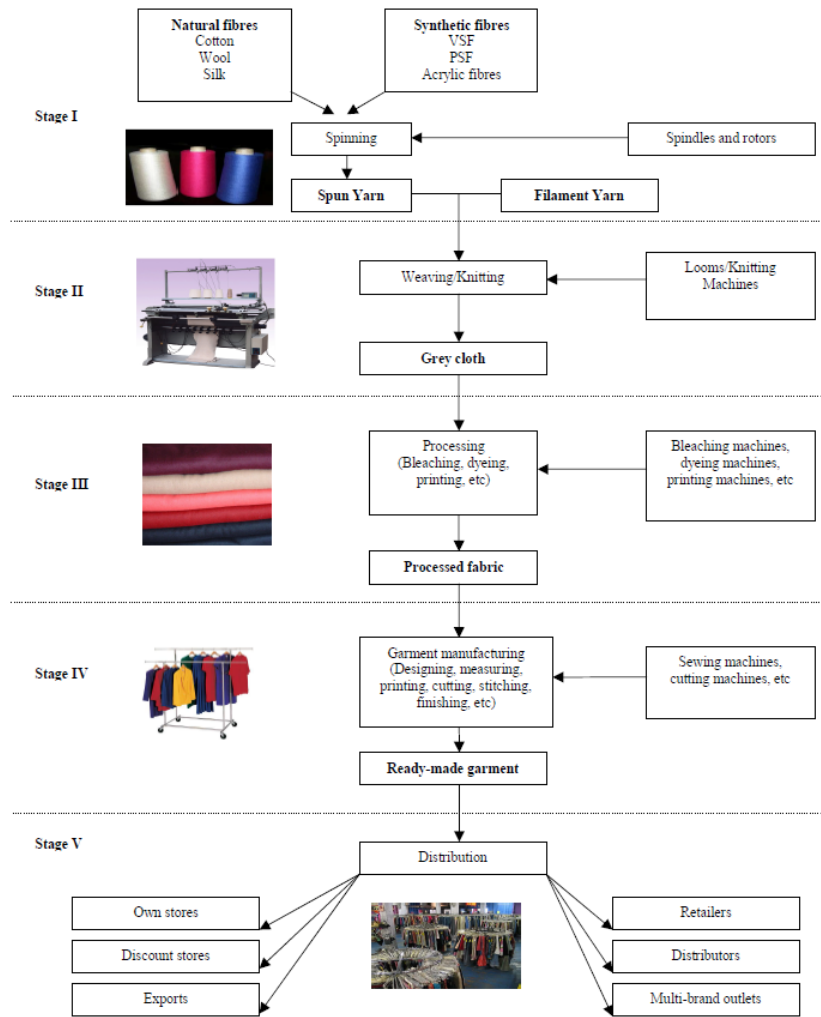
³¹ Shine Jacob, “Covid cuts Tirupur garment hub biz, 10% orders go to other nations”, *Business Standard*, 16 July 2021, https://www.business-standard.com/article/economy-policy/covid-cuts-tirupur-garment-hub-biz-10-orders-go-to-other-nations-121071501617_1.html

³² According to Raja M Shanmugham, President, Tirupur Exporters Association in Shine Jacob, “India's textile and apparel exports outshine pre-Covid numbers”, *Business Standard*, 27 December 2021, https://www.business-standard.com/article/economy-policy/india-s-textile-and-apparel-exports-outshine-pre-covid-numbers-121122700053_1.html

³³ “Tiruppur garment exporters to go on strike on Jan. 17 and 18”, *The Hindu*, 5 January 2022, <https://www.thehindu.com/news/cities/Coimbatore/tiruppur-garment-exporters-to-go-on-strike-on-jan-17-and-18/article38132708.ece>

³⁴ See the 2020 ILO report, *What next for Asian garment production after COVID-19? The perspectives of industry stakeholders*. https://www.ilo.org/asia/publications/WCMS_755630/lang--en/index.htm

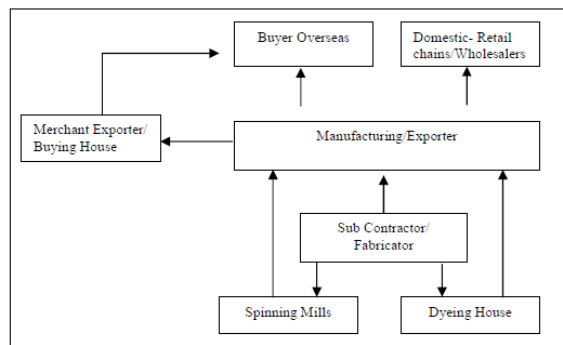
Chart 3: Value chain of Textiles and Garments industry



Source: Adopted from the report Enhancing Competitiveness of Indian Manufacturing Industry: Assistance in Policy Making by CRISIL for NMCC, GOI

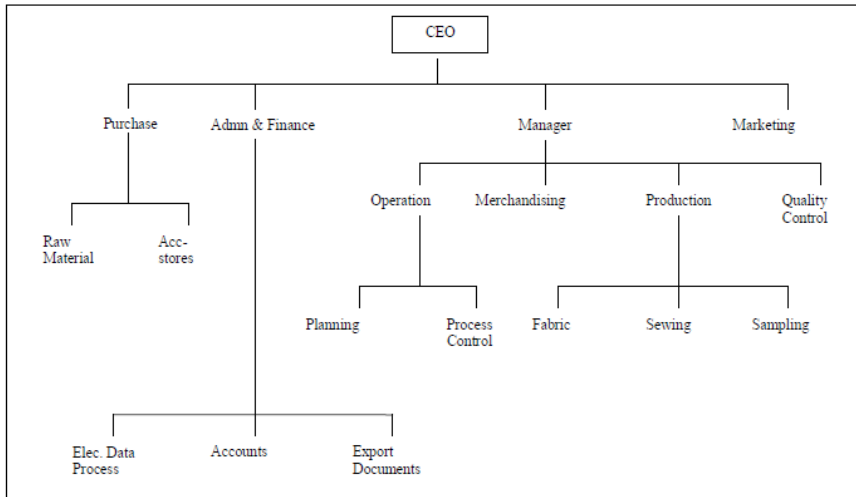
Source: Kalita, p.10.

Chart 4: Market Topography for Manufactures



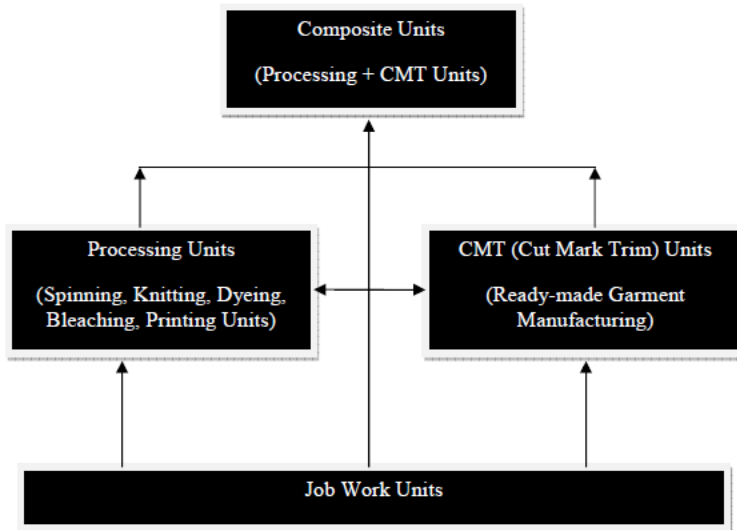
Source: Kalita, p.11.

Chart 5: Organizational Structure of a Firm



Source: Kalita, p.12.

Chart 6: Evolution Firms in Tirupur



Source: Kalita, p.13.

Key Clusters of Industry Subsectors in Tamil Nadu	
Spinning Mills	Coimbatore, Dindigul, Erode, Karur, Salem and Tirupur
Handloom and Powerloom	Bhavani, Coimbatore, Erode, Karur, Namakkal and Salem
Garment Manufacturing	Chennai and Tirupur

Source: Solidard 2012, p. 3

Workforce

The garment industry in Tirupur employs nearly 600,000 workers, mostly intra- and inter-state migrants, with the proportion of the latter rising significantly over the last decade.³⁵ Nearly 40% of the workforce in Tirupur comprises of migrant workers according to the Tirupur Exporters Association (TEA). Earlier the migrants primarily came from 18 southern districts of Tamil Nadu and Kerala. Roy (2009, p.12) adds that in recent years, migrant workers from other parts of India also come to Tirupur to work, i.e., from Uttar Pradesh, Bihar, Orissa, Manipur, Nagaland and even from Nepal.

According to TEA in a garment factory, 70% people are engaged in stitching, 20% in ironing and pressing, 5-7% in cutting and the rest in packing.³⁶ Additionally, “70-75% of all workers in Tirupur are hired on ‘piece rate’, where no social security benefits such as provident fund, health insurance under Employees’ State Insurance (ESI) etc., are given.”³⁷ Most firms operate a 12-hour workday, even going up to 16-18 hours when production schedules are particularly tight.³⁸ However, the statutory double rate of wages for overtime is not given.

According to Kalita, the labour force available for the production process in and around Tirupur comes from an agricultural background with low skill levels but even without training it takes such workers approximately three weeks to be absorbed in the production process (p. 15). However, her sources pointed to a scarcity of skilled workers such as master tailors and cutters and sometime even helpers. This was attributed to the fact that production workers who are primarily from agrarian households, work in the garment industry during the lean agricultural season but with the availability of work under the National Rural Employment Guarantee Act (NREGA) migration has reduced, leading to labour scarcity (p. 19). With the emergence of new technologies and its adaptation at different stages of the supply chain especially in dyeing, processing, and printing, the skill requirement has increased but there is a shortage of adequately skilled workers.

Kalita further elucidates that according to trade union representatives, there are two systems of payment with approximately 30% of the workforce engaged in piece rate work, and the rest in shift work. In addition, 40% of the workforce comprises of contract workers. (p.15)

Long working hours, forced overtime high targets and work intensity, verbal and physical violence, sexual harassment all contribute to excessive stress level of the workers at their job and leads to job dissatisfaction resulting in high attrition rates and industrial disputes.

The southern Indian garment manufacturing clusters in Tamil Nadu and Karnataka follow the global trend of feminization of the labour force with Tirupur reporting an even division of 50-

³⁵ <https://www.fairwear.org/stories/lockdown-effect-lakhs-of-workers-in-tamil-nadus-garment-industry-lose-3-weeks-wages-despite-government-orders/>

³⁶ Sutanuka Ghoshal, “Exporting units in Tirupur, Noida try to procure local labourers in the absence of migrant workers”, *Economic Times*, 17 June 2020, <https://economictimes.indiatimes.com/industry/cons-products/garments/-textiles/exporting-units-in-tirupur-noida-try-to-procure-local-labourers-in-the-absence-of-migrant-workers/articleshow/76431551.cms?from=mdr>

³⁷ Ibid.

³⁸ Srinivas 2000, p. 19.

50 between male and female workers.³⁹ Srinivas (2000, p. 7) points out that “employment of women in this industry coincides with orientation to export market.” After some years of work experience, women are also engaged in cutting garments. Roy (2009, p. 18) adds that “women workers are employed in large numbers in exporting units in stitching, folding, checking and packaging jobs. In the knitting and embroidery workshops the share of female workers is less but in a large number of firms they do the checking job.”

The exploitation of women workers especially through the use of Tamil Nadu’s Sumangali scheme has been widely reported and researched. According to a report “over 80% of the Sumangali Scheme identified to be in the spinning mills sector and less than 20% in garment manufacturing process.”⁴⁰

Prevailing gender norms create a situation where women are not treated equally in their workplace. They are considered as inferior to their male co-workers and the supervisory tasks are rarely given to them and they do not get the same benefits as that of a male worker. The major issues and problems that women workers face in the textile and garment sectors include unequal pay, insecurity, sexual harassment, lack of proper family support, deficient maternity leave, unawareness of their rights, very little engagement in trade union activities, lack of leadership in trade unions etc.

Another group of vulnerable workers in the textile and garment industries of Tirupur are the interstate migrant workers. Most are from Uttar Pradesh, Bihar and Jharkhand. In Tirupur interstate migrants are mostly recruited and employed as contract workers. Sometimes workers themselves turn into informal contractors and recruit from their own network of friends, neighbours, and relatives. Skill centres have emerged as another source for recruiting interstate migrants especially through the accredited vocational skill training centres of skilling programmes such as the Deen Dayal Upadhyay – Grameen Koshal Yojna (DDU-GKY) and the Pradhan Mantri Kaushal Vikas Yojna (PMKVY)⁴¹ and from the non-accredited local vocational skill training centres. Although male migrant workers outnumber female migrant workers, in recent years there has been an increase in the migration of female workers to the textile and garment industries of Tirupur. As reported earlier, interstate migrants are mostly employed on piece rate work and unable to avail the protections and benefits of labour laws. In addition, they are engaged as daily wage workers and helpers in the industry. Migrant workers do not speak Tamil and so face problems in communication and adaptation. Also, they face difficulty in getting ration cards and avail the schemes of local and central government in Tirupur. It is hoped that with the introduction of a common ration card across the country under the *One Nation, One Ration Card* scheme this problem

³⁹ Kalita, p. 19.

⁴⁰ Firms hire “young women workers, on three-year contracts under the Sumangali Scheme, with the promise of a lump sum payment at the end of 3 years. ‘Sumangali’ in Tamil means ‘happily married woman’”. For more information, see Solidard 2012.

⁴¹ For more information see <http://ddugky.gov.in/> and <https://www.pmkvyofficial.org/>

will be alleviated.⁴² Migrants move in search of livelihood and to improve their conditions. However, with the poor working conditions and the problems they face they are unable to improve their status even after migration.

Collective Bargaining and Industrial Relations

Roy (2009, p. 19) found no trade union at the factory level in Tirupur, however, at the district level, at least at the wage negotiation process, trade unions play a significant role. Periodic wage agreements are signed between trade unions and the exporters association in the presence of Joint Labour Commissioner, Coimbatore.⁴³ Roy also found that statutory benefits of Employee State Insurance (ESI) and Provident Fund (PF) are provided only to a core segment of workers, amounting to no more than 20 per cent of the total workforce. Among the garment export clusters the wages in Tamil Nadu are the lowest⁴⁴ despite the wage agreement signed by the trade unions, primarily due to poor implementation of the agreement. According to a 2017 report, “while the wage for tailors is implemented as per the collective agreement, it is not the case for unskilled workers who are likely being paid below the wage agreement. Given that trade unions, have only organized 10-15% of the Tirupur garment sector workforce, union representatives say that they are unable to enforce the wage agreement.”⁴⁵

The Central Trade Unions that are active in the state of Tamil Nadu are CITU, AITUC, LPF, MLF mentioned earlier in Chapter II. In addition, the Indian National Trade Union Congress (INTUC), Anna Thozilsanga Peravai (ATP), Bharatiya Mazdoor Sangh (BMS), and the Hind Mazdoor Sabha (HMS) are also active. It is widely acknowledged that unionization allows workers to protect their rights, improve their conditions, and unions act as a balancing force but in the Tirupur garment industries, unionisation has not been progressing for over a decade. The small size of majority units, changing patterns of migration, and the difference in the types of employment relations (regular, contract, piece rate) has affected unionisation. Just 1-2% factories have a trade union. Among the eight active trade union organisations in Tirupur (CITU, AITUC, LPF, MLF, INTUC, ATP, BMS, and HMS) only CITU has approximately 10,000 as researchers found in the stakeholder interview.

⁴² Under the One Nation One Ration Card scheme, since 1 August 2020, distribution of highly subsidised food grains through the public distribution system (PDS) is achieved through the nation-wide portability of ration cards and the beneficiary can avail of the foodgrains by quoting their ration card number or Aadhar number. For more information see <https://nfsa.gov.in/>; https://www.nic.in/infographs_post/one-nation-one-ration-card/; <https://dfpd.gov.in/writereaddata/Portal/Magazine/AadhaarAdvisoryLetterDated2152021.pdf>; <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1749917>

⁴³ See “Tirupur garment units sign wage pact with unions”, *Financial Express*, 16 April 2016, <https://www.financialexpress.com/market/tirupur-garment-units-sign-wage-pact-with-unions/233018/>; <https://tnlabour.in/wp-content/uploads/2017/01/Bilateral-Wage-Agreement-For-Tirupur-Garment-Workers.pdf>;

⁴⁴ Wages can be compared here <https://paycheck.in/salary/minimumwages>

⁴⁵ “Wage Agreement that is not honored in Tirupur”, 11 January 2017, <https://tnlabour.in/garment-industry/4594>

In another stakeholder interview researchers were informed that AITUC is functioning actively in 25-30 garment factories in the district. According to this trade union official, earlier most workers were local workers and in the 1980s when there were only 4-5 export manufacturing units, the issue of dearness allowance (DA) was raised. Workers in Tirupur went on strike for 127 days for the DA, and succeeded. This protest and its success inspired workers for a long time. However, with an increase in export units, labour migration also began, from the southern districts of Tamil Nadu.

Recalling the 1980s, a trade union official shared that “In those days, it was a struggle to get Rs.1000 as wages for 1 week. But now people are getting Rs.6000 and even Rs.8000 in a week in the piece rate system. Therefore the monetary need of the employee was satisfied. So the workers are not interested in unionization. Only when there is an issue, labourers come to the union to get justice through friends or co-workers and at that time, we first make them join the union.”

A labour rights activist shared that few years back unions were very powerful, but now the situation has changed not just in Tirupur but in the country with a decline in strength and militancy of trade unions. They shared that now at the time of recruitment itself the company stipulates that the workers will not form any union. Additionally, factory management does not allow unions to enter the factory premises and calls the police if the unions do enter factory premises.

A labour lawyer opined that unions need to be strengthened and powerful and vibrant leaders are required to guide the workers. They suggested that union leaders should ensure they know the provisions of labour laws especially the current amendments. They also added that when it comes to grievance redressal, the mechanism differs from company to company. If there is a factory level union then workers approach their union for grievance redressal but according to them 50% of the factories do not have a union. It is only the big and very old factories that have unions. The unions attempt to settle the problem bilaterally with management but if it fails then they approach the labour department. The lawyer felt that the informal resolution mechanism is good as the issue can be sorted out relatively quickly as the formal process can take years to settle and the workers cannot sustain a long legal struggle. They opined that this is one of the reasons that disputes are not raised formally even when the problems facing workers are very high.

Regarding the involvement of women in unions, a trade union official shared that it is minimal and there are no active women leaders. Although some of the central trade unions have a special wing for women and continue to make efforts to reach out to women workers, they have not had much success. Additionally women workers do not open up easily to male union leaders, so it is important to encourage and prepare women leaders.

Migrants too are hesitant to approach unions as they fear victimization by company management and loss of employment. Some migrant workers researchers spoke to were of the opinion that unions create chaos so they were not eager to be a part of union. They want

to earn more due to their poor economy background, so they were ready to accept the bad working conditions and forced labour, bordering on modern forms of slavery.

Another union leader shared how their efforts to engage with intra-state migrants from southern districts came undone when after a long process of engagement with them, nearly 10-15 years, there was a sudden influx on interstate migrants. Due to a lack of familiarity with each other's languages the communication chain broke down and the gap between workers and unions started to grow. According to them, migrants are also influenced by management perspective of unions as troublemakers and keep their distance from unions.

The union leader further shared that management refuses to engage with them and calls the police if they approach management. The corrupt nexus between police and company officials ensures that police threaten and intimidate the union and prevent them from protesting at the company gate. In some cases, the police have also asked the workers why they approached the union, and said that if you have a problem then you can approach the police. But this is not the duty of the police said the union leader and yet the worker gets intimidated by the police.

Another union leader shared that in case of accidents inside and outside the company, the company usually tries to hide the case. If the union finds out they intervene and demand compensation from the company. But the company tries to hide the information, makes a compromise with the family of the injured worker, gives them a little compensation and ensures that the police do not file any case.

There are over 3000 export garment factories in Tirupur. There are many issues arising in such industries but workers do raise complaints or industrial disputes. Most workers prefer to go to unions in order to reach a settlement or compromise with the management. Only if it fails do they approach the labour department, but not all do; only a small number takes this route. A labour lawyer shared that 50 cases may be filed in a year under Industrial Disputes and the cases under 2A i.e. illegal termination is high. If a worker works for more than 7 years in a company and if he is aware of his rights and has some knowledge of labour laws he will take the route of raising an industrial dispute.

Another labour lawyer concurred, "Illegal termination cases are filed in large numbers, and that is too in the companies where the union is strong. If any worker raises an issue of illegal termination, it is called 2A [referring to Section 2(a) of the Industrial Disputes Act]. At the initial stage we go to the Labour Officer and the first level of hearing will be inside the company called domestic inquiry. The outcome of the inquiry - the inquiry report - is submitted by both the advocates. In the labour office, only the management representative and the worker can participate in the conciliation and the advocates can be present but have no role."

He added that "If the company and worker reach a settlement then the dispute will be resolved. Otherwise the labour officer will give a failure report, and then it goes to labour court where the worker seeks re-employment and back-wages for the period of his/her

unemployment. In the labour office, it takes 6 months for resolution, and if it fails it takes around 3 years in the labour court. When comparing individual and group cases, group cases are high. For most of the cases it is union supported workers who take this route.”

A district level union leader shared that they get approached by individual workers seeking help. Workers wanting to raise collective complaints or disputes rarely approach them except if the workers have a complaint regarding bonus. He also shared that a decade ago many workers with individual and collective complaints would approach them but now the scenario has changed. Now they get individual worker complaints for issues of termination, settlement and compensation.

He added that bonus issues at the time of Diwali used to be when most district union offices were busiest. Some companies would give bonus on a percentage basis, some will give approximately, and some do not give any bonus. The workers would be most active before the bonus time. Now-a-days, workers do not expect a bonus as they are working in a piece-rate system. They are not aware of their rights and do not know that they can get bonus if a demand is raised through a union.

Another district union leader concurred that now-a-days, labourers go to them for problems like termination without notice, non-settlement of wages, compensation etc. Before 2000, the workers would approach unions with their issues and raise industrial disputes. He opined that wages used to be very low in those days; hence the number of disputes was higher. But in the current piece rate system workers earn more. Now we are seeing a declining trend of raising disputes, especially in the last 5 to 10 years he said. Now-a-days, 10 labourers among the 100 only demand their bonus and the remaining just accept whatever the management gives. The union leader felt that workers have lost the appetite for a fight and they are reaping benefits of past protests and strikes. Even when they approach unions the workers prefer an informal settlement and do not want to raise a formal dispute.

Furthermore conciliation is possible if workers have proper documents to support their case. This is the reason why most cases that are filed with the labour department concern issues like illegal termination, non-payment of wages/gratuity, salary advance and it is mostly individual cases not group cases. Majority of the contract and piece rated workers just move from company to company where they have complaints. Even employers are facing problems because of this as workers just quit if asked about irregular attendance.

A labour lawyer said that in the last 5 year, the filing of labour disputes has been very low. This is due to the fact that workers are not permanently employed and there is no unionization.

Labour market in Tirupur

The labour market in Tirupur is diversified. Most of the workers are migrants – both intra- and inter-state migrants. The employment type of the workers are also differs from company

to company. It also differs from worker to worker in the same company. There are permanent workers on shift system; there are contract workers on both shift system and piece rate system. Piece rate work is the maximum currently. Due to this difference in the type of employment, the workers' rights and entitlements are abused and the workers are exploited. But workers are not aware of their rights and are just happy to earn especially as their earnings in the piece rate system are higher than that of time rated workers in shift system.

A worker-leader shared that "in the shift system workers get Rs 385 per shift (which is of 12 hours not 8 hours). For the same work, piece rate workers earn Rs 700-800. So they are not interested in joining the union or getting access to ESI, PF and gratuity. They are just satisfied if they earn more money in a day."

A frustrated district union leader concurred and blamed the piece rate system for all these problems. "Nowadays workers need more money to cover their expenses. So they prefer to work on piece rate. So the number of piece rate workers is increasing. Wages for shift based regular work is Rs 385 per shift. After deducting ESI and PF, a worker can take home only Rs 300 which is not at all enough to run a family. So they prefer to work on piece rate since they earn Rs 700-800 Rupees a day. But piece rate workers don't get a job daily. Piece rate is not a permanent job. Compared to the piece rate, a shift basis is a permanent job. Once the order is completed, it takes a few days to get the next order. Till then piece rate workers don't get work in the factory. So once the order is completed they move to another company."

Another district level union leader said, "There is a law for to regulate employment of contract workers. The contractor should be properly licensed and few in numbers. In this situation, when unions approach management for workers issue, they easily escape by saying that the workers are under contract. The contractor who hires these labourers is himself an ordinary worker. He is absolutely not an employer. He just works with 10 workers under him; surely we cannot go and ask him for bonus, PF or ESI. The principal employer is responsible for all its workers. Having contractual labourers is illegal, but the company wants to escape from its responsibilities by just having contractual labourers. This kind of scenario is increasing day by day. We are dealing with more and more of these issues daily."

A labour lawyer confirmed saying that "from stitching to packing, all are on contractual and sub-contractual basis. A middle man has 10 to 15 workers under him in the contract; he receives the wages from management and gives a part to the workers after deducting his commission. The employer will give raw materials, place and does management work only. The workers entitlement will not be accessible for these sub-contract workers, even he/she cannot ask for compensation for any accidents happening in the workplace. These kinds of subcontractors are not registered contractors."

An older union leader recalled that earlier there was a practice of giving monetary settlement to the workers when they were let go during the notice period. "They would calculate the salary of 15 days in a month by the number of years they have worked for. But this is not being given now. The management says that they will follow the policy of gratuity. But a worker is only eligible for gratuity after working for 5 years and companies escape by firing

workers in the 4th year of employment. In that case, if the labourer tries to continue with the work, it is highly challenging. We have dealt with such a case. It had gone to the Labour Court and the Judge ordered management to take the worker back to the job and give the back wages. But the company had taken him as the new employee and started to deduct PF in a new account. Still that worker has not been able to claim the PF deducted before the case, as the management is claiming that they have lost the documents. That worker is not working there right now and has claimed the PF which was deducted after he was reinstated, and that too after a huge struggle. The company was not ready to accept the judgment. Management harasses the worker forcing him to resign from the job.”

Regarding the male and female population among the labourers, the ratio is almost equal. But it is always questionable whether they are paid with equal wages for equal work. The female workers do not get maternity benefits. Very few who have ESI benefits have claimed maternity benefits. Mostly the female workers are not aware of the benefit. They just quit their work. A labour lawyer shared that “no one is able to avail of the maternity benefit as most of them are on contract and piece rate basis. They work for 10 days in one company and the next 10 days in another company. There is no permanency in their jobs, they are moving constantly. Labour laws are applicable only in case of permanent jobs. This is the major reason that a very minimal number of cases are filed. If you ask a worker who has 10 years of experience in this sector, he/she would have moved to at least 50 companies in those 10 years.”

Another issue is the large number of migrant workers between the ages of 18 and 25. Interstate migrants are in higher concentration in Tirupur export garment industries, and in the experience of the union leaders, only about a third of them speak about their issues; others remain quiet for fear of losing their jobs or getting into any problems. Migrant workers hardly take any leaves and usually follow management instructions. The migrant workers are brought to Tirupur by a contractor who charges them very high commission. Management also gives commission to the contractor and also a salary to manage the workers. The expense for their stay and food is low since the cost is borne by the employer who puts the inter-state migrants up in hostels (mostly inside company premises). Hence, management mostly prefers to employ interstate migrants. Local activists feel that the government should have the specific unit to register the Interstate Migrants in all the Railway Stations. The lockdown in 2020 during the Covid-19 pandemic lockdown highlighted the issues of interstate migrant workers. Many who had gone back to their villages have started returning to their jobs.

A labour rights activist with an NGO says that “Now north Indian labourers are working in considerable numbers. In Tirupur readymade garment sector most of the migrant labourers from Odisha, Bihar, Jharkhand, West Bengal and Assam. They are working in other sectors too. They are not allowed to form a union. 12 hours of work in a day is compulsory. They get low pay for their work. Language is one of the big problems for them.”

According to a district level union leader, “Migrant workers have no proof of being employed in a company. They don’t have any social security. The interstate migrant workers act clearly says that all the migrant workers should be registered properly. But none of the management follows it properly. They just register a few migrants just to show compliance. There are approximately, 1.5-2 lakhs (150,000-200,000) interstate migrant workers in Tirupur garment industry but very few among them are registered.”

Another union leader shared that they printed nearly 25,000 leaflets in Hindi with information on their rights, activities of the union and importance and benefits of joining a union. But the union also faced many challenges. “Many of the interstate migrants say that they are from West Bengal and don’t know Hindi and many others said that they can only speak Hindi, but cannot read or write as they are illiterate. So reaching the interstate migrant workers through union is challenging, even though the union is trying different strategies. The inter-state migrant workers are not aware of their rights and that is the biggest problem.”

Impact of Covid-19 Pandemic in the Industrial Relations in the Garment Sector of Tirupur

With lockdowns, closure of factories and loss of orders, most workers lost their jobs. A labour rights activist shared that “When the government announced lockdown, interstate migrant labourers started going back to their state but there was a lack of public transportation and more than 300 migrants died in various ways and accidents.” A labour lawyer shared that the interstate migrant workers had organized many protests demanding that arrangements be made to send them back home.

During the Covid-19 lockdown the Chief Minister of Tamil Nadu stated that there are over 2.5 lakhs (250,000) inter-state migrants in Tamil Nadu. This is a gross underestimation as most union leaders said that there are nearly 2 lakhs (200,000) migrant workers in Tirupur itself. The government does not have proper data for interstate migrant workers working in Tamil Nadu.

After the lockdown when work resumed in factories, wage rates fell and workers were forced to compulsorily work overtime but without extra wages, work intensity increased as more work was being done with fewer workers as companies said they were trying to gain lost business.

Another labour activist said, “In the Covid-19 lockdown, the government ordered the salary for the lockdown period to all kinds of workers. But it was not given by the garment factories and the government itself later withdrew the order when it came up in court. Some companies had given monetary support to their workers, but that was deducted later from their actual wages. But no worker has raised an issue.”

A district level union leader said that “the owners of the garment factories in Tirupur used to say and advertise that they treat their labourers with dignity and they are very kind towards them and only want their livelihood to improve. But in actuality this is not so. In the

lockdown period, the unions, NGOs, CSOs and volunteers are the ones that supported the workers by giving them groceries, monetary assistance etc. But, the company owners did nothing. A handful of employers contributed but out of compulsion.”

Another district level union official shared that there have been a lot of complaints in recent times from people who lost their work after the Covid-19 lockdown was lifted, even though they had been working for ten years. Those who have jobs have not even paid continuously or paid daily. “If we demand the salary for the lockdown period, the employer says that the business is itself in trouble and they are at a loss. Most of the industries didn’t even provide any emergency relief to their workers. So, the workers itself quit their work.”

A labour lawyer said that when the first lockdown was announced in March 2020, several companies took care of the workers for 3 weeks, but when the lockdown was extended and the situation became uncertain, the company was unable to take care of the workers and sent them back.

A labour rights activist shared that during the pandemic, “employers did not allow them to meet the interstate migrant workers, most of whom were housed in hostels located inside the factory. Hostels are located inside factory premises to prevent union formation. It was a challenge to meet those workers. We could meet them once only. It is not possible to establish trust, rapport and a relationship in just one day.” They added that “we are aware that sexual harassment is widespread among the women workers housed in hostels but only 1 or 2 cases come to the public platform. Most of the cases are hidden within the factory campus itself. Even if some cases come out, management uses their money power and political power to kill the issue.” They added that “recently 131 child workers were rescued in an inspection through the pressure given by the CSO network Campaign against Child Labour (CACL). Most of the rescued youngsters are 9th to 12th standard students.”

Recent Labour Law Changes and Impact on IR in Tamil Nadu

The Union government of India has claimed that the four new labour codes are in the interest of the nation. These are – the Code on Wages, 2019; the Industrial Relations Code, 2020; the Occupational Safety, Health and Working Conditions Code, 2020; and the Code on Social Security, 2020. 44 central laws have been subsumed into these codes. Labour reforms must take into account the fact that the overwhelming majority of India’s workers are in both organised and unorganised sector, and ensure maximum protection of their basic labour rights.

There were strong reactions and vociferous agitations by the trade unions against the new labour codes. The joint platform of the 10 central trade unions, which includes the INTUC, AITUC, HMS, CITU, AIUTUC, TUCC, SEWA, AICCTU, LPF, and the UTUC, found numerous provisions in each of the codes that they fear may go against the interests of the

working classes.⁴⁶ The unions' demand is for outright withdrawal of the 4 Codes by the central government. The unions that existing labour laws are adequate and that the four labour codes do not allow for impartial rules to be framed. Uttar Pradesh, Bihar, Uttarakhand, and Madhya Pradesh have only put up the draft rules for two codes, while Karnataka has prepared the rules for only one code.⁴⁷ Meanwhile, state governments of large industrial states such as Maharashtra, Delhi, Tamil Nadu, and Punjab have not moved in this regard.

As per the Industrial Relations Code 2020 establishment employing 300 or more workers must prepare standing orders relating to classification of workers, manner of intimating to them periods and hours of work, holidays, pay days, shifts, attendance, conditions for leave, termination of employment, or suspension, besides the means available for redress of grievances. It confers on the 'appropriate Government', that is the central or state governments, the power to exempt, with or without conditions, any industrial establishment or class of industrial establishments from all or any of the provisions of the Code, if it is satisfied that adequate provisions exist to fulfil its objectives. An earlier version, the 2019 Bill applied to units with 100 employees or more. The threshold has been raised to 300 in the 2020 Code.

On trade unions, the IR Code Bill 2019 combined the features of three erstwhile laws – the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947.⁴⁸ Where there is more than one trade union in an establishment, the sole negotiating union status will be given to the one that has 51% of the employees as its members. It has been brought down from the 75% requirement in the 2019 version. Where no union qualifies under this criterion, the employer must constitute a 'negotiating council' consisting of representatives drawn from the various unions, with only those with at least 20% of employees as its members.

The provisions that require the prior permission of the government for lay-off, retrenchment and closure are made applicable to only establishments that had employed 300 or more workers on an average working day in the preceding 12 months. The Code also allows the government to raise this threshold by notification. A lay-off would be deemed illegal if it is affected without permission or is done despite refusal of permission, but it will not be so if the employee had been offered alternative employment that does not require any special skill or cause undue hardship. The Code prescribes notice period, or payment in lieu of notice period, and prior government permission before retrenchment of anyone who has been in continuous service for a year or more. Such a prior permission requirement is in place also

⁴⁶ "10 Central trade unions to burn copies of labour codes on April 1", The Hindu, 24 March 2021, <https://www.thehindu.com/news/national/10-central-trade-unions-to-burn-copies-of-labour-codes-on-april-1/article34153216.ece>

⁴⁷ National Herald, "With implementation of four central new labour codes deferred, govt must use time to talk to all stakeholders", 5th April 2021, <https://www.nationalheraldindia.com/opinion/with-implementation-of-four-central-new-labour-codes-deferred-govt-must-use-time-to-talk-to-all-stakeholders>

⁴⁸ The discussion below is based on K.Venkatraman, "What does the new Industrial Relations Code say, and how does it affect the right to strike?", The Hindu, 27 September 2020. <https://www.thehindu.com/news/national/the-hindu-explains-what-does-the-new-industrial-relations-code-say-and-how-does-it-affect-the-right-to-strike/article32705599.ece>

for closure of a unit, with the application to be filed 90 days prior to the intended closure. The Code prohibits strikes and lock-outs in all industrial establishments without notice.

No unit shall go on strike in breach of contract without giving notice 60 days before the strike, or within 14 days of giving such a notice, or before the expiry of any date given in the notice for the strike. Further, there should be no strike during any conciliation proceedings or within seven days of the conclusion of such proceedings; or during proceedings before an industrial tribunal or 60 days after their conclusion or during arbitration proceedings. Similar restrictions have been given on the employer from announcing a lock-out.

Garment work is characterized by long hours, and a lack of health and welfare benefits, minimum wages or job security. Production targets are harsh and verbal and sexual abuses are widespread.⁴⁹ Work-related illnesses and disorders include headaches and stress-related fatigue, back problems, disturbances of the menstrual cycle, repetitive strain injury, loss of weight, respiratory problems, kidney and bladder infections from retaining urine for long periods of time, and sinus problems and allergies from the dust and materials used. Workers do not divulge information on their conditions of employment because anyone who divulges information during labour inspections is given no further work from the next day.⁵⁰ In such a scenario, the 4 labour codes would further suppress the voices of workers.

A labour lawyer said, “Amendments in law need to be placed in the public domain and advertised well to get public opinion. But the notice was not reaching the public and even us advocates. We came to know when the Code was being passed in Parliament.”

Another labour lawyer shared, “When it comes to the enactment of labour laws and entitlements, from the government side the labour department goes for inspection if there are any complaints. Also, they go for periodical inspections. But there used to be some understanding between the officers and management before inspection. Now, there are so many changes in the labour laws and it is getting diluted. Even unionisation and freedom of association are getting affected due to the labour codes. Earlier, before we can give notice for strikes and go on strike to try to resolve the dispute. But now, even if only 3% of the workforce does not agree, we cannot go on strike. Also the diluted labour code says the management can claim breakage amount from labour for the faults and repairs in the machine.” He too highlighted the lack of consultation saying, “Usually, every amendment of the law requires public opinion and multi-stake holders’ opinion, but in framing these labour codes there were no consultations with labour union representatives, labour advocates and labour rights activists. As it is workers’ rights are being violated and labour laws are not being implemented. We are worried that the Codes will further dilute workers rights.”

⁴⁹ Supriya Roychowdhury, “Labour Activism and Women in the Unorganised Sector: Garment Export Industry in Bangalore”, January 2005, https://www.researchgate.net/publication/262125105_Labour_Activism_and_Women_in_the_Unorganised_Sector_Garment_Export_Industry_in_Bangalore

⁵⁰ J. Unni and N. Bali, “Subcontracted Women Workers in the Garment Industry in India”, Gujarat Institute of Development Research 2001. Cited in Priya Dheisnkar, *Extending Labour Inspections to the Informal Sector and Agriculture*. Overseas Development Institute, Chronic Poverty Research Centre, Working Paper No. 154. November 2009. <http://www.shram.org/uploadFiles/20150518034752.pdf>

Role and Functioning of the Labour Department

There are four basic issues that concern the Central and State⁵¹ Labour Ministry –

1. Legislating and implementing labour laws, rules, policies
2. Wage policy including minimum wage
3. Skilling policy and implementation
4. Statistics – labour and employment, industrial relations (strikes, lockouts, disputes)

Labour departments have 4 roles –

1. *administrative* (licensing and registration of factories, contractors, unions, third party auditors, labour welfare boards)
2. *enforcement* (of statutory rights, inspection policy/system, standing orders, implementing government policies)
3. *conciliation*; resolving disputes via conciliation and settlement, or referral of cases to labour court in case of failure of conciliation
4. *quasi-judicial* (deciding claims regarding wages [non payment, delayed, less, equal wages], deciding claims regarding workmen's compensation – sickness, disablement, injury, maternity benefit; gratuity, contract labour,)

Labour Department⁵² responsibilities are divided between the Factories Wing and the Labour Wing –

1. *Factories Wing* – is headed by Director of Industrial Safety and Health (DISH) and is responsible for ensuring safety and health of workers and of the production process. Their responsibilities include:
 - a) Enforcement of Factories Act provisions;
 - b) Inspection
 - c) Identification of unregistered factories;
 - d) Investigation of accidents and enforcement of workmen's compensation, Indian Boilers Act 1923, and enforcement of Manufacturing, Storage and Import of Hazardous Chemicals Rules, 1989 and Emergency Planning, Preparedness and Response Rules, 1996;
 - e) Approval of plans and enforcement of Environmental Protection Act/pollution etc;
 - f) Attending to complaints.
2. *Labour Wing* – is headed by the Labour Commissioner and is responsible for industrial relations, wages, service conditions, social security provisions etc.

Labour related other social security departments include –

1. Employees' State Insurance Corporation (ESIC)
2. Employees' Provident Fund Organization (EPFO)

⁵¹ <https://labour.tn.gov.in/>

⁵² <https://labour.tn.gov.in/pdf/functions.pdf>

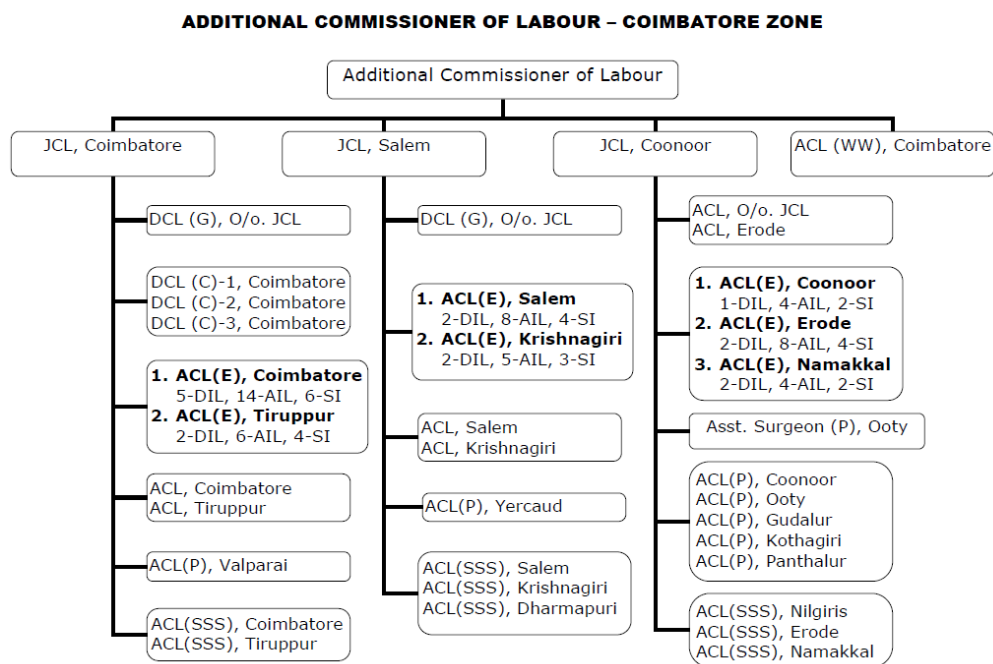
3. Local Committee (LC - under the prevention of sexual harassment law)

Tirupur falls under the jurisdiction of the Deputy Labour Commissioner of the Coimbatore Division. At the labour department office in Tirupur there are –

- 3 Assistant Labour Commissioners
 - Assistant Commissioner of Labour (Enforcement)
 - Assistant Commissioner of Labour (Conciliation)
 - Assistant Commissioner of Labour (Social Security Scheme).

It is the Assistant Commissioner of Labour (Conciliation) who addresses industrial disputes arising in the textile and garment sectors in Tirupur District. The enforcement of labour laws in the textile and garment industries is under the control of the Directorate of Industrial Safety and Health (DISH).⁵³ The Tirupur district directorate comprises of –

- 3 Joint Directors
- 3 Deputy Directors
- 6 Assistant Directors in Tirupur District



Source: <https://labour.tn.gov.in/images/pdf/docs/addn-commr-cbe.pdf>

Directorate of Industrial Safety and Health (DISH)

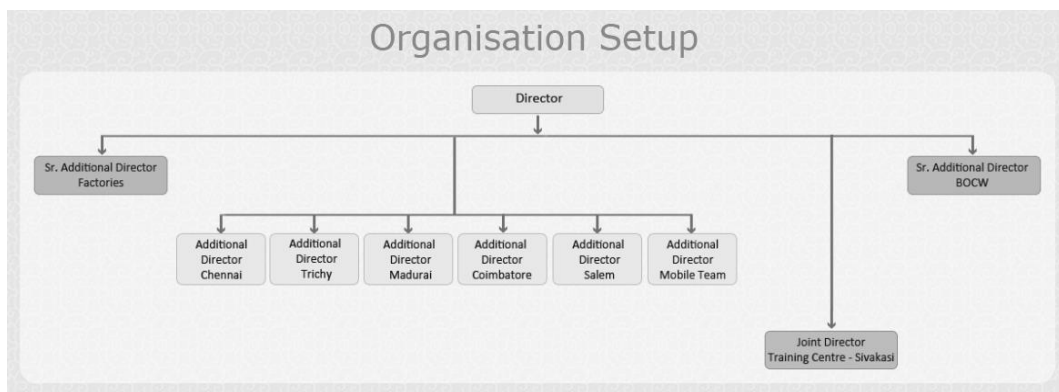
The Directorate of Industrial Safety and Health is functioning under Labour Welfare and Skill Development Department, Government of Tamil Nadu and enforces central and state Labour Acts along with Tamil Nadu State Rules for the benefit of workers employed in the factories and building & other construction activities.

Officials of DISH carry out inspections periodically to ensure proper implementation of various welfare measures under these Acts and Rules -

⁵³ <https://dish.tn.gov.in/>

- Building and other Construction Workers Act: Tamil Nadu Building and Other Construction Workers (Regulation and Employment and Conditions of Service) Rules have been framed in the year 2006;
- Health, Safety, Training and Development functions in both factories and construction sites;
- A medical wing is functioning in this Directorate with one Chief Medical Officer and eight Medical Officers (Certifying Surgeons).

DISH is headed by a Director of Industrial Safety and Health; assisted by Additional Director of Industrial Safety and Health; Joint Director of Industrial Safety and Health; Deputy Director of Industrial Safety and Health; and Assistant Director of Industrial Safety and Health.



Organization Profile - DISH

Labour Courts

The Labour Courts deal with all types of disputes between employers and employees under the provisions of Industrial Disputes Act and other labour laws. There are 12 Labour Courts in the State. These courts are presided over by judicial officers of the cadre of District Judges. One Principal and three Additional Labour Courts are functioning in Chennai, two at Vellore and one each in Salem, Coimbatore, Cuddalore, Tiruchirappalli, Madurai, and Tirunelveli. Labour Courts adjudicate on matters specified in the Second Schedule to the Industrial Disputes Act, 1947, as mentioned below-

1. The propriety or legality of an order passed by an employer under the Standing orders;
2. The application and interpretation of Standing Orders;
3. Discharge or dismissal of workmen including reinstatement of, grant of relief to, workmen wrongfully dismissed;
4. Withdrawal of any customary concession or privilege;
5. Illegality or otherwise of a strike or lock-out and
6. All matters other than those specified in the Third Schedule.

Industrial Tribunals

An Industrial Tribunal is functioning at Chennai and adjudicates on matters specified in the Third Schedule to the Industrial Disputes Act, 1947, as mentioned below:-

1. Wages, including the period and mode of payment;
2. Compensatory and other allowances;
3. Hours of work and rest intervals;
4. Leave with wages and holidays;
5. Bonus, profit-sharing, provident fund and gratuity;
6. Shift working otherwise than in accordance with standing orders;
7. Classification by grades;
8. Rules of discipline;
9. Rationalization;
10. Retrenchment of workmen and closure of establishment and
11. Any other matter that may be prescribed

A frustrating aspect of workers' access to justice is the fact that labour courts and tribunals are overcrowded and the process of adjudication takes a very long time, cases go on for a number of years. Labour unions too have had little impact. The average duration of proceedings in labour courts is ten years and, when appeals are included, dispute settlement takes 20 years.⁵⁴

The labour dispute resolution under the Industrial Disputes Act, 1947 sets out the procedures for taking industrial action and resolving disputes through conciliation, adjudication, and arbitration. Under the law, employers with at least 20 employees must constitute a grievance settlement system to settle industrial disputes. In practice, few factories have such a mechanism.⁵⁵ When disputes fail to be settled within the industry, the Assistant Commissioner of Labour (Conciliation), Deputy Labour Commissioner and then the Labour Commissioner will be involved to facilitate an agreement, or provide mediation if any of the party appealed a case to the department of labour. If conciliation fails, the dispute can be referred to the labour courts. Doing so, typically, involves lengthy delays and procedural complexity, all of which works against the effective and efficient consideration and resolution of the grievances raised in the dispute.⁵⁶ In Tirupur, typically conciliation takes more than 6 months and adjudication takes more than 3 years in the labour court.

Social Security

Employment Provident Fund (EPF):

Employee Provident Fund (EPF) is a retirement savings scheme. Popularly referred to as PF it is a scheme for providing a monetary benefit after their retirement to all salaried individuals, earning up to Rs 15,000 a month. The process is monitored by the Employee

⁵⁴ Khan 2005.

⁵⁵ Fair Wear Foundation, 2016b.

⁵⁶ Joseph, 2014.

Provident Fund Organisation of India. Any organisation that has more than 20 employees must register with the EPFO. Both the worker and the employer contribute 12% of the wages (basic pay plus dearness allowance) into the PF account. PF is the only source of saving for most garment workers and they dip into it from time to time to pay for big expenditures such as school fees, weddings, and medical emergencies. Capital expenditures of many small garment units that are set-up by former garment workers are funded from their accumulated PF savings.⁵⁷

Employee State Insurance (ESI):

Employees' State Insurance is an integrated social security system tailored to provide social protection to workers, their immediate dependents or family, in the organized sector, in contingencies, such as sickness, maternity, and death or disablement due to an employment injury or occupational hazard.

ESI provides coverage to workers earning Rs. 21,000 or less in establishments using power and employing 10 workers or more. The ESI Scheme is mainly financed by contributions raised from employees covered under the scheme and their employers, as a fixed percentage of wages. The Corporation is an autonomous body under the Ministry of Labour and Employment and functions under the national government. There are 151 ESI hospitals and 1570 ESI dispensaries across the country.

The recent changes made to increase the scope of the scheme under the Social Security Code 2020, is further testament to the importance of this scheme. From originally covering workers in the organised sector, the scheme has been extended to workers in the gig economy, establishments employing less than 10 workers and to casual and contract labour employed in municipal bodies.⁵⁸ Increasing enrolment under ESI (and PF) has also been hailed by the current national government as a marker of formalization of labour.

In light of the pandemic and its devastating impact, the ESIC introduced measures aimed at addressing financial constraints of unemployment as well as health care challenges faced by workers. For example, the Atal BeemaVyakti Kalyan Yojana (ABVKY) scheme that provided monetary benefit to workers who were unemployed was extended to 30th June 2021 from the original period of two years (effective till July 2020). It has recently been extended again, to June 2022.⁵⁹ The rate of compensation was also raised from 25% of wages to 50% of wages. The ESIC COVID-19 Relief Scheme provides monetary compensation to dependent family members of insured workers who died due to COVID-19.⁶⁰ Apart from

⁵⁷ See "Garment sector upset over new EPF notification", *The Hindu*, 29 March 2016, <https://www.thehindu.com/news/national/tamil-nadu/garment-sector-upset-over-new-epf-notification/article8407304.ece>;

⁵⁸ <https://www.dailyexcelsior.com/esic-to-cover-casual-contractual-employees/>

⁵⁹ <https://keralakaumudi.com/en/news/news.php?id=637787&u=esi-scheme-extended-to-workers-in-plantation-and-unorganized-sector>

⁶⁰ The total amount payable to all dependents of one insured person is 90% of the actual wages of the worker. The scheme outlines the portion of payment allowed for different dependents.

direct benefits, several ESIC hospitals were demarcated to exclusively function as COVID-19 units.

There was significant disquiet about the plight of migrant workers during the Covid-19 lockdowns and the Parliamentary Standing Committee on Labour, while vetting the social security code, voiced its view that minimum thresholds should be removed from provisioning of both ESI and PF, so that the schemes could be extended to cover migrant workers.⁶¹

Recently, at an ESI plenary board meeting it was decided to extend ESI to cover unorganized sector workers.

Out of the 40 crore unorganized workers in the country, 1.5 crore will be included in the ESI limit in the first phase. These include construction workers, street vendors, domestic workers, milk suppliers, truck drivers, fishing and sales workers, farm workers, and migrant workers. ESI will also be applicable in the plantation sector.⁶²

While announcements of extension and universalisation of coverage are welcome, it is unclear how this will be implemented, given that ESI barely covers the workers in the organized sector, including the contract, casual, daily, and piece-rated workers employed in the organized sector, whom it should have been easy to cover in the first place. The experience of workers in Tirupur demonstrates the distance between these proposals and the reality.

Most workers in the Tirupur garment industries are not covered under ESI and PF as the majority of them are either employed as contract workers or as casual workers working on piece rate. Although even as contract and casual workers they should be eligible for these benefits, but without any appointment letters or proof of employment they are unable to claim the benefits.

A union leader explained, “PF and ESI are major issues for the garment workers in Tirupur. Most of the workers do not get PF and ESI benefits. When there are 500 workers, only 100 are being covered under these social security benefits; the remaining 400 are employed as contract workers which is illegal, but they should in any case also get these benefits, but they don’t get them.”

Another union leader who is also a worker says, “ESI and PF are deducted for the piece rate worker also, but both employer and employee share is deducted from the worker wages. They deduct both employer share 12% and employee share 12% from employee’s wage itself. If we ask the workers to join a union to question unfair labour practice, employees are scared

⁶¹ Surya Sarathi Ray, “House panel for expansion of EPF/ESIC net for migrant workers’, *Financial Express*, 7 July 2020, <https://www.financialexpress.com/money/house-panel-for-expansion-of-epf-esic-net-for-migrant-workers/2015241/>

⁶² “ESI scheme extended to workers in plantation and unorganized sector,” Kamudi Online, 11 September 2021, <https://keralakaumudi.com/en/news/news.php?id=637787&u=esi-scheme-extended-to-workers-in-plantation-and-unorganized-sector>

fearing loss of jobs. For workers who are members of the union the company deducts and deposits ESI and PF correctly. Otherwise we raise our voice against it. So we have Rs 2 to 4 lakhs (200,000 – 400,000) in PF accounts of those who are union members.”

A Labour lawyer shared that, “The workers working on piece rate or as contract workers are not availing any social security like PF and ESI. They know about it, but they are not asking for it. They earn for the pieces they are producing and earn higher than the workers employed in company in shifts i.e. so called permanent employees. So they don’t want to jeopardize their higher earnings.”

A district level labour leader said that workers do not come to them with complaints regarding PF and ESI. “In reality the workers are happy when there is no PF/ESI deduction. This pathetic situation exists because the process of claiming PF and ESI is the biggest challenge for labourers. The government says that claiming PF and ESI is the easiest process, but it is not. It doesn't reach the labourers, and the government is not ready to make all the labourers aware of their entitlements and teach them about the process of PF and ESI claim.” Moreover, “While registering for the PF account, the inter-state migrants are affected most frequently. Their names are having different pronunciation and thus in the data entry the name entered has spelling mistakes. When they try to claim their PF they are facing challenges, they don't know the process for rectifying the error. Likewise there are so many errors in the entry of date of birth, Aadhar number etc. These kinds of errors are common to local workers too.”

He also added that when it comes to ESI, there are not enough hospitals to treat all the labourers and also the existing hospitals do not have standard facilities. “The government has started to build a multi-specialty hospital in Coimbatore 2 years ago. But there is no progress in the construction and it has not opened yet. Approximately, one lakh rupees will be deposited in a year for ESI from the labourers of Tirupur but it is left unused. In the lockdown, the unions demanded to give some compensation to the labourers from their ESI money. The government had approved the demand and given some rules for applying it. The labourer had to give a letter that he/she is out of work for 75 continuous days and had to get a letter from the last company similarly. But in the lockdown most of the industries started operations in 60 to 65 days so the workers could not avail of this provision. **About 2 lakhs eligible labourers claimed this benefit.** But in actuality there are so many eligible labourers. The announcement of this benefit did not reach the labourers and the government did not take any measures to ensure it reaches all the eligible beneficiaries.”

Regarding maternity benefits, workers have very little knowledge and most of the workers are not receiving this benefit due to lack of awareness. Also among the contract and piece rate workers, if a woman gets pregnant, she takes leave and re-joins after a few months of her delivery. The researchers could not find any cases filed demanding maternity benefits.

A worker-leader shared that for union members availing maternity benefit was easy through ESI but some factories do not give maternity benefits and workers also are not contacting unions to avail this benefit. Only permanent workers are getting the social security benefits.

Record-keeping by the Labour Department and its role in Export Garment Industries

The research team found that the documents in the Labour Commissioner's office and in the inspector's office of DISH are not open for public viewing and can only be accessed by filing RTI petitions. The research team had approached all the officers for interviews to learn the actual practices, roles and functions of the labour department vis-à-vis industrial relations in the garment industry in Tirupur, as well as how the role and functioning of the labour department itself has been evolving over the years. However the labour officials were unwilling to grant interviews.

It is obvious that sound industrial relations contribute to decent work. ILO states that Freedom of Association and the effective recognition of the Right to Collective Bargaining are core principles underpinning the sound industrial relations. On its website the labour department declares that it is its supreme principle to maintain harmonious industrial relations.⁶³

Consistent and accurate documentation is essential for the labour department to properly evaluate the trend of industrial relations in industries and geographical locations under its jurisdiction and analyze the gap in the implementation of industrial and labour laws to avoid liability connected with labour disputes by doing periodical inspections and proper investigations. Documentation and record-keeping by the labour department directly and indirectly influences the proper implementation of labour legislations.

The website of the Labour Department of Government of Tamil Nadu lists state level statistics on disputes; claim petitions; strikes and lockouts,⁶⁴ government orders (GOs)⁶⁵, and a sub-portal to access labour court cases⁶⁶. However, there is neither a specific sub-portal for district wise e-documentation nor are district-wise segregated statistics provided on the website. District wise documentation and record keeping of the Tirupur Labour Department are in the hard copies in files and ledgers at the labour department office. However, when the research team approached the Tirupur labour department officials to access case details under specific laws like Industrial Disputes Act; Minimum Wages Act; and Inter-State Migrant Workmen Regulation Act, the officers first misdirected the researchers and then refused to entertain requests for interviews or access to documents.

The research team then filed RTIs and the replies to the RTIs were also sent on the 30th day (RTI Act mandates a reply within 30 days) but the responses were not satisfactory. The

⁶³ <https://labour.tn.gov.in/overview.php> & <https://labour.tn.gov.in/pdf/Policy%20Note%20English%202014-15.pdf>

⁶⁴ <https://labour.tn.gov.in/Statistics.php?mode=>

⁶⁵ <https://labour.tn.gov.in/imGOS?mode=>

⁶⁶ <https://labour.tn.gov.in/case.php?mode=>

research team only got an overall count of the cases filed under the labour laws from 2015 to 2020,

1. 7 cases under Minimum Wages Act
2. 105 cases under Factories Act
3. 0 cases under Equal Remuneration Act
4. 7 cases under Inter-State Migrant Workmen Regulation Act
5. 606 cases under Workmen Compensation Act
6. 0 cases under Maternity Benefit Act
7. 252 cases under Industrial Disputes Act related to Dismissal

112 cases under Industrial Disputes Act related to other grievances.

The RTIs and responses are given in **Annexure_____**.

There is no way for the public or researchers to access any records or statistics relating to the kinds of disputes arising in the garment industry or the district of Tirupur. The team was not allowed to inspect records or registers of industrial disputes file with the labour department in Tirupur or the number of such disputes resolved via conciliation; number of disputes resulting in failure of conciliation; records of how many of such disputes were then referred to labour courts or industrial tribunals. It was unclear, how without such industry specific statistics, the labour department plays an effective role in regulating industrial disputes in the industry and in the district.

However the macro data available at state level on the industrial disputes and cases help to analyze the trend of industrial disputes in Tamil Nadu. Statistics of strikes and lockouts from 2000 – 2019 at Tamil Nadu state level was showed in the following table.

Table: 01 – Strikes and Lock outs for the period 2000 to 2019

Year	No. of Strikes	No. of Persons Involved	No. of Lock-Outs	No. of Persons Involved	Total No of Strikes & Lock-Outs	No. of Persons Involved
2000	94	37,419	41	12,018	135	49,437
2001	86	62,014	44	15,173	130	77,187
2002	48	16,356	51	14,583	99	30,939
2003	54	16,857	53	14,786	107	31,643
2004	58	20,908	28	8,953	86	29,861
2005	51	24,359	20	2,801	71	27,160
2006	40	11,122	11	2,807	51	13,929
2007	56	32,055	10	2,419	66	34,474
2008	56	11,154	30	12,142	86	23,296
2009	36	30,444	17	4,949	53	35,393

2010	66	45,561	11	7,545	77	53,106
2011	51	133,060	10	2,272	61	135,332
2012	37	36,351	8	1,359	45	37,710
2013	22	6,967	6	1,381	28	8,348
2014	36	61,314	3	445	39	61,759
2015	22	9,539	6	587	28	10,126
2016	9	1,842	2	92	11	1,934
2017	25	182,216	1	1,100	26	183,316
2018	20	6,683	4	335	24	7,018
2019	14	4,489	1	100	15	4,589
Total	881	750,710	357	105,847	1238	856,557

The option of the strike and lockout is given by law under the Industrial Dispute Act, 1947 under Section 2(Q) and 2(I) respectively. Strike means stoppage of work by employees of the establishment. Whereas, lockout means temporary closure of any establishment or industry by the management and no worker is allowed to do work.

According to figures in table 1 says that there were over period of 20 years i.e. from 2000 to 2019, the total number of strikes have declined drastically from 94 to 14, and number of workers involved from 37,419 to merely 4,489. The number of lockouts in the same period also decline from 41 to 1. This may not necessarily mean that all is well in the state since this period also coincides with increasing informalisation of employment relationships, decline of unions, influx of interstate migrant workers who are more precariously employed than earlier local and intrastate migrant workers, as has been discussed above by various union leaders and labour lawyers.

Box: 01 - Industrial Disputes Act, 1947 – Strike & Lock Outs:

The Industrial Disputes Act, 1947 is the legislation for investigation and settlement of all industrial disputes. Industrial Disputes Act, 1947 provides machinery for peaceful resolution of disputes and to promote harmonious relation between employers and workers.

As per Section 2 (q) of the Industrial Disputes Act, 1947 “strike” means a cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal, or a refusal under a common understanding, of any number of persons who are or have been so employed to continue to work or to accept employment.

“Lock-out” means the temporary closing of a place of employment, or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him. [Section 2(I)]. Lock out is an antithesis to strike. Just as “strike” is a weapon available to the employees for enforcing their industrial demands, a “lock out” is a weapon available to the employer to persuade by a coercive process the employees to see his point of view and to accept his demands (Express Newspapers (P) Ltd. vs. Their Workers (1962) II L.L.J. 227 S.C.)

Apart from strikes and lockouts, there are individual and group conflicts that arise out of dissatisfaction of the employee and some of these end up in the formal industrial relations resolution system. The macro data of such industrial disputes is given below in the Table-02. As per the Industrial Disputes Act, 1947 industrial disputes means any dispute or differences between employers and workmen which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person. Any person who is a workman employed in an industry other than the employee at managerial or administrative capacity can raise an industrial dispute. A workman can raise a dispute directly before a Conciliation Officer in the case of discharge, dismissal, retrenchment or any form of termination of service. The dispute can also be raised by a union or employer in some cases related to bonus, profit sharing, provident fund, gratuity, rules of discipline, compensatory and other allowances, hours of work and rest intervals, leave with wages, holidays etc.

The conciliation officer plays a third party role and makes efforts to resolve the dispute through amicable settlement between the workmen and the management. The duties of conciliation officers have been laid down under Section 12 of the Industrial Disputes Act. Under section 12 (3), if a settlement of the dispute or of any of the matters in dispute is arrived at in the course of the conciliation proceedings the conciliation officer sends a report to the government with the memorandum signed by both the parties and under 12 (4), if no such settlement is arrived at, the conciliation officer sends a failure of conciliation report along with the reasons and opinion for non-settlement. In case of compromise between both the parties and in case of mutual withdrawal of the dispute, it is also considered an amicable settlement.

Table- 02: Disputes for the period 2001 to 2019

Year	No of Disputes Pending at the Beginning of the Year	No of Disputes Received	Total	No of Disputes Settled			Total	No of Disputes Pending at the End of the Year	Amicable Settlement
				12 (3) by conciliation officer	12(4) Failure of conciliation	Otherwise			
2001	3,306	9,375	12,681	1,791	4,701	3,798	10,290	2,391	5,589
2002	2,391	9,772	12,163	1,795	4,528	2,871	9,194	2,969	4,666
2003	2,969	8,044	11,013	1,628	4,508	2,898	9,034	1,979	4,526
2004	1,979	7336	9,315	1,888	3,493	2,162	7,543	1,772	4,050
2005	1,772	6,664	8,436	1,338	3,081	2,166	6,585	1,851	3,504
2006	1,851	5,189	7,040	1,352	2,149	2,012	5,513	1,527	3,364
2007	1,527	6,163	7,690	1,136	2,776	1,532	5,444	2,246	2,668
2008	2,246	5,650	7,896	1,212	3,010	1,465	5,687	2,209	2,677
2009	2,209	5,681	7,890	940	3,136	1,736	5,812	2,078	2,676
2010	2,078	3,578	5,656	750	2,091	1,118	3,959	1,697	1,868
2011	1,697	4,666	6,363	1,376	2,048	1,438	4,862	1,501	2,814

2012	1,501	4,148	5,649	1,075	1,821	1,184	4,080	1,569	2,259
2013	1,569	3,714	5,283	873	1,650	1,377	3,900	1,383	2,250
2014	1,383	8,501	9,884	4,002	1,993	2,423	8,418	1,466	6,425
2015	1,466	5,412	6,878	893	2,521	2,398	5,812	1,066	3,291
2016	1,066	3,327	4,393	668	1,620	1,031	3,319	1,074	1,699
2017	1,074	2,809	3,883	692	1,534	884	3,110	773	1,576
2018	773	2,462	3,235	548	1,264	645	2,457	778	1,193
2019	778	2,797	3,575	1,111	1,191	484	2,786	789	1,595
Total	OB-3,306	105,288	108,594	25,068	49,115	33,622	107,805	789	58,690

From the period of 2001 to 2019, 105288 disputes were received in total in which 58690 disputes were settled amicably and in 49115 disputes were not able to bring about any settlement between both the parties. The remaining is on pending. It shows that the average of 5542 disputes were received in which 3089 were settled and 2585 were not settled. Therefore, 46.6 % of disputes were not settled as conciliation failed.

Box 2 -Industrial Disputes Act, 1947 – Duties of Conciliation Officer:

Chapter IV talks about the Procedure, Powers and Duties of Authorities under ID Act. In which the section 12 refers the duties of conciliation officers in settling the disputes between the workers and management.

Section 12(3) - “If a settlement of the dispute or of any of the matters in dispute is arrived at in the course of the conciliation proceedings the conciliation officer shall send a report thereof to the appropriate Government [or an officer authorized in this behalf by the appropriate Government] together with a memorandum of the settlement signed by the parties to the dispute”.

Section 12(4) -“If no such settlement is arrived at, the conciliation officer shall, as soon as practicable after the close of the investigation, send to the appropriate Government a full report setting forth the steps taken by him for ascertaining the facts and circumstances relating to the dispute and for bringing about settlement and thereof, together with a full statement of such facts and circumstances, and the reasons on account of which, in his opinion, a settlement could not be arrived at”.

The Payment of Wages Act, 1936 regulates payment of wages to employees (direct and indirect). The Act is intended to be a remedy against unauthorized deductions made by employer and/or unjustified delay in payment of wages. The following data shows the number of claim petitions that had made under the Act between 2010 and 2019.

Table – 03: Claims under Payment of Wages Act, 1936 for period 2010 - 2019

Si. No.	Period	Pending at the Beginning of the Period	Received During the Period	Total	Disposed During the Period	Pending at the End of the Period	Amount Ordered
1	01.04.2010 - 31.03.2011	138	197	335	170	165	5,711,949
2	01.04.2011 - 31.03.2012	165	58	223	144	79	21,527,982

3	01.04.2012 - 31.03.2013	79	202	281	145	136	9,962,502
4	01.04.2013 - 31.03.2014	136	147	283	103	180	160,727
5	01.04.2014 - 31.03.2015	180	160	340	230	110	14,184,038
6	01.04.2015 - 31.03.2016	110	256	366	141	225	6,169,583
7	01.04.2016 - 31.03.2017	225	134	359	200	159	1,767,099
8	01.04.2017 - 31.03.2018	159	184	343	136	207	45,577,618
9	01.04.2018 - 31.03.2019	207	354	561	413	148	92,486,999
	TOTAL	138	1692	1830	1682	148	198,000,000

Over the years the number of claims filed has been increasing and in 2018–2019 it jumps to 561 cases (with 354 new cases filed). This appears to also confirm the trend shared by union leaders and labour lawyers above that workers approach them to file individual claims for illegal terminations, non-payment of wages etc.

Box 3 - Payment of Wages Act, 1936:

The Payment of Wages Act, 1936 regulates payment of wages to employees (direct and indirect). The act is intended to be a remedy against unauthorized deductions made by employer and/or unjustified delay in payment of wages.

Regular Pay

Payment should be made before the 7th day of a month where the number of workers is less than 1000 and 10th day otherwise. The wage-period shall not exceed 1 month. The Act is applicable only to employees drawing wages not exceeding Rs. 6500 a month.

Mode of Payment

Under the act, payment has to be made in currency notes or coins. Cheque payment or crediting to bank account is allowed with consent in writing by the employee. (Section 6)

Deduction from Wages

Employer is allowed to effect only authorized deductions, as specified in the Act. This include fines (Section 8), absence from duty (Section 9), Damages or loss (Section 10), deduction for services (amenities) given to employer (Section 11) recovery of advances and loans (Section 12, 13) and payment to cooperative society and insurance (Section 13).

Claims for excessive deduction and Non Payment

Employers individually or through trade union can approach the authority (Labour Office) for relief. (Section 15, 16, 17)

On the other hand, even the statutory minimum wages fixed by the government is not paid. The following table gives the data of claim petitions filed in Tamil Nadu from the period 2010 to 2019.

Box 4 - Minimum Wages Act, 1948

The major provisions of this act are intended to achieve the object of doing social justice to workmen employed in the scheduled employments by prescribing minimum rates of wages for them. The Act aims at statutory fixation of minimum wages with a view to prevent exploitation of labour. There were several objectives that this Act needed to ensure:

1. Minimum wages need to be ensured to all blue-collar workers in the organized sector.
2. Prohibition of exploitation of labour in the workplace.
3. The Act would empower the government to fix minimum wages and revise those wages from time to time according to the economic situation of the country.
4. To ensure the application of this Act to a maximum number of organized sector employers.

Claims are heard by the authorities appointed under subsection 1 of Section 20 of the Act. Every authority appointed under sub-section (1) shall have all the powers of a Civil Court under the Code of Civil Procedure, 1908 (5 of 1908). Claims can be made to the appropriate authority so that the appropriate action may be taken as soon as possible.

Table – 04: Claims under Minimum Wages Act, 1948 for the period 2010 - 2019

Sl. No	Period	Pending at the Beginning of the period	Received During the period	Total	Disposed	Pending at the end of the period	Amount Ordered
1	01.04.2010 - 31.03.2011	492	834	1,326	788	538	33,447,724
2	01.04.2011 - 31.03.2012	538	814	1,352	1,030	322	23,857,778
3	01.04.2012 - 31.03.2013	322	477	799	557	242	13,268,461
4	01.04.2013 - 31.03.2014	242	445	687	453	234	12,903,509
5	01.04.2014 - 31.03.2015	234	789	1,023	639	384	42,169,540
6	01.04.2015 - 31.03.2016	384	1,022	1,406	1,022	384	57,254,623
7	01.04.2016 - 31.03.2017	384	729	1,113	788	325	44,962,198
8	01.04.2017 - 31.03.2018	325	813	1,138	679	459	177,000,000
9	01.04.2018 - 31.03.2019	459	771	1,230	746	484	84,415,999
	TOTAL	492	6,694	7,186	6,702	484	490,000,000

To be noted is that, the average of claim petitions under the Minimum Wages Act exceeds the average number of claim petitions under the Payment of Wages Act, demonstrating that even the minimum standards are not enforced in the state. This violation is particularly egregious since minimum wages fixed in the state are among the lowest of the garment manufacturing hubs, and the state does not revise the minimum wage rate for the hosiery and textile sector as frequently as mandated by the law. In fact, the labour department had revised minimum wages in 2014, after a decade, which was challenged by the garment industry owners. Garment unions approached the Madras High Court which in 2016 dismissed the petitions challenging the minimum wage notification and ordered a hike of 64%.⁶⁷ Even with this hike the minimum wage rates were less than what the piece rated workers managed to earn in a month, and this is a primary reason that workers continue to prefer piece rate work to shift work or time rated work, i.e. salaried work. But this is also causing a shortage of skilled workers in Tirupur as discussed earlier, and also contributing to the majority of the workers continuing to work in non-standard forms of employment, and preferring to vote with their feet (i.e. switch jobs) rather than file cases with the labour department or raise industrial disputes. However the impact of low and irregular wages on the lives of the garment workers, high rates of suicides among workers, has not moved the industry or the government to make amends.⁶⁸

Apart from the matter of wages, the subsistence allowance plays an equal impact in livelihood of a worker during their period of suspension. The Payment of Subsistence Allowance Act, 1981 ensures the subsistence allowance i.e., 50% of basic pay which the worker was receiving at the time of suspension for first six months. Thereafter, it may be enhanced to 75%, if the delay is not directly attributable to the conduct of the suspended employee. However, it may be reduced to 25% of basic pay if the delay is prolonged due to the reasons directly attributable to the suspended employee. The suspended employee is also entitled for their dearness allowance (DA), city compensatory allowance (CCA) and house rent allowance (HRA). When a suspended employee does not receive such entitlements, they can file a claim petition under Subsistence Allowance Act. The following table shows the data of claim petitions filed for the period 2010 – 2019 in Tamil Nadu.

⁶⁷ See Arun Janardhan, “Wage hike after 12 yrs, but Tamil Nadu garment unit owners protest”, *The Indian Express*, 25 July 2016, <https://indianexpress.com/article/india/india-news-india/tamil-nadu-garment-industry-madras-high-court-minimum-wages-garment-workers-protests-textile-and-clothing-industry-2933874/> ; and “Wage Agreement that is not honored in Tirupur”, 11 January 2017, <https://tnlabour.in/garment-industry/4594>

⁶⁸ See S. Dorairaj, “Driven to despair”, *Frontline*, 8 October 2010, <https://frontline.thehindu.com/other/article30181923.ece#!>

Box 5 - Payment of Subsistence Allowance Act, 1981

An Act intended to provide for the payment of subsistence allowance to employees during the period of suspension.

Section (3) on Payment of subsistence allowance says an employee who is placed under suspension shall, during the period of such suspension, be entitled to receive payment from the employer as subsistence allowance, an amount equal to fifty percent of the wages which the employee was drawing immediately before suspension, for the first ninety days reckoned from the date of such suspension

Table 05 below shows that over the years the numbers of claims filed have been declining, with a slight uptick seen in 2018-19 but with a correspondingly drastic fall in the amount ordered. For the year before in 112 cases disposed, the amount ordered to be paid was Rs 14,855,212 while in 2018-19 for 111 cases disposed, the amount ordered to be paid was a mere Rs 5,291,541.

Table – 05: Claims under Payment of Subsistence Allowance Act, 1981 for the period 2010 – 2019

Sl.no	Period	Pending at the beginning of the period	Received during the period	Total	Disposed during the period	Pending at the end of the period	Amount ordered
1	01.04.2010 - 31.03.2011	200	237	437	170	267	3,235,414
2	01.04.2011 - 31.03.2012	267	170	437	276	161	5,857,798
3	01.04.2012 - 31.03.2013	161	276	437	278	159	9,138,352
4	01.04.2013 - 31.03.2014	159	259	418	196	222	9,705,739
5	01.04.2014 - 31.03.2015	222	129	351	177	174	3,801,979
6	01.04.2015 - 31.03.2016	174	111	285	102	183	1,214,536
7	01.04.2016 - 31.03.2017	183	107	290	180	110	11,840,203
8	01.04.2017 - 31.03.2018	110	108	218	112	106	14,885,212
9	01.04.2018 - 31.03.2019	106	158	264	111	153	5,291,541
	TOTAL	200	1,555	1,755	1,602	153	64,970,774

There are some other acts which ensure the monetary benefit of an employee like Payment of Gratuity Act, 1972; Payment of Bonus Act, 1965; Equal Remuneration Act, 1976 ; Maternity Benefit Act, 1961; Employee Provident Fund Act, 1952 etc. The Payment of Gratuity Act was enacted with sole objective of providing gratuity i.e., a monetary award given for services rendered to the employees working in the factories, oilfields, mines, plantations, railway companies, shops or other establishments upon their superannuation (e.g. old age retirement pension.), retirement, resignation, death, or disablement. The following table shows the data of the claim petitions filed under Payment of Gratuity Act for the period 2010 – 2019. The data regarding the claim under other compensation related labour legislations is not available.

Table – 06: Claim Petition under Payment of Gratuity Act, 1972 for the period 2010 to 2019

Sl.no	Period	Pending at the beginning of the period	Received during the period	Total	Disposed during the period	Pending at the end of the period	Amount ordered
1	01.04.2010 - 31.03.2011	2,114	2,655	4,769	2,060	2,709	10,634,886
2	01.04.2011 - 31.03.2012	2,709	1,471	4,180	2,899	1,281	28,768,862
3	01.04.2012 - 31.03.2013	1,281	2,578	3,859	2,618	1,241	52,965,624
4	01.04.2013 - 31.03.2014	1,241	3,380	4,621	2,415	2,206	807,000,000
5	01.04.2014 - 31.03.2015	2,206	2,874	5,080	2,116	2,964	38,959,909
6	01.04.2015 -	2,964	3,652	6,616	1,993	4,623	144,000,000

	31.03.2016						
7	01.04.2016 - 31.03.2017	4,623	4,387	9,010	3,266	5,744	380,000,000
8	01.04.2017 - 31.03.2018	5,744	1,839	7,583	3,462	4,121	212,000,000
9	01.04.2018 - 31.03.2019	4,121	1,836	5,957	2,521	3,436	186,000,000
	TOTAL	2,114	24,672	26,786	23350	3,436	1,860,000,000

Given the proportionately smaller number of permanent workers employed in the Tirupur garment industry, it would have been useful to get district-wise segregated data to understand if regularly employed garment workers are making gratuity claims or not. Meaningful data cannot be gleaned from the state-wide information.

Box 6 - Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 was enacted with sole objective of providing gratuity i.e., a monetary award given for services rendered to the employees working in the factories, oilfields, mines, plantations, railway companies, shops or other establishments upon their superannuation (e.g. old age retirement amount etc.), retirement, resignation, death or disablement.

An employee is entitled for the payment of gratuity if he/she has rendered five years of continuous service on his superannuation, retirement, resignation, death, disablement. However, the five years of continuous service is not mandatory in the case where the termination is due to death or disablement. A retired person is also entitled to gratuity amount along with his pension

If the employer delays in the payment of gratuity amount under the prescribed time limit, then the controlling authority shall issue the certificate to the collector on behalf of the aggrieved party and recover the amount including the compound interest decided by the central government and pays the same to the person. However, these provisions are under two conditions:

1. The controlling authority should give the employer a reasonable opportunity to show the cause of such an Act.
2. The amount of interest to be paid should not exceed the amount of gratuity under this Act.

The Payment of Gratuity Act, 1972, is a welfare statute provided for the welfare of the employees who are the backbone of any organisation, company or start-ups. The gratuity amount encourages the employee to work efficiently and improve productivity.

Inspections⁶⁹

Labour inspections are carried out to ensure the effective implementation of labour laws in practice. Labour inspections are meant to ensure compliance with provisions related to hours of work, wages, welfare, entitlements, safety, health and non-employment of children. It was long held that labour inspections help in improving labour standards and help industries to create decent workplaces free of labour rights violation. The reality of labour inspections is far from this ideal.

Labour inspections are either not conducted or do not result in penalties for violations of labour laws. Until the Ease of Doing Business⁷⁰ initiatives were launched, labour inspectors were empowered to carry out inspections in both public and private enterprises. They could

⁶⁹ https://labour.tn.gov.in/regionalofficers_Inspectors_Labour.php

⁷⁰ https://labour.tn.gov.in/ease_doing_bussiness?mode=

enter any working premises without an appointment and can interrogate an employer and employees. They were empowered to take necessary steps for the remedy in case of any defect and able to subject to appeals. Now labour inspections are scheduled randomly through an online inspection system and under the self-certification scheme establishments categorized as low and medium risk can submit online information about the number of workers employed, wages paid, gratuity, leave facilities etc. Establishments categorized as low risk are to be inspected once in 5 years and those categorized as medium risk are to be inspected once in 2 years. If these establishments opt for the self-certification scheme then low risk establishments are exempt from physical inspections and medium risk establishments will be randomly inspected once in 5 years.

Risk levels of establishments are categorized according to number of employees and not according to record of violating labour laws.

- Low Risk (1to 9 workers),
- Medium Risk (10 to 49 workers)
- High Risk (50and more workers)

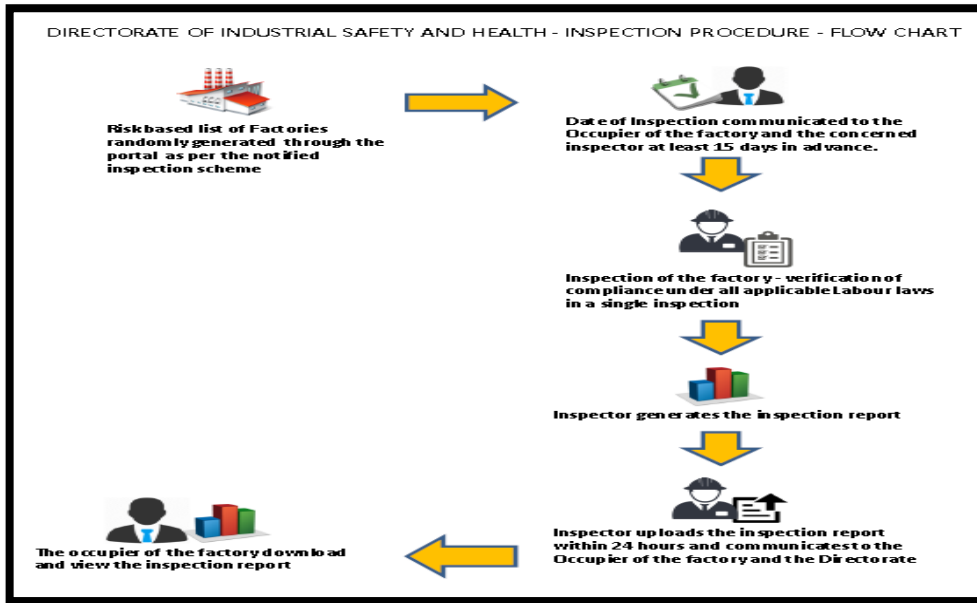
In the garment factories of Tirupur, labour inspections had not been detecting the violations of minimum wage, compliance with ESI and PF. While it is a fact that over the years the labour inspectorate system has been starved of resources and staff,⁷¹ it is also widely known that the labour inspector system was compromised. The available reports and documents say there is minimum number of violations, and yet the workers complain of numerous violations of labour rights and severe exploitation by employers. Over the years the inspection system was unable to adapt and innovate to be effective when confronted with the increasing levels of subcontracting and informalisation of employment.

Tirupur garment industry is known to be a network of small and medium establishments. Employers can escape coming under the jurisdiction of labour laws by keeping the number of workers below the threshold and even showing the extra employees as outsourced from manpower suppliers. The **Fourth Economic Census states** more than 97 percent of the enterprises employ fewer than ten workers, many employing fewer than five.⁷²

A union leader shared their experience saying, “Labour laws have not been implemented effectively and the workers are still having problems even though there are such good laws and policies. The labour inspector does not ensure the implementation of labour laws in the garment industries of Tirupur. Even when the union has raised complaints, inspectors do not conduct proper inspections. And the labour department does not give proper relies to RTIs we file.”

⁷¹ See K.R. Shyam Sundar, *Business Line* 23 January 2018 <https://www.thehindubusinessline.com/opinion/the-muchvilified-labour-inspector-raj/article7519064.ece>; and ‘The Myth of Inspector-Raj in India’, *Economic and Political Weekly*, Vol. 49, Issue No. 42, 18 Oct, 2014, <https://www.epw.in/journal/2014/42/web-exclusives/myth-inspector-raj-india.html>

⁷²



Inspection Procedure (Flow Chart) by Directorate of Industrial Safety & Health

Table – 07 below shows the data of inspections made by the inspectors of DISH, Tamil Nadu in the factories, industries, and construction sites for the period 2011 to 2020. It indicates the total number of inspections made under Regular inspections; Check Inspections; Special Inspections; Holiday Inspections; Night Inspections; and inspections made by Mobile Team. This provides the overall performance of Tamil Nadu Directorate of Industrial Safety & Health. There were 300,987 inspections made under all the above mentioned categories. The regular inspections are in highest ratio when compared to others and an average of 29,936 inspections was being done in a year.

Box 7 - Factories Act, 1948:

The Factories Act, enacted in the year 1948. The act is to provide protection to the exploited workers and improve the working conditions in the industries and factories. The act further provides a machinery of instructions and their strict observance and direction for the owners, and the machinery created in the act. The framed for the working condition, health, cleanliness, safety, wages and leave/ holidays of the workers.

If the owner/occupier violates the any provision of the Act, the penalties will be imposed on them by way of imprisonment or fine or both under the Factories Act, 1948.

Table-07: Inspections made by DISH from 2011 to 2020

Period	Regular Inspection	Check Inspection	Special Inspection	Holiday Inspection	Night Inspection	Inspection by Mobile Team for fireworks Factories
01.04.2011 - 31.03.2012	25,511	1,036	4,239	390	107	--
01.04.2012 - 31.03.2013	32,413	985	869	247	52	--

01.04.2013 - 31.03.2014	36,058	1,152	754	634	41	399
01.04.2014 - 31.03.2015	36,115	1,810	1,378	215	27	753
01.04.2015 - 31.03.2016	44,375	1,114	3,346	342	17	170
01.04.2016 - 31.03.2017	35,286	1,052	1,601	86	115	272
01.04.2017 - 31.03.2018	34,762	981	1,036	165	83	329
01.04.2018 - 31.03.2019	17,914	128	2,335	232	43	92
01.04.2019 - 29.02.2020	6,991	231	2,483	110	1	110
Total	2,69,425	8,489	18,041	2,421	486	2,125

Inspections such as check inspection, special inspections are done for specific cases in case of any complaints received, in case of doubt of threat to labours etc. and the inspections made on holidays and night are done to inspect the illegal working of industries on national holidays without notice, residential environment, working condition at night shifts, cross checking the number of labours working at night shifts etc.

Table – 08: Details of Prosecutions under Various Acts

Period		Name of The Act									Total
		Factories Act, 1948	Contract Labour (Regulation and Abolition) Act, 1970	Tamil Nadu Industrial Establishment (National and Festival Holidays) Act, 1958	Payment of Wages Act, 1936	Minimum Wages Act, 1948	Tamil Nadu Industrial Establishment (Conferral of Permanent Status to Workmen) Act, 1981	Child Labour (Prohibition and Regulation) Act, 1986	Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996	Other Allied Acts (Maternity Benefit Act, 1961 / Equal Remuneration Act, 1976)	
01.04.2011 - 31.03.2012	Number of cases filed	5,137	136	85	93	79	29	41	282	20	5,902
	Fine amount realized	23,566,700	100,900	23,175	135,150	29,150	13,350	350,000	126,200	61,500	24,406,125
01.04.2012 - 31.03.2013	Number of cases filed	6,187	54	108	122	54	29	115	535	20	7,224
	Fine amount realized	29,352,650	54,500	35,675	117,350	27,300	10,500	455,000	244,150	23,850	30,320,975
01.04.2013 - 31.03.2014	Number of cases filed	2,556	51	54	98	82	30	49	541	24	3,485
	Fine amount realized	18,496,050	55,500	30,150	175,250	41,750	18,000	337,400	1,046,000	8,000	20,208,100
01.04.2014 - 31.03.2015	Number of cases	3,456	49	54	70	49	43	18	957	18	4,714

	filed										
	Fine amount realized	32,289,300	64,500	26,625	116,950	45,900	21,500	321,500	1,253,750	26,000	34,166,025
01.04.2015 - 31.03.2016	Number of cases filed	2,030	73	107	110	56	114	13	301	40	2844
	Fine amount realized	26,156,600	21,850	117,400	181,750	32,450	91,100	173,000	539,000	86,750	27,399,900
01.04.2016 - 31.03.2017	Number of cases filed	2,526	83	47	99	62	38	22	178	56	3,111
	Fine amount realized	33,199,750	120,500	42,850	202,500	30,250	24,900	513,000	173,000	122,750	34,429,500
01.04.2017 - 31.03.2018	Number of cases filed	1706	61	65	62	27	35	21	158	51	2,186
	Fine amount realized	22,111,750	7000	60,100	137,850	37,400	28,500	813,900	329,000	494,750	24,020,250
01.04.2018 - 31.03.2019	Number of cases filed	1,336	54	47	67	30	26	5	161	57	1,783
	Fine amount realized	22,624,000	92,500	35,200	160,840	32,350	27,350	60,000	334,000	109,050	23,475,290
01.04.2019 – 29.02.2020	Number of cases filed	1,230	27	27	35	25	18	4	140	54	1,560

	Fine amount realized	27,561,100	112,500	153,200	154,000	55,500	22,000	200,000	108,000	166,000	28,532,300
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From the inspections made by the DISH, prosecutions can be made by the inspectors in case of any dissatisfaction with the management in implementing the labour laws and standards. They can file a case against the management under specific labour legislation and the factories were pushed to pay the penalty as they are proved guilty. Table – 08 shows the data of number of such prosecutions made by the inspectors of DISH under the various labour laws. The average of 3,645 prosecutions was made under these laws by DISH in a year and an average of Rs 27,439,829 was realized as fine amount in a year.

Directorate of Industrial Safety and Health also receives complaint from victims, unions, labour rights activists, NGOs and any other person on specific factories. DISH can take actions on such complaints by having inspections and necessary prosecutions. Table 09 shows that DISH Tamil Nadu received 4,916 complaints over the period of 2011 to 2020, out of which 4,791 complaints were enquired and disposed.

Table – 09: Complaints received by DISH and disposed from 2011 to 2020

Period	Complaints received	Complaints enquired and disposed off
01.04.2011 - 31.03.2012	512	499
01.04.2012 - 31.03.2013	600	578
01.04.2013 - 31.03.2014	487	479
01.04.2014 - 31.03.2015	545	538
01.04.2015 - 31.03.2016	619	615
01.04.2016 - 31.03.2017	602	560
01.04.2017- 31.03.2018	517	517
01.04.2018 - 31.03.2019	520	494
01.04.2019 - 29.02.2020	514	511
Total	4916	4791

The Tamil Nadu Industrial Establishment (Conferment of Permanent Employees) Act, 1981⁷³ is a unique legislation giving authority to the inspectors of DISH to prosecute, conduct or defend before a court any complaint or other proceedings arising under the Act. Section 3(1) of the Act states that “Notwithstanding anything contained in any law for the time being in force every workman who is in continuous service for a period of four hundred and eighty days in a period of twenty four calendar months in an industrial establishment shall be made permanent.” On such provisions, the inspectors of DISH can inspect industries and make the number of eligible workers as permanent workers. Table-10 indicates the data of number of inspections made under this act with the number of factories involved for the inspections and the number of benefitted workers who are made permanent. It is surprising that the research

⁷³ <https://www.indiacode.nic.in/bitstream/123456789/13150/1/tn-industrial-establishments-conferment-of-permanent-status-to-workmen-act-1981.pdf>; Also see <https://www.newindianexpress.com/states/tamil-nadu/2012/aug/06/480-days-work-in-two-years-enough-for-permanent-status-394275.html>; and <https://www.thehindu.com/news/national/tamil-nadu/hc-grants-2-months-to-officials-for-confirming-11-temporary-staff/article33815051.ece>

team did not hear the union leaders and labour lawyers use this unique law of Tamil Nadu to ensure that more and more workers employed in the garment factories in Tirupur are conferred permanent status. More research needs to be done in this area to see how this law can be used more widely and if the provisions of this state law would be affected by the labour reforms initiated by the central government.

Table – 10: Number of workers conferred permanent from 2011 to 2020

Period	Number of inspections made	Number of factories involved	Number of workers made permanent
01.04.2011 - 31.03.2012	14,064	2,018	39,026
01.04.2012 - 31.03.2013	19,161	3,444	47,970
01.04.2013 - 31.03.2014	16,377	3,319	48,217
01.04.2014 - 31.03.2015	17,312	3,931	48,310
01.04.2015 - 31.03.2016	16,845	3,625	48,263
01.04.2016 - 31.03.2017	10,344	1,843	20,894
01.04.2017 - 31.03.2018	8,681	825	16,431
01.04.2018 - 31.03.2019	3,650	731	22,745
01.04.2019 - 29.02.2020	2,721	584	9,722
Total	109,155	20,320	301,578

In Tamil Nadu, 20,320 factories were involved in 109,155 inspections under Tamil Nadu Industrial Establishment (Conferment of Permanent Employees) Act in the period of 2011 to 2020. In which totally 301,578 workmen were found eligible and made permanent workers under the guidelines of the act. An average of 33,509 workers benefitted under these inspections made by DISH in a year and an average of Rs 27,439,829 was realized as fine amount in a year.

CHAPTER – V

Documentation of Case Studies

List of documented Cases

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi- formal, Informal)	Year of Onset	Status	Year of Conclusion
Oral Termination					
1	Termination of Worker for demanding leave wages, bonus etc. (Male) – Well Knit Industries	1.Individual 2.Formal – Adjudication	2007	Resolved	2016
2	Termination of worker by making false acquisition (Male) – Meridian Apparels Pvt. Ltd.	1.Individual 2.Formal – Adjudication	2009	Resolved	2016
3	Termination of Worker for demanding bonus (Male) – Pratik Hosiery	1.Individual 2.Formal – Adjudication	2012	Appealed	2019
4	Termination of Worker for demanding proper work role (Male) – Fair Export	1.Individual 2.Formal – Adjudication	2018	Resolved	2018
5	Termination of Worker for raising queries (Female) – Premier Knits Apparels	1.Individual 2.Formal – Conciliation	2019	Resolved	2020
6	Termination of Worker for raising complaints (Male) – AKR Textiles	1.Individual 2.Informal – through TU	2019	Resolved	2021
7	Termination of workers due to shortage of orders as the effect of Covid-19 pandemic (Male Representative) – Cotton Blossom India Pvt. Ltd.	1.Collective 2.Formal – Conciliation	2020	Resolved	2020
8	Termination of Worker for demanding bonus and regular payment of wages (Male representative) – Aswathi Exports	1.Collective 2.Formal – Conciliation	2020	On going	-
9	Termination of Worker for demanding lockdown wages & OT wages (Male representative) – Alfine Knits	1.Collective 2.Formal – Conciliation	2020	On going	-
10	Termination of Worker for intervening in co-workers issue (Male) – Warrior Exports	1.Individual 2.Informal – through TU	2020	Resolved	2020
Wage Related Issues					
11	Wages were not given to a pool of workers on time (Female representative) – Zuhana Garments	1.Collective 2.Formal – Police Case	2016	Resolved	2017
12	Wage Settlement was not done to 58 workers after the sudden close of the	1.Collective 2.Formal – Conciliation	2017	Dropped	2017

	industry (Male representative) – ARK Innovations (Best Corporation)				
13	Wages were not paid to worker as before due to loss in Covid-19 pandemic (Male) – Sunstar Clothing	1.Individual 2.Formal – Conciliation	2020	On Going	-
14	Wages were not given to worker since he relieved before the salary day (Male) – Start Time Apparels	1.Individual 2.Informal – through TU	2020	Resolved	2021
15	Wages were not given to the QC team (on contract) for the failure in inspection after the Covid-19 pandemic period (Male representative) – TSK Garments	1.Collective 2.Informal – Through TU	2020	Resolved	2020
Bonus Related Issues					
16	Bonus amount was reduced to the workers by pointing the loss for company (Male representative) – SRG Prime Tex	1.Collective 2. Formal – Conciliation	2019	Resolved	2020
17	Bonus amount was reduced to the workers by pointing shortage of orders due to Covid-19 pandemic (Male representative) – Rodamine Apparels	1.Collective 2.Informal – through TU	2020	Resolved	2020
Bonus & Wage related Issues					
18	Wages were not paid to the worker regularly and fair bonus was not given (Male) – Tube Knits fashion Ltd.	1.Individual 2.Formal – Adjudication	2007	Resolved	2012
19	Wages and Bonus was not given regularly to the worker as said on the recruitment – Vetrivel Knits	1.Individual 2.Formal – Conciliation	2019	Failed	2020
PF Issues					
20	PF was found not deposited in the workers account at the time of claim (Female) – Armstrong Knitting Mill	1.Individual 2.Semi-Formal – through Public Hearing	2017	Resolved	2018
21	PF could not be claimed since there was an error in account number at the claim for balancing Covid pandemic impact (Female) – SCM Garments	1.Individual 2.Formal – Complaint to EPFO	2019	Resolved	2021
Accidents					
22	A pool of workers met with an road accident while travelling in	1.Collective 2.Semi-Formal – through Police case	2018	Dropped	2018

	company van and no compensation were provided (Male representative) – Poppys Garments				
23	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Female representative) – Carona Knitwear	1.Collective 2.Semi-Formal – through Police Case	2018	Dropped	2018
24	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Female representative) – New Line Industries	1.Collective 2.Informal – through NGO	2020	Dropped	2021
Death					
25	A interstate migrant worker (contractor) was died due to heart attack and the company has not provided any compensation/ support to send the deceased body to his own state for funeral services (Male) – Sreeja Hosieries	1.Individual 2.Informal – through TU	2020	Resolved	2021

Case Study – 01: Individual Worker Vs. Well Knit Industries

Overview:

For case study-01, the worker has been represented as ‘Worker A’.

He was appointed as Cutting Master in the company, Well Knit Industries, in 1999 and his employment was terminated orally in 2006. He filed a complaint at the labour department in February 2007. Conciliation process failed and the Assistant Labour Commissioner sent a Failure of Conciliation (FoC) to the Labour Commissioner in October 2007 since management was unable to prove in the conciliation proceedings that Worker A had resigned and accepted a monetary settlement as per their claim. Thereafter, the case was referred to the Labour Court in November 2007. Nine years later the Additional Labour Court of Coimbatore passed a judgement in the worker’s favour. The court ordered that the company should allow the petitioner to continue his tenure and considering the seriousness of the case, 25% of salary be given as compensation along with appointment order for continued job for the worker.

Type	Formal - Adjudication
Nature	Individual
Status	Resolved
Year of Dispute onset	2007
Year of Dispute conclusion	2016
Available Documents	Copy of the Judgment
Missing Documents	Identity Documents, Witnesses produced for adjudication
In-Depth Interview	Not done (Worker cannot be reached)
Worker Type	Cutting Master
Dispute Type	Illegal Termination

Basic Information:

1. Name of the Worker: Worker A
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): Not Known
4. Name of the Company: Well Knit Industries
5. Designation of the Worker: Cutting Master
6. Years of work in the Company: 8 years

Timeline of Events:

DATE	EVENT
1 February 1999	Appointed as Cutting Master
10 October 2006	Employment Terminated Orally by the management
31 January 2007	Requested the Company through letter for reinstatement
9 February 2007	CITU union wrote a letter to management demanding reinstatement of Worker A

February 2007	Raised Conciliation proceedings before the Assistant Labour Commissioner (Conciliation)
10 October 2007	Failure Report by the Assistant Labour Commissioner (Conciliation) as the management did not present documentary proof of Worker A's resignation and settlement as per their claim
November 2007	Presented the case for adjudication in the Labour Court, Coimbatore
16 September 2016	Final Hearing in the Labour Court
27 September 2016	Judgment was passed by the Additional Labour Court, Coimbatore

Case History:

i. About the worker

Since the worker could not be reached, the team was unable to interview him.

ii. About the Company

Well Knit Industries manufactures garments and exports them since 1993. Well Knit Group of Companies is one of the largest and reputed, integrated garment manufacturers in India. The company produces high quality garments in knitted, woven and organic cotton. Well Knit supplies garments to buyers in major European countries. They have another company in the name of M/s Sreeja Hosieries Pvt. Ltd. which was started in 1996. Well Knit's manufacturing units are spread over a floor space of 125,000 sq.ft., in two different strategic locations. The company employs around 1500 workers and uses modern, sophisticated automated machines. The company produces a wide range of garments for men, women and children, including t-shirts, shorts, jersey sets, sweats, night wear, baby wear etc. They produce about 500,000 pieces of garments per month. The company has fabricating, cutting, stitching, embroidery, printing, checking, and ironing units with laboratories having latest testing instruments. In every unit, it has an integrated quality control department.

iii. Beginning of the Conflict

Worker A had been working in Well Knit Industries since 1999. He has joined as cutting master on 01.02.1999. Worker A received a salary of Rs. 3,640 per month at the timing of joining. He worked for 8 years in the company as a permanent worker and ESI, PF were deducted from his monthly salary. On 10.10.2006, the company orally terminated his employment without any prior notice to him. A representative of CITU union that helped him fight his case shared that Worker A was summarily fired as he would ask for leave wages, bonus, pending wages, and he demanded that workers should sign in the salary register at the time of getting their salaries. But the company did not heed his requests and demands and instead chose to terminate his employment with immediate effect. This was communicated to Worker A orally. He was not given any showcause notice, nor told what the charges were against him, nor given a chance to respond and defend himself, no domestic inquiry was conducted, and neither was he given any notice before his employment was terminated thus violating Section 25(F) of the Industrial Disputes Act, 1947 which lays down the procedure for retrenchment. Section 2(oo) of the Act defines retrenchment as termination of service as punishment or for any other reason.

In addition, the company management also denied him his wages at the time of firing him. Worker A approached the company management several times but to no avail. Section 25(F) of the ID Act stipulates one month notice stating reasonable grounds for retrenchment or wages for the period of that notice, and compensation equivalent to 15 days average pay to be paid to the worker being retrenched. If these conditions are not met, then it is a case of illegal termination of employment or illegal retrenchment.

iv. Informal resolution process

Then, Worker A tried to approach the company through the trade union CITU which attempted to broker a compromise with the company management, but those attempts also failed. Then, the Worker A and the trade union sent their request via registered post letters. But management did not respond.

v. Formal resolution – Conciliation

Hence the Worker A filed a complaint at the labour department demanding his job back and the pending wages. Section 2A of the ID Act deems dismissal of an individual workman as an industrial dispute when the “employer discharges, dismisses, retrenches, or otherwise terminates the services of an individual workman...notwithstanding that no other workman or any union of workmen is a party to the dispute.”

In the conciliation process, the company justified their act by saying the Worker A has voluntarily resigned his job and all the settlements were given to him at the time of his resignation. So they refused to give him a job again and were not ready to reconcile with the Worker A. The Worker A refused to accept the statement given by the company as he had not resigned from the job on his own and never claimed any settlement from the company. He asked the Conciliation Officer to ask the company to present evidence of such resignation letter, receipt of settlements as they were claiming. Worker A stood firm on his demand for reinstatement and pending wages. The company management failed to produce the documents to the Labour Officer. Therefore, the Assistant Labour Commissioner (Conciliation) prepared the failure report and sent it to the government (i.e. the Labour Commissioner). The case was referred to the Labour Court, Coimbatore.

vi. Formal Resolution – Adjudication

In the Labour Court, Worker A demanded the same and mentioned that he had worked for more than 240 days per year as an average in the Well Knit Industries until his termination on 10.10.2006. He also stated that at the time of his recruitment in 1999, he joined the company as cutting master and ESI and PF were deducted from his salary. After some years, the company management changed his name to B with the intention to show a break in job continuity and opened another PF account from the year 2001 without giving prior information to Worker A. In addition, the company management forced Worker A to sign letters and other documents once in 2 or 3 years to falsely show a break in his job tenure. The company kept changing his name in their internal documents as well to erase evidence of continuity of employment, and to avoid paying him the statutory benefits due to him (such as

gratuity for which he would have qualified after 5 years of continuous employment, seniority in employment which could qualify him for promotions and wage increments etc.)

In Labour Court, during the proceedings Worker A was able to produced documentary evidence to back his claims of continuous employment. While the company management was unable to submit proof of resignation or monetary settlement that they claimed they had given him. Worker A was able to prove that his employment had been terminated without due process. Therefore, the Labour Court ordered that the company should allow the petitioner to continue his tenure and considering the seriousness of the case, 25% of his salary be given as compensation along with appointment order for continued job for Worker A.

Case Study – 02: Individual Worker Vs. Meridian Apparels

Overview:

For case study – 02, the worker has been represented as ‘Worker B’.

Worker B was appointed as Electrician in the company in 1996 and his employment was terminated orally in the year 2009. He proceeded to claim justice through the conciliation process and then via labour court in 2011. Then the court has ordered that the company should withdraw the oral termination order on 01.09.2009 and also the company should ensure continued work in the company along with 50% of salary for the period during termination period in 2016. No other payment was entertained.

Type	Formal - Adjudication
Nature	Individual
Status	Resolved
Year of Dispute onset	2009
Year of Dispute conclusion	2016
Available Documents	Copy of the Judgment
Missing Documents	Identity Documents, Witnesses produced for adjudication
In-Depth Interview	Worker could not be reached
Worker Type	Electrician
Dispute Type	Illegal termination

Basic Information:

1. Name of the Worker: Worker B
2. Gender of the Worker: Male
3. Age of the Worker (at the time of Study): 49
4. Name of the Company: Meridian Apparels Pvt. Ltd.
5. Designation of the Worker: Electrician
6. Years of work in the Company: 13 years

Timeline of Events:

DATE	EVENT
2 September 1996	Appointed as Electrician
9 September 2009	Employment terminated orally by the management
30 June 2010	The company management has rendered a petition with false accusation against the worker B
10 February 2011	Filed a complaint before the Assistant Labour Commissioner (Conciliation)
7 July 2011	Failure Report by the Assistant Labour Commissioner (Conciliation)
2011	Presented the case for adjudication in the Labour Court, Coimbatore
14 July 2016	Final Hearing
19 July 2016	Judgment was passed by the Additional Labour Court, Coimbatore

Case History:

i. About the worker:

Since the worker could not be reached, the team was unable to interview him.

ii. About the Company:

Meridian Apparels Pvt. Ltd., founded in 1989, is one of the leading exporters of Tirupur. It produces a wide range of knitted garments including T-shirts, sweatshirts, sportswear, jogging suits, nightwear, pyjama sets and all kinds of inner and outer knit-wear. The company has its head office in Tirupur and corporate office in Chennai. It exports over 15 million garments per year. It produces over 70,000 pieces per day with 4 units and 5 other supplier factories. It exports to countries of Europe and USA to brands like Tom Tailor, Kiabi, Next, Sears, Oviessie, Kappa, C&A, F&F, Tesco etc.

iii. Beginning of the Conflict:

Worker B joined the company as Electrician on 02.09.1996. He was employed for over 13 years in the company, as a permanent employee and PF and ESI were deducted from his salary. He has been receiving a monthly salary around Rs. 5,000 per month while working in the company. In the last period before the oral termination of employment he has received Rs. 5,484 as monthly salary.

On 30.08.2009, the company management was accused him of being drunk and sleeping during working hours and falsely accused Worker B. Then the company management forced him to write an apology letter and leave the company. When he reported to work the next day, 01.09.2009 he was not allowed to enter the company premises and the HR manager not only refused to allow him entry but also berated and humiliated him.

iv. Informal Resolution Process:

The worker approached the company several times seeking reinstatement, both individually as well as through the CITU union, but the company did not agree to reinstate him. He was not given any showcause notice, nor told what the charges were against him, nor given a chance to respond and defend himself, no domestic inquiry was conducted, and neither was he given any notice before his employment was terminated.

v. Formal Resolution Process – Conciliation:

Several months later, on 30.06.2010, the company management filed a petition accusing Worker B and his mother-in-law of illegally occupying a house and land owned by the company. Thereafter, on 10.02.2011 Worker B raised an industrial dispute before the Assistant Commissioner of Labour (Conciliation).

In the conciliation process, the company accused Worker B of (a) illegally occupying house and land owned by the company; (b) being absent from work in November 2009 (two months after he had been denied entry in the company) and (c) failing to respond to company queries regarding his absence and therefore the company justified that it terminated his employment via a termination order in December 2010. Worker B contended that he received no

communication from the company. But the company was uncooperative and unwilling to compromise, thus leading to failure of conciliation on 07.07.2011.

vi. Formal Resolution – Adjudication:

The case was referred to Labour Court, Coimbatore. During the proceedings Worker B was able to produced documentary evidence to back his claims of continuous employment for 13 years. While the company management was unable to submit proof of his voluntary absenteeism or termination order that they claimed they had given him. Worker B was able to prove that his employment had been terminated without due process. Therefore, the Labour Court ordered that the company should allow the petitioner to continue his tenure and considering the seriousness of the case, 25% of his salary be given as compensation along with appointment order for continued job for Worker A.

Therefore, the court ordered that the company withdraw the oral termination order of 01.09.2009 and ensure continuity of employment of Worker B, along with 50% of salary for the period of the dispute. No other payment was entertained.

Case Study – 03: Individual Worker Vs. Pratik Hosiery

Overview:

For case study – 03, the worker has been represented as ‘Worker C’.

Worker C was appointed as Cutting Master in the company in 2005 and his employment was orally terminated in 2012. He raised an industrial dispute before the Assistant Labour Commissioner (Conciliation) but conciliation failed and the case was referred to the Labour Court, Coimbatore where the judgement was given in his favour. However, the company has appealed the judgement and the case is ongoing.

Type	Formal - Adjudication
Nature	Individual
Status	Resolved (Appealed Further)
Year of Dispute onset	2012
Year of Dispute conclusion	2019
Available Documents	Copy of the Judgment
Missing Documents	Identity Documents, Witnesses produced for adjudication
In-Depth Interview	Done
Worker Type	1. Intra-state Migrant (Settled in Tirupur) 2. Helper – Cutting Section
Dispute Type	Illegal termination

Basic Information:

1. Name of the Worker: Worker C
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 44
4. Name of the Company: Pratik Hosiery.
5. Designation of the Worker: Helper – Cutting Section
6. Years of work in the Company: 8 years

Timeline of Events:

DATE	EVENT
8 August 2005	Appointed as Cutting Master
14 November 2012	Employment terminated orally by management
30 January 2013	Raised an industrial dispute before the Assistant Labour Commissioner (Conciliation)
26 September 2013	Failure Report by the Assistant Labour Commissioner (Conciliation)
24 July 2014	Case referred for adjudication in the Labour Court, Coimbatore
30 September 2015	Counter-statement provided by the respondent (Management)
22 March 2019	Judgment by Additional Labour Court of Coimbatore in favour of the worker
March 2019	Rejoined the company as per the Court Order
April 2019	Withdrawal of work from the company

April 2019	Appeal of the case by the company
Not Known	Case Number issued

Case History:

i. About the worker:

Worker C, 44 years old, resident of Palani in Dindigul district, had migrated intra-state a very long ago and settled in Tirupur. He was married to a woman from Tirupur. He has no children. He joined as Cutting Master in the company on 8 August 2005. He worked there for 8 years. His salary in 2005 was Rs. 8,000 per month, and at the time of illegal termination of employment in 2012, his salary was Rs. 20,000 per month.

ii. About the Company:

Pratik Hosiery Private Limited is located in Tirupur and exports garments to a sub-brand of OTTO called Ball Bricks. The company exports to European countries such as Germany, and France. The company manufactures T-Shirts, ladies wear, children's wear etc. They have several units for knitting, dyeing, printing, embroidery etc. The company just purchases thread from a vendor while rest of the production processes are done in-house. Worker C shared that in his unit there were approximately 400-500 workers and there were many workers in other units of the company as well. The ratio of male and female is almost equal. In the checking section, there were mostly female workers and also in production area as tailors. At that time, there was no piece rate system in the company and workers worked only on a shift basis. There were no inter-state migrant workers at that time. But at present the workers are from northern Indians, living in a hostel within the company premises.

iii. Beginning of the Conflict

In the year 2012, there was a problem raised regarding bonus and then it turned into a dispute. Worker C complained of discrimination and of receiving less bonus than other workers. At one point, management stopped giving him any bonus. Additionally, Worker C was asked to do overtime but did not receive the statutory double rate for overtime work. When Worker C raised the issue of not receiving a bonus, the company management terminated his employment orally without any notice or termination order. Worker C asked management to reinstate him, but the company did not agree, nor did they settle his dues that were outstanding.

iv. Informal resolution process

The worker approached the company several times seeking reinstatement, both individually as well as through the CITU union, but the company did not agree to reinstate him. The union leader told management, "Worker C has come to CITU for justice. You have terminated his employment without any notice or written order just because he asked for his overtime wages and bonus. We want to compromise with you; we want you to settle all his outstanding dues - overtime wages, bonus, PF, and gratuity. However the company refused to compromise. This process went on for nearly 6 months from the date of the illegal termination. Thereafter, the Worker C filed a complaint at the Labour Commissioner's Office.

v. Formal resolution – Conciliation

The conciliation process took another 1 year in the Labour Commissioner's Office. At first, the Labour Officer sent a letter to the company and asked them to present themselves for conciliation. But, the company did not send any representative for conciliation. There was a delay in the matter and in the interim there was a change in personnel and a new ALC(C) was appointed. The ALC(C) sent several notices to the company to join the conciliation process but the company did not join the conciliation process and did not send a representative. A failure of conciliation report was filed on 26 September 2013 (about one year after the illegal termination). The case was referred to the Labour Court, Coimbatore for adjudication.

It is important to note here that under Section 11(4) of the Industrial Disputes Act, 1947 the conciliation officer has the power to “enforce the attendance of any person for the purpose of examination of such person or call for and inspect any document which he has ground for considering to be relevant to the industrial dispute” and “the conciliation officer shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908...in respect of enforcing the attendance of any person and examining him or of compelling the production of documents.” This power is seldom exercised by the conciliation officer (CO) to enforce the appearance of company management for conciliation and persuading both parties to reach an amicable settlement. In the absence of exercise of their powers, conciliation remains a mechanical process. Companies are aware of workers' limited resources and extenuating circumstances which makes it difficult or impossible to pursue a case in labour court or higher courts. Thus a referral of the case to the Labour Court is more advantageous for management which can sustain the case for the years that it takes to reach a conclusion.

Worker C shared his experience saying that the case proceeded only because he would visit the ALC(C)'s office regularly. In fact, he left all his work to pursue the case and because he felt he had the guidance and support of the CITU union. He felt that the union's support is very important because “None of the workers like me are aware of the labour rights, even don't even know whether the wages we get is standard or below the legally mandated wages. None of us goes for work by knowing our rights; we just go for work to meet our needs and to maintain the economic stability of the family.” He added that, “Law states that no worker should have to work for more than 8 hours, but in reality they have to work for 12 hours to 18 hours and the company does not maintain records of the overtime work done. We are not aware of this, and we work long hours hoping to get good wages in order to support our families.”

Formal Resolution – Adjudication

Worker C engaged a lawyer who sent a notice to the company. Management reply to the notice was filled with false claims and accusations against Worker C. The case went on for 1-2 years with the lawyer attending the hearings until the court summoned Worker C. Thereafter, Worker C attended court regularly for a year, travelling from Tirupur to Coimbatore on the hearing dates. The case had been filed in 2014, and Worker C was summoned in 2016-17. On 22 March 2019, the Labour Court gave a judgement in favour of

Worker C, directed the company to reinstate him, and give him compensation of 25% of back wages.

Worker C shared, “I have spent over 5 years in this case. I had spent a lot of money, even more than that I lost my income in order to pursue this case. I left all my work and income. If I calculate at the rate of Rs. 700-800 per day, I have lost Rs. 100,000 – 150,000 in pursuing this case. Management never gave me any gratuity.”

The company management asked Worker C to rejoin as per the court order. However, the company did not take him back at the salary he had been receiving at the time of illegal termination. They treated it as new joining, assigned the lowest basic pay on shift work, and would delay his wages. At the time of the illegal termination in 2021 he was earning Rs 20,000 per month. On rejoining 7 years later in 2019, he was being given only Rs 8000 per month (what he was earning when he first joined the company in 2005). The company did not reinstate him on his old post, but made him do temporary work, and harassed and humiliated him in different ways. Moreover, the company only paid him once (after 45 days instead of 30 days) after he rejoined work, in order to show that they had complied with the court order. Worker C worked for 3 months, got one month’s wages, was owed wages for 2 months but the company did not pay. On the advice of his lawyer, he quit the job, sent a notice to the company stating that Worker C was not being paid proper wages and therefore he was forced to quit. Then Worker C filed an appeal in the Chennai High Court, informing the court that the company was not complying properly with the labour court order, and that it had not paid him the 25% back wages as compensation. The company also filed an appeal in the Chennai High Court. Thereafter the functioning of the courts became irregular due to the Covid-19 pandemic and subsequent lockdowns. Although Worker C’s lawyer assures him that the court has admitted his case, Worker C says he has yet to receive any intimation from the Court and at the time of the interview in 2021 he was waiting for the case to be taken up by the Chennai High Court.

vi. Workers’ view on the case process:

The company did not pay Worker C the 25% of back wages that the Labour Court had ordered. It claimed that they were making losses and the owner had to sell his own car and other vehicles. According to Worker C, “The Company does not give appointment letters or payslips to the workers. When the court asked for the salary voucher, they said that it was destroyed in a fire. Thankfully I had my ID card issued by the company. I had that proof with me; otherwise they would have told the court that I had never worked there.”

He added that just to defend his rights and get his rightful entitlements he had to file a case and fight it year after year. This was only possible because “I don’t have children, or any urgent economic needs, and my wife supports me. In fact, I have put in more money into this case than I could recover from it. Not to mention the 5 years of my time that went into fighting this case and even now it has not reached a conclusion. If I had a permanent job, I would not have been able to pursue this case as I would not have gotten so many leaves to attend court hearings.”

It is important to note here that under Section 17(B) of the Industrial Disputes Act, 1947, if a Labour Court has awarded reinstatement of a worker and “the employer prefers any proceedings against such award in a High Court or the Supreme Court, the employer shall be liable to pay such workman, during the period of pendency of such proceedings...full wages last drawn by him, inclusive of any maintenance allowance admissible to him under any rule if the workman had not been employed in any establishment during such period and an affidavit by such workman had been filed to that effect in such Court”. To short-circuit this avenue of redress by Worker C, the company did not outright challenge the labour court award but allowed the workers to rejoin work but made it difficult for him to withstand harassment forcing him to quit. Had he not quit and management had approached the Chennai High Court to appeal the labour court award, Worker C could have availed of the benefit under Section 17(B) and thus been able to sustain the legal challenge. In such a situation it would have put pressure on the company to settle quickly since it would be forced to pay full wages to the worker during the pendency of the case, which as is common knowledge, can drag on for years.

“It is a very big undertaking and takes a very long way to settle a dispute, an ordinary worker cannot afford for this. Through the constant support of CITU I managed to go so far, otherwise I might have abandoned the case.”

Case Study – 04: Individual Worker Vs. Fair Exports

Overview:

For case study - 04, the worker has been represented as ‘Worker D’.

Worker D was appointed as an accountant in the company in 2017 and his employment was terminated orally in the year 2018. He proceeded to claim justice through the conciliation process in 2020. Then the management filed a false accusation statement. Afterwards there was no communication from the Worker D and thus the case was dropped.

Type	Formal - Conciliation
Nature	Individual
Status	Dropped
Year of Dispute onset	2018
Year of Dispute conclusion	2020
Available Documents	Copy of the complaint notice raised through the advocate to Labour commissioner office; Counter-letter sent by the company management
Missing Documents	Identity Documents, Witnesses produced for adjudication
In-Depth Interview	Not done due to the unavailability of worker D
Worker Type	Accountant
Dispute Type	Illegal Termination

Basic Information:

1. Name of the Worker: Worker D
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 35
4. Name of the Company: Fair Export
5. Designation of the Worker: Accountant
6. Years of work in the Company: 1 year

Timeline of Events:

DATE	EVENT
22 September 2017	Appointed as Accountant
6 October 2017	Joined in the job as Accountant
3 August 2018	Employment terminated orally by the management
11 November 2020	Raised industrial dispute before the Assistant Labour Commissioner (Conciliation)
November 2020	Counter report passed by the Company Management

Case History:

i. About the worker:

Worker D is 35 years old and had joined the company as an Accountant. In the first month he was paid Rs. 27,000 as monthly salary. However, even though he was hired for the post of accountant, Worker D was made to do other works like loading and unloading the goods i.e. garments parcel, finished products etc. and to mark numbers on the packages.

ii. Beginning of the Conflict:

In the year 2018, the Worker D met with a road accident and was severely injured. His backbone and hip joints are badly affected and so he was not able to engage in the loading and unloading of packages along with his regular work. So, he approached the management and requested them to assign only the role of accountant to him and relieve him of other responsibilities. But the company denied his request and also terminated his employment orally from August, 2018 without giving a written notice or reasons for termination, no showcause notice was given, Worker D was not given an opportunity to defend himself, no domestic inquiry was conducted – amounting to illegal termination.

iii. Informal resolution process:

Worker D has not gone to any informal resolution process.

iv. Formal resolution – Conciliation:

Worker D requested the company several times over the course of 2-3 months, to reinstate him but the company refused. Finally in November 2020, more than 2 years after the illegal termination of employment, he filed a complaint before the Assistant Labour Commissioner (Conciliation) for resolution of this dispute. Worker C wanted his job back with continuity of service, back wages and other legal benefits. The ALC(C) sent a summons letter to the company management and the company filed their justification statement.

In its justification statement, the company said that Worker D left the work on his own as he could not sit and work for a long time as he had met with an accident. The company also strongly refuted the charge that management had made Worker D to do manual labour such as loading and unloading of packages since the role of the company is only to get orders from buyers and direct them to the garment production units. According to the company, the garment manufacturers sent the finished goods to the buyers directly and thus there was need for loading and unloading of luggage and packages at the company. The company further argued that since Worker D was an accountant he did not qualify as ‘workman’ under Section 2(s) of the Industrial Disputes Act, 1947 and asked for the case to be dismissed. Afterwards Worker D did not pursue the case and thus the case was dropped.

v. Workers’ view on the case process:

Worker was unable to reach the labour department for the hearings and the advocate who was representing him was unsure about the Worker D’s interest in pursuing the case.

It would appear that without union involvement, and a lot of time lapsing between the illegal termination of employment and filing of the complaint at the labour department, the worker was unable to pursue the dispute to its conclusion.

Case Study – 05: Individual Worker Vs. Premier Knits Apparels

Overview:

For case study – 05, the worker has been represented as ‘Worker E’.

Worker E was appointed as a tailor in the company in 2017 and her employment was illegally terminated in the year 2019. She filed a complaint at the labour department, and there was a tripartite settlement between the company and the worker facilitated by the labour officer. . The company refused to reinstate her, and agreed to pay her a lumpsum amount of Rs.13500/- instead of Rs.20000/- at the end of the conciliation process.

Type	Formal - Conciliation
Nature	Individual
Status	Resolved
Year of Dispute onset	2019
Year of Dispute conclusion	2020
Available Documents	<ul style="list-style-type: none">• Identity Card of Worker E• Pay Slips• Summons (Call Letter) from Assistant Labour Commissioner (Conciliation)• Success of conciliation report from Assistant Labour Commissioner (Conciliation)• Final Settlement Receipt• PF Claim E-print
Missing Documents	-
In-Depth Interview	Done
Worker Type	Local worker Tailor
Dispute Type	Illegal Termination of employment

Basic Information:

1. Name of the Worker: Worker E
2. Gender of the Worker: Female
3. Age of the Worker (at the time of interview): 40
4. Name of the Company: Premier Knits Apparels
5. Designation of the Worker: Tailor
6. Years of work in the Company: 3 years

Timeline of Events:

DATE	EVENT
22 December 2016	Joined in the Company
1 April 2017	Appointed as Tailor (as per records)
11 November 2019	Employment terminated orally by management
13 March 2020	Raised a complaint before the Assistant Labour Commissioner (Conciliation)
12 June 2020	Process of conciliation initiated
4 September 2020	Final hearing of Conciliation Process
9 September 2020	Settlement concluded

Case History:

i. About the worker

Worker E is 40 years old and a resident of Anthiyur town in Erode district. She joined one of the units of Premier Knits Apparels of Tirupur in Anthiyur when it started its operations in the year 2017. She was trained to be a tailor and started to work in a production line. She worked for 3 years in the company. She used to join many workers from her village who would commute to the company. She was given target of stitching 150 pieces in an hour.

ii. About the Company

Premier Knits Apparels is located in Tirupur specializing in manufacture of baby garments. They have a vertically integrated factory with advanced production machines. The company exports to brands such as Mother Care, K-mart, Dunees, OVS etc.

When Worker E was working at the company, around 400 workers were employed in the garments unit itself and there were also many workers in other units. The workforce was dominated by women workers and at that time there was no contract work, although now contract work exists in the company.

iii. Beginning of the Conflict

In the year 2019, management suddenly and without giving notice of change under Section 9A of the Industrial Disputes Act, 1947, discontinued the morning tea break. Workers were aggrieved and felt burdened by having to work continuously without a break. However most workers were afraid of losing their job and did not ask management to reinstate the tea break. Worker E took initiative and with the support of approximately 20 co-workers she approached HR and asked for the tea break to be resumed. HR responded that most workers do not actually take the tea break or rest, and they just want to finish their work on time. Worker E had an argument with HR over this issue.

After some days, Worker E's son fell ill and was admitted to hospital. So, she took leave. At the time there was no settled or written procedure for availing leave. She just took leave by informing management through a phone call. During the leave period, she just went to another company to check out the working conditions along with a co-worker. In that company, they asked her to demonstrate her tailoring skills. Management at Premier Knits Apparel found out and dismissed her from the job without giving any notice. They accused her of taking many of their workers to work in another company.

iv. Informal resolution process

Worker E shared her problem with her husband relatives. Her niece was active in a political party; so she approached the HR and asked them to take Worker E back on the job. HR complained about Worker E, saying that she is annoying that she was frequently asking for worker's benefits, distracts other workers, and instigates them to quit and move to another company and therefore the company did not wish to continue with her services. Under pressure of a representative of a political party, HR suggested that they would discuss the

matter with the Head Office and try to reinstate Worker E in 1 week. But there was no call from the company. The niece went to the company again, this time with a politician from the political party. This time HR asked for 10 days time to resolve matters. Then Worker E approached the CITU union on advice of her husband. The union reached out to HR but there was no response. This process took approximately 3 months. On advice of the union Worker E then raised an industrial dispute at the labour department, since management was not responsive and showed no interest in a compromise.

v. Formal resolution – Conciliation

The conciliation process lasted 7 months. At first, the Labour Officer sent summons to the company asking them to join the conciliation process. A company representative from the human resource department, along with the company advocate came for the first conciliation meeting. The Labour Officer ordered them not to come with an advocate as the law does not allow legal representation during the conciliation process. Then there were 6-7 conciliation meetings over 15 days per month. Worker B, her husband, and a union representative would attend the hearings. The travel and food expenses for all the three were borne by Worker E. Management was represented by the HR manager from the factory unit that employed her as well as from the company's Head Office. The company was adamant that they were not ready to reinstate Worker E. So, the ALC(C) asked Worker E if she wanted a settlement or she wanted to be reinstated. Worker E indicated that she wanted to be reinstated. Given the irreconcilable positions of the two parties, the ALC(C) indicated that the case would have to be referred to the Labour Court.

At that time, the company approached her and asked her not to go take the case to the Labour Court and they offered to re-employ her but after some years. Worker E had already incurred a lot of expenses in pursuing the case this far as well as invested a lot of time – both hers and her husband's as he would accompany her on each hearing. She did not want to invest any more of her time and money. So, she accepted the company offer of a settlement and informed the ALC(C). The ALC(C) tried to persuade the company to give her a settlement of Rs. 20,000. But management was not agreeable and finally decided to settle for Rs. 13,500 and gave Worker E a cheque for this amount in the presence of the ALC(C).

vi. Workers' view on the case process:

At the time of the settlement the company had promised to call her back to work after some time but she never got the call. She was upset over losing her job and shared that, "I was working there from the time the company started its operations. It is like my second home. I still want to go there and happily work again". She still inquires about job vacancies from the workers she keeps in touch with but the company does not respond positively to her overtures. The company does not allow the contractors to hire her either. Worker E says that she did not want to take her company to court and make them feel ashamed..

Worker E said that she has spent so much money and time on the case and she felt guilty for her actions. She says, "I did all this because I want to go back to the company as before, but still I cannot go there." She doesn't want to go and work in any other company and has become a homebased worker producing door mats on a handloom machine.

Case Study – 06: Individual Worker Vs. AKR Textiles

Overview:

For case study 06, the worker has been represented as ‘Worker F’.

Worker F was appointed as Production in-charge but after joining was also given charge as Quality Controller for 4 production lines. As Production in-charge he noticed that his supervisor was abusive towards workers, there was no system for recording attendance of the workers, and neither were they issue ID cards; salary was disbursed once in 15 days to the workers. He took these issues up with his supervisor but the supervisor would not listen to him or address these issues. Instead suggestions given by Worker F to his supervisor were interpreted as complaints against management. Management considered him a troublemaker and within a month management orally terminated his employment. He did not have an appointment letter. With the help of CITU he tried to get his job but could only manage to recover one months’ salary.

Type	Informal - Compromised through CITU
Nature	Individual
Status	Resolved
Year of Dispute onset	2019
Year of Dispute conclusion	2020
Available Documents	-
Missing Documents	None of the documents were available as he had only worked for 1 month
In-Depth Interview	Done
Worker Type	1.Intra-state Migrant (Settled in Tirupur) 2.Production In charge & Line QC
Dispute Type	Illegal Termination of Employment

Basic Information:

1. Name of the Worker: Worker F
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 50
4. Name of the Company: AKR Textiles
5. Designation of the Worker: Production In-charge & Line Quality Control (QC)
6. Years of work in the Company: 1 month

Timeline of Events:

DATE	EVENT
12 January 2019	Appointed as Production In-charge & Line QC
29 December 2019	Employment terminated orally by management
4 February 2020	Raised complaint to Trade Union
9 March 2020	Process of conciliation initiated
11 March 2020	Final hearing of Conciliation Process
28 March 2020	Date of Settlement

Case History:

i. About the worker

Worker F is native of Theni District in Tamil Nadu. His son has completed degree and is employed. His daughter is married and settled in Chennai. He was working in railway contract work for nearly 15 years. He and his wife decided to migrate to Tirupur in 2016 for financial reasons as they incurred lot of expenses in their daughter's marriage. In Tirupur he joined the textile sector. He started by working in small firms, learnt tailoring and layer production. Thereafter he sought work in garment export companies. He joined a bigger company at a salary of Rs. 20,000, worked for 15 days but left since he felt uncomfortable working there.

While he joined the company, initially he was assigned ordinary work. Later noticing his abilities, the company promoted him to Production In-charge cum Line QC, putting him in charge of 4 lines. There are around 350 workers in the company.

ii. About the Company

AKR Textile is employs approximately 350 workers in the company. They also have 3 sub units in other parts of Tirupur. The company has been in this business since 1995, exporting knitted garments to various countries across the globe and supplying domestically within India as well. The company produces infant & children garments, men's wear; ladies wear and supplies to major corporations all over India.

iii. Beginning of the Conflict

Worker F was employed in the company for one month. At the time of hiring Worker F, the company had agreed to pay Rs.18,000 as monthly salary for his role as Production in-charge. Subsequently he was given additional charge as QC for 1 line but gradually he was asked to take care of 4 lines as QC.

As Production in-charge he noticed that his supervisor was abusive towards workers, there was no system for recording attendance of the workers, and neither were they issue ID cards; salary was disbursed once in 15 days to the workers. He took these issues up with his supervisor but the supervisor would not listen to him or address these issues. Instead suggestions given by Worker F to his supervisor were interpreted as complaints against management. Within a month management orally terminated his employment.

iv. Informal resolution process

Worker F met the supervisor and General Manager and asked for the reason for his termination. But they did not respond. For nearly 20 days he approached the management and requested that he be allowed to resume work but he was not given permission. Finally he requested the management at least to pay the salary for the one month that he had worked, but the management gave no response. His friend suggested that he approach CITU union for help. The Union went with Worker F to the company and enquired for the reason for

termination and unnecessary delay in paying one month's salary. The company told the union that they would pay Worker F's salary after 25 days.

v. Workers' view on the case process:

Worker F was disappointed that he was not given a proper reason for termination. The company failed to arrange a hearing with the worker and the Supervisor who was north Indian. There were language problems between them which caused lots of confusion. The General Manager was not attentive to the grievances reported by the workers. Worker F was also concerned that instead of distributing salary to the workers on a daily, weekly or monthly basis, company would pay once in 15 days. At the time of the interview with him, the second Covid-19 lock down had curbed his attempts to find another job, so he again joined a small company for survival. Now he is a tailor earning the lowest salary compared to what he was getting earlier.

It is interesting to note that it is not just ordinary blue collar workers who are not given appointment letters and payslips, even a supervisory staff of the company – the Production in-charge – was not given an appointment letter and there appears to be no formal grievance redressal system in place in the company where the matter could have been resolved instead of culminating in summary dismissal or retrenchment. Although the company has a large workforce of 250-300 workers, it does not seem to have even the basic HR procedures in place and does not seem to follow Factory Act rules regarding attendance, frequency and timing of salary disbursement etc. If regular inspections by the Factory Inspector were done, at least compliance on these basic issues could have been ensured.

On its website the company boasts of being “one of the largest exporters of knitted garments from India” housing “one of the Asia's biggest yarn and fabric dyeing factory, one of the Asia's largest fleece production unit and capable of producing 50 million garments per year.” The company supplies to major global brands such as Tommy Hilfiger, Calvin Klein, Diesel, C&A, H&M, and Disney. It is inconceivable that such a large company does not have proper basic procedures and governance in place.

Case Study – 07: Collective Workers Vs. Cotton Blossom India Pvt. Ltd

Overview:

For case study -07, the worker has been represented as ‘Worker G’.

Worker G was appointed as Sample Coordinator in the company in 2017 and was his employment was terminated in the year 2020 along with a number of workers. The company cited Covid-19 pandemic as the reason for retrenchment. Worker G and 21 additional workers raised an industrial dispute. However, the company did not agree to reinstate the workers but instead offered a settlement of one month’s salary with some benefits.

Type	Formal - Adjudication
Nature	Collective
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2020
Available Documents	<ul style="list-style-type: none">• Individual Complaint Letters sent by the workers to the secretary of CITU;• Complaint Letters sent to the Chief Minister of Tamil Nadu; the Chief Secretary; Labour Officer; Department of Labour & Employment of Chennai; Commissioner of Labour of Chennai; District Collector of Tirupur; Commissioner of Labour of Coimbatore; Asst. Commissioner of Labor of Tirupur; Director of Occupational Safety & Health;• News Clipping published in Theekathir Daily Newspaper regarding the issue and complaint raised by CITU to CM Cell;• Summons received from the Assistant Labour Commissioner (Conciliation) for the hearing;• Final settlement details in excel format.
Missing Documents	<ul style="list-style-type: none">• Success Report filed by the Assistant Labour Commissioner (Conciliation);• Identity documents of the Workers
In-Depth Interview	Done
Worker Type	<ul style="list-style-type: none">• Local workers• Sample Coordinator
Dispute Type	Illegal termination of employment of 21 workers due to shortage of orders during the Covid-19 pandemic

Basic Information:

1. Name of the Worker: Worker G
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 38

4. Name of the Company: Cotton Blossom India Pvt. Ltd.
5. Designation of the Worker: Sample Coordinator
6. Years of work in the Company: 12 years

Timeline of Events:

DATE	EVENT
8 May 2017	Appointed as Sample Coordinator
11 May, 2020	Employment terminated orally by management
06 June 2020	File a complaint before the Assistant Labour Commissioner (Conciliation)
26 June 2020	Initiation of Conciliation by the ALC(C)
August 2020	Compromise reached with the Company Management
Not Known	Success of Conciliation Report filed by ALC(C)
Not Known	Settlement given by management

Case History:

i. About the worker

Worker G is a resident of Tirupur and has 2 children. He joined the company as Supervisor in 2008 and then resigned in between for a few months and then rejoined as Sample Coordinator in the Production department at the company on 8 May 2017. He had been working at the company for 12 years at the time of termination.

ii. About the Company

Cotton Blossom India Private Limited exports garments to the major international brands such as C&A, Mother Care, Primark, S-Oliver etc. The company produces t-shirts, ladies wear, children's wear etc. It is a vertically integrated firm having spinning division, knitting division, dyeing division, embroidery division, printing division, garment division, and design studio. The company has its Head Office in SIDCO campus in Tirupur where this dispute arose. When Worker G was working, there were approximately 100 workers working in the sample unit itself and there were also many workers employed in other units.

iii. Beginning of the Conflict

On 22 March 2020, the Indian Government announced the national lockdown to curb Covid-19 pandemic. As a result all garment factories had to shut down production during the lockdown which was subsequently extended to 10 May 2020. In the second week of May 2020, after the lockdown was lifted, production resumed. The company also resumed production. When Worker G reported to work on 11 May 2020 he had already lost 2 months' income in the lockdown period even though the Government had passed an order under the Disaster Management Act directing all employers to pay wages to their workers. However, on reporting for duty he was told by management that they could not continue his employment and asked him to give a resignation letter. Subsequently he found out that nearly 200 staff and workers had been laid off with management citing cancellation of orders during the global lockdowns due to covid-19. Worker G, along with some of the dismissed

workers requested management to take back their decision of dismissal but management did not relent, nor did it make any payments to the dismissed workers by way of retrenchment compensation.

iv: Informal resolution process

Worker G was a member of a political party and he shared the situation with a union leader affiliated to the party. The union leader contacted the company management and asked them to compromise. But the company reiterated that there was no work due to the pandemic and if and when the orders resume, workers will be recalled and asked to join work.

v. Formal resolution – Conciliation

The Union raised an industrial dispute before the Assistant Commissioner of Labour (Conciliation). They also sent complaint letters to the Chief Minister's grievance cell, Chief Secretary of the Government of Tamil Nadu, Secretary of Labour and Employment Department, Labour Commissioner, District Collector, Joint Secretary of Labour Department, Joint Secretary of DISH etc. This case was also reported in the media. The ALC(C) initiated conciliation proceedings on 26 June 2020. The company representatives came for 3-4 conciliation hearings. Then the company indicated that it wanted to settle the dispute and wanted to compromise with the workers. The 21 workers also agreed to accept the settlement of one month's salary with a little additional amount.

vi. Workers' view on the case process:

Worker G was worried that the workers would be scared to unionize and raise any disputes. He was not wrong. The company had retrenched more than 200 management staff and many workers after the lockdown was lifted. But only 21 came together to raise an industrial dispute. Others stayed away from initiating legal proceeding in the hope that the company will call them again for work once orders start coming in.

Worker G shared that even a year later the 21 workers had not received their PF. It was found that the company had not been depositing the employer's share of PF for more than 3 years. The company justified such an egregious flouting of the law by saying that they have used those amounts as investment. Until the time of the interview in 2021 the company has not remitted their PF amount. The workers can file the case for this too, but Worker G found that not one of them was willing to file a complaint for PF. The workers were only worrying and blaming the company for its unfair actions.

Enforcement of the PFAct

1. The Act empowers authorities under the Act (various Provident Fund Commissioners) to issue orders in case where a dispute arises regarding the applicability of this Act to an establishment and to decide such dispute and determine the amount due from any employer under any provision of this Act.
2. The Industrial Tribunal constituted by the Central Government is designated as the Tribunal for the purposes of the Act.
3. Any amount due from the employer in relation to which any scheme applies in respect of any contribution payable to the fund, or any other charges payable by him under any other provision of this Act may, if the amount is in arrear, be recovered in the manner specified in Sections 8B to 8G. This process is through a recovery certificate issued by a recovery officer appointed under the Act.
4. The appropriate Government may, by notification in the Official Gazette, appoint such persons as it thinks fit to be Inspectors for the purposes of this Act and may define their jurisdiction.
5. Whoever, for the purpose of avoiding any payment to be made by himself under this Act or of enabling any other person to avoid such payment, knowingly makes or causes to be made any false statement or false representation shall be punishable with imprisonment for a term which may extend to one year, or with fine of five thousand rupees, or with both.
6. If the person committing an offence under this Act is a company, every person, who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.
7. Where an employer makes default in the payment of any contribution to the Fund in the transfer of accumulations required to be transferred by him or in the payment of any charges payable under any other provision of this Act, the Central Provident Fund Commissioner, in this behalf may recover from the employer by way of penalty such damages, not exceeding the amount of arrears, as may be specified in the Scheme.

Source: Advocate Gayatri Singh

Worker G also felt that since it is was collective case and was raised in front of various authorities, it was resolved relatively quickly. If it was an individual case, it might have taken a very long time to resolve. After leaving the company, Worker G has started a micro level knitting unit of his own.

Although the workers and management settled the case, there are many violations that were overlooked while reaching the settlement. It is unclear if the company filed for permission for closure and layoff under Chapter VB of the ID Act and if the government made any efforts to ensure that the company complied with legal process. Certainly when Worker G and 21 workers took the complaint to the ALC(C) the government came to know that employment of more than 200 workers was terminated by the company and should have initiated a suo moto inquiry. Additionally, during the proceedings of the case it came to light that the company had not been depositing PF for at least 3 years – but it seems the labour department did not hold the company accountable, nor levy any penalties or force the company to make the PF payments immediately so that workers could withdraw their PF amounts in a timely manner.

Furthermore, the company violated the government order to pay wages to all workers during the March-May 2020 lockdown period, as is evident with Worker G not having received any wages for the 2 months. Even the settlement that was reached, the ALC(C) should have ensured that Section 25F of the ID Act was followed. The workers received only one month's salary (presumably in lieu of one month's notice period) but Worker G for example was also

entitled to retrenchment benefit of 15 days' average pay x 12 years of employment. He would also have been entitled to gratuity. None of this was ensured by the labour department it would appear.

Case Study – 08: Collective Workers Vs. Aswathi Exports

Overview:

For case study - 08, the worker has been represented as ‘Worker H’.

Worker H joined as ironing master in the company in 2017. After 2 years, the company started to delay the payment of wages. In 2019, bonus was also not paid and the company said that they will give it on the festival of Pongal. The workers from the sample section demanded their bonus and said otherwise they wished to quit. Then the company paid half of the bonus amount to these 10 workers including Worker H. The company agreed to pay the remaining bonus on Pongal. But it was not given. When the workers asked for the remaining bonus and regular payment of wages, the company asked them to resign. Then he resigned his job, but the company did not settle the wages due to him and other statutory benefits due to him. Worker H has not been able to claim his PF as his UAN number was not given to him.⁷⁴ So the workers filed an industrial dispute at the labour department. Conciliation was ongoing at the time of documenting this case. The company was ready to give him any available job in the company, but Worker H wants only his old job as the ironing master and proper settlement of wages and dues.

Type	Formal - Conciliation
Nature	Collective
Status	Ongoing
Year of Dispute onset	2020
Year of Dispute conclusion	-
Available Documents	<ul style="list-style-type: none">• Complaint Letter filed by the worker• Complaint letter sent to Labour Officer• Counter Letter passed by the company management
Missing Documents	Identity Documents
In-Depth Interview	Done
Worker Type	1. Intra-state Migrant (Settled in Tirupur) 2. Ironing Master
Dispute Type	Illegal termination of employment of Worker H and 9 others, for demanding bonus and regular payment of wages

Basic Information:

1. Name of the Worker: Worker H
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 42
4. Name of the Company: Aswathi Exports

⁷⁴ Universal Account Number (UAN) is a unique number allotted by the Ministry of Labour and Employment, Government of India to the employees registered for Provident Fund. A member identification number is allotted to the employee upon job change. All member identification numbers, current as well as previous, are linked through the Universal Account Number.

5. Designation of the Worker: Ironing Master
6. Years of work in the Company: 5 years

Timeline of Events:

DATE	EVENT
23 August 2017	Worker H joined the company
02 January 2020	Illegal termination of employment via oral communication
12 January 2020	Worker H and other co-workers request management to allow them to resume work at least for two months
February 2020	Management denied salary
14 March 2020	One month salary received by Worker H
7 April 2020	Raised industrial dispute before the ALC(C)

Case History:

i. About the worker

Worker H (40) is from District of Tamil Nadu. When he was a teenager he followed his brother to Tirupur. Worker H started by working in an automobile shop for daily wages, later he also was working in a laundering shop as ironing man. He started his journey in the textile field by doing assistance work for his brother and later he learnt skills and helped in the Sample Section. His wife is a housewife. They have two children – a 10 year old son and an 8 year old daughter. Worker H has got 20 years of experience in the garment industry.

ii. About the Company

Aswathi Exports has been functioning since 1997. It claims to be a prominent manufacturing and exporting houses but does not have a functioning website. “The firm is engaged in sewing garments for infants, kids and women. The installed capacity of AE stood at approximately 2200 pieces per day as of January 2020. The firm gets the yarn processed, knitted, dyed and printed from local suppliers. AE imports accessories like buttons, zips etc. from suppliers located in China and Hong Kong. On procuring the fully processed fabric and accessories, the firm sews these processed fabric and accessories into garments before storing as finished goods. The firm exports 95% of the finished garments to customers located in the United States of America (USA) and United Kingdom (UK) and Australia through agents. The firm generates remaining revenue from selling finished garments to customers based at Tamil Nadu. AE has its sewing units located at Tirupur and Coimbatore, Tamil Nadu.”⁷⁵

iii. Beginning of the Conflict

⁷⁵ https://www.careratings.com/upload/CompanyFiles/PR/16032021125120_Aswathi_Exports.pdf

It is common knowledge that businesses suffered during the first wave of the Covid-9 pandemic and lockdowns. However, this company had been doing business even during the pandemic lockdown with limited workers and could export its products to some buyers. In spite of that, the management claimed to have encountered severe loss and asking the workers to bear with the company. However, the company had already been delaying salaries since January 2020, even before the pandemic lockdown started in late March 2020.

Worker H had been working for 5 years by this time. Management cited pandemic losses and laid off a few workers, and also told Worker H to go since they were planning to close the ironing section. Worker H and other few workers approached the HR manager and requested him to at least allow them to work for two months considering also the welfare of their families and financial commitments. HR heard them and allowed them to continue working. Worker H and the other workers had hope that they would get paid for these months. On the contrary, at the beginning they were paid once for two weeks and gradually after dragging it they were paid once more after a month and then they received no salary.

Worker H and workers were frustrated and felt that not only had the company exploited them, it had also cheated them of their salary, that too at the time of economic crisis and uncertainty due to the Covid-19 pandemic. Worker H approached management and expressed how they were not treated fairly. But this time the HR manager paid no attention and asked Worker H to resign if he could not cope with the situation. Worker H said during times of the pandemic it is not just the company that is suffering but also the workers who rely completely on the company. So it is the duty of the company to consider the well-being of the workers, it is even a legal responsibility of the company. However, the HR manager turned a deaf ear to the workers' entreaties.

iv: Informal resolution process

Worker H felt he had no option but to give management a resignation letter and he asked for his salary. Management asked him to come after 10 days. But as he approached them after 10 days, management asked him to come the next month. In this manner the company gave him the run around but did not give him his salary. After one month of struggle he was paid the monthly salary but not the bonus which amounted to Rs. 22,000. At this time he also asked management to settle his PF dues since he had already given his resignation. However, the company refused to give him his UAN number which is required to access the PF account. In addition, the company also cited losses and inability to pay the full bonus amount which was agreed before the pandemic and told Worker H that only Rs. 6,000 will be paid as bonus. This was also other shocking information to Worker H. Driven by much emotion, Worker H sat for a struggle in front of the company. This developed a nuisance to the Company and hence the management informed the Police. The Police people asked about the grievance of Worker H and even they requested the company management to settle his bonus as promised. But this time the Company management said that not Rs. 6,000 instead only Rs. 2,000 will be paid. At this point, Worker H decided to take the matters up legally.

v. Formal resolution – Conciliation

Worker H raised a formal complaint in the labour department and attended 2 conciliation hearings. However, faced with many financial commitments, low wages, sickness in the family, he was looking for a quicker solution hoping that the labour department would facilitate in getting the settlement amount from the company. However, at the time of the interview in 2021 more than a year later, the case was still continuing and had not reached a conclusion.

vi: Workers' view on the case process:

Worker H has debt. Recently, he met with an accident and had to borrow money for his treatment. His wife too had to undergo a surgery, adding to his debt. If he had received the full bonus and PF settlement it would have been easier to manage these unexpected medical expenses. He is still hopeful that the conciliation process will yield positive result for him.

Case Study – 09: Individual Worker Vs. Alfine Knit

Overview:

For case study - 09, the worker has been represented as ‘Worker I’.

Worker I and his mother had been working in the company since 2012, for about 9 years at the time of the dispute. Although the ID cards given to them stated their designation as tailors, but Worker I was working as Production in-charge and her mother as line supervisor. They were asking for the Covid-19 lockdown period salary and double wages for overtime. In 2020, the company management illegally terminated them orally by making false accusations on them. They demanded that management investigate the false accusation but the company refused. They approached CITU for help and filed a case in the labour department which is ongoing.

Type	Formal - Conciliation
Nature	Collective
Status	Ongoing
Year of Dispute onset	2020
Year of Dispute conclusion	-
Available Documents	<ul style="list-style-type: none">• ID documents• Letter sent to the company, Labour Commissioner, SP• Letter sent by the company to workers for termination of employment• Summon letter sent by LO for conciliation• Letter sent by SP for investigation• Wage slip and Bank statement.
Missing Documents	-
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Tailor/Production in-charge and line supervisor
Dispute Type	Illegal termination of employment

Basic Information:

1. Name of the Worker: Worker I
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview) 34
4. Name of the Company: Alfine Knit Pvt. Ltd.
5. Designation of the Worker: Tailor as per ID card (Actually Production in-charge)
6. Years of work in the Company: 09

Timeline of Events:

DATE	EVENT
2012	Joined the company as tailor - contract worker
2014	Appointed as Tailor in the company but actual work was Production in-

	charge
16.02.2021	Both Worker I and his mother's employment was orally terminated
22.02.2021	The company sent termination notice
23.02.2021	Letter sent by Worker I to Labour Commissioner, Superintendent of Police (SP), and the company
18.03.2021	Summons by ALC(C) for conciliation
09.04.2021	1st hearing of conciliation process
19.04.2021	Called for investigation in SP office

Case History:

i. About the worker

Worker I and his Mother joined the company in 2012 and had been working for almost 9 years at the time of illegal termination. Both of them worked under contract for 2 years and then from 2014, they started to work as regular employees. As per the Identity Card issued by the company both of them were designated as Tailors. But in actuality, Worker I worked as Production in-charge and his mother as a line supervisor. Worker I had been very supportive to the management and took on additional responsibilities such as handling recruitment process in the company. Because of the way Worker I treated workers, there were well experienced tailors who could get a pay of Rs. 450 per day in other companies but worked in this company at only Rs. 340 per day, demonstrating the goodwill and reputation that Worker I had among the workers. During his tenure he also represented many legal cases on behalf of management, and earned the trust of management. However, the company was also trying to cut corners. For example, there were nine shifts in a week, but HR manager would maintain records for only seven shifts to show low production and cheat on paying dues to the government. Sometimes the company would even delay payment of salaries, and pay once every two months.

ii. About the Company

Alfine Knits produces wearing apparels and also produces inner wears. It was incorporated on 25 August 2005. The company employs around 100-150 workers. It has departments starting from cutting to dispatching. The company exports nearly 350,000 pieces annually according to Worker I. He shared that a piece with production cost of Rs. 22 is sold to buyer for Rs. 89 per piece.

iii. Beginning of the Conflict

During Covid-19 pandemic, there were nearly 30 persons sick with Covid-19 around the residence of Worker I. His residence is near the company where he was working. Due to this spread, the Health Department inspected the nearby industries including this company. During this inspection it was found that some of the workers were infected with Covid-19 and hence the Health Department sealed the company. Management suspected Worker I had complained to the Health Department and asked for an inspection in the company. Meantime, as the consequence of Covid-19 lockdown, Worker I used to demand the

lockdown wages and double the wages for overtime as per the Central Government's order. Since he was representing all the other workers on this matter, the company orally terminated the employment of Worker I and his mother, with a false accusation that they have misused money which was the salary for the workers under their charge in the production lines. To prove this is wrong, Worker I and his Mother insisted the company management have an inquiry and form a fact-finding committee to investigate this issue. But management turned a deaf ear to this request.

iv. Informal resolution process

Worker I and his Mother consulted the CITU union in order to deal with this issue. Meanwhile the company management gave a complaint to the Police Station and the Sub Inspector (SI) of police investigated it. The SI had threatened them and forced them to sign on a statement admitting that they had manipulated accounts and cheated the company. Then the Worker I and his mother sent a letter to the Superintendent of Police (SP) regarding the threats, intimidation, and actions of the SI and a letter to the Labour Commissioner. They also informed the management by letter.

v. Formal resolution – Conciliation

Worker I and his mother were called for investigation by the SP and around the same time the labour department sent summons to start conciliation proceedings. A company representative appeared for the conciliation. Until the date of the interview, there had been more than 10 hearings and the next hearing was due on 16 September 2021.

When Worker I had joined the company, management had orally promised that they would pay 50 paise per piece which would be consolidated paid when he leaves the company. If this is considered, for 7 years of tenure time, under the responsibility of Worker I as Production In charge, 1,750,000 pieces were produced and at 50p per piece, the company owed him Rs. 8,75,000. Instead the company is accusing him of fraudulently appropriating Rs. 80,000 allocated for workers' salaries. The ALC(C) examined the case and the documents produced by management and them to be improper and invalid. So, Worker I is expecting the conciliation to be over by the next hearing and hoping to get a settlement. Worker I and his mother have demand double the salary for the period of the lockdown and withdrawal of false police case and false accusations by the company against them.

During this time, he had also appeared thrice in the police investigation. The SI had been approaching Worker I and his mother to withdraw the complaint as she was facing dismissal from the department for her illegal act. The union advised Worker I to focus on the conciliation. But in the conciliation management would keep reiterating that they had filed a police complaint. So Worker I had not yet withdrawn the complaint filed against SI.

vi. Workers' view on the case process:

According to Worker I, during his tenure, nearly 25 persons employment was illegally, orally terminated by management without following due process. Additionally, in order to ensure that workers are unable to claim continuity of service and therefore gratuity, management renews workers' tenure annually and shows it as new recruitment each year. The workers also

end up agreeing to this malpractice due to financial compulsions and poor awareness of their legal rights.

TEA (Tirupur Exporters Association) should play a role in ensuring that there is basic compliance of all laws of the land in the manufacturing units – at least by member companies and not leave it solely up to the workers to get empowered regarding their rights or to reach out to unions when they face unfair labour practices. Companies in which workers are organized into a union, see less exploitation and less violation of basic labour rights. Thus it is important that the reach of the trade unions expands to cover all workers in the garment industry in Tirupur.

Case Study – 10: Individual Worker Vs. Warrior Exports

Overview:

For case study - 10, the worker has been represented as ‘Worker J’.

Worker J was employed as a mechanic in the company for about 18 years since 2002. In 2020, there arose a problem with his assistant and production manager in repairing a machine. He tried to broker a compromise between them. In that process, the General Manager asked both Worker J and his assistant to leave the company. Worker J resigned and his assistant continued to work. But the company did not settle his wage and other benefits due to him. So he sought help of CITU. With the union’s help he got his monthly salary of Rs. 27,000 salary alongwith Rs. 42,000 settlement instead of Rs. 82,000. He had not gotten his entire PF amount yet.

Type	Informal – Compromised through CITU
Nature	Individual
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2020
Available Documents	-
Missing Documents	Identity Documents and other related documents
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Mechanic
Dispute Type	Illegal oral termination of employment

Basic Information:

1. Name of the Worker: Worker J
2. Gender of the Worker: Male
3. Age of the Worker (at the time of IDI): 55
4. Name of the Company: Warrior Exports - 15, Velappampalayam, AmarJothi Garden, Tirupur
5. Designation of the Worker: Mechanic
6. Years of work in the Company: 18 years

Timeline of Events:

DATE	EVENT
September 2002	Appointed as Mechanic in the company
September 2020	Issue arose in the company between the worker and management
October 2020	Worker J was forced to resign from the company
December 2020	He got his pending wages and a settlement but has not received his PF yet

Case History:

i. About the worker

Worker J's family is from Kerala. His parents had migrated to Tirupur and worked in the textile and apparel industry. Worker J was born in Tirupur and studied up to 7th standard. Since he showed no interest towards studies, his parents put him to work in the textile industry. He was very much interested in tailoring machine repair work during his youth and gradually gained expertise in tailoring machine maintenance. With this experience, he started his own service unit at Tirupur. He could not become successful in this endeavour since it required financial investment in terms of machinery and instruments. Thereafter he joined garment factories as Singer Machine Mechanic. He has been doing this since he was 25 years old and by the time of his illegal termination he had experience of 30 years in this field. In this company, he has been working for almost 18 years. When he joined this company his salary was Rs.12,000 per month, and his last drawn salary was Rs. 27,000 per month.

ii. About the Company

Warrior Exports, established in 1993, manufactures high quality men's, women's and kids garments. The company claims to be a 'Fibre to Fashion' company. It has a well-equipped vertical manufacturing set up with the capacity of producing almost 2 million garments a month with 1000 machine capacity. This company has multiple buyers abroad and has good turnover every year. According to Worker J there are about 600 workers in his unit. Working hours are 8.30 am – 8.30 pm (12 hours). Contractors supply contract workers for sections such as power table, packing, and ironing. There are nearly 60 staff member in shifts working as supervisors, production line in-charge etc.

iii. Beginning of the Conflict

In 2002, he joined the company as a mechanic of tailoring machines, working for 12 hours a day. Sometimes the company functions on Sundays too but workers are neither given overtime wages nor food. He had an assistant mechanic working along with him in the company. This assistant mechanic would often have some disputes and misunderstandings with the General Manager. Once the issue was escalated to management and was dealt with. Worker J had also intervened and given his inputs on what went wrong between the Assistant Mechanic and the General Manager. It created problems for Worker J as management warned him not to intervene in matters of others. Then they asked Worker J to resign from his job. Worker J left the job but did not give a resignation letter. The company had deducted ESI and PF contributions from his salary all the years, but when he approached management for his PF claim, it was not given to him.

He felt aggrieved since he felt he had done nothing wrong, but instead had tried for an amicable settlement of matters between GM and his assistant. He felt that the GM took it as an ego clash and so management removed him from employment. Despite his seniority and experience of 30 years in the profession, this was the first time he faced such a situation. The sudden termination of employment caused hardship and his family struggled for daily

survival until Worker J got another job opportunity at as Mechanic for a monthly salary of Rs. 25,000. Even though the salary was Rs 2,000 less than what he earned previously, Worker J took up the job to support his family.

iv. Informal resolution process

Worker J sought the help of CITU to claim his PF. With the support of CITU intervention, Worker J approached Warrior Exports to settle his PF amount. But the company management deliberately caused delays and later asked Worker J to apply for PF withdrawal from any internet cafe. When Worker J approached an internet cafe enter for PF withdrawal, he was told that the company is still paying the monthly PF contribution and hence he was not eligible to withdraw the full PF amount. With the help of the union he managed to get one month's salary of Rs. 27,000 which was pending. After the compromise with the company management, he got his salary and with continued support of CITU Worker J was able to withdraw **Rs 85,000** from his PF account. After getting the errors corrected in his PF account, he will be able to claim the entire PF amount.

Case Study – 11: Collective Workers Vs. Zuhana Garments

Overview:

For case study -11, the worker has been represented as ‘Worker K’.

Worker K worked as a tailor in the company. The company refused to give proper salary to 6 workers including 3 female workers. When the workers asked for their salary, the company made them wait for more than 2 months. So, they sought the support of CITU. The company did not respond properly. One day the company called the workers for a settlement. All the 6 workers and CITU leaders went to the company on that day. The company agreed to pay the 3 female workers, but the other workers were refused. They were protesting in front of the company. The company CEO has filed a case against the 6 workers that they were doing illegal protest. They had paid a fine in the court of Rs.200 each. Then after 4 months, the workers got a small settlement.

Type	Formal – Police Case
Nature	Individual
Status	Resolved
Year of Dispute onset	2016
Year of Dispute conclusion	2017
Available Documents	Court Fine Receipt of CITU leader
Missing Documents	Identity Documents
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Helper – Tailor
Dispute Type	Wages were not given on time to 6workers including worker K

Basic Information:

1. Name of the Worker: Worker J
2. Gender of the Worker: Female
3. Age of the Worker (at the time of IDI): 29
4. Name of the Company: Zuhana Garments
5. Designation of the Worker: Helper-Tailor
6. Years of work in the Company: 5 years

Timeline of Events:

DATE	EVENT
March 2016	Worker J and other 5 joined the company
22 June 2016	Pending salary demanded and again denied by the company
13 November 2016	CITU Leader intervenes
15 December 2016	Six workers were again cheated by not paying salary as promised

15 December 2016	Workers went on protest
January 2017	Workers remitted fine in labour court
January 2017	Workers got wages but with lesser amount

Case History:

i. About the worker

Worker K and other friends joined the company in March 2016. Worker K lives in a nearby village along with her family. After her family migrated to the present village, she was looking for work and found a vacancy as **tailor** in this company through an acquaintance who already worked in the company's packing section. At the beginning they were getting wages on a weekly basis. Worker K was a **helper** in the company and she would count and facilitate bundling the pieces, and also detect manufacturing defects. Besides this the helpers also had to mop the floor of their section. Sometimes this task would extend beyond regular working hours but they did not complain and were very cooperative since the company owner was friendly with the workers at the beginning.

ii. About the Company

Zuhana Garments was founded in 1991 and has been functioning as a leading garments exporter manufacturing a vast assortment of knitted & woven garments for ladies, men and kids such as ladies wear, ladies and men's nightwear, men's t-shirts and hoodies, kids wear, t-shirts and night suits. The factory has 50,000 sq.ft. of manufacturing space, equipped with departments for sewing, cutting, printing and embroidery. They have two highly efficient manufacturing units and 300 sewing machines with a production capacity of 15,000 pieces per day.

iii. Beginning of the Conflict

A few months after joining the company, the helpers stopped receiving their wages. On inquiring all they were told was that they would get their salary the following month. All six workers also approached the Managing Director but he referred them to the HR Manager. This struggle went on for two months but their endeavours ended in vain. All the six workers had to borrow money on for interest to run their households.

On 22 June 2016 when they approached the management asking for the previous 2 month's wages, they were told that their work was not satisfactory; they were causing delays in the packing section resulting in loss for the company. The company also held them responsible for some missing pieces. This was why their salary was delayed, the HR manager told them. The six workers were shocked to hear these accusations since they were prompt in their responsibilities and were sure that every day the pieces count tallied and there had been no complaint rose against them thus far. This is the first that they were hearing about it. If indeed many pieces were missing and these workers' performance was poor, in that case why did the

company fail to address it earlier. The workers felt that the company was making false accusation to deny making payment to them.

iv. Informal resolution process

After several months of failed efforts to resolve the matter, the workers approach CITU for help on 13 November 2016. The union leader approached the company management on behalf of these workers. But management rebuffed him and asked him to come the next month. The union leader persevered further and at last, the management called him and agreed to pay the salary for the workers and asked them to come on a particular day. On 15 December 2016 filled with expectation that they would get the full salary, the six workers went to the company and approached management as per the direction of the union leader. On the contrary, the management said they could only pay the salary for three women workers and the remaining three men workers would get their salary later.

They immediately called the union leader and explained how the management failed to keep their promise. He too rushed to the company. Hoping to pressurize management to release all 6 workers' wages, all of them sat in front of the company entrance for a protest demanding a settlement for all six workers. Except raising voices to demand their overdue salaries, all these workers did nothing wrong. While all the workers were sitting at the entrance in protest, the CEO of the company came out. The union leader stopped him and explained the grievance of the workers. The CEO got angry and asked him "how you can touch my hands and ask for wages for workers."

Thereafter the workers went to have tea. By the time they returned to the protest site at the company entrance, and held up the trade union flag, the CEO had called the police claiming that he had been attacked by the union leader. However, the police officer who came recognized the union leader and said he could not have attacked the CEO. When police came, the union leaders went to the police station but in their absence several police officers came with 2 vans and 2 jeeps, to arrest the workers. The workers refused to go to the police station since they had not done anything wrong.

v. Formal resolution

3 weeks later, the workers went to the police station to get their wages. At that time the police made them pay a fine for all the six workers and the union leader. They remitted the fine to the court and only then they had got their wages.

Finally the company management paid the wages to all the six workers, but after making some deductions. Management accused them of mistakes and deducted money for it. Each worker received only Rs. 9,300 including Worker K instead of Rs. 13,000. HR had also promised to pay Rs 25,000 each worker. But they did not pay it. All 6 workers received below what they had expected.

vi. Workers' view on the case process:

Worker K says, “Actually the supervisor used bad words when talking to me, so I stopped going to work. Other workers stopped going to work since there was too much work pressure and harassment. There were 6 staff members to ask for one worker’s status report. Every one hour they would ask the work status and threatened to report the 6. In the police station, the SI was telling me to take whatever wage management gives me. But I didn’t agree with that. I was strongly demanding my whole wage. If I wanted to accept whatever was being offered by management, I need not have gone to the police station, I said to the SI. Otherwise I was ready to file a complaint against the management. But the SI and other police officers convinced us. So we all received less than what was due to us. Several companies do the same. When they need to finish the work, they give false promises to the workers to get it done. After we agreed to get that wage, SI told us that management had filed a complaint against us. We came to know this very late. The union leader suggested filing a counter complaint, but the workers were not ready since it would involve a lot of time and effort and it is a difficult process. Management never gives a salary slip. They just transfer the wage to their bank account so it might have been difficult to fight the case. The union leaders helped a lot. We went to court for 2 hearings. Before the 3rd hearing we dropped the case.”

Precarity of work and informal employment relations is a major challenge hindering workers in accessing their rightful dues, benefits and justice when there are violations. In addition, the legal process is lengthy and involves expenses that workers who survive from wage to wage are unable to bear. This deters them from approaching the authorities for redressal of their grievances.

Case Study – 12: Collective Workers Vs. ARK Innovation (Best Corporation Pvt. Ltd)

Overview:

For case study -12, the worker has been represented as ‘Worker L’.

Worker L was appointed as tailor in the company in 2016. On 9 January 2017 the company was found be locked on a Monday. The workers protested the lockout for 3 days at the company gate. Thereafter the company agreed to soon reinstate workers who wanted to continue working, and agreed to give wage settlement, PF, bonus and compensation to those who were ready to resign. Then the workers stopped protesting and 58 members opted to continue working and did not opt for a settlement. But the company reneged on its commitment. Then the 58 workers raised an industrial dispute in March 2017 through CITU. But there was failure of conciliation as management did not join the conciliation process and the workers were advised to proceed with a case in labour court. But the case was dropped because the worker’s leader felt it would not be possible for 58 workers to stay together during the years that it takes for a legal process to reach a conclusion.

Type	Formal - Conciliation
Nature	Collective
Status	Dropped
Year of Dispute onset	2017
Year of Dispute conclusion	2017
Available Documents	<ul style="list-style-type: none">• Complaint letter sent to Labour Officer• Complaint letter sent to District Collector• Summons sent to the company by the Labour Officer• Reply letter from the company to the LO• List of the affected workers, resignation letters and settlement receipt for Worker L’s wife.
Missing Documents	Identity Documents
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Tailor
Dispute Type	Lockout without government permission

Basic Information:

1. Name of the Worker: Worker L
2. Gender of the Worker: Male
3. Age of the Worker (at the time of IDI): 51
4. Name of the Company: ARK Innovations
5. Designation of the Worker: Tailor
6. Years of work in the Company: 1 year

Timeline of Events:

DATE	EVENT
09.01.2017	Illegal lockout - Company shut unexpectedly, without prior information

10.01.2017	Assurances given by General Manager of the company
30.03.2017	Industrial dispute filed before Labour Officer
17.04.2017	Petition sent to the District Collector
27.04.2017	Labour Officer sends summons for 1st conciliation hearing
12.07.2017	Company sends letter to LO declining to join the conciliation proceedings

Case History:

i. About the worker

Worker L worked as a tailor as contract worker while his wife worked as a tailor in the company as a permanent worker on shift system. He had worked there for a year and his wife worked there for two years. He had entered into this garment sector when he was 20 years old. He knows tailoring, cutting, and checking. Currently, the couple is working on piece rate, as tailors, in a company which supplies to the domestic market.

ii. About the Company

Best Corporation Pvt. Ltd. (BCPL) is an integrated textile company having operations from spinning to garmenting. Established in the year 1967 with 25 machines, it has grown steadily over the years and is today a USD \$125 million enterprise. BCPL employs about 10,000 people and is one of the leading exporters of knitted garments from Tirupur. BCPL produces knitted garments for men, women, children, and toddlers for the world market and specialises in underwear and baby wear. They manufacture garments in-house in three plants with 3000 machines. Embroidery and transfer printing are part of the garment units. Modern technologies like CAD / CAM are used extensively in the sewing units. Their customers include C&A, Hanes, Next, Mothercare, Asda, and Champion. Although the company's website does not list ARK Innovations, it is a sister concern of Best Corporation. In the unit that Worker L and his wife worked, there were 250 workers, mostly women.

iii. Beginning of the Conflict

On Monday 09.01.2017 when workers showed up to work, they found the company gates locked and no notice of closure, indicating an illegal lockout. During the previous week all the workers had worked till Saturday. Sunday was the weekly off. Management gave no response to the workers' queries about the company or their jobs.

iv. Informal resolution process

As a consequence, on the same day and the following day the workers sat in front of the company gate on protest. Since there was no response from the management to any attempt to communicate with the workers, they also had an in-house agitation. CITU union also joined them and supported their protest as well as attempts to get answers from the management. The lockout and the protests were covered in both print media and television. Due to the publicity, police and other government officials intervened to try to broker a solution. Based

on their above efforts on 09.01.2017 night and on 10.01.2017 morning, the General Manager of the company had negotiation with the workers. The following were the points agreed upon mutually,

1. Opportunity to work in ARK-like sister concerns of Best Corporation for those who are willing.
2. Those who are not in a position to continue work, the company will give a settlement for job loss, PF and bonus for one year (2016-7) after workers submit resignation letters to the company management.
3. For those who are willing to continue working with ARK Innovation, management will give salary and revert about placements in sister concerns after some discussions.

The above points were agreed upon by the workers and management. However, the company failed to adhere to even a single point of the agreement. Management did not offer jobs to the 58 workers who did not take settlement and had indicated willingness to continue working.

e. Formal resolution – Conciliation

So the workers, with the support and guidance of union leaders, sent a complaint letter to the labour officer on 30 March 2017. The labour department did not respond or call for conciliation, so the workers sent a letter to the district collector on 17 April 2017. It is only after this that the labour department sent summons to management to appear for conciliation meeting on 27 April 2017. However, no one from ARK Innovation or the Best Corporation appeared for conciliation hearing. Workers pressurised the labour officer to summon the management again, and so the LO sent another summons to the company. Finally, Best Corporation sent a reply stating that they cannot appear for the conciliation hearing fixed for 12 July 2017 as they were busy with company matters. Even after that the company did not turn up for conciliation. It is unclear if the conciliation officer used powers under Section 11(4) of the ID Act to compel management to appear for conciliation hearing. As stated before, most conciliation officers do not exercise this power. Their reasons for not doing so are unclear but it has certainly weakened the conciliation process.

Instead, the conciliation officer advised the works to file a case in the labour court. However, the workers were unable to pursue the case due to differences between the worker's leader and the CITU leader. The CITU leader told them to proceed with the case, but the worker's leader was not ready as legal cases take a long time to conclude and he felt it would be difficult to keep such a large number of workers together while the case proceeds year after year.

vi. Workers' view on the case process:

Worker L still wants to ensure jobs for the 58 workers, as well as compensation for the violation of their rights. Most of the illegally retrenched workers have not found proper jobs and are either working as contract workers or daily wage workers.

It is strange that although the police and government functionaries got involved, they did not hold the company accountable for illegal lockout and neither did they follow through to force the company to follow due process and compensate the illegally retrenched workers. Had the government shown some resolve it would have sent a message to other companies in the area as well. The rhetoric of formalization of informal employment remains just rhetoric when governments are not even ensuring implementation of existing laws to prevent formally employed workers from being forced into informal employment such as contract and daily wage work.

Case Study – 13: Individual Worker Vs. Sunstar Clothing

Overview:

For case study -13, the worker has been represented as ‘Worker M’.

Worker M joined the company in February 2020 as Quality Controller (QC) and worked till 21 March 2020 i.e. until the government imposed the first Covid-19 lockdown. Afterwards, he continued work in the same company in May 2020. The employer had promised to pay him a monthly salary of Rs. 22,000 at the time of recruitment in February 2020. But he had received only Rs.18,000 in his bank account for the month of February. When he inquired about the shortfall in salary deposited, the employer gave him Rs. 4,000 in and said that he had forgotten to inform the accounts department. It was repeated for all the following months, this time the justification was loss of orders. In November 2020, the employer gave him less than Rs. 15,000 as salary saying that the worker had received Rs.7,000 in the lockdown period (which was not even his full salary as ordered by the government). On 12 December 2020 the employer asked him to resign from the job saying production has fallen in the company. Worker M had worked for 12 days in December before his employment was terminated.

Since the company asked him to resign, Worker M asked for his leave salary and final settlement. But the employer refused to give the actual wages and settlement. So Worker M filed a complaint the labour department and at the time of the interview, conciliation proceedings were ongoing.

Type	Formal - Conciliation
Nature	Individual
Status	Ongoing
Year of Dispute onset	2020
Year of Dispute conclusion	-
Available Documents	Summons sent by the conciliation officer
Missing Documents	Identity Documents
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Quality Controller
Dispute Type	Unpaid wages, forced resignation, no final settlement

Basic Information:

1. Name of the Worker: Worker M
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 52
4. Name of the Company: Sunstar Clothing
5. Designation of the Worker: Quality Controller
6. Years of work in the Company: 10 months

Timeline of Events:

DATE	EVENT
February 2020	Joined as the Quality Controller in Sunstar Clothing (but provided ID card as Tailor)
November 2020	Dispute onset
December 2020	Approached management with CITU union leader for resolution
21 January 2021	Filed a complaint with ALC(C)
9 February 2021	1 st conciliation hearing – employer does not come
February-March	2 nd & 3 rd conciliation hearings – employer offers a different job and lower salary. Worker refuses.

Case History:

i. About the worker

Worker M is 52 years old. He is from a middle class family and the sole breadwinner of the family. He has 2 children and a wife. His children study in a private school to get quality education. He joined as Quality Controller in Sun Star Clothing in February 2020. But, the company has provided an ID card mentioning his designation as Tailor. He worked in Sunstar Clothing for 10 months before he was asked to resign.

ii. About the Company

Sunstar Clothing was established in the year 2010 as a partnership firm. It manufactures a variety of men's-, ladies-, and kid's wear for international and domestic brands. It employs more than 60 workers in its production area.

iii. Beginning of the Conflict

Worker M joined the company in February 2020 as Quality Controller and worked till 21 March 2020 before all units had to shut down due to the national lockdown during the covid-19 pandemic. When units reopened in May 2020, he rejoined work but took up the matter of discrepancy in the salary amount deposited in his account. At the time of hiring he was told his monthly salary would be Rs. 22,000, but the salary for February sent to his account was only Rs. 18,000. When he raised it with the employer he was given Rs 4,000 in cash. Once again he received a lower amount in June as salary for May - only Rs. 16,8000. He did not go to work for 1 month due to the low salary. In September, the employer had called him to continue the work and agreed to pay Rs. 22,000 as monthly salary. But, again Rs.18,000 was deposited in the bank and he was given Rs. 4,000 in cash.

In November, he received less than Rs. 15,000 as salary. The employer justified it by saying that he had received Rs.7,000 in the lockdown period. Finally on 12 December 2020 the employer asked him to resign saying that production had fallen. Since the company asked him to resign, Worker M asked for his leave salary and final settlement. But the employer refused to give the actual wages and settlement.

iv. Informal resolution process

Worker M approached a party leader through a friend. The leader went to the factory and demanded justice for him. The employer said that he knew the district secretary of the political party very well and will talk directly with him. Then, the employer offered to give Rs. 5,000. That political leader tried to convince Worker M to take the Rs. 5,000 but Worker M refused. Worker M had given Rs. 500 to the political leader before going to the company, and if he agreed to take the Rs. 5,000 as settlement, the political leader would get Rs. 2,000 as commission, so he was not interested in negotiating further.

Then another friend took Worker M to the CITU union. The union leader and Worker M contacted the employer and demanded the salary and settlement, but the company was not ready. Worker M and the union leader then went to the garment unit to ask for settlement, but the employer asked them to come a few days later. Later when they tried to approach the employer a few times, the factory security did not allow them inside the company.

v. Formal resolution – Conciliation

On 29 January 2021, they filed a complaint with the Assistant Labour Commissioner (Conciliation). The employer did not appear for the first hearing on 09.02.2021. The second and third hearing was in the next 2 months. The worker consistently demanded to be reinstated for the promised monthly salary of Rs. 22,000. But, the company was not agreeable and instead offered different kinds of jobs for lower salary. But Worker M did not accept. At the last hearing (at the time of the interview) the Assistant Labour Commissioner asked the employer to give its offer in writing - how much the company will pay and what work they are offering.

vi. Workers' view on the case process:

Worker M continues to fight for justice. He is hopeful. He shared that there were many labour violations and abuses in the company that he noted while he was working there. For example, the company did not pay workers' salary during the Covid-19 lockdown; overtime is not paid at the statutory double rate; leave is not paid; even for night shifts, double rate of wages is not paid. The employer had given a bonus of 8.33% but had calculated it on Rs.18,000 and not Rs. 22,000.

If a skilled job such as quality controller is not given a written appointment letter, clearly mentioning the designation, salary, and work responsibilities and is instead given an ID card designating him as a tailor – then what hope is there for the less educated or illiterate workers engaged in production work. And clearly the labour department is aware of these misclassifications, and wage theft (forced unpaid overtime, misclassification of designation etc.) and still does nothing to address it either via inspection or facilitation (as envisaged in the new labour codes) to ensure that labour law violations are addressed.

Case Study – 14: Individual Worker Vs. Star Time Apparels

Overview:

For case study - 14, the worker has been represented as ‘Worker N’.

Worker N says that in the company, they provide 4 days leave for a month as per records. But he had worked for 28 days in a month. Every month they give a salary on the 12th day. He had requested Rs. 4,300 for their house expenses before the salary date as advance since he had just migrated to the city. But the company management didn't provide him the advance. He was kept on requesting for days and then he got his advance. Then only he found that the company used to do like this. He was uneasy with another issue in the company which is that the company has only 2 shifts per day. The company workers have to work 12 hours per day. If the company workers came late for office they cut the half-a-day salary of the employee. So he went to CITU for help to get justice. Then it was resolved with compromise between CITU representative and company.

Type	Informal –Compromised through CITU
Nature	Individual
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2021
Available Documents	<ul style="list-style-type: none">• Application form of the company for recruitment (unfilled)• Cash Advance Slip• Letter submitted by the Worker N
Missing Documents	Identity Documents
In-Depth Interview	Done
Worker Type	1. Intra-state Migrant (Settled in Tirupur) 2. Security P.O.
Dispute Type	Wages were not given to worker N after he resigned a day before salary disbursement

Basic Information:

1. Name of the Worker: Worker N
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 56
4. Name of the Company: Star Time Apparels
5. Designation of the Worker: Security P.O.
6. Years of work in the Company: 3 Months

Timeline of Events:

DATE	EVENT
30 November 2020	Appointed as Security P.O.
December 2020	Applied for salary advance
3 January 2021	Resigned from the company since the management treated him badly

Case History:**i. About the worker:**

Worker N is from Madurai. He has a small family with a wife and 2 sons. The elder one is married. Due to Covid-19 pandemic, his sons and he had lost their jobs. They migrated to Tirupur in search of employment opportunities for their sons. Both his sons got jobs in the same export garment company through job vacancy advertisements in the newspaper. They are working on contract basis. In Madurai, Worker N had worked in a pharmaceutical company as a public relations officer (PRO). In Tirupur he joined Star Time Apparels and worked for 3 months.

ii. About the Company

Star Time Apparels is an 8 year old exporting company in Tirupur. It employs over 200 workers in its unit. It exports its products to Asian and European countries. It produces kids' clothing and hosiery. It has cutting, stitching and ironing units.

iii. Beginning of the Conflict

Worker N had shifted to Tirupur after the Covid-19 pandemic in search of employment for his sons. He too joined the company as Security P.O. After a month of working these, he noticed many violations. For instance, on paper the company provided 4 paid leaves per month, but in reality he had been asked to work for 28 days in a month instead of 26 days. The production workers were not given any paid leave at all, which is against the law. The company also ran 2 shifts of 12 hours each, which is against the law of an 8-hour workday. If workers were late, half a day's salary was deducted. If a supervisor found that a worker was not at his designated workstation, the company would deduct a fine from the worker's salary.

As he had just moved to the city from Madurai, and salaries were paid on 12th day of the month, he needed an advance and requested the company for an advance of Rs 4,300 for household expenses. However, the company refused for several days before finally giving it to him. Then his wife fell ill and he requested an advance of Rs. 2,000 which was denied several times. He had to borrow money for his wife's treatment and he took 2 day's leave to attend to her. On returning he asked for his salary to be paid, as he had to repay the loan to the moneylender. Not only did the management refuse his request, they also hit him badly. So, he resigned from his job. He was not comfortable with this company and the way they treated employees. When he asked for the pending salary, the company refused and forced him to continue working.

iv. Informal resolution process

He was worried about the actions of the company management. He used to be active in a regional political party when he was in Madurai. So, he went to the CITU to request help to

get his salary. Although the union intervened, Worker N was only able to recover Rs. 6,500 instead of Rs. 10,000 that was his monthly salary.

v. Workers' view on the case process

Worker N shared that there was a large turnover in the company; every month about 9- 10 workers would leave the company. In his 3 months tenure, nearly 72 workers left the company with similar complaints. Some fresh recruits left the company after 10 days of working because of the work pressure and ill treatment. But the company did not pay such workers even the 10 days' salary if they quit.

Additionally, there is a difference in the advertised designation and the actual job. Employees were forced to do tasks unrelated to their job profile. For example, the accountant had to work like all other workers in the factory. The company did not give an official appointment letter, or statutory benefits of ESI and PF. With a workforce of nearly 200, the company was not exempt from labour laws. In the entire company only the cashier and the accountant were women, all others were male workers. The company owners behaved disrespectfully with everyone, they would abuse workers. In addition to the bad working conditions, the quality of the hostel rooms was very poor and unhygienic. They would cram 10 people in one room. The canteen was unhygienic, and the canteen food was unhealthy and unhygienic. There were no committees in the factory – no workers committee, or canteen committee. All workers were treated as daily wage workers. If there was no order or no work on any given day, workers would not get paid for that day.

A contractor would bring migrant workers to work in the company. The company would not give the correct salary for the north Indian workers. No safety measures were followed and chances of accidents was very high. In the event of an accident no compensation was given to the workers. In the entire time that Worker N worked there he did not see any inspection from either the government or any brand. The HR department did not help workers even when workers approached them; they were only interested in finding ways and excuses to cut workers' salaries.

A company that is employing 200 workers and supplying to global brands but appears to not even have basic compliance of labour laws in place, no appointment letters or compliance with statutory benefits, forced overtime without payment of statutory wage rates, no grievance redressal systems, no works committees – it is inconceivable that such factories continue to exist and exploit workers and face no consequences. How can one think of industrial relations in such a situation when even the rule of law is not recognized or followed? This could be one reason why workers are unable to approach formal industrial relations mechanisms and prefer informal systems of resolution. On their own they cannot even conceive of informal resolution, and only with the help of union representatives they can hope for some minimal redress.

Case Study – 15: Collective Workers Vs. TSK Garments

Overview:

For case -15, the worker has been represented as ‘Worker O’.

Worker O was working as Quality Consultant to check the pieces before they are exported to various companies. When he was working for the company for a particular brand of products, there were many mistakes in the products, nearly 40% had defects. Then the company management requested them to check the shades but the team found so many other mistakes. When it was informed to the company, they asked to check the other mistakes too, and agreed to pay for it. Worker O and his team found 10,000 pieces with mistakes out of 35,000 pieces. Due to company’s own failure to rectify the defects detected, the consignment failed inspection again but the company blamed Worker O and his team and it took him 3 months, and the help of CITU, to recover his payment. In the end the company did not pay the full amount.

Type	Informal – Compromised through CITU
Nature	Collective
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2020
Available Documents	-
Missing Documents	Identity Documents and other related documents
In-Depth Interview	Done
Worker Type	1. Intra-state Migrant Worker (Settled in Tirupur) 2. Quality Consultant
Dispute Type	Wages were not given to the QC team of Worker O (on contract)

Basic Information:

1. Name of the Worker: Worker O
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 34
4. Name of the Company: TSK Garments
5. Designation of the Worker: Quality Consultant
6. Years of work in the Company: Contract work only

Timeline of Events:

DATE	EVENT
June 2020	Started work - Checking the quality of 30,000 finished products and identifying defects
July 2020	Approached CITU
September 2020	Got the payment

Case History:

i. About the worker:

Worker O is 34 years old and unmarried. He is living alone since his parents are no more. Worker O is a freelance Quality Consultant whose job is to identify defects in products manufactured, and report it to the company. Initially, he was a supervisor in garment companies, then a manager in the quality department, then he looked after all the responsibilities in small companies. However he was unhappy with the working hours so he went to work with a contractor who would take him to do quality checking. For the past six years he branched out on his own as a freelance. He has his own crew and does quality consultancy with the export garments of Tirupur on regular basis and also under contract. It has been 10 years since he has been working in this field, since he was 24 years old. His hometown is Trichy. He came to Tirupur to work in the garments industry.

ii. About the Company:

TSK garments manufacturers and exporters knitted men's polo t-shirt, 'V' neck, Crew Neck, sweatshirts, ladies nighties, bath robes, children's fancy wear, and fabrics of all kind. The company has state-of-the-art machinery for cutting, stitching, finishing and packing. TSK Garments is one the largest companies with more than 2,000 workers in the unit where Worker O worked. They have several units with more than 10,000 workers.

iii. Beginning of the Conflict:

An order of TSK Garments was returned as defects were found during the quality inspection. The company appointed Worker O on short term contract and asked to detect colour/shade differences. Usually companies give him contract for quality control after production and his job is to detect defects and inform the company. But this company gave him the contract after their products failed quality inspection.

At the time of negotiations, Worker O had negotiated a higher wage because the consignment was very large and time was short. They had done the work during the Covid-19 national lockdown as the company insisted it was an urgent order. Public transport was suspended so Worker O had picked up his crew, spent money on food during the 6 days of work.

Worker O and his team detected several kinds of defects –colour difference, oil stains, and sewing errors. At an early stage itself he warned the company that there was more than just a colour/shade difference but there other defects too. The company immediately authorized him to find all defects. His team of 7-8 people had worked day and night for several days to inspect 35,000 pieces. His team found 10,000 pieces out of 35,000 had defects. It is unknown what the company did after that.

He submitted the bill of over Rs 60,000 for payment on Friday and was told that it was too late and that the company would process it the next week. He went for payment twice the following week, only to be told that payment would be made on Saturday.

In this case, it seems that the company did not rectify the defects properly before re-inspection and the order was returned once again. The company did not tell him about the re-inspection, nor called him to be present during the re-inspection. It is only when he went for his payment a week later he was informed that the consignment had failed re-inspection. The company used this as an excuse to withhold payment. He was asked to negotiate with senior management. This process went on for 3 months.

Worker O even offered to re-look at the consignment to find out why it had failed inspection but the company did not agree. When he spoke to the quality department manager who took had approached him for this work, he told him that it was not their fault and that they were talking to top management.

At the time of the rate negotiation he had asked for Rs 1.50 per piece. Initially the company did not agree but then it called him and agreed to his rate. This rate was agreed upon only to detect colour/shade difference, but his team had been subsequently authorized to detect other defects too when it was brought to the company's notice.

iv. Informal resolution process

Worker O shared his difficulties with a friend who took him to CITU so that Worker O could ask for his payment through the trade union. The union spoke to the company and listened to the company complain about their losses blaming Worker O and his team for the losses. But the union stood firm and finally the company agreed to make the payment, but deducted Rs 12,500 from the bill. The company said that Worker O was the contractor for this job, and could not write his name as one of the crew members on the bill, even though Worker O had worked alongside his team since it was a large consignment.

Worker O made sure that his crew got paid. There were more challenges, as names on the cheques had been misspelt and he had to help them get paid in cash by the company.

v. Workers' view on the case process:

Worker O says he regrets that he did not give the receipt for the work on the Thursday of the week in which the work was completed. If he had done so, he could have paid everyone on that Saturday itself.

This was the first job they got in early June 2020 after the national lockdown ended. All the families were in dire financial crisis and needed to repay the credit they had gotten at the ration shops and loans they had taken to tide over the lockdown period. So, they got the job done quickly. But unfortunately they did not get paid for three months. Even Worker O lost out since he had to chase after the payment instead of concentrating on getting other contracts. The workers were also frustrated and one of them even chased his two-wheeler for not paying them and confiscated his vehicle. He had to take 2 workers to the company when he went to ask for the payment. Only when they saw the situation, they handed his vehicle

back to him. Worker O says he may be a contractor by name, but he is a normal worker like them.

Case Study – 16: Individual Worker Vs. SRG Apparels

Overview:

For case study - 16, the worker has been represented as ‘Worker P’.

Worker P was appointed as tailor in the company in 1997 and his employment was illegally, orally terminated in 2002. He filed a complaint with the labour department, and the case went on to the labour court. The company management wanted to compromise, therefore the case was dropped. He rejoined the company in 2006. Then in 2019 his employment was again terminated orally and there was a dispute with the payment of bonus in 2019. He filed a case in the labour department. The company agreed to pay an extra 2.5% of bonus to all the workers.

Type	Formal - Conciliation
Nature	Collective
Status	Resolved
Year of Dispute onset	2019
Year of Dispute conclusion	2020
Available Documents	-
Missing Documents	Identity Documents and other related documents
In-Depth Interview	Done
Worker Type	1.Inter-state Migrant (Settled in Tirupur) 2.Tailor
Dispute Type	Bonus amount was reduced to the workers by pointing the loss for company

Basic Information:

1. Name of the Worker: Worker P
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 42
4. Name of the Company: SRG Apparels
5. Designation of the Worker: Tailor
6. Years of work in the Company: 22 years

Timeline of Events:

DATE	EVENT
1997- 2002	Worked us Piece Rate Tailor in the company
January 2002	Appointed as Tailor (as per records)
May 2002	Employment terminated orally by the management
2002	Raised dispute in labour department
2002	Filed case against the management in labour court
2006	Case dropped as the management wanted to compromise
2006	Rejoined the company
2019	Again employment terminated orally

November 2019	Non-payment of Bonus
December 2019	Filed Complaint before Assistant Labour Commissioner (Conciliation) through AITUC
August 2020	Conciliation was successful
August 2020	Bonus Payment made

Case History:

i. About the worker

Worker P moved to Tirupur from Kerala 25 years ago. He was married and had 2 daughters. He joined the company in 1997 and worked as a Singer Tailor on piece rate wage system⁷⁶ up to 2002. Then he worked as a regular worker in shifts, on time rated basis. He has been an active trade union activist of AITUC and used to be a voice for the rights of workers in the company. He has been involved in various protests and campaigns and also faced problems from management because of this.

ii. About the Company

SRG Apparels Ltd. is one of the largest vertically integrated textile groups in Tirupur, involved in the manufacture and export of ready-made knit garments. The company has state-of-the-art production facilities spanning yarn production, knitted fabric, dyed yarn, dyed fabric, and garment production. The company exports to UK and USA and to brands like C&A, Dunnes, Next, MotherCare etc. It has several units at various production levels in the supply chain.

iii. Beginning of the Conflict

In the year 2000, the company provided bonuses to power-table tailors and over-lock tailors, but refused to give bonus to Singer machine tailors.⁷⁷ The company said that piece rate workers were not eligible for a bonus.⁷⁸ When Worker P and a few others demanded a bonus through the union, management accepted and gave Rs. 250 as a kind of bonus. After some days the company started to reduce the piece rate wages. For example, the rate for stitching a V-shape neck used to be 50 paise, the company reduced it to 25 paise. Worker P raised this issue through the union but management said that the brand itself was giving a low rate. For the first 6 months, they had given Re.1 and then reduced it. In reality, as workers gained experience, their speed of stitching increased and so they were able to stitch more pieces per hour and earn more. So the management reduced the rate per piece. Piece rate workers used to stitch from 6.30 am till late night. When management reduced the rates and did not agree

⁷⁶ See this 2018 ILO study on piece rate wage system in the garment industry https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---dialogue/documents/publication/wcms_663063.pdf

⁷⁷ There is a shortage of skilled specialist tailors in Tirupur. See for example, <https://www.india.com/viral/viral-news-garment-factory-tamil-nadus-tiruppur-promised-gold-rings-to-tailors-know-why-4878206/>

⁷⁸ Rajasekaran RK, "Ensure piece-rate labourers also get bonus: Trade unions", 3 October 2017, <https://timesofindia.indiatimes.com/city/coimbatore/ensure-piece-rate-labourers-also-get-bonus-trade-unions/articleshow/60917093.cms>

to restore the rate, workers along with Worker P announced a strike through the union. The company then changed the wage system from piece rate system to shift system in 2002.

After 6 months of work in the shift system, Worker P and other workers demanded through the union, their wage slips and said it should be in Tamil so they could understand it. In addition, they needed to ask for permission for a 15-minute break on the days when there was drinking water distribution, which would come only once in 10-15 days, so they demanded a canteen inside the company premises.

The activities of the union attracted the company's attention and especially the activities of Worker P since he was a dynamic union activist. The company illegally terminated Worker P's employment along with that of 16 workers, without following due process.

Worker P raised an industrial dispute against the company in 2002, which went on until 2006. Before raising the industrial dispute, the AITUC secretary tried to reach a settlement compromise with the company but management claimed to have a stay order against union activity inside the company. So then Worker P and others raised an official industrial dispute with the labour department in 2002. In 2006, the factory manager and HR manager approached the conciliation officer and offered to compromise. The company offered to reinstate all the workers and pay back wages for the period. The case was then withdrawn or rather it would have entered the labour department registers as settled. Since case documents are not available, it is unclear if it was entered as an 18(2) settlement (referring to Section 18(2) of the ID Act) which is signed between union and management without labour department intervention or an 18(3) settlement, i.e. tripartite settlement.

Of the 17 workers who had filed the case, 16 had families, 14 were from Kerala, and Worker P was the only bachelor among them. All the 16, except Worker P, wanted to shift to another company and did not show an interest in rejoining. They claimed the settlement amount that the company gave and moved on. Worker P was the only one who rejoined the company in 2006.

After that he worked till 2019, when the company again terminated his employment. The company objected to distribution of leaflets among the workers, participation of workers in protests and demonstrations organised by AITUC. As there was no factory level union at the unit, Worker P was the only person who was active in dealing with workers' issues. If other workers joined him in these kinds of activities, management would harass and victimise them. Worker P was aware that management wanted to get rid of him, so he did not file any case, so as not to give them an excuse. The HR manager even told him to quit. After the second illegal termination of employment in 2019, there was again a dispute raised on bonus distribution, and it went before the Labour Conciliation Officer.

iv. Informal resolution process

In 2019, a month after Worker P was fired; the company had reduced the bonus that they used to give to the workers. As against the usual Rs. 22,000 they gave only Rs.12,000. Though Worker P was not currently employed, there were no records of termination of his

employment. So, he intervened in this issue via the union. Secretary of AITUC had approached the management for justice and demanded that workers be paid the customary bonus amount but management did not agree.

v. Formal resolution – Conciliation

Worker P got 80 workers' signatures on a complaint and filed it with the labour department via AITUC. In the case proceedings, Worker P represented all the 80 workers. In the conciliation process, the management said that the company is making a loss. They said that they had given this bonus by getting a loan on interest. The conciliation officer was not convinced and said if the company is in loss, then management should inform the government and should have found some other legal solution. He also said that there should be no partiality in giving the bonus to the workers.

After 4-5 conciliation hearings the company approached the union to compromise. After some negotiations it agreed to enhance the bonus by 2.5% thus giving the workers Rs.14,500 as bonus. It was still not the Rs. 22,000 that the company had been giving in previous years but the workers took it.

vi. Workers' view on the case process:

The company used to treat their workers badly and pushed the workers to do forced overtime. Since the union would demand workers' rights, the management planned to dissolve the union and succeeded. Now the company employs more than 70% interstate migrant workers. Since then the company is giving only Rs.14,500 as the bonus.

Without the union, workers are facing all forms of forced labour. The new labour codes will weaken trade union activities within factories. There is even sexual harassment of women by some of the supervisors, but none of the women workers come to report. The male workers themselves are scared to open up their issues, in case of women workers there is no one to report their complaints and problems.

Case Study – 17: Collective Workers Vs. Rodamine Apparels

Overview:

For case study - 17, the worker has been represented as ‘Worker Q’.

Worker Q worked as Ironing Master in the company for about 3 years and his son also worked in the same company. After the Covid-19 pandemic, the company refused to give bonuses to the workers for the Diwali festival. The dissatisfaction started before that as the company had increased the working hours. So, the 7 workers from the ironing department approached the company management for a bonus. However, since the management was unresponsive they sought the support of CITU. Thereafter the company paid a bonus to the 7 workers but asked them to leave. The workers too accepted and resigned their jobs.

Type	Informal - Compromised through CITU
Nature	Collective
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2020
Available Documents	
Missing Documents	-
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Ironing Master
Dispute Type	Bonus amount was reduced to the workers by pointing shortage of orders due to Covid-19 pandemic including worker Q

Basic Information:

1. Name of the Worker: Worker Q
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 46
4. Name of the Company: Rodamine Apparel Industries (P) Ltd .
5. Designation of the Worker: Ironing Master
6. Years of work in the Company: 3 years

Timeline of Events:

DATE	EVENT
2017	Appointed as Ironing Master
March 2020	Company shut down due to Covid-19 lockdown
July 2020	Company started to work with 50% workers
1 October 2020	Ironing Masters laid off after lockdown
30 October 2020	Approached HR manager regarding bonus
2 November 2020	Approached CITU to help them to get their bonus
12 November 2020	Protested in front of the company and get their bonus

Case History:

i. About the worker

Worker Q is 46 years old and has more than 25 years work experience in the garments sector as tailor, checker, and ironing master etc. His last job was as Ironing Master in Rodamine Apparel Industry. His son worked with him as Ironing Master in the same company. Both had been working there for 3 years. His wife also worked as a piece rate tailor in another garment factory. Worker Q also has 2 daughters, who are studying.

ii. About the Company

Rodamine Apparel Industry was established in 2015 in the Netaji Apparel Park, New Tirupur.⁷⁹ It was formerly S.M. International Unit II,⁸⁰ now a part of Eastman Exports Group. Eastman Exports is a vertically integrated group of companies with spinning, weaving, knitting, dyeing, finishing, embroidery, stitching, printing, and dispatching facilities.

iii. Beginning of the Conflict

The company used to give decent wage to the workers. But overtime wages were very low. Several times Worker Q and other workers' overtime attendance was miscalculated. So, Worker Q used to ask management about overtime wages and proper attendance. Several times they had arguments with the HR department regarding attendance and overtime. Close to shipment dates works were forced to work for 3 to 4 days continuously but not given overtime wages at the statutory double wage rate. When they would inquire about the overtime wages, HR department would say that there was no biometric attendance registered. Worker Q suggested that the HR check CCTV camera in the security office for attendance, and the registers maintained at the gate, because workers on the night shift duty would sign in the register. But HR refused to check all those documents.

The Ironing Department had 15 ironing masters, a mix of intra- and inter-state migrants. There was already some conflict between Worker Q and management. At the time of the Covid-19 pandemic, the company was shut due to the national lockdown and later in July 2020 when production was allowed to resume with 50% workforce these workers resumed work from July.

In 2019 all had received the Diwali bonus on time. From 2019 Diwali until the lockdown they had worked in the same factory. After the lockdown too they had been working in the same company. Then just 1 month before Diwali 2020, management gave 1 month leave to these workers citing lack of orders. According to Worker Q, the company had orders but was

⁷⁹ The Netaji Apparel Park is a public company registered in 2011. It is the first and only apparel park in India, set up 15 kms from the center of Tirupur town and 5 kms from its periphery. It was set up under the erstwhile Apparel Parks for Export Scheme of the Ministry of Textiles, promoted and operated by the apparel industry. It was conceived by Tirupur Exporters' Association (TEA) and supported by Government of Tamil Nadu. See <https://netajiapparelpark.in/index.php>

⁸⁰ <https://pvh.com/-/media/Files/pvh/responsibility/PVH-Our-Factory-Disclosure-List.pdf>

choosing to get the production done from sub-contract factories to escape from giving the bonus. Workers had waited for the bonus announcement till 2 weeks before the Diwali festival. Since they did not get any message from management, they approached the HR department regarding the bonus. Usually two weeks before the festival, factory management would get signatures from all the workers for a bonus. But, at that time, the workers did not get any update regarding the bonus. So they went and asked about the bonus and their work. HR department responded by saying that since the workers had not turned up for the job for more than a month, they had removed all the workers' names from the attendance and so they could not claim the Diwali bonus this time. The workers argued that they did not leave the factory of their own choice, it was management that laid them off citing lack of orders. However, management was unyielding.

iv. Informal resolution process

Since management blamed the workers, Worker Q and the crew went to the CITU trade union office for help in getting their bonus. The union leader immediately came to the factory and spoke to the manager. He tried to approach the HR manager regarding the issue 3 and more times. But management showed a rigid attitude to the CITU leader and the workers. So they started to protest in front of the factory gate. 20 workers participated in that protest, raising slogans and demanding that management give them their bonus. At this time many of the migrant workers from north India also wanted to come outside the factory to join in the agitation but they were prevented to come out by the security and management.

Until two days before the Diwali they had not received the bonus. But after the agitation a manager came out and spoke to them. Then the workers found out that the HR manager had removed their names from the rolls as they created many issues by demanding overtime wages, proper attendance etc. The only workers who had not received bonus in 2020 were the ironing masters and several migrant workers from north India.

Later all other workers received the bonus. But all the ironing masters received only Rs 9,300 as bonus whereas in 2019 they had received more than Rs 13,000 as bonus. Also only those who participated in the agitation got a bonus. When they asked about the reduced amount, management said that due to Covid-19 pandemic and lack of orders, the company could only give this much bonus. After receiving the bonus, HR manager got a signature from each worker on a statement that said that the workers are not owed anything more from the factory hereafter and management asked the workers who had protested to resign from the job. When workers inquired about a settlement, management said the Rs 9,300 per worker is all that they can give, citing that they had given the workers Rs 5,000 during the lockdown period. The manager convinced the workers that they should accept the amount and leave. The workers were tired of their struggles and management's attitude. So, they did not fight to claim more money. Thereafter, even if there is a vacancy, management refuses to rehire any of these 20 workers and prohibits the contractors from employing them in the factory too.

v. Workers' view on the case process:

Worker Q says, “HR could not terminate our employment, so they put a lot of pressure on us to leave the job ourselves. We had thought that the company deposited Rs. 5000 at the time of lockdown from workers welfare or from their ESI contribution. Also only a few workers had received that amount. Out of 23 ironing masters, only 5 workers got Rs 5000 – that too we don’t know based on what criteria. During the bonus issue only we came to know that Rs 5000 is our settlement money. Due to hard times during Covid-19 pandemic, we could not raise our voices.

Without CITU intervention, getting a bonus would not have been possible. Several workers did not get bonus. During the lockdown only 50% workers was involved in production. Even within that 50%, only 20-30% of the workers received bonus. When we called people in the hostel we found out that none of the workers living in the hostel had got the bonus. The management is really bad to the workers in these ways. They exploit us as we are not aware of our rights and entitlements.

One day my bike mirror was broken and my helmet was stolen in the two-wheeler parking lot. When I asked the HR department to check the CCTV camera, they said that none of the CCTV cameras were working. They had put up CCTV cameras under pressure from buyers and we had not objected. But at least use the cameras to help reduce thefts in the company - several helmets and mobile phones were stolen in the company but HR did not take any action. While we were trying to figure out this issue, we found out that HR can delete fingerprint attendance from the computer. He himself told us this to threaten us.

Out of 15 intra-state ironing masters, only one worker is currently working in that factory. He used to spy on us for management and he would be rewarded with Rs 10 per piece more than other ironing masters. Now my son and I are both working in a local company at piece rate.

Case Study – 18: Individual Worker Vs. Tube Knits Fashion Ltd.

Overview:

For case study -18, the worker has been represented as ‘Worker R’.

Worker R was appointed as packer in the company in 2005. He was not given the actual salary, so he requested the actual wages from the company management. The company management has not responded to his request, so he sent petitions to the CM cell and to the labour commissioner. Afterwards he was orally terminated in the year 2007. He proceeded to claim justice through labour court in 2007. Then the court has ordered in the year 2012 that the company management to pay Rs.42, 860/- with the annual interest of 6% from the date of petition to the date of Judgment.

Type	Formal - Adjudication
Nature	Individual
Status	Resolved
Year of Dispute onset	2007
Year of Dispute conclusion	2012
Available Documents	Copy of the Judgment
Missing Documents	Identity Documents and other related documents
In-Depth Interview	Not done since the worker cannot be reached
Worker Type	Packer
Dispute Type	Wages were not paid to the Worker R regularly and fair bonus was not given

Basic Information:

1. Name of the Worker: Worker R
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): Worker was unavailable
4. Name of the Company: Tube Knits Fashion Ltd.
5. Designation of the Worker: Packer
6. Years of work in the Company: 8 years

Timeline of Events:

DATE	EVENT
1 August 2005	Appointed as Packer
30 June 2006	Demanded that the company pay the actual salary
29 August 2006	Petition sent to Chief Minister's (Grievance Redressal) Cell
24 January 2007	Petition sent to Commissioner of Labour, Chennai
8 August 2007	Employment terminated illegally, orally by the company
2007	Presented the case for adjudication in the Labour Court, Coimbatore
26 July 2012	Judgment was passed by Labour Court, Coimbatore
Unknown	Settlement of the arrear amount

Case History:

i. About the worker

Since the worker is not available for the interview, his socio-economic background could not be documented. Case details were obtained from the CITU lawyer who assisted the worker.

ii. About the Company

Tube Knit Fashions Limited is a garment manufacturing company having a vertically integrated production facility to produce high fashion knitted garments for export to European and North American countries. It has yarn procurement, knitting, processing, embroidery, printing and sewing units. It exports the knitted garments to international brands such as S. Oliver, Tesco, Next, Animal, Primark etc.

iii. Beginning of the Conflict

Worker R has been working in the company from August of 2005. He worked as a packer in the packing section of the garments unit. In the initial period of his work, the actual wage as per the wage settlement agreement among the workers of that company and the management was Rs.142 per day, but Worker R was paid Rs. 60 per day. In January 2007 the wage settlement agreement was revised and the rate was fixed at Rs.156 per day but, management paid just Rs.70 per day to Worker R and other workers like him.

He raised voice on behalf of others and himself by demanding the actual wages as per the wage settlement agreement. The company management did not like his activity and illegally terminated his employment orally on 7 August 2007.

iv. Informal resolution process

Worker R had raised a demand for proper implementation of the wage agreement rates on behalf of all workers in June 2006 through CITU. The daily wage rate of Rs. 142 was not being paid and instead workers were getting only Rs. 60 per day. Management did not respond to his demand, and instead threatened him to do work only. He did not pursue the matter further. In January 2007, the company revised the wage settlement and fixed the daily wage rate for packers at Rs.156 per day, but the workers were paid a daily rate of Rs.70 only. Worker R was upset that they were not getting the wage rate as per the wage settlement. With the guidance of the workers union he sent a complaint to the government.

v. Formal resolution

He sent a complaint letter i.e., a petition to the Chief Minister's (Grievance Redressal) Cell in August 2006 requesting the government to take action against the non implementation of the wage agreement. He had not succeeded at that attempt.

In January 2007, after the revision of wage settlement agreement, Worker R sent a petition to the Labour Commissioner in Chennai. The Labour Commissioner ordered the Deputy Commissioner of Labour in Coimbatore (at that time Tirupur was not a separate district) to follow up Worker R's complaint and submit the report to the CM Cell.

The Deputy Commissioner of Labour, Coimbatore sent a letter to Worker R suggesting that he file a case in the Labour Court under ID Act through a trade union for remedy and justice.

vi. Formal Resolution – Adjudication

Worker R then filed a case in the Labour Court, Coimbatore with the guidance of CITU and the union advocate supported him in the case proceedings. The case was filed under Section 32C(2) of the Industrial Disputes Act, 1947 with the demand that the company should pay wage arrears of Rs.73,340 with annual interest of 18%.

The case proceeded for 6 years in the court for adjudication. The company told the Court that Worker R was employed from January 2007 (he had been working prior to this too as is evident from the fact that he sent a letter in 2006 to the CM special cell). The company also stated that he left the job on his own. But when the Court asked for the proof and documents, the company did not provide the documents from before 2007, but Worker R submitted the required documents for proof.

Then, on the final hearing in 2012 the court ordered the company management to pay Rs.42,860 with the annual interest of 6% from the date of petition to the date of Judgment.

vii. Workers' view on the case process:

Worker R was unable to reach and the advocate who dealt with this case also did not have any precise idea about the worker's view and involvement of the Worker R towards the case.

Case Study – 19: Individual Worker Vs. Vetrivel Knits

Overview:

For case study -19, the worker has been represented as ‘Worker S’.

At the time of appointment, the factory owner agreed to pay Worker S a monthly salary of Rs. 25,000 and agreed to give one month's salary as bonus in the festive period. But in the first year, the worker was given only Rs.10,000 as bonus. In the second year too the employer gave only Rs.10,000 as bonus, so Worker S demanded 2 month's salary as bonus. But management refused and his 10 days wages also did not settle. So he filed the case in the Labour commissioner office for conciliation. The case was dropped due to the politics that happened in between the conciliation officer and the company management.

Type	Formal - Conciliation
Nature	Individual
Status	Dropped
Year of Dispute onset	2019
Year of Dispute conclusion	2020
Available Documents	-
Missing Documents	Identity Documents and other related documents
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Foreman – Machine Operator
Dispute Type	Wages and Bonus was not given regularly to the worker S as said on the recruitment

Basic Information:

1. Name of the Worker: Worker S
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 59
4. Name of the Company: Vetrivel Knits
5. Designation of the Worker: Foreman – Machine Operator
6. Years of work in the Company: 2 years

Timeline of Events:

DATE	EVENT
Not known	Joined as the foreman in Vetrivel Knits
October 2019	Dispute onset
Not known	Failure

Case History:

i. About the worker

Worker S is 59 years old. He has a small economically constrained family with his wife and a son. He was the sole breadwinner of the family for many years. Now his son has joined him

to support the family. His son joined a drilling company as a temporary worker and earns Rs. 9,000 per month.

Worker S has 35 years of experience in the field of Knitting and has worked in over 10 factories in Tirupur. He worked in the Vetrivel Knits as foreman for 2 years.

ii. About the Company

Vetrivel Knits produces baby knitted wear and exports to international brands in Europe and the UK. It has more than 50 workers in production. A few years after Worker S left the company it stopped exporting as the machines they were using were very old models. Then the company started to take job orders.

iii. Beginning of the Conflict

At the time of appointment, the factory owner agreed to pay Worker S Rs. 25,000 per month as salary and agreed to give one month's salary as bonus in the festive period. But in the first year, the owner only gave Rs.10,000 as bonus. Since it was the first year, worker S did not demand or force the employer to give one month's salary as bonus. He was receiving salary of Rs. 25,000 per month as agreed. But in the second year also the employer only gave Rs.10,000 as bonus, so Worker S demanded 2 month's salary as bonus because in the field of knitting and garment production, usually all the companies give 1 month's salary as bonus in the 1st year of service and gives 2 month's salary as bonus in the next year, and gives bonus of a maximum of 3 month's salary. But, if calculated by the government rules and regulations the bonus amount will go beyond 3 month salary. When this issue did not get addressed, Worker S stopped working there and did not receive wages for the 10 days he had already worked that month.

iv. Informal resolution process

Worker S demanded that the employer give his pending wage and reasonable bonus. But there was no response from the company. So he approached CITU for help. The union spoke with the employer but the owner was not even ready to give a 1 month's salary as bonus and refused to give the pending wages.

v. Formal resolution – Conciliation

Then the union advised Worker S to approach the Labour Office for conciliation. 3 hearings were done in the Assistant Labour Commissioner's Office for conciliation. In the first hearing the ALC fully supported worker S and convinced the employer to give a reasonable bonus and the salary. The employer responded that the business was running in loss. The ALC asked the owner if gives he extra bonus when he makes profits. The owner stopped his justification there and the ALC asked the employer to think and come with an offer in the next hearing.

But before the next hearing, the caste politics played a role. The employer and the ALC turned out to be from the same caste and also related to a Member of Legislative Assembly (MLA). In the next conciliation hearing, the scenario was the exact opposite. The ALC was

supportive of the employer and tried to tell Worker S to understand the employer's position, and the business loss he suffered. By the 3rd hearing Worker S figured out the reason for the sudden change, and lost trust in the fairness of the proceedings and so he dropped the case. He was not able to get his pending wages and extra bonus for the second year of service from the employer.

vi. Workers' view on the case process:

The union suggested that Worker S could file a case in the Labour Court, but, Worker S was not ready to appeal the case further. He had lost hope. Moreover, he had also lost earnings during the period of conciliation. With the burden of family responsibilities weighing on him, he felt he would not be able to work regularly if he had to follow up on a legal case as he would have to ask for leaves for hearings etc and he may actually lose the job. In addition, Worker S felt he could not afford the travel and legal expenses of the case.

Worker S felt cheated because he worked 12 hour shifts - from 9 a.m. to 9 p.m., and even worked till midnight on many days. So he felt his demand for a bonus was justified. In 2019, the Diwali problem started and 3 hearings were held in the process of conciliation. In the first hearing, the union leader went with him. At that time, Worker S had agreed to take the Rs.10,000-bonus since he did not have any other support other than the CITU leader. He had expected 2 months' salary as bonus but had convinced himself to get at least Rs.25,000 i.e. one month salary as bonus. But he got nothing in his hand at the end and he was very upset and disappointed saying he lost hope in these legal proceedings and justice. He was not ready to appeal further and lose income and livelihood in the process.

He was upset because all other knitting companies used to give a 3 month salary as a maximum bonus if a worker worked more than 3 years. He shared that in the current workplace, he received Rs. 20,000 bonus in the first year.

Case Study – 20: Individual Worker Vs. Armstrong Knitting Mill

Overview:

For case study - 20, the worker has been represented as ‘Worker T’.

Worker T worked as a tailor in the company for 4 years. In November 2017 she quit the job and applied to claim PF in December 2017. But she was unable to claim her PF amount. She found out that the company had not deposited the PF amount deducted from her salary nor the management share. She requested management to settle her PF amount. At first management agreed that they will resolve the issue in 1 week and send the PF amount to her bank account. But when this did not happen she filed a petition in the public hearing organized by an NGO for textile and garment workers. It is only after this that she got the PF due to her.

Type	Semi-Formal – Public Hearing
Nature	Individual
Status	Resolved
Year of Dispute onset	2017
Year of Dispute conclusion	2018
Available Documents	<ul style="list-style-type: none">• Summons from State Women Commission for Public Hearing• Complaint Letter sent to State Women Commission by Worker P• Pay Slip
Missing Documents	PF Claim E-Print
In-Depth Interview	Done
Worker Type	1. Local Worker 2. Tailor
Dispute Type	PF was found not deposited in the worker’s account at the time of claim

Basic Information:

1. Name of the Worker: Worker T
2. Gender of the Worker: Female
3. Age of the Worker (at the time of interview): 29
4. Name of the Company: Armstrong Knitting Mills
5. Designation of the Worker: Tailor
6. Years of work in the Company: 4 years

Timeline of Events:

DATE	EVENT
August 2016	Appointed as Tailor in Armstrong Knitting Mill
November 2017	Relieved from Armstrong Knitting Mill
December 2017	Attempted to claim PF & Failed
January 2018	Requested the Management for PF claim

2 nd October 2018	Complained to State Women Commission for Public Hearing
23 rd October 2018	Public Hearing at Chennai
20 th October 2018	Date of PF Claim

Case History:

i. About the worker

Worker T, a 29 year old worker, resident of Sathyamangalam, Erode district used to travel to Tirupur daily for work in a company van. She had worked for 4 years in the company as a tailor. She learnt tailoring from the company and then started working there. After 3 years she left the job due to personal reasons and claimed her PF. Then she rejoined the same company after a year. After she worked for 1 year and 3 months, she again quit as she had a baby to take care of by herself.

ii. About the Company

Armstrong Knitting Mills Pvt. Ltd. is a vertically integrated manufacturing company having spinning, knitting, dyeing & finishing, compacting, printing, embroidery, sewing, knitted garments and woven garments units. Their sewing units located at Netaji Apparel Park have a production capacity of 52,000 finished products per day.

iii. Beginning of the Dispute

In November 2017, Worker T resigned from her job and submitted an application to claim PF in December 2017. But she was unable to claim her PF amount. She found out that the company had not deposited the PF amount deducted from her salary nor the management share. She requested management to settle her PF amount. At first management agreed that they will resolve the issue in 1 week and send the PF amount to her bank account. But this did not happen.

iv. Informal resolution process

Worker T needed the money and wanted to claim her PF amount immediately. She shared her problem with a field worker of READ, an NGO. READ tried to contact the management regarding her PF settlement but it failed.

v. Semi-Formal resolution – Public Hearing

READ and some other civil society organisations were organizing a Public Hearing with the State Women Commission specifically for the Protection of Women Workers in the Textile and Garment Industries. So, Worker T sent a complaint letter to the State Women Commission, with the help of READ.

The State Women’s Commission sent summons to Worker T, asking her to come to the Public Hearing in Chennai with all supporting document. Summons were sent to the company management as well, to produce themselves for their counter-argument. 3 days before the Public Hearing, management called Worker T to come to the company and collect her PF

amount on the same date as the Public Hearing. But, she decided to go to the Public Hearing instead.

On the date of the Public Hearing, both the parties presented their position before the Jury Panel. In the enquiry, management told that they had remitted her PF amount to her account already. The labour department also said that her complaint was already settled. But Worker T did not have any idea about her settlement and thus the Jury Panel ordered the Labour Department to check the settlement within 1 week. Later she checked her wither bank account and found that the company had remitted the PF amount just before the date of the Public Hearing.

vi. Workers' view on the case process:

Worker T did not know the process to claim her PF account amount. The first time around, she had claimed PF amount with the help of READ field workers. After that, for the second time too she had followed the same process but could not claim it as the amount had not been remitted to her PF account by the company.

She was upset and again sought the help of READ. She was scared at first when the READ NGO asked her to make a complaint, then she was counselled by the READ staff. READ gave her confidence and constant support. So, she convinced her husband and family to file a complaint. She received a call from the company to come and collect the PF. They also asked her why she had raised a complaint. She felt that the company was threatening her, so she did not go to the company on the day of Public Hearing but presented herself in the Public Hearing instead. She was happy that she got her PF amount through this process. She also worried that there are so many who struggle to claim PF and are scared to take any action against the company.

Once again it appears that a worker is able to make their rightful claim only by accessing support of an external organization like a union or an NGO. The Labour Department's role in ensuring implementation of statutory rights appears to be extremely weak in Tirupur.

Case Study – 21: Individual Worker Vs. SCM Garments

Overview:

For case study -21, the worker has been represented as ‘Worker U’.

Worker U worked as Checker in the company for 4 years. During the Covid-19 pandemic 2020 she wanted to quit and claim her PF but was unable to do that as the company had entered the wrong bank account number on the PF portal. She approached the company for help in rectifying the error but they did not respond to her. So she approached the PF department to resolve her issue and was able to claim her PF amount.

Type	Formal – Complaint to EPFO
Nature	Individual
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2021
Available Documents	<ul style="list-style-type: none">• Complaint letter sent to PF office• Complaint acknowledgement letter from PF office• Pay Slip• Bank Account Pass Book• PF claim status
Missing Documents	-
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Tailor
Dispute Type	PF could not be claimed since there was an error in bank account number of Worker U at the time of claim during the Covid-19 pandemic.

Basic Information:

1. Name of the Worker: Worker O
2. Gender of the Worker: Female
3. Age of the Worker (at the time of interview): 40
4. Name of the Company: SCM Garments
5. Designation of the Worker: Checker
6. Years of work in the Company: 4 years

Timeline of Events:

DATE	EVENT
2016	Worker O joined the company
May 2020	Due to the Covid-19 national lockdown Worker O wanted to quit
September 2020	She rejoined the company

December 2020	Request made for PF withdrawal
24 December 2020	NGO staff intervened her case
30 December 2020	Petition sent to District Collector
5 January 2021	Call letter from PF office received
12 February 2021	PF settlement availed

Case History:

i. About the worker

Worker U has lived in Erode District for the past 30 years. After her marriage she started to work in the agriculture fields near the village and earn daily wages to support her husband who worked as a coolie and earned daily wages. He does not have a regular job. Sometimes he would be idle, without a job, for a month. Hence Worker U started working. She found out about the job in the company through an acquaintance who worked there. Since the field work was not regular and financial needs of the family were increasing, Worker U joined the company in 2016. She was employed as a time rate worker on shifts as Checker and earned Rs.140 daily wages at the beginning. Of this, Rs. 30 per day was deducted for PF and she was also given an ESI card for health insurance.

They have a daughter who has completed 12th standard and joined a Physiotherapy course. With the small savings that they have and a through scholarship that the daughter got, they were able to pay the course fee. She wants to start a Physiotherapy Clinic in her home village and to serve her village. Her dream was to become a Doctor but her 12th grade marks were too low so she joined the Physiotherapy Course. Being a day scholar she accesses the Institute on a daily basis. But during the national lockdown due to Covid-19 she attends online classes and supports in doing the household chores.

ii. About the Company

SCM Garments was established in 1989. From a stitching unit, the company has evolved into a vertically integrated garment manufacturer by means of backward integration. It is a vertically integrated firm, with several units in and around Tirupur. This company produces inner wear and children’s wear. Overall there are approximately 750 workers employed in various units and sections.

iii. Beginning of the Conflict

In April 2020 when the Covid-19 pandemic was sweeping across the country Worker U decided to quit her job as she was afraid of contracting Covid-19 infection. She was earning Rs 230 per day at the time of quitting and was employed in the regular shift work (not piece rate work). Even though there was a lot of financial pressure on the family, considering her health condition she resigned and reverted to working in the farms. The daily wages from the farm work was not sufficient but the family managed.

However, the family struggled financially during the lockdown time and she want to utilise use her PF savings to tide over the crisis. But she was unable to get her PF due to an error that the company had made in registering her bank account details on the PF portal. She requested the company to make the correction, but for several months she was given the run around by the company.

iv. Informal resolution process

She then came in touch with the READ NGO staff who tried to help her. The company was not giving a proper reply and they refused to give the Universal Account Number (UAN) which is essential to access the worker's PF account. Through perseverance they finally got the worker's UAN number but when Worker U tried to withdraw the PF amount, the bank account number did not match with the PF account records. When they approached the company and enquired they found out that the company had erroneously submitted the wrong bank account number.

v. Formal resolution – Complaint to EPFO

Since the company was not helping, Worker U sent a petition to the District PF Office and within 25 days she got a reply from the PF office in Erode for grievance redressal. Worker U then went to the PF office with the NGO staff, and PF office staff then called the company management and reproached them for submitting a wrong bank account number. This process had gone on for almost seven months and the worker had spent nearly Rs. 5,000 towards travel and documentation expenses. Finally, the worker was able to withdraw Rs. 27,000 from her PF account.

After the situation returned to normal and the threat of Covid-19 infections receded, Worker U approached the company and requested them to allow her to continue working. After a long struggle, she was allowed to rejoin the company. Now she works in contract shift and earns Rs. 400 per day in wages for an 11-hour shift (8.30 am to 7.30 pm). Sometimes she is asked to work the night shift. If she works the night shift in the same day as her day shift she is able to earn only 1½ day's salary. That means for night shift she is paid only half the salary! But Worker U feels she has no choice as she has to support her family.

Case Study – 22: Collective Workers Vs. Poppys Kintwear Pvt. Ltd

Overview:

For case study - 22, the worker has been represented as ‘Worker V’.

While the workers were going to work in the company van, an accident took place in which 2 women workers died. Worker V and her co-workers were also in that van that had an accident (FIR no 110/18). The company paid compensation of Rs.1 lakh each to the families of the deceased workers. 27 others who got injured severely were given first aid but no medical claim or compensation.

Type	Semi-Formal – Police Case
Nature	Collective
Status	Dropped
Year of Dispute onset	2018
Year of Dispute conclusion	2018
Available Documents	<ul style="list-style-type: none">• Medical Records• Petition copy to the District Collector• Workers’ Identity Cards• List of Workers who died and others who were injured.
Missing Documents	-
In-Depth Interview	
Worker Type	1. Intra-State Migrant (daily circular migrants) 2. Tailor
Dispute Type	A pool of workers met with an road accident including Worker V while travelling in company van and no compensation were given by the company

Basic Information:

1. Name of the Worker: Worker V
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 47
4. Name of the Company: Poppys Knit Wear (P) Ltd.
5. Designation of the Worker: Tailor
6. Years of work in the Company: 22 years

Timeline of Events:

DATE	EVENT
02.07.2018	Company Vehicle met with an accident, two workers died, 27 workers injured
23.07.2018	Petition sent to District Collector
25.08.2018	Worker V and others discharged from VEL Multi specialist Hospital, Palani

Case History:

i. About the worker

All the injured and dead workers belong to Scheduled Caste (SC) and Most Backward Communities (MBC). Their families completely rely on these workers' income and there is no other source of income for these families. It took 4 months for the injuries to heal. During this time, the company gave no compensation for loss of earnings to the workers.

ii. About the Company

Poppys Knitwear (P) Ltd. has a few units in various parts of the city employing almost 300 workers, most of them are women. The company makes exports to Europe, to the Netherlands in particular.

iii. Beginning of the Conflict

On 02.07.2018 morning at 08.25 a.m., one of the Poppys Knitwear Staff Van met with an accident. Two women workers died on the spot and other workers were severely injured and were hospitalized. All 20 workers who are from Ottanchatram Taluk of Dindigul district were returning home in the company van, after finishing the night shift duty. As per Section 51E of the ESI Amendment Act, 2010 accidents occurring to an insured person while commuting from their residence to the place of employment and vice-à-versa is deemed to have arisen out of and in the course of employment for the purpose of benefit under the Act.

The company paid Rs.100,000 to each of the two families of the deceased workers to meet the funeral expenses. But for those who got injured, the company only paid for the first aid being given and asked the workers to take care of the expenditure in connection with the further treatment for the injuries through their ESI card.

iv. Resolution process

On behalf of these victims, a petition was filed to the District Collector of Dindigul by the Secretary of Social Justice Front Organization requesting the Collector to distribute financial aid ranging Rs. 50,000 – Rs.100,000 through District Collector Relief Fund. Besides, through Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act 1989 and asked the collector to consider relief funds under Rules 1995. The workers could also apply for compensation under Workmen Compensation Act 1923. The petition also requested the collector to consider giving compensation to families of the deceased workers through the Chief Minister's Relief Fund.

Another request was submitted to take necessary steps to handle the case legally to investigate the accident, the validity of the vehicle and driver's fitness etc.

v. Workers' view on the case process:

Since the company was not very helpful to the workers for accessing compensation through ESI, and the workers felt abandoned by the company during their time of need, the injured workers sought to handle the issue legally.

Case Study – 23: Collective Workers Vs. Carona Knitwear

Overview:

For case study - 23, the worker has been represented as ‘Worker W’.

Worker W and co-workers met with an accident while commuting to the company in the company van. All 6 workers were injured severely. The injured were given first aid and not given any medical claim or compensation.

Type	Semi-Formal – Police Case
Nature	Collective
Status	Dropped
Year of Dispute onset	2018
Year of Dispute conclusion	2018
Available Documents	FIR of the accident
Missing Documents	Identity documents and other related documents
In-Depth Interview	Done
Worker Type	1.Local Workers 2.Tailor
Dispute Type	A pool of workers met with an road accident including worker W while travelling in company van and no compensation were provided

Basic Information:

1. Name of the Worker: Worker W
2. Gender of the Worker: Female
3. Age of the Worker (at the time of interview): 49
4. Name of the Company: Carona Knitwear Unit-I
5. Designation of the Worker: Tailor
6. Years of work in the Company: 10 years

Timeline of Events:

DATE	EVENT
2008	Joined Carona Knitwear as Tailor
12 May 2018	Met with an accident
May- July 2018	Under treatment at own expense
24 May 2018	Company representative visits her at hospital
July- Aug 2018	Worker W approached the company for rejoining and sort financial support to meet the medical expenses from the company and was denied both

Case History:

i. About the worker

Worker W is 49 years old from Pudhukaraipudhur Village of Gobi Taluk, Erode District. She is a widow, her husband died a decade ago due to kidney failure. He used to work as a coolie. They had two sons, but lost the younger one due to brain fever. After her husband's death, since there was no support from her in-laws, Worker W took her elder son and went back to live with her parents at Pudhukaraipudhur. She was supported by her family, especially mother and brother. With their support her son was studying B.Com. But Worker W did not want to be wholly dependent on her family as she thought it would also create problems in their relationship. So Worker W decided to look for work. She knew tailoring and decided to join a garment company. She found a job as a tailor at this company through her acquaintances.

ii. About the Company

The company was established in 1998 and produces mostly inner wear with a capacity of producing 1,600,000 pieces a month. It employs fewer than 500 workers, mostly women. After Worker W joined the company she noticed that the workers including her were getting less salary even though they worked long hours. The workers were paid half the rate for overtime work, not the statutory double wage rate. They did not get paid leaves, although weekly holiday was given. The practice of verbal abuse was common. When she joined the company, she was paid Rs. 220 per day and at the time of the accident she was earning Rs.330 per day. There is no scope for promotion in the company; she worked as a tailor the entire time she was employed.

iii. Beginning of the Conflict

During 2018, while returning home from work, their company van met with an accident and people, all from Worker W's village got injured severely and were taken to hospital for treatment. Worker W had injuries on her shoulder and leg and was unable to walk for nearly two months. Company representatives came to the hospital once and enquired about her but did not offer to pay for the medical expenses or help in accessing ESI compensation. Worker W had to borrow money on interest to pay for her treatment. Even though she had an ESI card, she did not know how to access treatment through ESI. Her injuries caused her partial disablement as she was not able to walk properly and her efficiency as a tailor was also impacted. On recovering, she tried to get a job at another companies but she was refused work because of her disability. With no job, and lifelong disability she is struggling to survive.

iv. Resolution process

After she was partially recovered, Worker W approached the company and requested them to allow her to work so that she could repay the loan she had taken for her treatment. Even though it was the responsibility of the company to bear her medical expenses since the accident occurred during a commute from the factory, not only did it not do this, the company also refused to let her rejoin probably fearing that she could take up legal proceedings pertaining to the accident and her injuries. Her employment was terminated orally, illegally and she was not paid for medical expenses and she is still struggling to recover the medical

expenses and compensation from the company. An FIR was filed for this case, but no action was taken against the company.

v. Workers' view on the case process:

The Company failed to take care of the workers who met with an accident in a company vehicle on their way home from the factory. This is a blatant violation of the ESI Act. To make matters worse, the company did not help her get medical expenses reimbursed through ESI or get compensation for her disability, even though it would have been paid for through the ESI medical insurance, nor did it continue to employ her but instead illegally terminated her employment, knowing full well that she would not be employed by any other company. The heartless action of the company, the use-and-throw mentality towards workers, is very hurtful. They just want to get rid of workers whenever there is any issue rather than addressing the issue.

The precarity of workers employed in the Tirupur garment factories is immense. Despite having an ESI card or having a PF account, workers are routinely denied help via these social security measures, in their time of need. Mostly because of callousness of the companies who do not even have a worker welfare officer to guide and help the workers in availing their statutory benefits. Without a union or an NGO or external help or support, majority of the workers seem to fall through the cracks in their times of need. How can a robust and sustainable system of industrial relations be expected to function when workers are barely surviving.

Enforcement of ESI Act

1. The Act prescribes for the appointment of Social Security Officers for the purpose of ascertaining whether any of the provisions of this Act has been complied.
2. The Act prescribes that if any principal employer fails or neglects to pay any contribution which under this Act he is liable to pay in respect of any employee and by reason thereof such person becomes disentitled to any benefit or entitled to a benefit on a lower scale, the Corporation may pay to the person the benefit at the rate to which he would have been entitled if the failure or neglect had not occurred and the Corporation shall be entitled to recover from the principal employer. Any contribution payable under the ESI Act may be recovered as an arrear of land revenue.
3. The Employees' Insurance Court, established under the Act, can take cognisance of disputes under the Act. The matters to be decided by the Employees' Insurance Court includes, inter alia, whether any person is an employee within the meaning of this Act or whether he is liable to pay the employee's contribution, the rate of wages or average daily wages of an employee for the purposes of this Act, or the rate of contribution payable by a principal employer in respect of any employee, or the person who is or was the principal employer in respect of any employee, or the right of any person to any benefit and as to the amount and duration thereof.
4. The Act provides for punishment for failure to pay contributions. If any person fails to pay any contribution which under this Act he is liable to pay, or deducts the wages of an employee the whole or any part of the employer's contribution, or otherwise contravenes the Act, he shall be punishable with imprisonment for a term which may extend to three years.
5. If the person committing an offence under this Act is a company, every person, who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Source: Advocate Gayatri Singh

It is unclear in Worker W's case if the company had been making payments to ESI on behalf of the workers employed and if the hesitancy to help her claim ESI benefits stemmed from the company's non-compliance even though Worker W said she had an ESI card. Perhaps if Worker W had the help of a union, labour lawyer or labour rights activist she could have made ESI claims or discovered non-compliance of the company and hopefully triggered an inspection and prosecution of the company officials as per the procedure laid out in the box above.

Case Study – 24: Collective Workers Vs. Newline Exports

Overview:

For case study-24, the worker has been represented as ‘Worker X’.

Worker X worked as a tailor for more than 4 years. After the Covid-19 pandemic, in October 2020 when she was going to work in the company van, it met with an accident. She was injured severely in the chest. The company supported medical claims when she was in the ICU. But she was urged to get discharged from the hospital even before her complete recovery. Thereafter she pursued her medical treatment in the hospitals near her locality. She was unable to do even the household chores. The company did not provide any further support or any compensation. She was in the process of filing a case in labour court with the assistance of labour rights NGO.

Type	Informal – through NGO
Nature	Collective
Status	Dropped
Year of Dispute onset	2020
Year of Dispute conclusion	2020
Available Documents	<ul style="list-style-type: none">• Newspaper Articles regarding the accident• Medical Case Sheet• Treatment Report
Missing Documents	Identity documents
In-Depth Interview	Done
Worker Type	1.Local Worker 2.Tailor
Dispute Type	A pool of workers met with an road accident including Worker X while travelling in company van and no compensation was provided

Basic Information:

1. Name of the Worker: Worker X
2. Gender of the Worker: Female
3. Age of the Worker (at the time of interview): 39
4. Name of the Company: New Line Exports
5. Designation of the Worker: Tailor
6. Years of work in the Company: 4 years

Timeline of Events:

DATE	EVENT
2016	Appointed as tailor in New Line Exports
24.10.2020	Factory bus met with an accident
05.11.2020	Accident Case filed at Avinashi Govt Hospital Police Station

12.11.2020	Factory management visited the worker and promised orally to bear the medical expenses
05.01.2021	Worker X sent medical bills to the factory management through co-worker
11.01.2021	EDWF Secretary intervened in the issue
19.01.2021	Advocate was consulted
January 2021	Case was dropped

Case History:

i. About the worker

Worker X is a 39 year old Dalit worker from Ramapuram village of Sathyamangalam Taluka. Worker X has been working at the company for 4 years. She does not have any identity card, ESI, PF or any other social security benefits. It's the same for most of her co-workers from the same village. A total of 8 workers from her village were working at the factory; after the accident only 4 of them are still working at the factory. According to them, management uses a face recognition machine for attendance.

Her husband is a 45 year old printing press worker, who earns an average of Rs. 500-600 per day. However, he does not provide for the family as such. They have two children aged 16 and 14.

ii. About the Company

New Line Exports was established in 1998. It produces men's wear, kids' wear and women's wear. It is a vertically integrated company with knitting, printing, embroidery, cutting, stitching, checking, ironing, and packing units. It exports to the UK, USA, and Europe.

iii. Beginning of the Conflict

Worker X and 28 co-workers met with an accident while commuting to work on the factory bus on 24.10.2020. A total of 8 workers were working at the factory from her village; after the accident only 4 of them are still working at the factory. Workers were all taken to Avinashi Government Hospital for first aid and later shifted to Tirupur district government hospital as it had better facilities. The management later admitted Worker X at SugaSuga private hospital in Avinashi as she was heavily injured and again she was shifted her to Revathi hospital, Tiruppur.

Worker X was hospitalized for 11 days and the company took care of the hospital expenses, but company also pushed the hospital to discharge her soon - even before complete recovery. Avinashi Government Hospital. The hospital is almost 100 kms away from her village. When she was admitted they registered an accident case in their outpatient token slip. Also they marked yes in the 'Informed to Police' column.

The company staff visited her at home and promised to take care of all future medical expenses that she may incur. The doctor at Revathi hospital, Tirupur, referred her for follow-up treatment at Amudha and Ritheesh hospitals in Sathyamangalam.

She met these expenses by taking loans from friends and local money lenders. As she was still recovering, these hospital bills were sent to the factory management through her co-worker the same village in January 2021. She has not heard back from the company till date, despite several attempts to reach the HR manager over phone.

Worker X was bedridden for almost 3 months; while her daughter managed domestic chores, her son started working at a construction site. As they have no other means of income, he is still is working and not attending school.

iv. Informal resolution process

Erode District Women Federation (EDWF) is a women workers collective of the NGO, READ. The EDWF secretary went to Worker X's home and enquired about the accident and family situation. Later, EDWF suggested that they meet with a political party's lawyer in Sathyamangalam.

On consulting with the lawyer regarding registering a case she was advised against it since there was permanent amputation. Also, he said that claim money is not more than Rs.15000. For that we have to pay court fee and advocate fee. So he suggested visiting the factory and meeting the senior management directly since they promised to take care of all medical expenditure.

Due to the Covid-19 pandemic and health conditions, she could not go to the factory and follow up with them. EDWF had been in contact with Worker X to help her recover the medical expenses and compensation from the company. But the case was dropped as the advocate advised that the expenses involved in proceeding with the case will take long and involve expenses.

v. Workers' view on the case process:

Worker X feels helpless. She is worrying that her husband is not supportive to the family and he is an alcoholic. She wants to provide well for her children and their education which is the reason she had started working in the garment factory. She still has breathing trouble due to the injury to her chest and is unable to work. She cannot even do the household chores. Her son was good in his studies, but now he is working in a construction site for daily wages. Even to go to Rithesh Hospital, she has to travel over 20 kms. For that she takes a car for rent, as she cannot travel by bus. For the moment she is bearing these expenses by taking loans from moneylenders and microfinance. She is worried about repaying the loans.

The company's attitude was different at the time of the accident and when she tried to claim the medical expenses that were promised to her. She is frustrated and is even willing to accept if they cover only the medical expenses and do not give her any compensation.

Case Study – 25: Individual Worker Vs. Sreeja Hosieries

Overview:

For case study - 25, the worker has been represented as ‘Worker Y’.

Worker Y and his brother worked as manpower contractors but were given ID of tailors. They are interstate migrants from Uttar Pradesh (UP). Worker Y’s brother died in August 2020, when they asked for compensation the company refused. Then they had approached CITU for help and got some compensation to transport the body back to their village in UP.

Type	Informal – Compromised through CITU
Nature	Individual
Status	Resolved
Year of Dispute onset	2020
Year of Dispute conclusion	2021
Available Documents	-
Missing Documents	Identity documents and other related documents
In-Depth Interview	Done
Worker Type	1.Inter-state Migrant worker 2.Labour Contractor
Dispute Type	A interstate migrant worker (labour contractor having company ID of a tailor) died due to heart attack and the company did not provide any compensation or support to send the body to his own state for funeral services

Basic Information:

1. Name of the Worker: Worker Y
2. Gender of the Worker: Male
3. Age of the Worker (at the time of interview): 32
4. Name of the Company: Sreeja Hosieries
5. Designation of the Worker: Labour Contractor
6. Years of work in the Company: 2 years

Timeline of Events:

DATE	EVENT
2007	Worker Y’s brother had migrated to Tamil Nadu to work as a tailor
2010	Worker Y’s brother started to work as contractor
2014	Worker Y migrated to Tamil Nadu and joined his brother
2018	Worker Y and his brother appointed as Tailors in the company but acted as labour contractors
August 2020	Worker Y’s brother died from a heart attack
January 2021	Worker Y claimed the compensation from the company with the help of CITU

Case History:

i. About the worker

Worker Y, aged 32, and his brother worked in the company for 2 years. Both of them are inter-state migrants from Khushi Nagar district in Uttar Pradesh. The company gave them ID cards as tailors even though they worked as labour contractors.

They would bring workers from Tamil Nadu, Odisha, Bihar, Jharkhand and UP to work as contract worker in the company. They stayed in Paramasivampalayam near New Tirupur. Both of them stayed with other co-workers in a rented room. His brother had started as tailor in Tirupur, and later he became a contractor. His brother worked with this company and other Tier 1 companies. He had worked as a contractor for 10 years in Tirupur. Worker Y also helped his brother and would source workers from different states to work under their contract. They employed nearly 50-60 workers and earned approximately Rs.50,000-Rs.60,000.

ii. About the Company

Sreeja Hosieries Private Limited was established in 2006 and manufactures clothing for men, women, and children. They make t-shirts, inner vests (banians), underwear etc.

iii. Beginning of the Conflict

In August 2020, Worker Y's brother died due from a heart attack. He was admitted to Tirupur Government Hospital. He was hospitalized for 3 days and later passed away. Worker Y wanted to take his brother's body to his village for the funeral. When he asked the company to support the travel from death compensation as they are migrant workers, his request was denied. He also requested the pending payment to be given. But management said they remit the money to the nominee account only. So, Worker Y asked his sister-in-law to come to Tirupur. Even after her arrival, the company made several excuses and did not release the money and wasted their day in chasing after them. Worker Y then took a loan from neighbours, landlord, and other friends and finally took his brother's body back to their village in Uttar Pradesh. Worker Y had spent around Rs.15,000 to process all documents asked by the company, but he got no money from them.

iv. Informal resolution process

Worker Y returned after a couple of weeks and approached the company for settlement. He had spent Rs.100,000 for transportation of the body as he had to take it by ambulance. The company did not even help to arrange a vehicle for the transportation and the ambulance was arranged through a co-worker. However, the company was unresponsive.

Worker Y's landlord helped him and they approached CITU. The union went with Worker Y to the company for 2-3 times. Worker Y had drafted a complaint letter with the help of CITU. Since worker Y and his brother had ID cards as tailors, the union gave that and other documents as proof for compensation. It is only then that the company gave Worker Y only Rs.1,00,000 to Worker Y, there was no additional compensation. And then the landlord

wanted 2 percent of the money as commission for taking him to CITU. After 4 months when he got money from management, Worker Y paid off the loans he had taken from friends and neighbours.

v. Workers' view on the case process:

Worker Y spent 4 months chasing after the company to give compensation. During this time he was not able to work and earn money. He has gone back to UP. The company had deducted ESI and PF from their salary, but he has not claimed it yet. He feels that the company should have given the amount and arranged for transportation at the time of his brother's death, so that he and the family could have done his brother's funeral in peace. Not getting support at the time of crisis caused even more stress and feels unfair.

In this case at least the workers had some documentation and proof of employment, in order to claim compensation or help and even then they were given the run-around and had to seek external assistance before the company agreed to give some ex-gratia relief. The condition of those in even more precarious employment conditions, without any documentation such as Workers W and X are left to fend for themselves, are slide further down the poverty ladder. It is well known that health emergencies in conditions of lack of savings or assets, are the primary reason for debt burden and destitution of the working poor. Their lack of coverage under ESI and PF or inability to access it (in the case of Worker W) is shameful and the least that the Labour Department could do is to ensure proper social security coverage is given to the workers as is their rightful due. Lack of social security on top of low wages, and all kinds of wage theft is like putting salt on a wound. It is a form of modern slavery. To expect such vulnerable workers to be able to access a formal industrial relations system which is stacked against them, when there is so much inequality and disparity in power between the company and the workers, is not reasonable. The difficulty in accessing formal cases in Tirupur, that have gone through the industrial relations system, reflects this extreme assymetry of power and the reason for workers' preference for informal settlements either with the help of unions or NGOs or someone with some social capital.

CHAPTER – VII

Findings and Analysis

a. Summary of major findings

The effective implementation of the labour laws in the readymade garment textile sector of Tirupur District is extremely disappointing and a number of studies have shown that workers are being exploited in various forms. 21 workers were interviewed for this study out of 25 sample cases, majority of the workers have shared multiple instances of exploitation during their employment, apart from the major dispute or complaint that they were being interviewed about. Most of the grievances shared by workers were common ones relating to the exploitative practices in the readymade garment textile sector of Tirupur.

This section is based on an analysis of the case files and interviews with lawyers, union activists, garment workers and staff of organisations that work closely with workers in Tirupur. The trend of raising disputes in Tirupur garment sector has reduced over the last decade but it should not be inferred that exploitation of labour has decreased. In reality, workers exploitation is common but due to the absence of unions, workers lack collective strength and identity or even the opportunity to share these issues among co-workers in the same factory. Thus, their expression of grievances and subsequent struggles against such exploitation remained largely individual, as evidenced by the fact that 14 out of the 25 disputes documented were individual cases. Even these numbers are not representative of the large scale exploitation that workers face and their complaints and grievances. Fear of losing jobs has played a major role in keeping the numbers of complaints and disputes raised, low.

On the other hand, the interviews with the trade union activists, labour lawyers, and labour rights activists accentuated the impact of widespread use of the of piece rate system and the decline in regular jobs. This renders the workers a little footloose and they move from company to company both at the end of their assignment and when they face problems at the company. Along with changing patterns of inter-state migration, small size of most units, the piece rate system constrains unionisation of workers.

Further underlining the unstable nature and precariousness of employment, of the 25 cases documented, 10 cases i.e. 40% of the cases were of illegal termination under Section 2(a) of the ID Act which is the larger share and then claims filed related to wage claims, which is 20%. Claiming unpaid wages and statutory benefits like PF without appointment letters, ID cards, formal bank transfer mode of payment, UAN numbers, i.e. without documentary evidence of employment is extremely difficult, if not impossible. Hence the low numbers in the 25 cases documented in this study.

i. Grievance Redressal Systems in Factories

The ID Act mandates an establishment to have functional works committees in factories as platforms for addressing worker grievances and conflicts i.e. according to the Industrial Disputes Act of India, every employer should form a works committee if they have more than

100 employees in the organisation. The committee is supposed to help in maintaining a healthy relationship between employers and employees through the collective efforts of both parties; and aims at improving industrial peace.

ID Act, 1947 Section 3. Works Committee:

(1) In the case of any industrial establishment in which one hundred or more workmen are employed or have been employed on any day in the preceding twelve months, the appropriate Government may by general or special order require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workmen engaged in the establishment so however that the number of representatives of workmen on the Committee shall not be less than the number of representatives of the employer. The representatives of the workmen shall be chosen in the prescribed manner from among the workmen engaged in the establishment and in consultation with their trade union, if any, registered under the Indian Trade Unions Act, 1926 (16 of 1926).

(2) It shall be the duty of the Works Committee to promote measures for securing and preserving amity and good relations between the employer and workmen and, to that end, to comment upon matters of their common interest or concern and endeavor to compose any material difference of opinion in respect of such matters.

Through the interviews, the researchers found that the works committee in most the factories are not active, if at all they are constituted. Most of the workers interviewed had no knowledge of works committee. Few of the workers shared that though there is a committee for grievance redressal, the representatives in the committee would not familiar to all the workers or may be favourable to the management and not to workers.

ii. Trend of Raising Grievances in the Factory

A 2015 ILO report⁸¹ shows that most workers would go either to their human resources department or to their supervisor if they had a complaint or problem at the factory. Nearly one in ten said nothing is done.

There appear to be multiple grievance mechanisms available at the factory for workers to raise complaints, but they seem to exist on paper and are not active. Human Resource departments, special welfare officers, workers' committees, complaint boxes or suggestion boxes, hotlines, and open door policies of management are the possible gateways for the workers to raise complaints. But at most of the factories, these mechanisms are not user friendly for workers and are not easily approached. If workers want to raise a complaint they will approach the supervisor who is readily available to them; but there is a tendency for supervisors to discourage workers from raising their complaints. Supervisor often abuse or fire the worker and can even victimise the worker by giving a high workload or making false accusations etc. Gender dynamics plays a crucial role too with most supervisors being men while most workers are women. Economic vulnerability and the need of a job, coupled with

⁸¹ *Insights into working conditions in India's garment industry*. ILO, 2015
https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_379775.pdf

high probability of harassment, makes women workers reluctant to raise their voices, stick their necks out, and raise complaints or industrial disputes.

During interviews workers share many labour rights violations happening to them at their workplaces like forced overtime work without extra wages, no paid leave, high target pressure, lack of breaks, and even poor quality PPEs given during the Covid-19 pandemic. But when asked about complaints filed against such violations, workers shared that the fear of job loss keeps them quiet and they do not raise complaints and try to work around such situations.

On the other hand, the piece rate workers admit that labour rights is not their priority and that they work and earn for their family, and their priority is to maximize their earnings. Thus, they work for long hours and produce high targets. If there are any issues with the supervisor or management, they try to adjust with those issues and if it is unbearable they switch to another factory.

Many of the workers confess that resolving conflicts with the factory management is an impossible task for individual workers. When workers share their problems with their co-workers, it just turns out they can only share and commiserate since co-workers fear job loss and would not join the fight.

iii. Workers attitude towards taking the dispute to Labour Department

The workers are rarely willing to take disputes to the labour department. They even hesitate to raise complaints for their issues in the workplace. Most of the workers are not aware of their rights and the legal claim mechanisms. They were not aware of the labour department and its role. They learn about the labour department when they approach a trade union for their issue and that is usually only in cases of oral termination – since job loss is the biggest challenge for the workers. Many workers are also afraid of the lengthy legal processes, the time and expenses it involves, and the fact that they may not be able to hold a job while pursuing their case. The cost of pursuing legal claims is just too high for most workers.

iv. Decrease in Disputes Raised in the Last Decade

Trade union leaders, labour lawyer, and labour rights activists who were interviewed all concur that the number of disputes raised in the Tirupur Garment Industries has reduced drastically over the past decade. Reasons include decline of unions; increase of informal employment – contract and piece rate wage system; small size of factories and workforce in such factories; and increase of inter-state migration.

A union leader shared that workers are not giving importance to unionising and fighting for their rights. The monetary needs of the employee are their priority, and they work for long hours in piece rate system of employment to earn as much as possible. This system of work also allows the worker to take breaks as per their need, and most of the time there is no pressure of targets from management. The floating population of workers has increased and thus they are not dependent on one company for their earning. If they have problems with one

company, they move to other company. It also results in the loss of interest towards unionisation. If there is any serious issue the workers go to district offices of central and regional unions through friends or co-workers to get justice and they just want to compromise with the company by getting some benefits from the company.

The leaders of trade union also not very militant anymore and mostly advise the workers to get a compromise with the management as the legal proceedings take a long time which workers are unable to sustain both monetarily as well as practically since they have to make a living.

v. Workers' Involvement in their Own Cases

The involvement of workers in their own cases is varied when compared to individual cases and group cases. The involvement of the worker and pursuing capacity was high in individual cases whereas it was low in group cases. The group cases need involvement of all the workers which is difficult to sustain up to the last phase of the struggle, especially if it takes years for cases to wind their way through the legal system.

The union leaders played a major role in making the workers fully involved in the case process. The guidance and motivation given by the trade union leaders are the best driving factors which pushed the workers to actively engage in the case process.

In individual cases, the support from the family also plays a role and workers with less economic needs and family pressure can sustain the case.

vi. Role of Adjudication Process in Dispute Resolution

Among the 25 cases, 5 cases entered the process of adjudication. 4 cases resulted in favourable awards by courts the remaining one case was dropped. Among the 5 cases, 1 worker was interviewed and others could not be reached. In that single case too, the worker said that the award has not implemented by the company management. The court ordered the company to reinstate the worker and settle back wages. The company reinstated him but did not settle the back wages. Also the company inducted him as a new employee and refused to account for his previous work history in the company. This meant that his pay at the time of re-induction was low. In addition, the company had blacklisted him and made stressed him by giving wages irregularly forcing the worker to quit. Additionally, the company had appealed the case further and the legal process had not concluded yet.

In the other 4 cases, the implementations of the award are still doubtful for the advocates who handled the cases. The duration of the adjudication process took a minimum of 3 years and it was not feasible for the workers to follow up. The lawyers also prefer not to enter into the adjudication process as it takes long time for cases to conclude. A labour lawyer shared that he felt that the informal resolution process done through trade unions is best for the workers as it can give quick remedy to their issues.

vii. Instances of Caste-Based Violence & Gender Based Violence has no traces

Though the workers report various caste and gender based violence, this is not reflected in the cases or disputes. It stems from unequal power relationships in the working place as women and scheduled caste workers are mostly employed in the production line and not as supervisors or managers.

viii. Involvement of Labour Department

From the interviews, it is clear that labour department officials were generally non-supportive towards workers and even appeared to be biased and corrupt. They were also rude to the workers in a few cases. It also became clear that workers can only file complaints and raise industrial disputes if they have the support of trade unions.

The labour department officials were even non-cooperative to the researchers' requests for interviews. The conciliation officer was on a long leave at the time of research and all the cases remained pending on his table for 4-5 months as there is no other deputation officer assigned to execute his roles and responsibilities.

ix. Involvement of Trade Unions

Though the trade unions have weakened over the past decade, with declining membership and declining role and union activities inside the factory, the cases documented for the study was mostly dealt with by trade unions. CITU played providing 19 case details and AITUC provided 1 case detail, and the remaining 5 were provided by NGOs working for labour rights.

However, in terms of maintaining records and case documentation, the trade unions came up very short. There is no clear documentation of the disputes/cases dealt by them for the issues of workers in the garment industries of Tirupur. They just gave workers' contact and case summary. The trade unions also had no proper follow up with those workers and have no knowledge of what happened to the worker after the case.

x. Poor Documentation

In general, the documentation of cases either by trade unions or by the workers was very poor. Among the 25 cases, complete documents could be obtained in only 4 cases and none of the documents were available in 6 cases. In the remaining 15 cases, the documents were collected partially and in 13 cases the identity document of the workers were missing.

Analysis of the 25 documented cases

Of the 25 disputes in the Tirupur garment industries documented, the largest subset was of unfair dismissal and non-payment of retrenchment / severance benefits. The documented cases classified in the cause list were - illegal termination, wage claims, bonus claims, wage and bonus claims, PF claims, accident claims, and death claim.

i. Illegal Termination

An illegal termination is an act by an employer who is laying off an employee without providing a fair arrangement for such a layoff or by not following the legal method while terminating their employment. Illegal termination can be classified with majorly different categories such as discrimination and breach of contract. Though there are many other factors that are also categorized under the heads of illegal termination that are illicit order of the employer; personal grudge; and dispute. According to the ID Act, an employer is required to give at least one month's advance notice or payment in lieu thereof to a worker who has completed at least one year of continuous service before termination of employment. The notice must be given in writing, indicating the reason of retrenchment. While terminating a large number of employees in factories, mines or plantations employing more than 100 workmen, the employer must give at least three months of notice or wages in lieu thereof to the workmen proposed to be terminated.

Among the 10 cases of illegal termination of an individual workers or group of workers, all the workers' employment was terminated orally without any written notice or settlements; 7 were individual cases and 3 were collective cases. 5 individual workers dealt the issues formally, and 4 of their cases entered adjudication process whereas the remaining took up to conciliation and 2 individual workers had dealt with it informally i.e. via trade union. Thus, majority of the disputes involving illegal termination of employment were dealt formally.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-formal, Informal)	Year of Onset	Status	Year of Conclusion
Illegal Termination					
1	Termination of Worker for demanding leave wages, bonus etc. (Male) – Well Knit Industries	1.Individual 2.Formal – Adjudication	2007	Resolved	2016
2	Termination of worker by making false acquisition (Male) – Meridian Apparels Pvt. Ltd.	1.Individual 2.Formal – Adjudication	2009	Resolved	2016
3	Termination of Worker for demanding bonus (Male) – Pratik Hosiery	1.Individual 2.Formal – Adjudication	2012	Appealed	2019
4	Termination of Worker for demanding proper work role (Male) – Fair Export	1.Individual 2.Formal – Adjudication	2018	Resolved	2018
5	Termination of Worker for raising queries (Female) – Premier Knits Apparels	1.Individual 2.Formal – Conciliation	2019	Resolved	2020
6	Termination of Worker for raising complaints (Male) – AKR Textiles	1.Individual 2.Informal – through TU	2019	Resolved	2021
7	Termination of workers due to shortage of orders as the effect of Covid-19 pandemic (Male Representative) – Cotton Blossom India Pvt. Ltd.	1.Collective 2.Formal – Conciliation	2020	Resolved	2020

8	Termination of Worker for demanding bonus and regular payment of wages (Male representative) – Aswathi Exports	1.Collective 2.Formal – Conciliation	2020	On going	-
9	Termination of Worker for demanding lockdown wages & OT wages (Male representative) – Alfine Knits	1.Collective 2.Formal – Conciliation	2020	On going	-
10	Termination of Worker for intervening in co-workers issue (Male) – Warrior Exports	1.Individual 2.Informal – through TU	2020	Resolved	2020

Most of the illegal terminations of employment were of unfair labour practices, with management victimising workers for being vocal and demanding their rights and entitlements. In 8 cases, the workers were not given proper notice of termination of employment as they demanded regular wages, bonus, proper work role and raised complaints on workplace conditions and needs. Instead management raised false acquisitions against them. Also Covid-19 pandemic resulted in illegal termination of employment in 2 cases.

ii. Wage Claims

Wage related issues were the second highest category of cases filed formally. Wage theft is the most important exploitation spotlighted in Tirupur Ready-Made-Garment (RMG) factories. Payment of Wages Act and Minimum Wages Act ensures the proper and decent wages to the workers at the proper interval and right time. But there are issues on-going in the Tirupur Garment Industries based on the period of payment of wages, payment calculation and wage settlements.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-formal, Informal)	Year of Onset	Status	Year of Conclusion
Wage Related Issues					
1	Wages were not given to a pool of workers on time (Female representative) – Zuhana Garments	1.Collective 2.Formal – Police Case	2016	Resolved	2017
2	Wage Settlement was not done to 58 workers after the sudden close of the industry (Male representative) – ARK Innovations (Best Corporation)	1.Collective 2.Formal – Conciliation	2017	Dropped	2017
3	Wages were not paid to worker as before due to loss in Covid-19 pandemic (Male) – Sunstar Clothing	1.Individual 2.Formal – Conciliation	2020	On Going	-
4	Wages were not given to worker since he relieved before the salary day	1.Individual 2.Informal – through TU	2020	Resolved	2021

	(Male) – Start Time Apparels				
5	Wages were not given to the QC team (on contract) for the failure in inspection after the Covid-19 pandemic period (Male representative) – TSK Garments	1. Collective 2. Informal – Through TU	2020	Resolved	2020

The 5 cases on wage claims have 5 different factors involved, but the issue is non-payment of wages. In a case, the payment of wages was done on right time. In the others, the payment of wages was not done as there is problem in the inspection, worker relieved of his duties a day before wage disbursement, the settlement of wages not done for the lay-off made by the management as the factory was closed, and also due to the Covid-19 pandemic. Among the 5 cases, 3 are collective disputes in which 2 cases were dealt formally and 2 are individual disputes in which 1 case was dealt formally.

Out of all the 5 cases, only one case was dropped at conciliation stage as the group of workers could not be organized and union sustained after the company was closed and also due to the fact that the adjudication process takes a long time.

iii. Bonus Claims

Bonus is the monetary compensation provided to the workers in addition to wages in order to appreciate and recognize the worth of the labour in company's overall profit. Bonus is one of the labour rights of the worker as per the Bonus Act.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-formal, Informal)	Year of Onset	Status	Year of Conclusion
Bonus Related Issues					
1	Bonus amount was reduced to the workers by pointing the loss for company (Male representative) – SRG Prime Tex	1. Collective 2. Formal – Conciliation	2019	Resolved	2020
2	Bonus amount was reduced to the workers by pointing shortage of orders due to Covid-19 pandemic (Male representative) – Rodamine Apparels	1. Collective 2. Informal – through TU	2020	Resolved	2020

2 cases were filed as a dispute based on bonus issues among that 1 was dealt formally. 1 case was raised as dispute as a fallout of the Covid-19 pandemic. Both of the cases were collective disputes. In both the cases, the company pointed that due to losses they had problem in giving bonus to the workers.

iv. Wage and Bonus Claims

In some instances, a worker is exploited in the form of wage and bonus theft. Wage and bonus are the unavoidable right of every worker and it was violated to an employee as a breach of the contract.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-formal, Informal)	Year of Onset	Status	Year of Conclusion
Bonus & Wage related Issues					
1	Wages were not paid to the worker regularly and fair bonus was not given (Male) – Tube Knits fashion Ltd.	1.Individual 2.Formal – Adjudication	2007	Resolved	2012
2	Wages and Bonus was not given regularly to the worker as said on the recruitment – Vetrivel Knits	1.Individual 2.Formal – Conciliation	2019	Failed	2020

2 cases were filed as disputes and dealt formally with the issue in both wages and bonus payment. Both the cases are individual cases where the payment of bonus and wages were denied to worker. Among these cases, 1 case was resolved and the worker got justice whereas the other one was failed due to understanding between the management and labour department. The worker was denied justice and the labour department was unsupportive.

v. PF Claims

An Employee Provident Fund is a scheme governed by Central Government of India for all salaried employees working in an organisation with 20 or more employees. The main goal of the EPF scheme is to ensure that by the time the employee retires or is unable to work anymore due to disability, s/he will have some savings to survive on. According to the EPF rules, 12 percent of the salary must go towards provident fund and the company is also required to contribute the same 12 percent, out of which 8.33 percent of the salary is directed towards the Employee Pension Scheme or EPS whereas the remaining 3.67 percent are directed as EPF. Though there are multiple issues in claiming PF like mismatch in the workers' basic data such as name; date of birth; account number, etc. deducting 24% from workers' salary, and then not sharing their UAN number with them so that they can claim their PF amount is an egregious one. Only 2 cases were documented in the selected time period. This may due to the fact that most of the PF issues are dealt via online/ informally (directly by the worker/ e-service centers). The workers spent lengthy periods to claim their PF due to the poor response of the management and due to the poor website management of PF portal as it shows website error. The workers in rural areas spend a lot of money in e-service centres in the process of claiming their PF.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-	Year of Onset	Status	Year of Conclusion
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		formal, Informal)			
PF Issues					
20	PF was found not deposited in the workers account at the time of claim (Female) – Armstrong Knitting Mill	1.Individual 2.Semi-Formal – through Public Hearing	2017	Resolved	2018
21	PF could not be claimed since there was an error in account number at the claim for balancing Covid pandemic impact (Female) – SCM Garments	1.Individual 2.Formal – Complaint to EPFO	2019	Resolved	2021

Among the 2 cases, one was dealt directly by sending complaint to EPFO as there is an error in the bank account number and the company did not help in rectifying the error and the other one was dealt through Public Hearing which was conducted by State Women Commission for the pending issues of workers in Textile and Garment Industries. In the latest case, the company management had deposited the PF to the workers account before the day of Public Hearing i.e. soon after receiving summon from the State Women Commission for enquiry.

vi. Accident Claims

According to the Workmen’s Compensation Act, an employer has to pay the compensation to its worker when the worker gets injured due to an accident that happens during the course of employment which includes while travelling in employer’s transport. It is the employer’s responsibility to provide and safe working environment to avoid workplace injuries. If an employee is injured, the company is responsible for making sure that a First Report of Injury is filed and to ensure the workers' compensation. There are 3 cases documented for this study where all the cases are the accidents happened while travelling in the employer’s transport.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-formal, Informal)	Year of Onset	Status	Year of Conclusion
Accidents					
1	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Male representative) – Poppys Garments	1.Collective 2.Semi-Formal – through Police case	2018	Dropped	2018
2	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Female representative) – Carona Knitwear	1.Collective 2.Semi-Formal – through Police Case	2018	Dropped	2018
3	A pool of workers met with an road accident while travelling in company van and no compensation were provided (Female	1.Collective 2.Informal – through NGO	2020	Dropped	2021

	representative) – New Line Industries				
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Among the 3 cases, 2 were dealt semi-formally i.e. through police case and 1 was dealt informally via an NGO working for labour rights. All the cases are of accidents of company vehicles where groups of workers got injured and in 1 case 2 women workers lost their lives. In that case the management provide Rs. 100,000 as compensation to the deceased workers' families and left the remaining injured people with after providing only first-aid and primary health care post the accident. They were not given any compensation. Similarly in 2 other cases injured workers were not provided with any compensation. 2 cases were filed at the Police Station and then they were not pursued. The remaining 1 case was also dropped as the labour lawyer advised that the adjudication process will took long time and the expenses for the judicial process will be higher than the expected compensation.

vii. Death Claim

The ESI scheme is a comprehensive social security scheme devised to protect the employees against financial distress arising out of events such as sickness, maternity, disablement or death due to employment injuries and to provide medical care to the employees and their families. In case of the death of the insured employee due to employment injury, the widow (till death or remarriage at 3/5th of the full rate), widowed mother (till death at 2/5th of the full rate), and children (sons at 2/5th of the full rate each till he attains the age of twenty – five years and unmarried daughters at 2/5th of the full rate till they get married) are entitled to dependents' benefit. The rate of the dependent's benefit is 90% of the standard benefit rate of the wages of the deceased insured person. One case which was dealt informally was documented.

S.No.	Cases	Type (Individual/ Collective) & (Formal, Semi-formal, Informal)	Year of Onset	Status	Year of Conclusion
Death					
25	A interstate migrant worker (also contractor) was died due to heart attack and the company has not provided any compensation/ support to send the deceased body to his own state for funeral services (Male) – Sreeja Hosieries	1.Individual 2.Informal – through TU	2020	Resolved	2021

In this case, an interstate migrant worker died during his employment and the company did not provide any support to transport the body to his state for funeral. The brother (who ws also a worker in the same company) and wife of the deceased dealt this issue with the management, with the help of CITU and managed to recover only the expenses of transportation of the body. The company gave no additional compensation. It shows that none of the cases regarding the accident or death claim is filed formally or won with full justice.