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**PART I-L—Notifications.**

**LABOUR DEPARTMENT.**

Bombay Castle, 26th April 1949.

No. 453/48.—The award of the Tribunal in the Industrial dispute between G. G. Dandekar Machine Works Ltd., Bhivandi, district Thana, and the workmen employed under it referred for adjudication under Government Order, Labour Department, No. 453/48, dated the 29th December 1948, is hereby published:—

BEFORE Mr. SALIM M. MERCHANT, INDUSTRIAL TRIBUNAL,  
BOMBAY.

ADJUDICATION  
AJ-IT No. 1 of 1949.

BETWEEN

G. G. Dandekar Machine Works Ltd., Bhivandi (Thana District)  
AND

The Workmen employed under it.

In the matter of an Industrial Dispute regarding Minimum Basic Wage, Increase in the Basic Pay and Dearness Allowance, Provident Fund, Gratuity, Leave, Revision of Terms of Bonus for 1946-47, etc., etc.

Mr. B. Narayanaswamy, Advocate, with Mr. A. S. Asayekar, Advocate, for the G. G. Dandekar Machine Works Ltd., Bhivandi.

Mr. S. G. Samant, Advocate, with Mr. N. B. Metkari, Secretary, National Engineering Workers' Union, for the workmen.

## AWARD.

This reference has been made to me as an Industrial Tribunal by the Government of Bombay under section 10(1) of the Industrial Disputes Act of 1947 (XIV of 1947) for the adjudication of the Industrial dispute between G. G. Dandekar Machine Works Ltd., Bhivandi (Thana District) and the workmen employed under it by Government Order, Labour Department, No. 453/48, dated the 29th December 1948. The matters in dispute as stated in Annexure A to the said order are as follows:—

(1) *Wages*.—(i) Basic Minimum wage for unskilled labour for 26 days' work multiplied by 8 hours a day should not be less than Rs. 30.

(ii) General increase of 25 per cent. should be given to those whose monthly earnings vary from Rs. 31 to Rs. 50 per month.

(iii) Increase of 15 per cent. to those who are earning more than Rs. 51.

(2) *Dearness Allowance*.—A system of uniform dearness allowance for all the workers, irrespective of their earning capacity should be introduced; and what Milowners' Association declare as dearness allowance should be taken as standard and the same should be paid.

(3) *Leave*.—Engineering and Chemical concerns are the places where majority of accidents take place. Therefore, it is in the fitness of things that following system should be introduced with regard to the workers' leave of absence:—

(i) Privilege leave with pay for 30 days in a year.

(ii) Sick leave with pay for 15 days in a year.

(iii) Casual leave with pay for 10 days in a year.

With a right of accumulation of privilege leave for 60 days.

(4) *Gratuity*.—With a view to ensuring the economic stability and well being of the workers, the system of paying gratuity to those who are made to leave service of the Company or who voluntarily resigned from service, be introduced. For this, the system of Standard Vacuum Oil Co., Bombay, should be followed.

(5) *Bonus for 1947*.—Three months' wages should be paid as bonus for the year 1947. In this context it should be noted that wherever the word monthly occurs, it means a period of 26 days' work in a month.

(6) *Provident Fund*.—Provident Fund should be introduced to which there should be equal contribution from the Company and the workers of eighteen pies in a rupee which is prevalent in the Burmah Shell Co., Ltd., Bombay.

(7) For the retrenchment of the workers, under the alleged plea of less work, those who are juniors shall be sent out first.

The demands should be given effect to from the 1st January 1947.

2. After the usual notices were issued, the National Engineering Workers' Union (hereinafter called the Union) as representing the workmen of G. G. Dandekar Machine Works, Ltd., Bhivandi, Thana District, filed its statement of claim on 23rd January 1949 and the G. G. Dandekar Machine Works, Ltd., Bhivandi (hereinafter called the Company), filed its written statement in reply to the statement of claim of the Union, on 11th February 1949. The matter was fixed for hearing before me on 16th March 1949 and was on that date adjourned to 23rd March 1949 as the parties were discussing terms of settlement. On 23rd March 1949 a further adjournment was obtained by the Union to 25th March 1949. The matter was heard before me on 25th March 1949, 26th March 1949 and 1st April 1949, on which date the hearing was concluded.

3. At the outset, I may state that at the hearing Mr. A. S. Asayekar, Advocate, representing the Company, waived the preliminary objection raised in the Company's written statement that as the statement of claim on behalf of the workmen had been signed by the Secretary of the Union, it was not properly filed. Since the preliminary objection has been withdrawn, it is not necessary to deal with the same.

4. The establishment and development of this Company is quite interesting. In 1908 for the first time in this country German-made rice mills were imported and the first rice mill was set up at Tarapore in 1910. Mr. Gopal G. Dandekar, the founder of this factory, was engaged in the work of the erection of the said rice mill. He utilised that opportunity to study the construction of rice mill machinery and with the assistance of a few others established a concern of his own. World War I put a stop to the import of German rice mills into Bombay and Mr. Dandekar seized the opportunity to start a factory for the manufacture of rice mill machinery at Bhivandi. After 1918 Mr. Dandekar began to manufacture rice mills in his factory at Bhivandi, which became very popular in the market. The Factory today manufactures machine tools, machine spare parts, engine parts, etc. The present Company, which is a public limited concern, was floated in 1939 and has been in existence for the last ten years. The authorized capital of the Company is Rs. 10,00,000, out of which Rs. 6,23,610 have been paid up. The Company is in a fairly flourishing financial condition as can be seen from the balance sheets of the Company for the last three years filed in these proceedings (Ex. 2). The Company apart from manufacturing complete rice mills and their machine parts, flour mills and their spare parts, also manufactures machine tools and executes petty orders

and carries out sundry repair works. The Company employs in all about 366 workmen. It is not necessary to go into the history of the dispute except to state that the present demands as stated in Annexure A were first made in September 1948. I now proceed to discuss the demands.

*Demand No. 1—Wages—*

- (i) Basic minimum wage for unskilled labour for 26 days' work multiplied by 8 hours a day should not be less than Rs. 30.
- (ii) General increase of 25% should be given to those whose monthly earnings vary from Rs. 30 to Rs. 50 per month.
- (iii) Increase of 15% to those who are earning more than Rs. 51.

5. The first demand, which is in three parts, is that the basic minimum wage for unskilled labour for 26 days' work, on the basis of 8 hours a day, should not be less than Rs. 30. As the labour in this Company is daily paid, what the Union wants in effect is that all unskilled labour should be paid a minimum wage of Rs. 1-2-6 per day. The Union further demands that all workmen, whose monthly earnings vary from Rs. 31 to Rs. 50, should be granted an increase of 25 per cent in their present basic wage and those earning more than Rs. 51 should be granted an increase of 15 per cent in their present basic wage. In other words what the Union wants is that all workmen who are receiving more than Rs. 1-2-6 to Rs. 1-14-6 per day should be granted an increase of 25 per cent in their basic wage and all those earning more than Rs. 51 per month should be granted an increase of 15 per cent in their basic wage. The Union in its statement of claim points out that there are no fixed scales of wages for unskilled or skilled categories of workmen in this factory, that even for unskilled workmen like coolies the wages vary from 4 annas per day to 10 annas per day. At the hearing the Union brought to my notice that this Company has a category of coolies known as "Apprentice-coolies" who are paid the basic wage of only annas four per day. On enquiries it was found that these apprentice-coolies do exactly the same type of manual work as other coolies who are paid more. The practice of giving different designations and dividing unskilled workmen into several categories with a view to pay them a wage lower than the basic minimum is most undesirable and one which Industrial Tribunals will try to put down. The factory employs as many as 164 coolies and the average daily wage for a cooly works out to only about 6½ annas per day. The Union urges that even for Bhiwandi this is a most inadequate wage scale and in support of its demand for a minimum basic wage of Rs. 1-2-6 per day relies upon the award of the Learned Tribunal Mr. M. C. Shah in AJ-IT 2 of 1948, Abdul Karim Bros. Ltd., Ambernath, and its workmen (*Bombay Government Gazette, Part I, dated 23rd August 1948, page 3899*) by which the workmen

of that silk mills situate at Ambernath were granted a minimum basic wage of Rs. 28 for a month of 26 working days. It also relies upon the fact that in the Raymond Woollen Mills at Thana the minimum basic wage paid is Rs. 28 per month. In both these mills the workmen are granted dearness allowance on the Bombay Millowners' rate of Dearness Allowance for textile workers in Bombay City. It further relies upon the award of the learned Tribunal Mr. K. C. Sen in A.J. IT 83 of 1948, dispute between Parshottam Kheraj & Co. and its workmen (*Bombay Government Gazette*, Part I, dated 3rd March 1949, page 1027) where the workmen of the Company's factory at Mulund were awarded a basic wage of Rs. 26 per month for 26 working days and were granted dearness allowance at 66-2/3 per cent. of the Bombay Millowners' Association's rate of dearness allowance. The Union argues that since Bhivandi is situate only about 10 to 12 miles from Thana town and is only about 20 miles away from Ambernath, the cost of living there is, or in any case must be taken to be, about the same as at Thana or Ambernath. However, at the hearing the Union was prepared to accept a minimum basic wage of Re. 1 per working day, i.e. Rs. 26 per month of 26 working days. The Company on the other hand has urged before me that Bhivandi is a small town surrounded by rural areas where the cost of living is much lower than either at Thana or at Ambernath, both of which are industrial centres. The Company also urged that the prevailing rate of wages for labour in Bhivandi was in fact much lower than what the Company was at present paying to its coolies by way of basic wage and dearness allowance. In support of this, the Company produced letters from the Deputy Engineer, Public Works Department, Bhivandi, the Chairman, Managing Committee, Bhivandi-Nizampur Municipality, Overseer of the Local Board Office and the General Manager of the Bhivandi Bus Service, all showing that the prevalent daily rate of pay for labour in these offices was in the neighbourhood of Rs. 1-8-0 to Rs. 1-10-0 per day which was inclusive of dearness allowance as no other separate allowance was paid. The Company also sought to distinguish the award in A.J. IT 83 of 1948 by pointing out that in that concern the main factory of the Company was in Bombay City and only the subsidiary factory was at Mulund which employed only about 60 workmen. Besides, in that concern the capacity of the Company to grant the demands made upon it by its workmen had been upheld. The Company states that if the basic wage were to be raised to Re. 1 per day and sub-demands 2 and 3 to demand No. 1, were to be granted in their entirety as demanded by the Union, that alone would impose an additional annual burden of about Rs. 47,800 upon the Company. If dearness allowance were to be granted on the basis of 66-2/3 per cent. of the Bombay Millowners' Association's rate of dearness allowance, it would impose an additional annual burden of about Rs. 32,000. The Company pleaded that only since 1st May 1948, it had increased its dearness allowance to its present rate, which had imposed a burden of nearly Rs. 36,000 per

annum upon the Company. The Company last year made a net profit of Rs. 65,300 but its working so far during the current financial year did not warrant the hope that even that profit would be made. Besides, allowance would have to be made in the current year's working for about Rs. 30,000 already incurred as increased expenditure because of the enhanced rate of dearness allowance enforced since May 1948. Last year the Company had paid a dividend of 5 per cent. on preference shares and 6 per cent. on ordinary shares. The Company argued that after making provision for payment of income-tax and reserves, hardly anything would be left out of the profits, if the Union's demands on the above basis were to be granted in full.

6. The Company, however, offered to increase the basic minimum wage to 12 annas per day for all workmen at present drawing less than annas 12 and offered an increase of 2 annas to all those drawing more than annas 12 per day and an increase of Rs. 4 per month to the monthly paid staff. According to the Company's calculations this would impose a burden of about Rs. 21,360 annually upon the Company. The increased leave and introduction of provident fund on the basis of contribution of 12 pies in the rupee, would, if granted, have imposed a burden of about Rs. 25,000 more upon the Company.

7. After both parties had been fully heard on the question of the financial burden upon the Company if any increase in the basic wage and dearness allowance were granted, I suggested that the Company should agree to pay a minimum basic wage of annas 14 per day for male workers and to grant an increase of annas 4 per day in the wages of workers drawing more than Re. 1 per day and to the monthly paid staff an increase of Rs. 7 per month. No employee was to get less than 4 annas increase in the daily basic wage, i.e., a man getting 11 annas at present will get 11 annas plus 4 annas or 15 annas a day and a man drawing annas 12 will get Re. 1 per day. All male-workers drawing annas 10 or less per day should be immediately brought up to 14 annas per day.

8. As regards women workers, I suggested that the Company should pay them a minimum wage of annas 12 per day. There are about 30 to 35 women workers employed in this Company and none of them is at present getting more than 10 annas per day. The Union was on principle opposed to this suggestion as its contention is that in Bhivandi no workman should be paid less than Re. 1 per day as basic wage and not less than the Bombay Millowners' Association's rate of dearness allowance. But taking into consideration the special circumstances of this case, the Union argued that the suggestion made by me was fair.

9. I, therefore, award that the minimum basic wage for all male-workers shall be raised to annas 14 per day and a flat increase of annas 4 per day shall be granted to workers drawing more than Re. 1 per day and that the monthly paid staff shall be granted an increase of Rs. 7 per month. Women workers shall be paid a minimum basic wage of annas 12 per day. I further direct that the new wage scales prescribed by me shall be paid with retrospective effect from 1st January 1949 and that the amounts due to the workmen, on the basis of the difference between the new rate of basic wages awarded by me herein and the basic wages already paid for the period from 1st January 1949, shall be paid to them in one lump sum within one month from the date of publication of this award in the official Gazette.

*Demand No. 2—Dearness Allowance.*—A system of uniform dearness allowance for all the workers, irrespective of their earning capacity, should be introduced; and what Millowners' Association declare as dearness allowance should be taken as standard and the same should be paid.

9. The Union's demand is that dearness allowance should be paid to all workmen at the uniform rate of the Bombay Millowners' Association's rate of dearness allowance for textile workers in the city of Bombay. The Union argued that this rate of dearness allowance has been awarded to the workmen of Abdul Karim Bros. Ltd., at Ambernath (*Bombay Government Gazette*, Part I, dated 23rd August 1948, page 3899) and was also being paid to the workmen of the Raymond Woolen Mills at Thana. It also relied upon the award in A.J. IT 83 of 1948 of the learned Tribunal Mr. K. C. Sen who has awarded dearness allowance at the rate of 66-2/3 per cent. of the Bombay Millowners' Association's rate of dearness allowance to the workmen of an engineering concern at Mulund. The Company has opposed this demand and has pointed out that the Company's present rate of dearness allowance, which is annas 14 per day for all workmen drawing less than Re. 1 and Rs. 1-3-0 per day for those drawing more than Re. 1 per day, is more than satisfactory and needs no increase. The Company argued that it had so recently as in May 1948 increased the dearness allowance to the present rate which had imposed upon it a burden of Rs. 36,000 per annum.

10. After considerable discussion it was suggested that the Company might raise the dearness allowance to Re. 1 per day for all those who would get a basic wage up to Rs. 1-4-0 per day in the revised rates of basic wage awarded under demand No. 1 herein, and those drawing a higher basic wage should be paid dearness allowance at the rate of Rs. 1-4-0 per day. It was also suggested that the dearness allowance for women workers should be Re. 1 per day, and that the rates of dearness allowance suggested above should be enforced with retrospective effect from 1st January 1949. The Union was on principle opposed

to a grant of dearness allowance at a rate lower than the Bombay Mill-owners' Association's rate of dearness allowance for the textile workers in Bombay City but taking into account the special circumstances of this particular case it stated that dearness allowance on the basis suggested above would be a fair rate of dearness allowance to award against the Company. I, therefore, award that dearness allowance should be paid on the basis suggested above and that this rate of dearness allowance should be granted to the workers with retrospective effect from 1st January 1949. I further direct that the amounts due to the workmen on the basis of the difference between the new rate of dearness allowance awarded by me herein and the dearness allowance already paid for the period from 1st January 1949 shall be paid in one lump sum within one month from the date of publication of this award in the official Gazette.

*Demand No. 3—Leave.*—Engineering and chemical concerns are the places where majority of accidents take place. Therefore, it is in the fitness of things that following system should be introduced with regard to the workers' leave of absence :—

(i) Privilege leave with pay for 20 days in a year.

(ii) Sick leave with pay for 15 days in a year.

(iii) Casual leave with pay for 10 days in a year.

With a right of accumulation of privilege leave for 60 days.

11. The Union demands privilege leave of 20 days in the year, sick leave of 15 days in the year and casual leave of 10 days in the year. But at the hearing the parties were agreeable to privilege leave being granted for 15 days in the year on full pay and dearness allowance. I, therefore, award that 15 days' privilege leave in the year on full pay and dearness allowance shall be granted to the workmen. As regards accumulation, I award accumulation of privilege leave up to three years, i.e., 45 days.

12. With regard to casual leave, the Union demands that 10 days' casual leave in the year on full pay and dearness allowance should be granted to the workmen. Seven days' casual leave is usually granted and I feel it is more than enough. I, therefore, award that the workmen shall be granted 7 days' casual leave in the year on full pay and dearness allowance. It should, however, be remembered that casual leave should not be claimed as a matter of right and the grant of casual leave should be subject to the exigencies of work in the Company.

13. As regards sick leave, the Union demands 20 days' sick leave on full pay and dearness allowance. I think sick leave of 7 days in the year on full pay and dearness allowance on the terms and conditions on which sick leave has been granted by the learned Tribunal Mr. K. C. Sen in A.J. IT 62 of 1948, dispute between the United Motors (India)



Ltd. and its workmen (*Bombay Government Gazette*, Part I, dated 26th November 1948, page 5149) is quite satisfactory. I, therefore, award sick leave of 7 days in the year on full pay and dearness allowance on the following terms and conditions—

(1) The rule must be that in cases of application for sick leave for a period which would make the total period of such leave longer than 7 days during the year, the applicant must first exhaust all the privilege leave due to him and then, if necessary, draw on the accumulation of sick leave which he has made.

(2) Ordinarily sick leave should be granted only on the production of a medical certificate, but for temporary absence for a day owing to sickness, a medical certificate should not be insisted upon.

I further award that sick leave should be allowed to be accumulated up to 6 years, i.e., 42 days. Privilege, casual and sick leave on the above basis to be granted with effect from 1st January 1949.

*Demand No. 4—Gratuity.*—With a view to ensuring the economic stability and well-being of the workers, the system of paying gratuity to those who are made to leave service of the Company or who voluntarily resign from service, be introduced. For this, the system of Standard Vacuum Oil Co. Ltd., Bombay, should be followed.

*Demand No. 6—Provident Fund.*—Provident fund should be introduced to which there should be equal contribution from the Company and the workers of eighteen pies in a rupee which is prevalent in the Burmah Shell Co. Ltd., Bombay.

14. The Union stated at the hearing that it would be satisfied with either gratuity or provident fund being granted. However, since the Company would soon, under the proposed new legislation, have compulsorily to introduce a scheme of provident fund, the Union did not press either of the two demands which were allowed to be withdrawn.

*Demand No. 5.—Bonus for 1947.*—Three months' wages should be paid as bonus for the year 1947. In this context it should be noted that wherever the work monthly occurs, it means a period of 26 days' work in a month.

15. The Company has granted bonus for the year 1947, i.e., out of the profits of its financial year from 1st July 1947 to 30th June 1948, equivalent to 1/6 of the total earnings of each workmen during that year. The bonus has been paid on the calculations of basic wage, and dearness allowance. The Union by this demand claims three months' basic wage as bonus in that year, the bonus to be calculated on the basis of the earnings of the workmen during the period on the basis of 26 working days in a month. At the hearing Mr. Samant, Advocate for the Union, fairly conceded that he was satisfied with the quantum of the bonus paid by the Company but he

argued that the conditions upon which the bonus had been paid during that year were very severe, with the result that only a few of the workmen got any substantial bonus. The bonus for the year 1947-48 was paid on 29th January 1949 on the following terms and conditions (Statement No. 6 in Exhibit 3):—

(1) Those of the workers, who have served during 1947-48 and have continued to serve till the date of payment of bonus, are entitled to  $1/6$  of their earnings of 1947-48, subject to the following conditions.

(2) Those who have left services, or there has been a break in their service between 1st July 1947 to 30th June 1948 and continuance of service till date of payment, is not fulfilled, are not to receive their bonus for 1947-48.

(3) A worker must have worked at least 60 days during the year 1947-48 subject to above condition No. 1.

(4) If any worker is absent for more than 30 days during his service in 1947-48 (excluding the holidays granted with leave with pay) a sum equal to  $1/3$  of such excess of 30 days' absence will be deducted from the due bonus.

(5) The calculation will be as that the worker has been actually paid during the year 1947-48.

(6) All conditions and terms are subject to change by the management.

As will be seen from the above cited conditions, emphasis is on regularity of attendance to such an extent that only those workmen who have attended to their work regularly during the previous year and have also continued in the service of the Company till the date on which bonus is paid, are entitled to any bonus. The minimum qualifying period of service during the year is 60 days. The Company has pleaded that these conditions were considered necessary because of the irregularity in attendance among the workmen of the Company. The Union, I think, has rightly argued that the workmen are entitled to payment of bonus, as their earnings by way of basic wage and dearness allowance fall far short of the living wage. The Union, I think, rightly objects to payment of bonus being made subject to very severe conditions with regard to attendance, etc. The Union has suggested that the conditions of payment of bonus should be revised and that bonus should be ordered to be paid on the same terms and conditions upon which bonus was granted last year to the workers of the textile mills in Bombay. I think this is a fair demand. I, therefore, award that the Company shall make fresh calculations and grant bonus for the year 1947 to each workman on the basis of  $1/6$ th of his basic wage and dearness allowance earned on the following terms and conditions:—

(1) Employees who have worked for less than 75 days and more than 32 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 32 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct during 1947-48 shall not be entitled to any bonus even if he has worked for more than 32 days.

(3) Bonus shall be calculated on earnings on basic wages and dearness allowance (exclusive of bonus already paid) for the period 1st July 1947 to 30th June 1948.

(4) Bonus as stated above shall be paid within two months from the date of the publication of this award in the official Gazette.

(5) Persons who are eligible for bonus but who are not in the service of the Company on the date of the payment shall be paid in one lump sum payment on 1st June 1949 provided claims in writing are submitted to the Manager of the Company before 23rd May 1949, after which no application shall be entertained.

(6) All payments already made by way of bonus for 1947 shall be credited.

*Demand No. 7.*—For the retrenchment of the workers, under the alleged plea of less work, those who are juniors shall be sent out first.

The demands should be given effect to from the 1st January 1947.

16. The final demand of the Union is that in the event of retrenchment of the workers on the plea of lack of work, the Company should be directed to first retrench those junior in service. As a general principle this is a fair enough demand. However, the discretion of the management cannot be fettered as the management may want to retain the services of a junior but more efficient workman than those of a senior workman who is less efficient. The Company, however, at the hearing conceded that as a general principle it would retrench junior workmen first and senior workmen afterwards, but that it should be left to its discretion to make exceptions in certain cases. I think this is fair enough and in view of the Company's assurance no directions appear to me to be necessary.

17. As regards the date from which this award is to have effect, the Union demands that retrospective effect should be given to the awards on the various demands herein with effect from 1st January 1947. Since, however, while discussing the demands I have awarded that retrospective effect should be given to my awards on the various demands with effect from 1st January 1949 only, this demand is rejected.

18. The award is directed to be submitted to Government. No order as to costs.

(Signed) SALIM M. MERCHANT,  
Industrial Tribunal.

(Signed) N. N. MAJUMDAR,  
Secretary.

Bombay, 18th/28th April 1949.

**Order.**

No. 453/48.—Whereas the dispute between G. G. Dandekar Machine Works Ltd., Bhiwandi, District Thana, and the workmen employed under it was referred by Government Order, Labour Department, No. 453/48, dated the 29th December 1948, for adjudication to an Industrial Tribunal;

And whereas the Industrial Tribunal has now given its award in the said dispute;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 15 read with sub-section (3) of section 19 of the Industrial Disputes Act, 1947 (XIV of 1947), the Government of Bombay is hereby pleased to declare that the said award shall be binding on G. G. Dandekar Machine Works Ltd., Bhiwandi, District Thana and the workmen employed under it and to direct that the said award shall come into operation on the 26th April 1949 and shall remain in operation for a period of one year.

Bombay Castle, 28th April 1949.

No. 560/46.—The award of the Tribunal in the industrial dispute between the Goodlass Wall Limited, Bombay and the workmen employed under it referred for adjudication under Government Order, Labour Department, No. 560/46, dated the 9th September 1948 is hereby published :—

BEFORE MR. SALIM M. MERCHANT, INDUSTRIAL  
TRIBUNAL, BOMBAY.

ADJUDICATION

No. AJ. IT 63 of 1948.

BETWEEN

Goodlass Wall Ltd., Bombay.

AND

The Workmen (including clerical and other staff) employed under it in its factory at Lower Parel, Bombay.

In the matter of an Industrial Dispute regarding Increased Wages and Salaries, Payment of Bonus, Increased Dearness Allowance, Leave, Introduction of Gratuity, Change in the Provident Fund Rules, Medical Aid, Provision for Canteen, Regulation of Promotions, etc.

Counsel Mr. Sohrab D. Vimadalal, Barrister-at-Law, instructed by Messrs. Crawford Bayley & Co., Solicitors, and Mr. R. B. Bullock, Managing Director, for the Company.

Mr. N. V. Phadke, Advocate, instructed by Mr. Pinto, President of the Goodlass Wall and Elephant Oil Mills Employees' Union, Bombay, for the workmen.

AWARD.

This Industrial Dispute has been referred to me as Industrial Tribunal by the Government of Bombay under sub-section (2) of section 10 of the Industrial Disputes Act, 1947 (XIV of 1947), by its Order, Labour Department, No. 560/46, dated the 9th September 1948, for adjudication of the matters specified in Annexures A and B to the said Order which are as follows :—

Annexure "A".

(1) Scales of Wages of Workers :—

	Starting minimum wage per day.	Maximum wage per day to reach under the same category.	Period within which maximum will be reached.
	Rs. a. p.	Rs. a. p.	
Coolies and Packing Boys	Rs. 1-2-6 per day or Rs. 30 minimum when the Factory works less than 26 days in a month.	1 12 0	5 years.
Tester's Assistant ...	1 12 0	2 8 0	5 years.
Sample Room Attendant	1 12 0	2 8 0	5 "
Hammerman ...	1 12 0	2 8 0	5 "
Mali ...	1 12 0	2 8 0	5 "
2nd Grade Machineman	1 12 0	2 8 0	5 "
2nd Grade Kettle Attendant			
2nd Grade Stenciller			
Assistant Packages Painter			
Despatch Cooly			
Assistant Weighman	1 12 0	3 0 0	5 "
Packages Painter			
Oilers			
Workshop Cooly	2 0 0	3 8 0	5 "
1st Grade Machineman			
1st Grade Kettle Attendant			
Railway Booker			
Painter Muccadam	2 8 0	3 8 0	5 "
Tinters			
Gum Runners			
Sample Room Tinters	2 8 0	3 8 0	5 "
Assistant Fitter			
Painters ...	2 8 0	4 0 0	5 "
Muccadams ...	2 8 0	4 8 0	5 "
Plus Rs. 10 per month extra.			
Solderman	2 8 0	4 8 0	5 "
Carpenter			
1st Grade Stenciller Fitter			
Weighman	2 8 0	5 0 0	5 "
Fitter and Blacksmith			
Foreman Painter ...	3 0 0	6 0 0	5 "
Mechanic ...	3 0 0	7 0 0	5 "
Electrician and Fitter	90-3-120 on a monthly salary.		
Electrician and Assistant Fitter.			
Boiler Attendant			

(2) *Dear Food Allowance.*—At Mill Owners' Scale calculated for 26 days when the Factory works for less than 26 days in a month for adults and boys alike.

(3) *Leave.*—(a) Thirty days' privilege leave every year with full wages and Allowances.

(b) Thirty days' privilege leave every year without wages and Allowances.

(c) Twenty-one days' sick leave every year with full wages and Allowances.

(d) Seven days' casual leave every year with full wages and Allowances.

(4) *Gratuity.*—Every worker should receive Gratuity at the rate of one month's wages for each completed year of service at the time of leaving service. In case of death his nominee to the Provident Fund should be paid the gratuity.

(5) *Bonus.*—(a) 1/12th of the total earnings for the period from 1st February to 31st July 1947 as balance of the Independence day Bonus.

(b) At least 3 months' Wages i.e., an amount equivalent to  $\frac{1}{12}$ th of 12 months earnings in the Company's financial year should be paid as bonus each year to every worker before the end of January.

(6) *Free Uniforms.*—Free uniforms should be supplied by the Company to every daily paid worker at the rate of two sets of uniform per year. Washing arrangements to be made by the Company at the Company's expense.

(7) *Dispensary and Medical Treatment.*—(a) Full time dispensary with all necessary medicines, first aid appliances, injections and patent medicines to be maintained by the Company in the Factory for giving free medical treatment to all workers. A compounder to be appointed in the dispensary to attend to the patients as and when necessary.

(b) When any of the workers meets with an accident while on duty thereby rendering him physically unfit to move he must be provided with free medical treatment and free conveyance by the Company from the Factory to his house and/or to hospital depending upon the nature of the accident and for a period until he is completely recovered.

(8) *Canteen.*—Immediate arrangements should be made to open a full scale Company subsidised canteen in the Factory.

(9) *Soap for Washing Purposes.*—Soft soap at present supplied to workers for washing purposes to be discontinued and in place a good quality soap for washing purposes should be supplied to all workers immediately.

(10) *Free Supply of Shoes, Respirators, Rubber and Leather Gloves, etc.*—Depending upon the nature of work the Company should supply free of charge shoes, respirators, rubber or leather gloves etc., to workers doing hazardous work.

(11) *Free Milk Ration.*—Half a seer of pure milk to be given to each worker working on lead process in Mill Department, and to all workers attending varnish fires in Varnish Department every day free of cost.

(12) *Annual Factory Holidays.*—All Factory holidays in a year should be fixed in advance in consultation with the representatives of the Union. Any of the Factory holidays so fixed should not be changed without prior consultation with the Union representatives.

(13) *Transfer of Workers to Work of Higher Category.*—When a worker is transferred to any work of higher category than his own on a temporary or permanent basis he should be given the higher wage immediately the transfer is effected.

(14) *Providing Substitutes and Filling up Vacancies.*—(a) When workers are granted short or long leave their vacancies should be immediately filled with suitable substitutes.

(b) All vacancies caused by workers leaving their jobs should be immediately filled up.

(15) *Allotment of Proper Duties.*—Duties of each worker must be correctly allotted and properly defined.

(16) *Suitable Arrangement for Drinking water in Departments.*—Two earthen pots should be supplied to each department for storing drinking water for workers. Arrangements should be made by the Company to clean these pots and fill them with fresh water every day.

#### Annexure " B "

##### (1) Working Hours :—

Staff (excluding Menial Staff) 8 Hours on week days including  
1 hour for lunch interval 4 hours  
on Saturdays or Sundays when  
Saturdays is a holiday.

Menial Staff (excluding Watchmen). 48 Hours a week.

Watchmen ... 8 Hours in a day/night.

##### (2) Scales of Pay : Clerical Staff :—

(a) Overseer ... 75—5—100—10—150  
5 years. 5 years.

(b) Assistants ... 100—10—200—15—275—20—375  
10 years. 5 years. 5 years.

(c) Head of Departments ... 200—25—325—30—475  
5 years. 5 years.

*Technical Staff:—*

(a) Assistants	...	100—15—250—20—450
		10 years.    10 years.
(b) Foreman	...	200—20—300—25—425—30—575
		5 years.    5 years.    5 years.

*Chemists:—*

(a) Junior Chemists	...	150—15—225—20—325—25—450
		5 years.    5 years.    5 years.
(b) Senior Chemists	...	200—20—300—25—425—30—575
		5 years.    5 years.    5 years.

Electrician, Van and Lorry Drivers

...	100—5—125—10—175
	5 years.    5 years.

*Menial Staff:—*

Peons, Sweepers, Watchmen and Laboratory Attendants. 35—3—95

20 years.

H. O. Messenger ... 60—3—90—5—115

10 years.    5 years.

(a) Heads of Peons, Sweepers and Watchmen shall be paid an additional allowance which shall be not less than 25 per cent. of their salary.

*Note.*—Appointments to higher posts shall generally be made from among those who are already in the service of the Company.

(3) *Dearness Allowance.*—(a) *All salaried employees excluding the Menial Staff.*—40 per cent. of the salary plus Rs. 35 or Rs. 75 whichever is greater.

(b) *Menial Staff.*—Index figure calculated for the full calendar month.

The Dearness Allowance on the new scales to be paid with retrospective effect from the 1st September, 1947.

(4) *Immediate Revision of Salary.*—The scales of pay adopted should be applied from the date the member entered the service of the Company and if it is less than the figure thus obtained, it should be immediately adjusted accordingly. If on the other hand a member's present salary is found to be higher than the figure thus obtained, it should remain the same and he should be entitled to the subsequent yearly increments due in accordance with the scale.



(5) *Leave*.—(a) One month's privilege leave with full pay and allowances in a year (after 11 month's service).

(b) One month's sick leave with full pay and allowances supported by proper Medical Certificate.

(c) fifteen days' casual leave with full pay and allowances in a year.

(d) Accumulation of privilege leave up to a minimum of three month's be allowed.

(e) Accumulation of sick leave up to a minimum of three month's be allowed.

(6) *Provident Fund*.—(a) The contribution to the Provident Fund by the Employees as well as the Company should be increased to 10 per cent. instead of the present 8-1/3 per cent.

(b) Company should pay their full contribution after 5 years of service.

(c) 75 per cent. of the Company's contribution after 4 years of service.

(d) 50 per cent. of the Company's contribution after 3 years of service.

(e) One of the Trustees of the Provident Fund should be a representative of the Employees who is member of the Union.

(f) The "Lapse and forfeitures" account should be distributed *pro rata* amongst the members after making due provision for depreciation of the Government Papers.

(g) Under no circumstances the Company's full contribution after 5 years completed service be denied.

(7) *Gratuity*.—One month's current salary shall be payable for every year of service on completion of 10 years of service, but this limitation of 10 years shall not apply in case of disability or death.

(8) *Bonus*.—(a) 1/12th of the total earnings for the period from 1st February to 31st July 1947 as balance of the Independence Day Bonus.

(b) At least 3 months salary i.e. an amount equivalent to 1/4th of the 12 months earnings in the Company's financial year should be paid as bonus each year to every employee before the end of January.

(9) *Canteen*.—Immediate arrangements should be made to open a full scale Company subsidised Canteen in the Factory.

(10) *Dispensary and Medical Treatment*.—(a) Full time dispensary with all necessary medicines, first aid appliances, injections and patent medicines to be maintained by the Company in the Factory for giving free medical treatment to all staff members. A Compounder to be appointed in the Dispensary to attend to the patients as and when necessary.

(b) When any of the staff members meets with an accident while on duty thereby rendering him physically unfit to move he must be provided with free medical treatment and free conveyance by the Company from the Factory to his house and/or to hospital depending upon the nature of the accident and for a period until he is completely recovered.

(11) *Extra Allowance.*—An extra allowance at Rs. 20 minimum per month should be paid to clerks who constantly work on Comptometer and Typewriter.

2. After the usual notices were issued the Goodlass Wall and Elephant Oil Mills Employees' Union (hereinafter called the Union) filed its statement of claim on 5th October 1948 and the Goodlass Wall Ltd., Bombay (hereinafter called the Company) filed its written statement on 29th October 1948 in reply to the statement of claim of the Union. The matter was heard before me between 13th December 1948, and 22nd December 1948, on which date the hearing was concluded. At the request of both the parties I visited the factory on 8th December 1948. I withheld giving my award after the hearing of this adjudication was concluded as the same Union had a dispute with the Elephant Oil Mills Ltd., Bombay (AJ.IT 64 of 1948), where the demands were almost identical and which also had been referred to my adjudication by Government by another Order of the same date. The said dispute was heard by me between 13th January 1949, and 17th January 1949, on which date the hearing was concluded. As both the companies are paint factories and their workmen are represented by the same Union and as both the Companies entered into the same agreement with the Union in respect of the disputes of the workmen of these respective companies, it was felt necessary to complete the hearing in the second reference before making this Award.

3. Goodlass Wall Ltd. is one of the three large and well established paint factories in Bombay as shown in Appendix I of the Report of the Panel on Paints and Varnishes Industries constituted by the Planning and Development Department of the Government of India (Ex. 25). The owners of Goodlass Wall Ltd., Bombay, are Goodlass Wall and Lead Industries Ltd., London, the shares standing in the names of nominees mostly in India. The Company started business in 1933 after purchase of the name and assets of the Gahagan Paint and Varnishing Co. Ltd., Bombay. The name of the Company was changed to Goodlass Wall (India) Ltd. in the year 1933 and to Goodlass Wall Ltd. in 1946. The Managing Agents of the Company are Messrs. Forbes, Forbes Campbell & Co. Ltd., and the capital of the Company today is Rs. 7,0,000 made up of 2,750 ordinary shares of Rs. 100 each and 4,250 5 per cent. redeemable preference shares of Rs. 100 each. The Company is a private limited company. During 1933 to 1939 the Company suffered a loss of no less than Rs. 6,50,000 i.e., over 2½ times its then paid up capital and it was not until 1940 that the Company started making profits and not until 1944 that the Company was able to declare its first dividend. During the period when the Company was making heavy losses it had to be financed by its parent Company in England and by loans from Banks in India guaranteed by Goodlass Wall and Lead Industries Ltd. against the Company's liquid assets. The Company at one time owed as much

as Rs. 7,33,000 to Goodlass Wall and Lead Industries Ltd. for the cost of raw materials and machinery supplied on credit but no interest was charged, although large sums were outstanding for long periods. It is, however, admitted that on account of the war and the absence of imports the Company had opportunities to develop its business and to make good profits. The Company seems to have availed of this opportunity fully as I find from the balance sheets of the Company for the last four years given to me under a sealed cover. The Company has during the last few years made substantial profits and is today in a sound and flourishing financial condition. As admitted by the Company in its written statement (page 6 of Ex. 2) the Company's profits increased considerably as a result of big turnover from war and other causes. I may here state that whilst in its written statement the Company has given full details and particulars of its financial difficulties upto 1944 it has objected to its workers' representatives being shown the balance sheets for the last 4 years, though the Company agreed to let me have inspection of the same by tendering them under a sealed cover. The Company, however, stated at the hearing that it did not dispute that it had the capacity to meet the demands made by the Union but it argued that if all the demands were to be conceded it would not be possible for any factory of its kind to work normally. After a careful scrutiny of the balance sheets of the Company for the last 4 years I have come to the conclusion that the Company to-day is in a sound and flourishing financial condition.

4. I should like to refer briefly to the history of the dispute between the Company and its workmen. In 1944 the salaried employees in the factory and at the head office, formed themselves into an Association and presented demands for scales of pay, leave rules, introduction of provident fund and payment of adequate bonus. The Union stated that prior to 1944 there were no definite grades of pay and the increments granted were very low and given once in many years to most of the staff. The Company has admitted that generally speaking there were no definite salary grades but it has argued that such a system was not customary in those days nor could grades be laid down due to uncertain business conditions. The Company, however, each year reviewed the salaries etc. paid to the employees and deserving cases were granted regular and, in many cases, substantial increments. The Association presented demands to the Company but according to the Union none of the important demands were granted. Provident Fund was, however, introduced in 1945 and a gratuity was paid to all the workmen for the period of service prior to 1945 on the basis of one month's salary for each year of completed service prior to 1st April 1945 and proportionately for shorter periods. The Association not having been a Trade Union, the employees dissolved the Association and formed a Union of the salaried employees of this Company together with the salaried employees of Elephant Oil Mills Ltd., another paint factory. The Union was formed in July 1946 under the Indian Trade Unions Act

of 1926. The Union submitted its demands in August 1946 and gave a strike notice on 28th September 1946. The Company upon receipt of the strike notice offered revised terms of employment to the salaried staff of the Company by notice, dated 11th October 1946. The last paragraph of the notice (Ex. C to the Company's written statement) stated, "provided the salaried employees of the factory of Goodlass Wall Ltd. do not go on strike the Company is willing to introduce the following terms of employment." The employees, however, were not satisfied with these revised terms of service and struck work from 14th October 1946 till 21st November 1946. It is to be noted, however, that the strike was of the salaried staff of the Company and the daily paid workers of the Company did not join the same. However, on 21st November 1946 this Company and the Elephant Oil Mills Ltd. entered into an agreement with the Union as representing their respective salaried employees, by which it was agreed that the terms of settlement as contained in both the companies' notices, dated 11th October 1946 as amended by clauses 2, 3, 4 and 5 of the agreement, would form the general basis for the settlement of the dispute. Paragraph 2 of the agreement provided that the management of both the Companies would introduce a system of salary grades with automatic annual increments and immediately work was resumed at both factories, commenced negotiations with regard to the settlement of the graded scheme and fixation of individual salaries within the graded scheme. Later, on 6th January 1947 both the Companies and the Union signed the final terms of settlement by which the working hours in both factories, scales of pay, dearness allowance, leave rules, terms of provident fund, payment of overtime, provision for canteen, medical treatment, gratuity etc. were agreed upon. The scales of pay mentioned in these terms of settlement (Ex. E to the Company's written statement) provided for automatic annual increments. However, these terms of settlement differ from the terms of employment offered on 11th October 1946 (which were subject to the workmen not resorting to a strike), inasmuch as while the former provided for only four grades of non-technical employees the latter provided for 5 grades. Similarly on the technical side while the terms offered on 11th October 1946 divided the Foremen into Assistant Foremen and Foremen, the new terms of settlement provided for 3 grades of Foremen, namely, Junior Foremen, Foremen and Senior Foremen. A similar distinction was made in the grades of Chemists. The Union has complained that the Company has not observed the terms of settlement inasmuch as the Company altered designations of many members of the salaried staff by placing them in lower grades in order to deprive them of the advantage of the enhanced new grades. The Union addressed repeated requests to the Company (Ex. 6) but beyond giving laconic replies the Company was not prepared to redress the grievances of the workmen. In 1947 the daily paid workers of the Company joined the Union and fresh demands were submitted on 30th December 1947 on behalf of the workers. Negotiations commenced but broke down in

March 1948. The Company has argued that the Company did not concede the Union's demands as the Company could not afford to meet the demands and as they were considerably higher than those granted by other paint factories in India and by other industries in India. On 7th July 1948 the Union addressed the demands under reference, whereupon Government's intervention was sought and the dispute was referred to adjudication on 9th September 1948. The demands stated in Annexure A to the Order refer to the daily rated staff of the Company and the demands stated in Annexure B to the Order refer to the salaried staff of the Company. There are certain demands which are common to both categories such as alteration of provident fund rules, introduction of gratuity, payment of bonus, canteen arrangements and the like. They have been dealt with at one place and the Award on these demands will apply both to the daily rated staff as well as the salaried staff.

5. The Company has argued that in considering the demands I should take into account the prevailing service conditions in the paint industry as a whole. The Union has argued that this and the other adjudication (AJ-IT 64 of 1948) do not relate to the paint industry as a whole, but only to two of its most flourishing units. It has pointed out that this Company and the Elephant Oil Mills Ltd., are two of the three large and well-established paint factories in Bombay. The Company has in its written statement filed a long list of paint manufacturing concerns in Bombay and in India (Ex. A and B to the Company's written statement). The report of the panel on Paints and Varnishes Industries constituted by the Planning and Development Department of the Government of India in May 1945 and published some time in 1947-48, of which Mr. F. H. Kemple, a Director of the Company, was a member, in Appendix 1 on page 17 of its report, shows that in the Bombay area there are only 9 paint manufacturers, of which three are large well-established paint factories. Of these three this Company and Elephant Oil Mills Ltd. are two. Neither side has placed before me any material to enable me to judge the conditions of service in other paint factories in Bombay and I am, therefore, compelled to deal with this Company and with the Elephant Oil Mills Ltd., as two individual concerns against whom demands have been made by the workmen and to decide the demands on the general principles of what should be paid to its employees for the type of work they are doing bearing in mind the financial capacity of the Company. In arriving at my decisions on the demands I have borne in mind what workmen in other industrial concerns have been awarded on similar demands. I now proceed to discuss the demands seriatim.

*Annexure "A"*

*Demand No. 1—Scale of wages of workers—*

6. The first demand in Annexure A which relates to daily paid workers is in respect of scales of wages. The workers in the

Company are at present being paid wages in the scales mentioned Ex. E2 to the Company's written statement. The lowest paid workmen such as coolies are started on a daily wage of Rs. 1-2-6 and by annual increments of one anna rise to Rs. 1-4-6 per day. There is no scientific classification on the basis of the type of work being done. At the hearing the Company filed a statement (Ex. 23) in which it has divided its daily paid workers into 8 groups, A to H. The designation of each workman in each group is also stated. It is a comparative statement showing the existing scales of pay, those demanded by the Union and those which the learned Counsel for the Company suggested might be adopted. It was agreed at the hearing that the employees in Group A represented unskilled workmen, in Group B semi-skilled workmen and in Group C the lowest grade of skilled workmen. Groups D, E, F, G and H represented skilled workmen of higher grades. I personally feel that the grouping of skilled workmen into 6 groups in one of which there is only one workman and in one two, is dissatisfactory. However, in the adjudication of the dispute between the Elephant Oil Mills Ltd. and its employees represented by this very Union, the parties agreed to a similar grouping. I am therefore, retaining these 8 groups of the daily paid workers in this Company.

7. I, however, feel that the MALI and DESPATCH COOLIE should not be classified in the unskilled category. The only other classes of unskilled workmen employed in this Company are COOLIES and PACKING BOYS. There are no Packing Boys at present employed in the Company. The Company at present pays Coolies wages in the scale of Rs. 1-2-6—Anna 1—Rs. 1-4-6 per day. The Union demands for them under the first item to demand No. 1 in Annexure A a wage scale of Rs. 1-2-6 per day rising within five years to Rs. 1-12-0 per day. It will thus be seen that both the Union and the Company are agreed that the starting wage for an unskilled workman shall be Rs. 1-2-6 per day. In a month of 26 working days this gives the workmen a monthly wage of Rs. 30 which is the minimum basic wage fixed for workers in the textile industry and also the wage recommended by the Central Pay Commission for the unlearned and unskilled categories of Class IV employees (page 43 of the Central Pay Commission's report). The Company at the hearing proposed to revise the scale to Rs. 1-2-6—As. 1½—Rs. 1-8-6 per day. In the Tata Oil Mills Co. Ltd. Award (A.J. IT 12 of 1947, I.C.R. 1948 Bom. page 241) Divan Bahadur D. G. Kamerkar has fixed a scale of Rs. 1-4-0—Anna 1—Rs. 1-10-0 per day for unskilled workmen. Normally they get an annual increment of one anna but as both this Company and the Elephant Oil Mills Ltd., have offered this class an annual increment of 1½ annas per day I am awarding the same. I, however, feel that the maximum of Rs. 1-8-6 suggested by the Company is not sufficient. I feel that the maximum should be the same as has been awarded in the Tata Oil Mills Co. Ltd.'s award. I, therefore, fix the wages

of COOLIES in the scale of Rs. 1-2-6—1½ annas—Rs. 1-10-0 per day. As there are no Packing Boys now employed by the Company no order in respect of them is necessary.

8. The Union, however, demands that they should be paid at the rate of Rs. 1-2-6 per day or Rs. 30 minimum when the factory works for less than 26 days in a month. The Union argues that in Bombay industrial workers must be ensured a minimum basic wage of Rs. 30 per month. As these are daily paid workmen if the factory works for less than 26 days in a month the earned wages of the workmen would fall below Rs. 30 per month. They, therefore, demand that the workmen should be guaranteed a minimum wage of Rs. 30 per month even when the factory works for less than 26 days in a month. If during a month the factory works for more than 26 days the workmen will earn more than Rs. 30 per month. They will thus be better off in those months than workers paid on a fixed monthly salary of Rs. 30 per month. The Company has opposed this demand and said that wages should only be paid for days actually worked and that this is the practice followed in the textile industry and other paint factories. I do not feel I would be justified in making a departure from what has become the practice by awarding this portion of the demand and the same is, therefore, rejected.

9. The categories of workers commencing with Testers' Assistant and ending with Boiler Attendant are all included in the Groups A to H referred to above, except MALIS and DESPATCH COOLIES, with whom I have dealt separately. The Company at the hearing stated that there is no employee with the designation of Testers' Assistant, Assistant Package Painters, Painter-Muccadam and Assistant Painter-Muccadam. The Company and the Union are agreed that there is no designation of Assistant Package Painters and Assistant Railway Booker. The Union also admits that there is no separate designation of Painter-Muccadam. The controversy centred round one Devji Raghunath. On the Company assuring the Union that Devji Raghunath is already recognised as a Muccadam and is designated as Packers Muccadam the union did not press for a separate Designation of Painter muccadam : Devji Raghunath will, therefore, come in the category of Muccadam. With regard to the Testers' Assistant, the Company in its written statement points out that at present it does not have any employee with the designation of Testers' Assistant. Formerly there was a cooly who assisted the Tester in a manual way in carrying out his work. His duty was to move drums and containers of painters and do other manual work of that nature. The Company stated that the work of Testers' Assistant outlined by the Union in its statement of claim was hopelessly exaggerated. Testers' Assistant need not have any knowledge or skill and they are not to do any work which have even an element of skill. The Company argues that the cooly's scale paid to the Testers' Assistant is adequate. After hearing both parties, I am satisfied that there is no justification in the Union's

demand for a separate category of Testers' Assistant and for a separate scale of wages for him. He is doing manual work in assisting the Tester. The Company is, therefore, rightly including him in the category of Coolies and he will, therefore, get a cooly's wage. The Company has also stated that (1) the Electrician and Fitter and (2) Electrician and Assistant Fitter, referred to by the Union, are "Electrical Wiremen and Fitters" and they have been shown in Group G in Ex. 23. All the rest of the workmen mentioned in Annexure A, except MALIS and DESPATCH COOLIES, are included in the following 8 groups :—

*Group "A"*

Coolies.

*Group "B"*

Workshop Coolies.  
2nd Grade Machineman.  
2nd Grade Kettle Attendants.  
2nd Grade Stencillers.  
Sample Room Attendant.  
Package Painter.  
Hammermen.  
Greaser and Oilers.  
Nailer (New Grade).

*Group "C"*

1st Grade Machinemen.  
1st Grade Kettle Attendants.  
1st Grade Stencillers.  
Railway Bookers.  
Assistant Weighmen.  
Sample Room Tinters.

*Group "D"*

Solderers.  
Carpenter.  
Tinters.  
Gum Runners.

*Group "E"*

Weighmen.  
Assistant Fitter.  
Muccadams.

*Group "F"*

Blacksmith and Assistant Fitter,  
Painters.



*Group 'G'.*

Fitters.  
Boiler Attendant.  
Electrical Wiremen and Fitters.  
Foreman Painter.

*Group 'H'.*

Mechanics.

Out of these I have already dealt with Group "A" stated above who are admittedly of the unskilled category. All the workmen mentioned in Group "B" are admitted by both parties to be doing semi-skilled work. Except HAMMERMEN, GREASERS and OILERS and NAILERS (New Grade) they are at present paid in the scale of Rs. 1-4-6—Annas 2—Rs. 1-8-6 per day. HAMMERMEN and GREASERS and OILERS are paid wages in the scale of Rs. 1-4-6—Annas 2—Rs. 1-12-6 per day. The Union has demanded for them various grades starting with Rs. 1-12-0 per day and ending with Rs. 2-8-0 or Rs. 3. The Company has offered them a revised scale of Rs. 1-6-6—Annas 1½—Rs. 1-12-6 which I think is not an adequate wage scale for semi-skilled workmen. In the Tata Oil Mills Co. Ltd.'s Award (I. C. R. Bom. 1948 page 241) Divan Bahadur D. G. Kamerkar has awarded semi-skilled workmen a wage scale of Rs. 1-8-0—Annas 2—Rs. 2-4-0. Sir Harishidbhai V. Divatia in his Award in the Greaves Cotton and Crompton Parkinson Ltd., (I. C. R. Bom. 1948, page 223) dispute has awarded semi-skilled workmen two grades, the lower one being Rs. 35—1-50 and the higher one being Rs. 50—2-60, which, on the basis of 26 working days in the month, works out to a daily wage of Rs. 1-5-6—Anna 1-1/8—Rs. 1-14-6 per day and Rs. 1-14-6—Annas 2½—Rs. 2-4-10 per day. As both parties desire to have one group of semi-skilled workmen I feel a wage scale of Rs. 1-8-0—Annas 2—Rs. 2-4-0 per day is fair and I award accordingly. All the categories of employees in Group "B", therefore, including the new grade of NAILERS will receive wages in the scale of Rs. 1-8-0—Annas 2—Rs. 2-4-0 per day.

10. As regards group "C" both the parties are agreed that they are skilled workmen of the lowest grade. The Company at present pays them a wage scale of Rs. 1-8-6—Annas 2—Rs. 1-12-6 per day and has offered them a wage of Rs. 1-10-0—Annas 1½—Rs. 2. It will be noticed that the annual increment offered for the semi-skilled workmen in group "B" and skilled workmen in group "C" are lower by half an anna than the present increment being paid to these workmen by the Company. The Union on the other hand has demanded for these workmen a wage scale of Rs. 1-12-0—Annas 2—Rs. 2-8-0—Rs. 3-8-0 and Rs. 4-8-0. I propose to grant these workmen a wage scale of Rs. 2-0-0—Annas 2½—Rs. 3-6-6 per day. The

maximum of this wage scale is considerably lower than the maximum fixed for skilled workmen in the Tata Oil Mills Co. Ltd.'s Award (I. C. R. Bom. 1948, page 241) where the maximum with an efficiency bar at Rs. 2-15-0 per day is Rs. 4-10-0 per day. In this group all the workmen excepting the Assistant Weighmen, for whom the Company has given a wage scale of Rs. 1-12-0—Rs. 3-0-0, will get a wage scale of Rs. 2-0-0—Annas 2½—Rs. 3-6-6 fixed by me. ASSISTANT WEIGHMEN will start at Rs. 1-12-0 and rise upto Rs. 3-6-6 per day. I cannot give the ASSISTANT WEIGHMEN a higher wage scale than what has been demanded by the Union, but I would recommend to the Company to pay him the same wage scale as fixed by me for all the other members in group "C".

11. The remaining groups D, E, F, G and H cover only 14 employees in all. Their work involves varying degree of skill. Some of them are highly skilled workmen, whilst the nature of duties of some is almost supervisory. After hearing both parties and bearing in mind the present wage scales paid and the wage scales offered by the Company and that demanded by the Union and the wage scales generally awarded to such workmen in other industries and particularly by Sir Harshidbhai V. Divatia in his Award in the Greaves Cotton and Crompton Parkinson Ltd. dispute to Grade II and Grade I skilled workmen, I award that workmen in Group "D" should be paid a wage scale of Rs. 2-8-0—Annas 3—last increment annas 4 to—Rs. 3-8-0 per day. The Union has claimed this wage scale for TINTERS and GUM RUNNERS and higher scales for CARPENTERS and SOLDERERS. I feel that the wage scale of Rs. 2-8-0 rising to Rs. 3-8-0 by annual increments of annas 3 per day is quite adequate for all the categories in this group and I award accordingly.

12. For Group "E" I fix a wage scale of Rs. 2-8-0—Annas 3½—Rs. 4-4-0. The Union has claimed for ASSISTANT FITTER a wage scale of Rs. 2-8-0 to Rs. 3-8-0. He will, therefore, be paid a wage scale of Rs. 2-8-0—0-4-0 to Rs. 3-8-0 but I would recommend to the Company to pay him the wage scale fixed for Group "E" workmen.

13. As regards the MUKKADAM the Union has claimed a wage scale, of Rs. 2-8-0 to Rs. 4-4-0 per day and as claimed also Rs. 10 per month as extra allowance. Mukkadams will be paid in the wage scale of Rs. 2-8-0—Annas 4—Rs. 4-4-0 and will not be paid the extra allowance of Rs. 10 per month.

14. For Group 'F' which has only two categories of employees namely the BLACKSMITH and FITER and PAINTER. The BLACKSMITH will be paid wages in the scale of Rs. 2-8-0—Annas 4—Rs. 4-4-0 per day and I award him that scale. As regards PAINTERS the Union has claimed for them a wage scale of Rs. 2-8-0—Annas 4—Rs. 4-0-0 per day and I award him that scale. But I would recommend to the Company to pay him the maximum of Rs. 4-4-0 to bring him in line with the BLACKSMITH.

15. As regards Group "G" I fix a wage scale of Rs. 2-8-0—Annas 4—Rs. 4-8-0 per day, for FITTERS, BOILER ATTENDANTS, ELECTRICAL WIREMEN and FITTERS and FOREMAN PAINTER. The last increment will be Annas 6. I think all these are highly skilled workmen and I feel the wage scale I have awarded them is reasonable for them.

16. As regards the MECHANIC both the Union and the Company are agreed that he should start on Rs. 3 per day as he does at present. The Union has demanded a maximum of Rs. 7 per day for him and the Company has offered him Rs. 5-4-0 per day. The MECHANIC does responsible type of highly skilled work and I feel that he should be paid the maximum of Rs. 6-6-0 per day in the scale of Rs. 3-0-0—Annas 6—Rs. 6-6-0 per day.

17. The only categories left out are the MALIS and the DESPATCH COOLIES. The Mali in this Company has very little work to do as there is hardly any garden in the Company. The Company at present pays the Mali a wage scale of Rs. 1-2-6 rising to Rs. 1-4-6 per day. MALIS are entitled to a higher grade than COOLIES. The Union, however, demands for MALIS a wage scale of Rs. 1-12-0—Rs. 2-8-0 per day which, I feel, is excessive. I, therefore, award the MALI a wage scale of Rs. 1-6-0—Annas 1½—Rs. 2-2-0 per day.

18. With regard to DESPATCH COOLIES I feel that the work is more responsible than that of ordinary coolies as they have to attend to the proper delivery of the finished products of the Company to the customers. I, therefore, fix for DESPATCH COOLIES a wage scale of Rs. 1-4-6—Annas 2—Rs. 2-0-6 per day.

19. As regards the date from which this new scale awarded by me shall be made operative, it is competent to me to fix any date after the date of the reference, which is 9th September 1948. The demand for the revision of wage scales was made by the Union earlier. As the scales of wages of these workmen have not been satisfactory, I award that the new wage scales shall come into operative from 1st October 1948.

20. As regards the adjustment I should like to follow the method of adjustment adopted by Sir Harshidbhai V. Divatia in his Award in the dispute between Greaves Cotton and Crompton Parkinson Ltd. and its workmen (I. C. R. Bom. 1948, page 223). I, therefore, direct that the present salaries and wages of the workmen should be adjusted in the scales of pay which I have prescribed on the following basis with effect from 1st October 1948:—

For those with less than one year's service.—No increment in the revised scale.

For those with one year's service.—One increment in the revised scale.

For service of more than 2 years but less than four years.—Two increments in the revised scale.

For service of more than four years.—Three increments in the revised scale.

These increments should be added to their present salaries. It may be that some of the employees have come very near the maximum. In their cases the adjustment will not take them above the maximum of the grades fixed for them. Those who may be getting more than the maximum will continue to get the same and their salaries will not be reduced. After these increments are granted the employee shall be stepped up to the nearest increase in the revised scale if the amount of salaries with the increments as added above falls short of that amount in the graded step. After the salaries are adjusted no employee will be staggered and he will continue to get future annual increments. All the workmen shall be paid their dues under this Award within two months of the publication of this Award in the official Gazette.

*Demand No. 2—Dear Food Allowance.—*

21. The demand is that the workers should be paid dearness allowance at the Bombay Millowners' Association's scale. The Company is at present paying them dearness allowance at this rate and, therefore, there is no controversy as regards this demand. The only award necessary is that the Company shall continue to pay dearness allowance to workers at the rate at which dearness allowance is paid to textile workers and if the present rate is revised by the Bombay Millowners' Association or by an Order of the Industrial Court, Bombay, then at such revised rate.

22. The Union demands that the workers should be paid dearness allowance on the basis of 26 working days in the month irrespective of whether the factory works for 26 days or not. According to the dearness allowance awarded by the Industrial Court to the textile workers (Ref. No. 1, 4 and 5 of 1946 I. C. R. Bom. 1948, page 47) the rate of dearness allowance fixed is on the basis of 26 working days in the month. If the Mills work for more days a higher dearness allowance is paid than when the Mills work for 26 days in the month. Similarly if the Mills work for less than 26 days in the month the dearness allowance is correspondingly lower. It must, however, be remembered that dearness allowance is payable for days for which wages are paid. Under the Union's demand even when the workman earns wages for less than 26 days in the month, dearness allowance on the basis of 26 days in the month must be paid. As dearness allowance is paid on wages for days worked this demand does not seem to be justified and is, therefore, rejected.

*Demand No. 3-a — Privilege Leave—*

23. The Union demands privilege leave of 30 days in the year on full pay and allowance. The Company hitherto has granted to workers 10 years' holidays with pay in the year under the provisions of the old Factories' Act. The Union bases its demand on the ground that the conditions of work in a paint factory are strenuous. It also urged that as most of the workers spend their leave at their native place, some days are wasted in travelling and some allowance should be made on that account. Under the new Factories' Act which has come into force from 1st April 1949 every adult factory worker will under section 79-1 (i) thereof be entitled to one day's privilege leave for every 20 days of work performed by him during the previous period of 12 months subject to a minimum of ten days. Grant of longer privilege leave to industrial workers employed in an industry would make the working of the industry difficult and impracticable. The Company grants 30 days' privilege leave without pay in the year and I have also granted casual leave and sick leave. The Company shall, therefore, grant privilege leave as provided under the Factories' Act, 1948, and shall also grant accumulation thereof as provided for in the said Act.

*Demand No. 3-b — Leave without Pay—*

24. The Company at present grants 30 days' leave in a year without wages and allowance. This demand is, therefore, granted.

*Demand No. 3-c—Sick Leave—*

25. The Company at present does not grant any leave for ordinary sickness on full pay. The Company has opposed the Union's demand for 20 days' sick leave in a year with full pay and allowance. The Company says that there is no provision in the Factories Act for grant of sick leave and that, therefore, it should not be called upon to grant any sick leave. The Company points out that under its present rules a worker, who is injured in the course of his work, is paid full wages and allowances even during the first waiting period of 7 days during which no wages and allowances are payable under the Workmen's Compensation Act. It must be remembered that sick leave is on a different footing from injury leave. Mr. Vimadlal, learned Counsel for the Company, has argued, that any leave granted in excess of what is provided in the Factories, Act or in the Shops and Establishments Act would be *ultra vires*. The same point was raised before the learned Tribunal Mr. K. C. Sen in the dispute between Nanu's (Brass) Works, Bombay, and the workmen employed under it (AJ. IT 59 of 1948, *Bombay Government Gazette*, Part I, dated 1st October 1948) and it was negatived. I have also not upheld this contention in my award in the dispute

between the Bombay Suburban Electric Supply Ltd., and its workmen (A.J. IT 51 of 1948, *Bombay Government Gazette* Extraordinary, Part I, dated 20th January 1949). Without prejudice to the above contention of his, Mr. Vinadalal at the hearing stated that he would leave it to the Court to fix the period of sick leave and suggested that sick leave should not be more than 10 days in the year on half pay. In his recent award in the dispute between Ford Motor Co. of India Ltd. and the United Motors (India) Ltd., the learned Tribunal Mr. K. C. Sen has awarded 7 days' sick leave in the year with full pay and dearness allowance on the following conditions:—

(1) In cases of applications for sick leave for a period which would make the total period of sick leave longer than seven days during the year the applicant must first exhaust all the privilege leave due to him and then, if necessary, draw on the accumulation of sick leave which he has made.

(2) Ordinarily sick leave should be granted only on production of a medical certificate, but for temporary absence for a day owing to sickness a medical certificate should not be insisted upon.

Following with respect that Award, I award that workmen shall be entitled to 7 days' sick leave in a year on full pay and dearness allowance on the above conditions.

#### *Demand No. 3-d—Casual Leave—*

26. The Union demands 7 days' casual leave in the year with full wages and allowances. The Company at present grants no casual leave to its workers. Some provision for casual leave is absolutely necessary for unforeseen circumstances and events which compel workers to remain absent from duty. The Union's demand for 7 days' casual leave in the year is reasonable and I award the same subject to the condition that not more than three days' casual leave shall be taken at a time and that the award of casual leave shall depend upon the exigencies of work in the factory. It must be remembered that casual leave cannot be claimed as of right but only in unforeseen and emergent circumstances. Casual leave will be on full pay and dearness allowance.

#### *Demand No. 4—Gratuity—*

27. At present there is no system of payment of gratuity to workmen. The Company has a Provident Fund Scheme which was introduced from 1st April 1945. "Further to compensate the staff and labour for the services they had completed with the Company before the introduction of the Provident Fund the Company introduced a gratuity scheme for the period of the date from which an employee joined the Company until 31st March 1945 on the basis of the month's salary for each year of completed service prior to 1st April 1945 and proportionately for smaller periods." (Page 9 of the

Company's written statement). The Company argues that since it has introduced a Provident Fund there is no necessity for the payment of any gratuity for services rendered after the date of the introduction of the Provident Fund, i.e., 1st April 1945. But as pointed out by Divan Bahadur D. G. Kamerkar in his award in AJ.IT 5 of 1947 "The grant of gratuity in addition to provident fund has now come to be generally recognised as a very fair and desirable benefit to be conceded by an employer concern to its employees". I feel that this Company with its sound financial position can well afford to pay all its employees gratuity in addition to Provident Fund. Under this demand in Annexure "A", which is for daily paid workers the Union demands that every worker should receive gratuity at the rate of one month's wages for each year of service at the time of retirement. In case of death his nominee to the Provident Fund should be paid the gratuity. Under demand No. 7 in Annexure "B", which is in respect of the monthly salaried staff, the Union demands that one month's current salary should be payable for every year of service on completion of ten years' service. But this limitation of ten years shall not apply in the case of his disability or death. I feel that the terms of a scheme of gratuity should be the same for all employees of the Company irrespective of whether they are daily paid or monthly paid. The Company has compensated its workmen for services prior to 1st April 1945 by making a provision for payment of gratuity to them on the basis of one month's wages for each year of completed service prior to 1st April 1945, and proportionately for shorter periods of service. This compensation was granted because of the absence of a Provident Fund. The scheme of gratuity which I am awarding will, therefore, take into account the past services of each workman from the day he joined the services of the Company but shall not take into account the gratuity already paid as it was really a compensation for the absence of a Provident Fund rather than a reward for long, honest and meritorious services. I award that the Company should pay gratuity on the following basis :—

- (1) On the death of an employee while in the service of the Company or on his physical or mental disability to continue further in service. One month's salary for each year of service subject to a maximum of 15 months' salary to be paid to his heirs, executors or nominees.
- (2) On voluntary retirement or resignation of an employee :  
After 15 years' continuous service in the Company. 15 months' salary.
- (3) On termination of his service by the Company :
  - (a) After 10 years' continuous service but less than 15 years' service in the Company.  $\frac{2}{3}$  of one month's salary for each year of service.

(b) After 15 years' continuous service in the Company. 15 months' salary.

- (4) Gratuity will not be paid to any employee who is dismissed for dishonesty or misconduct.

28. Salary for the purpose of calculating gratuity shall mean the substantive salary (exclusive of dearness allowance) of an employee on the date the employee ceases to be in the employment of the Company. The Company may at its discretion grant gratuity in excess of the above.

29. This award shall apply both to the daily-rated workmen and the monthly paid staff and should be treated as an Award in respect of Demand No. 4 in Annexure "A" and demand No. 7 in Annexure "B".

*Demand No. 5-a—Bonus.*

30. This demand as well as demand No. 8-a in Annexure 'B' are identical. Under demand No. 5-a, the Union demands that 1/12th of the earnings from 1st February 1947 to 31st July 1947 should be awarded as balance of Independence Day bonus. The Company has paid 1/24th of the total earnings for the said period as Independence Day bonus. The Union demands that one month's Independence Day bonus should have been paid and claims that the balance of half month's wages should now be awarded. Mr. Vimadlal, learned Counsel for the Company, has argued that a demand for payment of a gratuitous bonus like Independence Day Bonus cannot be made the subject-matter of an industrial dispute. He has drawn my attention to the Award of an Industrial Tribunal from Calcutta in the dispute between Basanti Cotton Mills, Ltd., Calcutta and its employees (I. C. R. Bombay, 1948, page 288) in which a demand for Independence Day bonus was rejected by the Tribunal holding that a demand for Independence Day bonus cannot be made an industrial dispute within the meaning of the Industrial Disputes Act of 1947 (XIV of 1947). I have already followed this decision with respect in my Award in AJ.IT 28 of 1948 (dispute between the Indian Vegetable Products Ltd., and the workmen employed under it.) The demand, therefore, cannot be entertained and is rejected.

31. This Award shall apply both to the daily-rated workmen and the monthly paid staff and should be treated as an Award in respect of demand No. 5-a in Annexure "A" and demand No. 8-a in Annexure 'B'.

*Demand No. 5-b—Bonus—*

32. The Company at the hearing has argued that the demand 5-b as framed is for a direction that in future the Company should each year pay three months' wages as bonus and that the demand being for payment in future cannot be awarded. The Union has



argued that the demand is not for a future period but for the years since 1943. The Union has referred to the correspondence between the Union and the Company on the one hand and the letters addressed by the Union to the Deputy Director of Labour Administration before the reference of this dispute to adjudication (Ex. 6) in which the demand is for one month's wage as additional bonus for the period from 1st December 1945 to 30th November 1946. At the hearing Mr. Vimadala, learned Counsel for the Company, stated that at most this demand of the Union can be deemed to be only in respect of the said period of one year from 1st December 1945 to 30th November 1946. The Company has filed a statement showing the amount of bonus it has paid to the workmen and the monthly salaried staff since 1943 (Ex. 17). It appears from Ex. 17 that in 1947 out of the profits of the year 1945-46 (1st December 1945 to 30th November 1946) the Company paid two months' wages as annual bonus, but when the textile workers were awarded bonus equivalent to 2.4 months' wages for that year, this Company paid the balance of .4 months' wages. Thus out of its profits for the financial year 1st December 1945 to 30th November 1946 the Company has paid 2.4 months' basic wages as bonus. The Union has in its statement of claim as well as at the hearing pointed out that the Company has been annually paying bonus equivalent to three months' wages to its managerial staff consisting of the Manager and two Assistant Managers, whilst the salaried staff and the workers have mostly been paid only two months' wages as annual bonus—except for 1945-46 when it paid 2.4 months' basic wage as bonus as stated above. From the correspondence it is clear that the demand of the Union was in respect of an additional bonus equivalent to a month's wages out of the profits of the Company for the year 1945-46 and it was so understood by the Company as in its reply dated 3rd April 1947 to the Union's letter dated 31st March 1947 the Company stated "that it was not willing to grant an increase in the bonus recently declared for the period from 1st December 1945 to 30th November 1946". I agree with Mr. Vimadala that as the amount of bonus to be paid would depend upon the actual profits made by the Company during any year, it would not be desirable to fix the amount of bonus to be paid by a Company in future years. The demand according to me refers to the period from 1st December 1945 up to 30th November 1947 and it would be competent to me to make an award in respect of the period from 1st December 1945 to 30th November 1947. The reference to Adjudication being of 9th September 1948, it is competent for me to award bonus for these two years. I have seen the balance sheets of the Company for the years 1944, 1945, 1946 and 1947 (as at 30th November 1947). As the same has been given to me by the Company under a sealed cover, I am not in a position to disclose or discuss the same. I am, however, satisfied that out of the profits for the year 1st December 1945 to 30th November 1946 and for the subsequent

year from 1st December 1946 to 30th November 1947 the Company made such profits as to justify the grant of three months' basic wages as bonus to each of its workmen and I direct the Company to pay an additional bonus equivalent to 1/20th of the total basic wages earned by each worker for the period from 1st December 1945 to 30th November 1946 exclusive of the bonus granted. This would bring the bonus for the year 1st December 1945 to 30th November 1946 to three months' basic wages. As regards the financial year 1st December 1946 to 30th November 1947 the Company has paid bonus equivalent to two months' basic wages, which was paid in March 1948, out of the profits for that year. The Company also paid in that year a half month's basic wages as Independence Day bonus. I have been shown the figures of profits made by the Company for that financial year and I am satisfied that the Company could very well pay bonus of three months, i.e. 1/12th more of the total basic wages earned by each workman during the period from 1st December 1946 to 30th November 1947 exclusive of bonus already granted. This would bring the bonus for the year 1st December 1946 to 30th November 1947 to three months' basic wages. The Independence Day bonus cannot be taken into account as it was given in honour of an unique event in the history of the country. It can have no relation to the profit made by the Company. I am told at the hearing that the Company has changed its financial year from 1st December 1947 to 31st December 1948, a period of 13 months, in order that from 1st January 1949 its financial year may be the same as the calendar year. However, the Company's accounts for the period from 1st December 1947 to 31st December 1948 have not been placed before me as the balance sheets are not ready. I am, therefore, not in a position to give any award with regard to what amount of bonus should be paid out of the profits from 1st December 1947 to 31st December 1948. The bonus granted above shall be paid on the following terms and conditions:—

(1) Employees who have worked for less than 75 working days and more than 32 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 32 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct during 1945-46 and 1946-47 shall not be entitled to any bonus for the respective year even if he has worked for more than 32 days.

(3) Bonus as stated above shall be paid within two months from the date of publication of this Award in the *Official Gazette*.

(4) Persons who are eligible for bonus but who are not in the service of the Company on the date of the payment shall be paid in one lump sum payment on 1st June 1949 provided claims in

writing are submitted to the Manager of the Company before the 23rd May 1949, after which no application shall be entertained.

The award in respect of demand No. 5-b in Annexure A shall also be deemed as an award in respect of demand No. 8-b in Annexure B, which relates to the monthly salaried staff.

*Demand No. 6—Free Uniforms—*

33. Since this demand was made it has been conceded by the Company. The demand does not, therefore, survive and no order is necessary thereon.

*Demand No. 7-a—Dispensary and Medical Treatment—*

34. This demand as well as demand No. 10 in Annexure "B" relate to dispensary and medical treatment. The Union in its statement of claim complains that the existing arrangements for medical aid are inadequate. In its written statement the Company says that it has made arrangements with a medical officer to attend the factory daily for one hour. The Company has now employed a compounder and maintains a reasonable stock of drugs in the dispensary. At the hearing it was stated that the dispensary maintained by the Company on its premises was in the process of reorganization and development. The Company undertook to provide such drugs and medicines as the doctor-in-charge would think necessary, and was prepared to stock anti-titanus injections but was not prepared to supply tonics and Vitamin B tablets. The Union stated that in the Elephant Oil Mills Ltd., injections and tonics are supplied by the Company. I think the Company can well afford to give such injections and tonics to its workmen as are deemed necessary by the medical officer in charge of the dispensary. A compounder has already been appointed and this part of the demand has already been satisfied. No further directions are, therefore, necessary.

*Demand No. 7-b—Free Conveyance—*

35. With regard to this demand, what the Union wants is that if a workman meets with an accident while on duty and it renders him unfit to move he must be provided with free medical treatment and free conveyance by the Company from the Factory to his residence or to the hospital depending upon the nature of the accident such free treatment and conveyance to be provided till he is completely recovered. The Company has no objection to provide free conveyance from the factory to the residence or to the hospital but objects to having to provide free transport for treatment at the Company's dispensary by the Company's doctor till such time as the workman fully recovers. I think the Company should provide free conveyance if the treatment is to be taken from the Company's doctor for injuries received whilst on duty, unless of course the Company gets him

admitted into some hospital. The conveyance shall be provided only for such period and for such visits as the Company's doctor certifies to be necessary.

36. The Award under demand No. 7-a and 7-b as well as under demand No. 10-a and 10-b in Annexure "B" shall apply both to the daily rated workmen and the monthly paid staff and should be treated as such.

*Demand No. 8—Canteen—*

37. This demand and demand No. 9 in Annexure "B" are identical. The Union in its statement of claim has contended that it has been making the demand for a Company subsidised canteen for the last over four years. It complains that the present canteen arrangements in the Company are far from satisfactory. There is no proper dining room and the canteen at present conducted in the factory compound is far from satisfactory. I saw the canteen when I inspected the factory and I was not satisfied with the conditions I saw. There is no separate dining room at present. After my inspection and after some discussion the parties have come to the following arrangement. It was agreed that a section of the D block, which is a ground floor structure, would be converted into a dining room and canteen. The dining room will be divided into two sections, one for workmen and other for clerical and technical staff. The Company drew my attention to the fact that under the new Factories Act, which has come into force from 1st April 1949, the canteen will have to be run by the Company. The Company is consulting the Union on the new arrangements to be put into force from 1st April 1949. It was pointed out that the rationing authorities grant rations only if the canteen is run departmentally by the Company which is also a requirement of the new Factories Act. The Company is, therefore, making arrangements in consultation with the Union to run the canteen departmentally, in a section of the D block as stated above. In the circumstances no directions beyond what have been stated above are necessary. I must, however, point out that at present some of the workmen partake of their tea and eatables at their place of work. As in this factory white lead powder is used it is most undesirable that any workmen should take their tea or eatables at their place of work. I trust both the Company and the Union will see to it that no workman is allowed to take any food at his place of work and that the necessary Standing Order prohibiting this practice will be formulated and that the Union will co-operate with the Company in enforcing this suggestion which is eminently in the interests of the workers themselves.

*Demand No. 9—Soap for Cleaning Purposes—*

38. At the hearing the parties arrived at the following arrangement. The workmen agreed not to use turpentine or other white spirit for removing paint from their hands but to use raw linseed oil

provided for the purpose by the Company. The Company agreed to supply each worker an inch and a half of standard quality bar soap per week for washing hands and I award accordingly.

*Demand No. 10--Free supply of shoes, Respirators, rubber and leather gloves, etc.--*

39. At the hearing it was agreed that the Company should provide dust and fume respirators, boots and gloves to the following workmen (exhibit 20) :—

1. *Respirators.*

- |                      |     |   |
|----------------------|-----|---|
| (a) Dust Respirators | ... | <ol style="list-style-type: none"> <li>1. Lead Workers (Powder and Machinemen).</li> <li>2. 2 Machinemen under the Mixers.</li> <li>3. Powder Weighman.</li> <li>4. Workers in Stores when they are stacking powders under instructions from Store-Keeper.</li> </ol> |
| (b) Fume Respirators | ... | <ol style="list-style-type: none"> <li>1. 1st Grade Kettle Attendants.</li> <li>2. 2nd Grade Kettle Attendants.</li> <li>3. Painters while spraying.</li> <li>4. Gum Runners.</li> </ol>  |

2. *Boots.*

- |             |     |   |
|-------------|-----|---|
| (a) Leather | ... | <ol style="list-style-type: none"> <li>1. Kettle Attendant.</li> <li>2. Cooly burning Kachra.</li> </ol>  |
| (b) Rubber  | ... | <ol style="list-style-type: none"> <li>1. Caustic Tank Workers (Coolies Cleaning Department).</li> <li>2. 3 Pairs of boots for emergencies with Engineers.</li> </ol> |

3. *Gloves.*

- |             |     |  |
|-------------|-----|--|
| (a) Leather | ... | <ol style="list-style-type: none"> <li>1. Kettle Attendants and Gum Runners.</li> <li>2. 3 Pairs each to Department and Stores Vst Department and Stores.</li> </ol> |
| (b) Leather | ... | <ol style="list-style-type: none"> <li>1. Caustic Markers.</li> <li>2. Acid Issuing Persons.</li> </ol>  |

I, therefore, award accordingly.

*Demand No. 11—Free Milk Ration—*

40. At present the Company is giving milk ration—half a seer a day—to all those actually engaged in the Mill Department on lead process. The Union wants that all workers attending fires in Varnish Department should also be given this free milk ration. It was pointed out that milk is no antidote against fumes from varnish fires. At my suggestion the Company has agreed to give the free milk ration to the first grade machine men who work under the platform where lead powder is mixed. The Company also agreed to give milk ration to the powder weighmen when handling lead powder. I do not think the Union has made out a case for a milk ration for the varnish workers attending on fumes and I feel that what the Company has offered is reasonable and adequate and I award accordingly.

*Demand No. 12—Annual Factory Holidays—*

41. The present practice seems to be that the Company declares the annual factory holidays beforehand but the holidays are altered at the specific request of the workmen's representatives and the request for such changes are adequately made known to all those concerned. What the Union demands is that the annual holidays should be fixed in consultation with the Union. Since the Company does alter the annual holidays which it fixes in advance when the workmen desire a change it would be better if they are consulted before the holidays are fixed. I, therefore, direct that the annual holidays should be fixed in consultation with the worker's representatives and that if any change is made the same should be made in consultation with the workers' representatives. The fixing of an alternate working day should also be in consultation with the workers' representatives.

*Demand No. 13—Transfer of workers to work of higher category—*

42. The Union demands that when a worker is transferred to any work of a higher category than his own on a temporary or permanent basis he should be given the higher wage immediately the transfer is effected. The Union in its statement of claim submits that it is the practice of the Company to withhold corresponding higher wages to the workers when they are transferred to higher categories of work, thus depriving the workmen of the increased wages to which they are entitled as a result of the transfer. It wants this practice to be stopped and demands that any worker when transferred to a higher grade even for a temporary duration should automatically get the higher wages of the higher grade. The Company in its written statement has denied that it is its practice to withhold corresponding higher wages to workers when they are transferred to higher categories of work. The Company argues that it always endeavours to assist workers to learn the work of higher categories and during the period of training obviously workmen are not eligible

for extra remuneration. When it is ascertained that workmen have acquired some degree of efficiency in the higher grade they are given a temporary promotion allowance in the first instance. At the hearing Mr. Sathe for the Company stated that the allowance is paid to make up the difference between the salary actually paid to the workmen and the salary which the higher post carries. Transfer from a lower grade to a higher grade entirely depends upon the existence of a vacancy in the higher grade. The Company maintains that only permanent transfers should be made to a higher grade when permanent vacancies actually exist in the higher grade. When temporary vacancies exist the individual doing the higher grade work is always granted, a temporary allowance provided he is capable. In the textile clerks award (Ref. Nos. 3, 4 and 5 of 1948) Mr. M. C. Shah, the learned member of the Industrial Court, has awarded that even for temporary appointments in a higher grade the workmen should be paid 50 per cent. of the difference between the salary of the higher grade in which an employee is made to act and the salary of the lower grade to which he belongs if the period of temporary promotion is for more than 15 days. I feel this would be a reasonable practice and I, therefore, award that all workmen transferred to a higher grade temporarily and acting in that post for more than 15 days should be paid 50 per cent. of the difference between his existing salary and the salary of the post in which he is acting in addition to his substantive pay. If a workman is transferred to a higher grade he shall be paid the wages or salary of the higher grade from the date of appointment to the permanent vacancy.

*Demand No. 14—Providing substitutes and filling up vacancies—*

43. The Union demands that when workers are granted short or long leaves the vacancy should be immediately filled by suitable substitutes. In effect what the Union wants is a provision for leave reserves. It complains that the Company does not employ substitutes in place of those who go on their annual privilege leave or are absent owing to illness, and the depleted staff of the department is asked to do their normal quota which increases the workload for a worker without any monetary benefit. The Company has pointed out that it is the Company's practice to employ sufficiently large number of workmen to look after the Company's legitimate work when men are sick or go home on short or long leaves and thus it does not become imperative for the Company to appoint substitutes in the place of workmen who go on short or long leaves or who are absent due to illness. Should, however, it be necessary to appoint men to such vacancies immediate action is always taken. The Company argues that if this demand were granted it would become necessary for it very drastically to reduce the number of men employed in the various departments. The Union has not satisfied me with actual figures that this demand is for redressing a genuine grievance. I am not satisfied the Union has made out a case for this demand which is, therefore, rejected.

*Demand No. 17*

25

THE BOM. GOVT. GAZ. EXTRA., MAY 5, 1949. [PART I-I]

44. By the second part of this demand the Union demands that all vacancies caused by workers leaving their jobs should be immediately filled up. The Company in its written statement has stated that when it becomes necessary to fill vacancies because of workmen leaving their jobs, they are immediately filled up. It may, however, be that in cases where it is not necessary for the vacancies to be filled up no action is taken. Temporary workmen are only confirmed when the factory manager is satisfied that there is a permanent vacancy. The management complains that there has been considerable general all round deterioration in the work of the factory workers. Beyond making a general statement the Union has not been able to substantiate its allegation. The Company has assured me that whenever a permanent vacancy occurs it is immediately filled up, and only in the event of the post being abolished no new appointment is made. I am not satisfied that the Union has a grievance over this demand. I do not think I would be entitled to interfere with the internal management of the Company. I am satisfied the Company does fill up vacancies caused by workers leaving their jobs whenever the same is necessary and I do not feel I would be justified in giving any directions which might interfere with the efficient management of the Company.

*Demand No. 15—Allotment of Proper Duties—*

45. The Union complains that as no specific duties for each category of workmen have been specified the workmen are called upon to do all sorts of extra duties. The Union complains that the Company makes rapid changes in the work of individual workmen without regard to their status, suitability and temperament. The Company has argued that in a paint factory it is not possible to lay down hard and fast rules about the work each particular category of employee should perform. The Company states that it has indicated as clearly as possible the work it expects individuals to perform but at the same time it has indicated that they are expected to do any type of work of which they are capable and which it is their duty to perform. It denies that it makes rapid changes in the work of individuals without regard to their status, suitability and temperament. It alleges that this demand has been made with the intention of causing confusion and trouble and that there are no legitimate complaints about the allotment of proper duties to the staff and workmen. The Union at the hearing admitted that if any directions were to be given on this demand they would have to be only in very general terms. The Union has not placed any material before me beyond making general statements and I am not satisfied that the Union has justified the allegations it has made in its statement of claim. I do not, therefore, feel I would be justified in awarding the demand.



*Demand No. 16—Suitable arrangement for drinking water in Departments—*

46. This demand has been complied with since it was made and necessary arrangements have been made for providing drinking water. No Award is, therefore, necessary thereon.

*Annexure "B".**Demand No. 1—Working Hours—*

47. The demand is that for staff, excluding the menial staff, there should be 8 working hours on week days including one hour for lunch interval and four hours on Saturdays or Sundays when Saturday is a holiday. The Union demands a 48 hour week for the menial staff excluding watchmen and for watchmen 8 hours work in a day/night. At present the menial staff of the Company work for 48 hours a week and watchmen are also made to work for not more than 8 hours a day/night. Thus the Union's demand with regard to the menial staff and watchmen is being satisfied. The only question is with regard to the rest of the staff working in the Company's factory. The staff are divided into technical staff and the staff employed in the factory's office. The technical staff includes Chemists, the staff employed in the Store and Despatch Departments. The hours of work for the technical staff are  $9\frac{1}{2}$  hours including one hour for lunch on week days and  $5\frac{1}{2}$  hours on Saturdays. For the staff employed in the factory's office, the hours are 9 hours on week days including one hour for lunch, and  $4\frac{1}{2}$  hours on Saturdays. Thus the total number of hours of work are 48 hours a week for the technical staff and  $44\frac{1}{2}$  hours a week for the staff employed in the factory's office. The Union complains that these hours of work are excessive and should be reduced to 8 hours on week days including one hour for lunch interval and 4 hours on Saturdays or Sundays, when Saturday is a holiday. Thus the Union demands a 39 hours week for the Technical and Clerical staff of the factory. The Union argues that the present working hours are too long and tell upon the health of the staff particularly as conditions of work in the factory are hard and strenuous. The Union complains that on an average  $2\frac{1}{2}$  hours' extra work is taken from the factory staff than from the staff of the head office without any extra remuneration. The Company has strenuously opposed this demand and has argued that the total number of hours which the technical staff and clerical staff of the factory are called upon to work being within the Factories' Act and the Bombay Shops and Establishments Act, there is no need for the hours of work to be changed. It argues that it is absolutely necessary for the efficient working of the factory that the technical staff such as Chemists, the Staff employed in the Stores and Despatch Departments should work similar hours as those worked by the daily paid labour, otherwise the Company's production would suffer still further. The Company objects to a comparison being made with

the hours of work of the head office staff. The Company also complains that though the average number of hours of work by the technical staff is supposed to be 48 hours per week and for the clerical staff 44½ hours per week in actual practice these hours are not worked because of the general tendency to start work late and to stop working before the closing hours. The hours of work at present in force in the factory's office are within the limits set by the Factories' Act, and the Bombay Shops and Establishments Act. I do not think a case has been made out to justify my ordering the Company to reduce the same.

*Demand No. 2—Scales of Pay—*

48. This demand is with regard to the scales of pay of the clerical technical and menial staff employed in the Company. As already stated earlier, the Company by its letter dated 11th October 1946 (Ex. C to the Company's written Statement) had offered the salaried employees of the Company certain classifications and wage scales provided the workmen did not go on strike. However, since the workmen did go on strike, this offer was withdrawn and ultimately the Union entered into an agreement with the Company on 21st November 1946 and a final agreement was entered into between the Union and this Company and the Elephant Oil Mills Ltd. on 6th January 1947 (Ex. E-2). Under the offer of 11th October 1946 the non-technical staff of the Company was to be divided into Junior Supervisors, Junior Clerks, Senior Clerks and Heads of Departments. Under the agreement of 6th January 1947 (Ex. E-2) the non-technical staff was classified into five grades, A to E by the introduction of a clerical grade between the Junior and the Senior Clerks designated as Clerks. As regards the technical staff whilst under the offer of 11th October 1946 the Company had proposed 5 grades of Assistant Foremen, Foremen, Junior Chemists, Senior Chemists and Miscellaneous, under the agreement of 6th January 1947 (Ex. E-2) the technical staff was divided into seven grades of Overseers, Junior Foremen, Foremen, Senior Foremen, Junior Chemists, Chemists and Senior Chemists. The Union complained that when classifying the workmen into the new grades created by the Company it has, by the creation of three new grades of clerks, foremen and chemists with lower maximum salaries, deprived the workers of the real benefits of the settlement. I also feel that when the total number of employees, both on the technical and clerical staff, is so small it is not necessary to divide them into as many as 18 grades. I, therefore, propose to have the following 4 grades for the non-technical staff :—

Grade A	...	...	Overseers.
Grade B	...	...	Junior Clerks.
Grade C	...	...	Senior Clerks.
Grade D	...	...	Heads of Departments.

The technical staff shall be divided into the following 5 grades :— 44

Grade A	...	...	Overseers.
Grade B	...	...	Assistant Foremen.
Grade C	...	...	Foremen.
Grade D	...	...	Junior Chemists.
Grade E	...	...	Chemists.

The miscellaneous group should consist of Electricians and Drivers and the menial staff should consist of watchmen, sepoys, hamals and sweepers and the head office messenger. I shall now proceed to discuss the groups one by one.

#### *Non-Technical Staff—Clerical—*

49. The Company at present pays Overseers wages in the scale of Rs. 50—5—65—E.B.—5—80. The Union demands for them a wage scale of Rs. 75—5—100—10—150. The latter scale is obviously too high. There was a discussion at the hearing whether officers in the non-technical department can really be considered to be doing clerical work. Bearing in mind Sir Harshidbhai's definition of a Clerk as given in the Banks' award and considering that Overseers also have to make entries and maintain records and that the Company's test for employment of an Overseer is the same as the test for a clerk and in view of the fact that the Company itself has in its written statement admitted that overseers have to do simple calculations, I feel their duties are clerical but of a very light character. Overseers are usually those who have risen from the ranks of workers and hardly any one of them is a matriculate. I propose to award Overseers, both on the non-technical and the technical side, a wage scale of Rs. 60—5—100.

50. The Union demands that there should be only two other categories of clerks, namely Assistants and Heads of Departments. The Company at present has four grades, Junior Clerks, Clerks, Senior Clerks and Heads of Department. I propose to have three grades of clerks, namely Junior Clerks, Senior Clerks and Heads of Department; that was the original classification proposed by the Company by its notice dated 11th October 1946. I propose to combine the grades of Junior Clerks and Clerks. The present scale of pay for Junior Clerks is Rs. 65—5—100—E.B.—8—124 and for Clerks Rs. 100—8—124—E.B.—10—154. Junior Clerks deserve a higher starting salary than Rs. 65 being given by the Company and the maximum of Rs. 154 is also small. I, therefore, propose to give Junior Clerks a start of Rs. 70 and take them to the maximum of Rs. 200. The grade I would fix for them would be Rs. 70—5—110—E.B.—7½—140—E.B.—10—200 and I award accordingly.

51. To Senior Clerks the Company at present gives a starting salary of Rs. 150 and they rise to Rs. 200 by annual increments of Rs. 10

with an efficiency bar at Rs. 180. Senior Clerks deserve a higher scale of pay and I, therefore, fix for them a scale of Rs. 150—10—210—E.B.—15—240, and I award accordingly.

52. *Heads of Departments.*—The Company starts them at Rs. 200 and the maximum is Rs. 300. I propose to put them in the scale of Rs. 200—15—260—20—400. The scale demanded by the Union for Heads of Departments is too high which I think is not at all reasonable.

53. With regard to the Technical Staff, the Union demands only four grades, namely those of Assistant Foremen, Foremen, Junior Chemists and Chemists. The Company at present has divided them into 7 categories. By its offer of 11th October 1946 the Company has offered 5 categories consisting of Assistant Foremen, Foremen, Junior Chemists, Chemists and Miscellaneous, the Miscellaneous group to consist of Electricians and van and lorry drivers for whom the Company now has a separate grade. They would, strictly speaking, not be members of the technical side. The Company has also a grade of Overseers on the technical side. I, therefore, propose to divide the technical staff into the following five grades:—

- (1) Overseers.
- (2) Assistant Foremen.
- (3) Foremen.
- (4) Junior Chemists.
- (5) Chemists.

54. To Overseers the Company pays the same scale of pay as to Overseers on the non-technical side. I have fixed for them a grade of Rs. 60—5—100 and I award the same to Overseers on the technical side.

55. The Company has three categories of Foremen, Junior Foremen, Foremen and Senior Foremen. The Union has complained against the creation of three categories of Foremen and has complained that the Company by creating these three grades of Foremen has done an injustice to the workmen. I do not feel there should be three grades of Foremen in such a small factory. The Company itself has proposed to have two grades of Foremen by its offer dated 11th October 1946 and I direct that there should be only two grades of Foremen, i.e. Assistant Foremen and Foremen.

56. The Company is at present starting Junior Foremen on a salary of Rs. 75. The Company's present grades for Junior Foremen and Foremen are as follows:—

Junior Foremen...	...	Rs. 75—5—100—E.B.—8—140.
Foremen	...	Rs. 130—8—170—E.B.—10—200.

I propose to combine these two grades and fix the grade of Rs. 80—5—100—E.B.—7½—140—E.B.—10—240 for Assistant Foremen. To the

Senior Foremen the Company grants a scale of Rs. 200—10—250—E.B.—10—300. This scale needs to be revised and raised. I, therefore, fix the scale of Rs. 200—15—290—E.B.—20—330 for Foremen.

57. The Company has three classes of Chemists: Junior Chemists, Chemists and Senior Chemists. By its offer of 11th October 1946 the Company had proposed to have only two grades of Chemists,— Junior Chemists and Chemists. I, therefore, propose to keep only two grades of Chemists as of Foremen, i.e. Junior Chemists and Chemists. To Junior Chemists I would award a combination of the Company's present scales for Junior Chemists and Chemists, raising the start by Rs. 5 and the maximum by Rs. 40. Junior Chemists will, therefore, be in the scale of pay Rs. 85—5—110—E.B.—7½—140—E.B.—10—240. Those, who are designated as Senior Chemists at present, will be called Chemists. Their scale of pay will be Rs. 200—15—290—E.B.—20—330. It will be noticed that the Company at present gives the Junior Chemists a start of Rs. 5 more than it does to Junior Foremen. I have retained this difference while keeping the maximum the same.

58. To Junior Clerks the Company pays a salary of Rs. 60 per month on probation and on confirmation starts them on Rs. 65. Probationer will, therefore, start on Rs. 65 per month and on confirmation shall draw a salary of Rs. 70 per month.

59. Electricians and Van and Lorry drivers are classified by the Company in its Miscellaneous group. To Van and Lorry drivers the Company pays Rs. 40—3—75. The Union demands for them a scale of Rs. 100—5—125—10—175 which is excessive and has no relation to what is at present being paid to this class of workmen. In the Indian Vegetable Products Company's award (AJ-IT. 28 of 1948) I have fixed for drivers a scale of Rs. 75—5—100, which I think is adequate. I, therefore, award Van and lorry Drivers a wage scale of Rs. 75—5—100.

60. Electricians are daily paid and for them I have fixed a separate wage scale under Annexure A.

61. With regard to the menial staff the Company pays peons, sepoys and hamals the wage scale of Rs. 30—1—35—E.B.—2—55. The Union demands for them a wage scale of Rs. 35—3—95 which again is excessive. Sir Harshidbhai Divatia in his award in Greaves Cotton and Crompton Parkinson Ltd. (I.C.R. Bom. 1948, page 223) has awarded to watchmen, hamals, sweepers and sepoys the wage scale of Rs. 30—2—50—1—65. I propose to award the same. I, therefore, award that watchmen, sepoys, hamals and sweepers shall be paid wages in the scale of Rs. 30—2—50—1—65.

62. As regards the head office messenger the Company pays him a salary in the scale of Rs. 45—2—60. The Union has claimed for him a wage scale of Rs. 60—3—90—5—115 which again is too high.

I propose to award the head office messenger the wage scale of Rs. 50—3—80.

63. As regards Laboratory Attendants the Union demands a wage scale of Rs. 35—4—95. The Company is paying Laboratory Attendants the wages of a coolie. When I visited the factory I found that one of the Laboratory Attendants was doing the work of weighing caustic soda on a scale in the laboratory. I am satisfied that he deserves a higher wage than what he gets at present and I, therefore, fix a wage scale of Rs. 35—3—80 for him.

*Demand No. 2-a—*

64. Under demand No. 2-a, the Union demands that heads of peons, sweepers and watchmen should be paid an additional allowance which shall be not less than 25 per cent. of their salary. The Company has no heads of peons, sweepers and watchmen. But the seniormost peon, sweeper and watchman is referred to by these categories of workmen as their head and he generally supervises their work. In most offices Heads of Peons, sweepers and watchmen are given a higher wage scale or some allowance. I, therefore, award that the seniormost among the peons, sweepers and watchmen should get a special allowance of Rs. 5 per month.

65. By the note under this demand the Union claims that appointments to higher posts should generally be made from amongst those who are already in the service of the Company. This seems to be the practice of the Company except when out of special considerations of efficiency outside hands are engaged. No award is, therefore, necessary on this demand.

66. With regard to the date from which the new scales of salaries prescribed herein shall take effect, I order that they shall take effect from 1st October 1948. With regard to the adjustment of salaries into the new scales the same system as directed under demand No. 1 in Annexure A should be followed with regard to the monthly rated staff and the menials also with effect from 1st October 1948 and all dues should be paid within two months from the date of publication of this award in the official Gazette.

67. Under demand No. 4—Immediate Revision of Salary—the Union demands point to point adjustment into the new scales prescribed herein by me. I do not think the Union has made out a case for point to point adjustment and this demand will, therefore, be rejected and adjustment will be on the same basis as awarded by me to the daily paid workers.

*Demand No. 3-a—Dearness Allowance—Monthly Salaried Staff excluding menial staff—*

68. The Company at present pays dearness allowance to the monthly rated staff at the rate of 25 per cent. of salary plus Rs. 15 per month subject to a minimum of Rs. 55. The Union

demands for all salaried employees, excluding the menial staff, dearness allowance at 40 per cent. of the salary *plus* Rs. 35 or Rs. 75 per month, whichever is greater. For the menial staff the Union demands dearness allowance on the basis of the cost of living index number calculated for the full calendar month. The Company pays the menial staff dearness allowance on the Bombay Millowners' Association's scale and I think this is reasonable and needs no change. The menial staff will, therefore, continue to get dearness allowance at the Bombay Millowners' Association's rate.

69. At the hearing it was stated that Messrs. Forbes, Forbes, Campbell & Co. Ltd. had by their letter dated 10th October 1948 addressed to the Joint Honorary Secretary of Forbes, Forbes, Campbell and allied Companies' Employees' Union offered to pay dearness allowance to the clerical staff on the basis of 60 per cent. of the basic salary on the first Rs. 100 and 20 per cent. of the balance with a minimum allowance of Rs. 60 per month (Ex. 24). This Company was prepared to offer this scale also to its monthly paid staff. This scale appears to me to be satisfactory except that the minimum of Rs. 60 needs to be raised to Rs. 65, as at the cost of living index number of 326 for the month of December 1948 dearness allowance to the workers and the menial staff of this Company on the basis of the Bombay Millowners' Association's scale will amount to Rs. 54-6-0. The clerical staff need to be paid a higher dearness allowance than that paid to the workmen as their standard of life is much higher. I, therefore, propose to raise the minimum of Rs. 60 to Rs. 65. I have awarded this rate of dearness allowance to the employees of the Indian Vegetable Products Ltd. (AJ-IT. 28 of 1948) which is also under the Managing Agency of Messrs. Forbes, Forbes, Campbell & Company. I, therefore, award that dearness allowance should be paid to the monthly rated staff, technical and non-technical, at the rate of 60 per cent. of basic salary on the first Rs. 100 and 20 per cent. of the balance with a minimum allowance of Rs. 65 per month.

70. The Union demands that this rate of dearness allowance should be given retrospective effect from 1st September 1947. The Union says that in the past the dearness allowance paid by this Company was inadequate. The Company has pointed out that increased dearness allowance was demanded by the Union for the first time by its letter dated 8th December 1947 (Ex. 6) when it was demanded with retrospective effect from 1st September 1947. In deciding from what date the award on a particular demand should be made operative it is necessary to consider the date when the demand was first made. The demand was first made in December 1947 though it has been claimed retrospectively from September 1947. Even after a demand is made the employer should have some time to consider the demand made. I, therefore, feel that the rate of dearness allowance fixed by me should be paid with retrospective effect from 1st January 1948. The difference between

the dearness allowance as awarded and that paid shall be paid within two months from the date of publication of this award in the official Gazette.

71. If the menial staff was not getting dearness allowance at the Bombay Millowners' Association's rate since 1st January 1948 they shall be paid the difference for the period they have been paid lower dearness allowance within two months from the date of this award in the official Gazette.

*Demand No. 5—Leave—*

*(a) and (d) Privilege Leave.*

72. The Union demands one month's privilege leave with full pay and dearness allowance in a year after 11 months' service. The Company at present grants privilege leave on the following basis :—

To those with service of 12 years and more—28 days per year on full pay and dearness allowance.

To those with service less than 12 years—21 days per year on full pay and allowance.

The Company allows accumulation up to two years subject to a maximum of 42 days. The Union demands accumulation of privilege leave up to a maximum of three months. The Union argues that every member of the staff needs 30 days' rest and recuperation in the year to recoup from the effects of the strenuous work which he has to perform in the factory. The Union has pointed out that in the Elephant Oil Mills Ltd. privilege leave of one month is granted after 11 months' service irrespective of length of service. The Union also pointed out that in the Banks, I. C. I. and Greaves Cotton and Crompton Parkinson Ltd.'s awards Sir Harshidbhai Divatia awarded privilege leave of 30 days in the year to the monthly paid staff with a right to accumulate up to 90 days, *i.e.* 3 months. This Company itself grants 28 days' privilege leave in a year to those members of the monthly paid staff who have put in more than 12 years' service. Privilege Leave is granted in order that workmen may get the necessary period of rest and recuperation each year. It is now generally accepted that the monthly paid staff need 30 days' privilege leave in the year. To the monthly paid staff of the Indian Vegetable Products Ltd. (AJ-IT. 28 of 1948) I have awarded 30 days' privilege leave in the year with a right to accumulate up to 90 days and I, therefore, award 30 days' privilege leave in the year on full pay and dearness allowance to the monthly salaried staff of this Company with a right to accumulate up to 90 days, but the actual period of leave to be granted shall depend on the exigencies of work in the Company.

73. If the Company's present practice is to grant any leave without pay and allowance that practice should be continued.



*Demand Nos. 5-b and 5-e—Sick Leave.—*

74. The Union demands one month's sick leave in the year on full pay and allowance supported by proper medical certificates. The Company grants as many as 21 days' sick leave on full pay and dearness allowance, but it does not grant any accumulation thereof. The sick leave at present granted by the Company is more than adequate and the demand for increase thereof is not justified. The Union claims accumulation of sick leave for three years, i.e., 90 days. This Company grants no accumulation. However, sick leave is the one kind of leave which by its very nature needs to be allowed to be accumulated. I, therefore, award that sick leave should be allowed to be accumulated for three years i.e., 63 days. Sick leave should be granted only on the production of a medical certificate from a registered medical practitioner.

*Demand No. 5-c—Casual Leave.—*

75. The Union demands casual leave of 15 days in the year. The Company grants casual leave of 7 days in the year, on full pay and dearness allowance. Considering the generously long period of sick leave being granted by the Company, I do not consider that any increase in the casual leave is justified. The demand, therefore, rejected.

*Demand No. 6-a—Contribution to Provident Fund.—*

76. The Union demands that the contribution to the Provident Fund by the employees as well as the Company should be increased to 10 per cent. (19-1/5 pies in the rupee) from the present 8-1/3 per cent. (16 pies in the rupee). The present rate of contribution amounts to one month's salary in the year which is quite reasonable. The Company has opposed this demand. The Union has not made out a case for this part of the demand which is, therefore, rejected.

*Demand Nos. 6-b to 6-d and 6-g.—*

77. These demands relate to the period after which the employee would be entitled to the Company's contribution to the Provident Fund. Under the existing rules, after 5 years' service 50 per cent. and after 10 years' the full 100 per cent. of the Company's contribution becomes payable to the individual workman. The Company submits that its rules are reasonable and there is no necessity for any alteration. The Union's claim for the full 100 per cent. of the Company's contribution after 5 years' service; after four years' service and 50 per cent. after 3 years' service, appears to me to be unreasonable. It also appears to me that the Company's Provident Fund Rules need revision inasmuch as there is no graduated scale of payment between after 5 years of service and 10 years of service with the result that an employee who leaves the Company's services after 9 years'

service is entitled to only 50 per cent. of the Company's contribution to the Fund—the same as an employee leaving after 5 years' service. The principle of a graduated scale of payment has been adopted in the Banks' award and I propose to suggest that the Company should so alter its rules that every employee after completion of 5 years' service shall get 50 per cent. of the Company's contribution, after completion of 6 years 60 per cent., after completion of 7 years 70 per cent., after completion of 8 years 80 per cent. after completion of 9 years 90 per cent. and after completion of 10 years' service 100 per cent. However, as there are Trustees to the Provident Fund who are not parties to this dispute and as all the beneficiaries are not before me, whatever recommendations I may make in respect of this demand will not be binding upon the Trustees and the Commissioner of Income tax whose approval to the changes suggested would be necessary in order to obtain exemption from income tax. "However it is open to an Industrial Tribunal to make recommendations to an employer or a Company with respect to a Provident Fund Scheme" (AJ.IT 10 of 1947). I, therefore, recommend that the Company's rules may be amended as indicated above.

*Demand No. 6-e—Representative of Employees on Board of Trustees.—*

78. The Union demands that one of the Trustees to the Provident Fund should be a representative of the employees who is a member of the Union. Under rule 4 of the Provident Fund Rules of the Company the Fund constituted into an irrevocable Trust is to be vested in two or more Trustees who may from time to time be appointed by the Board of Directors of the Company. The rules do not seem to provide any limit to the number of Trustees to be appointed. The demand of the Union is not only a reasonable one but a step in the right direction. I, therefore, recommend that one additional Trustee of the Provident Fund should be appointed by the Directors from amongst the members of the factory's staff, preferably one who is an office bearer of the Union.

*Demand No. 6-f—Lapse and Forfeiture Account.—*

79. The Union demands that the "Lapse and Forfeiture" account of the Provident Fund should be distributed *pro rata* amongst the members after making due provision for depreciation of the Government papers. The Company has pointed out in its written statement that the balance standing to the credit of the "Lapse and Forfeitures" account on behalf of the members of the Union on 20th October 1948 was Rs. 1,319-12-7 against which there is a substantial debit for Provident Fund expenses and thus for some time it is unlikely that there will be any balance in the "Lapse and Forfeitures" account. I do not think the Union is justified in this demand which it has made and it is, therefore, rejected.

*Demand No. 11—Extra Allowance.—*

80. The Union's demand is that an extra allowance of Rs. 20 minimum per month should be paid to typists and to clerks who work on Comptometers. The Company has opposed this demand and stated that its grades of salaries to typists and men working on comptometers are adequate and there is no need for an extra allowance of Rs. 20 per month which has been demanded. There are no men who work on comptometers all day long. I have seen a comptometer working and I am satisfied that its operation involves a certain amount of physical exertion which a clerk ordinarily is not required to exert. The clerk or clerks who attend on comptometers would be entitled to an additional allowance of Rs. 10 per month and I direct accordingly. In most Companies typists are better paid than junior clerks. In this Company typists are paid salary in the clerical grade. They will get the benefit of the new grade of pay fixed for clerks by this Award. No separate grade has been fixed for them nor has one been demanded by the Union. I, therefore, award typists an allowance of Rs. 10 per month. Both these allowances to the comptists and typists would take effect from 1st January 1949.

81. The Award is directed to be submitted to Government. No award as to costs.

(Signed) SALIM M. MERCHANT,  
Industrial Tribunal.

(Signed) N. N. MAJMUDAR,  
Secretary.

Bombay, 18th/19th April 1949.

**Order.**

No. 560/46.—Whereas the dispute between the Goodlass Wall Limited, Bombay, and the workmen employed under it was referred by Government Order, Labour Department, No. 560/46, dated the 9th September 1948, for adjudication to an Industrial Tribunal;

And whereas the Industrial Tribunal has now given its award in the said dispute;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 15 read with sub-section (3) of section 19 of the Industrial Disputes Act, 1947 (XIV of 1947), the Government of Bombay is hereby pleased to declare that the said award shall be binding on the Goodlass Wall Limited Bombay, and the workmen employed under it and to direct that the said award shall come into operation on the 28th April 1949 and shall remain in operation for a period of one year.

No. 560/46-I.—The award of the Tribunal in the industrial dispute between the Elephant Oil Mills Limited, Bombay, and the workmen employed under it referred for adjudication under Government Order, Labour Department No. 560/46-I, dated the 9th September 1948, is hereby published :—

BEFORE Mr. SALIM M. MERCHANT, INDUSTRIAL TRIBUNAL,  
BOMBAY.

ADJUDICATION.

AJ.IT. 64 of 1948.

BETWEEN

The Elephant Oil Mills Ltd., Bombay

AND

The Workmen employed under it in its factory at Mazagaon, Bombay.

In the matter of an Industrial Dispute regarding increased Wages and Salaries, Payment of Bonus, Increased Dearness Allowance, Leave, Introduction of Gratuity, Change in the Provident Fund Rules, Medical Aid, Provision for Canteen, Regulation of Promotions, etc.

Counsel Mr. Sohrab D. Vimadalal, Barrister-at-Law, instructed by Messrs. Crawford Bayley & Co., Solicitors, and Mr. H. Sharpe, Director, for the Elephant Oil Mills Ltd.

Mr. S. S. Kavlekar, Advocate (O. S.) with Mr. N. V. Phadke, Advocate, instructed by Mr. B. K. Oke, Mr. G. S. Desai, Mr. T. R. Ganpat, Mr. D'Mello and Mr. F. M. Pinto of the Goodlass Wall and Elephant Oil Mills Employees' Union for the workmen.

AWARD

This industrial dispute has been referred to me as Industrial Tribunal by the Government of Bombay under sub-section (2) of section 10 of the Industrial Disputes Act of 1947 (XIV of 1947) by its Order, Labour Department, No. 560/46-I, dated the 9th September 1948, for

adjudication of the matters specified in Annexures A and B to the said Order which are as follows:—

## Annexure "A".

## (1) Scales of Wages of Workers.

	Starting minimum wage per day	Maximum Wage per day to reach under the same Category.	Period with- in which maximum will be reached.
	Rs. a. p.		
Coolies ..	Rs. 1-2-6 per day or Rs. 30 minimum when the Factory works less than 26 days in a month.	1 12 0	5 years.
Packing Girls and Women, Keg Painting Girls and Women, Miscellaneous Working Girls and Women.	Rs. 1-2-6 per day or Rs. 30 minimum when the factory works less than 26 days in a month with retrospective effect from January, 1947	1 12 0	5 years
Lid Painting Girls and Women, Sample Room Attendants.	1 6 0	2 0 0	5 years.
Cleaners and Trolleymen ..	1 8 6	2 12 0	5 years.
Sample Testers Assistant Women Supervisor.	1 12 0	2 12 0	5 years.
Hammerman ... ..	1 12 0	2 8 0	5 years.
2nd Grade Machineman, 2nd Grade Kettle Attendant, 2nd Grade Stenciller, Assistant Packages Painter, Despatch Cooly.	1 12 0	2 8 0	5 years.
Assistant Weighman, Packages Painter, Oiler, Workshop Cooly.	1 12 0	3 0 0	5 years.
1st Grade Machinemen, 1st Grade Kettle, Attendant, Railway Booker, Painter Muccadam.	2 0 0	3 8 0	5 years.
Tinter, Gum Runner, Sample Room Tinter.	2 8 0	3 8 0	5 years.
Assistant Fitter ..	2 8 0	3 8 0	5 years.
Painters ..	2 8 0	4 0 0	5 years.
Muccadams .. ..	2 8 0	4 8 0	5 years.
	Plus Rs. 10 per month extra.		
Soldermen, Carpenter, 1st Grade Stenciller and Fitter.	2 8 0	4 8 0	5 years.
Weighman, Fitter and Blacksmith	2 8 0	5 0 0	5 years.
Foreman Painter ..	3 0 0	6 0 0	5 years.
Mechanic .. ..	3 0 0	7 0 0	5 years.
Boiler Attendant .. ..	90-3-120	on a monthly salary.	

Sepoys and Sweepers ... To be transferred to monthly salaried staff with appropriate grades and their present salaries fixed on seniority and efficiency.

(2) *Dear Food Allowance*.—At Millowners' scale calculated for 26 days when the Factory works for less than 26 days in a month.

(3) *Leave*.—(a) Thirty days' privilege leave every year with full wages and allowance.

(b) Thirty days' privilege leave every year without full wages and allowance.

(c) Twenty-one days' sick leave every year with full wages and allowance.

(d) Seven days' casual leave every year with full wages and allowance.

(4) *Gratuity*.—Every worker should receive gratuity at the rate of 1 month's wages for each completed year of service at the time of leaving service. In case of death his nominee to the Provident Fund to be paid the gratuity.

(5) *Bonus*.—(a) 1/12th of the total earnings for the period from 1st February 1947 to 31st July 1947 as balance of the Independence Day Bonus.

(b) At least three months' wages that is an amount equivalent to 1/4th of the 12 months' earnings in Company's financial year should be paid as bonus each year to every worker before the end of January.

(6) *Free Uniforms*.—Free uniforms should be supplied by the Company to every daily paid worker at the rate of two sets of uniforms per year. Washing arrangements to be made by the Company at the Company's expense.

(7) *Canteen*.—Immediate arrangements should be made to open a full scale Company subsidized Canteen in the Factory.

(8) *Soap for Washing purposes*.—Soap supplied at present is too soft and does not last for the period it is intended to last. Better and bigger soap must be issued.

(9) *Free Milk Ration*.—Half a seer of pure milk to be given to each worker attending Varnish Fire in the Varnish Department every day free of cost.

(10) *Annual Factory Holidays*.—All Factory holidays in a year should be fixed in advance in consultation with the representatives of the Union. Any of the holidays so fixed should not be changed without prior consultation of the Union representatives.

(11) *Transfer of work to work of higher category*.—When a worker is transferred to any work of higher category than his own on a temporary or a permanent basis he should be given the higher wages immediately the transfer is effected.

(12) *Providing substitutes and filling up vacancies*.—(a) When workers are granted short or long leave, their vacancies should be immediately filled with suitable substitutes.

(b) All vacancies caused by workers leaving their jobs should be immediately filled up.

(13) *Allotment of proper duties.*—Duties of each worker must be correctly allotted and properly defined.

(14) Suitable arrangements must be made for ample supply of clean water for drinking and washing purposes.

(15) *Tiffin Allowance.*—When workers go out on lorries and remain out during lunch time they must be paid tiffin allowance of Re. 1 per worker.

*Annexure "B".*

1. *Working Hours.*—

Staff (excluding menial Staff)	8 Hours on week days including 1 hour for lunch interval.
	4 Hours on Saturdays or Sundays when Saturday is a holiday.
Menial Staff (excluding Watchmen).	48 Hours a week.
Watchmen ... ..	8 hours in a day/night.

2. *Scales of Pay—Clerical Staff—*

(a) Overseer	... 75—5—100	10—150	
	5 years	5 years	
(b) Assistants	... 100—10—200	15—275	20—375
	10 years	5 years	5 years
(c) Head of Departments	... 200—25—325	30—475	
	5 years	5 years	

*Technical Staff—*

(a) Assistants	... 100—15—250	20—450	
	10 years	10 years	
(b) Foremen	... 200—20—300	25—425	30—575
	5 years	5 years	5 years

*Chemists—*

(a) Junior Chemists	... 150—15—225	20—325	25—450
	5 years	5 years	5 years
(b) Senior Chemists	... 200—20—300	25—425	30—575
	5 years	5 years	5 years

Electrician, Van and Lorry Drivers,	100—5—125	10—175
	5 years	5 years

*Menial Staff—*

Peons, Sweepers, Watchmen and Laboratory Attendants	35—3—95	
	20 years	
H. O. Messenger	60—3—90	5—115
	10 years	5 years

- (a) Heads of Peons, Sweepers and Watchmen shall be paid an additional allowance which shall be not less than 25 per cent. of their salary.

*Note.*—Appointments to higher posts shall generally be made from among those who are already in the service of the Company.

3. *Dearness Allowance—*

- (a) *All salaried employees excluding the Menial Staff.*—40 per cent. of the salary—plus—Rs. 35 or Rs. 75 whichever is greater.
- (b) *Menial Staff.*—Index figure calculated for the full calendar month.

The Dearness Allowance on the new scales to be paid with retrospective effect from the 1st of September 1947.

4. *Immediate Revision of Salary.*—The scales of pay adopted should be applied from the date the member entered the service of the Company and if it is less than the figure thus obtained, it should be immediately adjusted accordingly. If on the other hand a member's present salary is found to be higher than the figure thus obtained, it should remain the same and he should be entitled to the subsequent yearly increments due in accordance with the scale.

5. *Leave.*—(a) 1 month's privilege leave with full pay and allowance in a year (after 11 months' service).

(b) 1 month's sick leave with full pay and allowance supported by proper Medical Certificate.

(c) 10 days' casual leave with full pay and allowance in a year.

(d) Accumulation of privilege leave upto a minimum of three months be allowed.

(e) Accumulation of sick leave up to a minimum of three months be allowed.

6. *Provident Fund.*—(a) The contribution to the Provident Fund by the Employees as well as the Company should be increased to 10 per cent. instead of the present 8-1/3 per cent.

(b) Company should pay their full contribution after 5 years of service.

(c) 75 per cent. of the Company's contribution after 4 years of service.

(d) 50 per cent. of the Company's contribution after 3 years of service.

(e) One of the Trustees of the Provident Fund should be a representative of the Employees who is member of the Union.



(f) The "Lapse and Forfeiture" account should be distributed *pro rata* amongst the members after making due provision for depreciation of the Government Papers.

(g) Under no circumstances the Company's full contribution after 5 years' completed service be denied.

7. *Gratuity*.—One month's current salary shall be payable for every year of service on completion of 10 years of service. But this limitation of 10 years shall not apply in case of disability or death.

8. *Bonus*.—(a) 1/12th of the total earnings for the period from 1st February to 31st July 1947 as balance of the Independence Day Bonus :

(b) At least 3 months' salary, i.e., an amount equivalent to 1/4th of 12 months' earnings in the Company's financial year should be paid as bonus each year to every employee before the end of January.

9. *Canteen*.—Immediate arrangements should be made to open a full scale Company subsidised Canteen in the Factory.

10. *Dispensary and Medical Treatment*.—(a) Full time dispensary with all necessary medicines, first aid appliances, injections and patent medicines to be maintained by the Company in the Factory for giving free medical treatment to all staff members. A compounder to be appointed in the Dispensary to attend to the patients as and when necessary.

(b) When any of the staff members meets with an accident while on duty thereby rendering him physically unfit to move he must be provided with free medical treatment and free conveyance by the Company from the Factory to his house and/or to hospital depending upon the nature of the accident and for a period until he is completely recovered.

11. *Extra Allowance*.—An extra allowance at Rs. 20 minimum per month should be paid to Clerks who constantly work on Comptometer and Typewriter.

2. After the usual notices were issued the Goodlass Wall and Elephant Oil Mills Employees' Union (hereinafter called the Union) filed its statement of claim on 5th October 1948 and the Elephant Oil Mills Ltd. (hereinafter called the Company) filed its written statement on 29th October 1948 in reply to the statement of claim of the Union. The matter was heard before me between 13th January 1949 and 17th January 1949. However, on an application by the Company dated 17th February 1949 (Exhibit 24) a further hearing was held on 24th February 1949 when the proceedings were concluded. At the request of both the parties I visited the factory on 14th December 1948.

3. This Company like the Goodlass Wall Ltd. is one of the leading paint factories in the Bombay area. The workmen of both these factories are represented by one and the same Union and certain common agreements were entered into by both these Companies with the Union in respect of the same demands made by the Union against each of the

Companies. At the hearing of this dispute the same arguments as were advanced in the Goodlass Wall Ltd. dispute (AJ-IT. 63 of 1948) were urged in respect of the demands made herein which are almost identical.

4. The Elephant Oil Mills Ltd. is one of the three large and well-established paint factories in Bombay as stated in Appendix I of the Report of the Panel on Paints and Varnish Industries constituted by the Planning and Development Department of the Government of India (Exhibit 25 in AJ-IT. 63 of 1948). The Elephant Oil Mills Ltd. was purchased for Rs. 5,00,000 from Messrs. Arnhold & Co. Ltd. in 1938 by Messrs. Blundell, Spence & Co. Ltd., Hull and London. Messrs. Arnhold and Co. Ltd. operated the Elephant Oil Mills Ltd. at a loss for several years and Messrs. Blundell, Spence & Co. Ltd. took it over as going concern with very little goodwill. The Company is incorporated as a private limited Company. According to the Company it did not reap any considerable profits until the year 1941 when the Company also introduced payment of allowances and bonuses. It is not denied that during the war the Company reaped substantial profits, but the Company argues that it is now engaged on a peace-time programme which involves catering for a totally different type of business in keen competition with other European firms, well-established Indian firms and a number of new firms which have entered the field on the cessation of hostilities. This Company has also refused to disclose its present financial position and working to the accredited representatives of its workmen who would have been bound under a seal of secrecy from making public those facts. The Company, however, has stated that it has the capacity to meet the demands, but Mr. Vimadlal, learned counsel for the Company, has argued that if all the demands were to be granted it would be impossible for any factory of this kind to function normally. The Company has, however, given me inspection of its balance sheets for the last three years and after their careful scrutiny, I have come to the conclusion that the Company is now in a sound and flourishing financial position.

5. It is not necessary to refer to the history of the dispute between the Company and its workmen. It runs on parallel lines with the dispute between this Union and Goodlass Wall Ltd. (AJ. IT: 63 of 1948) with which I have dealt at length in my Award in that dispute.

6. Both parties have advanced the same general arguments as were advanced in the earlier adjudication AJ-IT. 63 of 1948 and as I have dealt with them in that Award it is not necessary for me to repeat them here. I now proceed to discuss the demands seriatim.

7. Before I deal with the demands I may state that Annexure A deals with the demands relating to the daily paid workmen and Annexure B deals with the demands relating to the monthly salaried staff of the Company. Several of the demands for both sets of workers are common and they have been dealt with together.

## Annexure "A".

## Demand No. 1—Scales of Wages of Workers.

## Coolies—

8. Demand No. 1 in Annexure A is in respect of scales of pay for workers. The Company at present pays Coolies wages in the scale of Rs. 1-2-6 to Rs. 1-8-6 in five years. The Union demands a wage scale of Rs. 1-2-6 to Rs. 1-12-0 in five years. This Company also has two grades of Coolies, Grade A and Grade B. The Union has argued that the two grades should be amalgamated into one. At present the Company pays its B grade Coolies wages in the scale of Rs. 1-2-6 to Rs. 1-8-6. Since January 1947 no male workmen of the Company is being paid a basic wage of less than Rs. 30 per month of 26 working days. The Company employs women coolies who are paid a lower minimum basic wage but I shall discuss their case later as there is a separate demand for the women workers in the Company. In Goodlass Wall, Ltd. for Coolies I have fixed a wage scale of Rs. 1-2-6—As. 1½—Rs. 1-10-0 per day. It was, however, ascertained at the hearing that in this Company the first annual increment is of two annas per day and the subsequent annual increments are of Annas 1½ per day. The Company (Ex. 10) has offered Coolies a wage scale of Rs. 1-2-6—As. 1½—Rs. 1-8-6. I, therefore, award Coolies a wage scale of Rs. 1-2-6—As. 2 for the first year and As. 1½ thereafter rising to Rs. 1-10-6 per day.

9. The next category of workmen referred to in Annexure A is Packing Girls and Women : Keg Painting Girls and Women and Miscellaneous Working Girls and Women. The Company at present pays these women workers wages in the scale of Re. 0-13-0—Anna 1—Rs. 1-2-6 per day. It was admitted by the Company at the hearing that out of 42 women workers in the factory as many as 39 are at present getting a wage of less than Rs. 1-2-6 per day. The Union has argued that on the principle of equal rates of pay for the same job, or in other words, equal pay for equal work, there should be no discrimination on grounds of sex in the wages to be paid to female workers and male workers. The Company in its written statement has argued that generally female labour is not paid at the same rate as male labour in Bombay. The Company's argument would have been sound, if its women workers were engaged in doing manual work which requires considerable physical exertion. I have seen these women workers on duty. They appeared to be doing their work efficiently and deftly. I do not think a male worker doing the same duties, would do more work than these women workers are doing. The Company is paying these women workers a lower wage than the basic minimum wage of Rs. 30 for 26 working days in the month, generally awarded to the lowest grade of unskilled workmen in Bombay City. The Union demands for these female workers a wage scale of Rs. 1-2-6—Rs. 1-12-0 in five years. I would pay them the same scale of wages as to male coolies. At the hearing the Company offered to pay these women workers as well as Lid Painting Girls and Women, the sample Room Attendants, the Sample Testers Assistant and the Women Supervisor, three annas less per day than what a male

worker doing the same kind of work is being paid in Goodlass Wall Ltd. I, however, do not think this offer is reasonable. I, therefore, award these women workers a wage scale of Rs. 1-2-6—As. 2—in the first year and As. 1½ thereafter—rising to Rs. 1-10-6 per day.

10. The Union has also demanded for all workmen the minimum wage of Rs. 30 per month when the factory works for less than 26 days in the month. A similar demand in respect of coolies and Packing-Boys of Goodlass Wall Ltd. was rejected by me. For the same reasons this demand is also rejected.

11. The Union demands that retrospective effect to the new wage scales fixed for these classes of women workers, i.e. Packing Girls and Women; Keg Painting Girls and Women, Miscellaneous working Girls and Women, should be given from January 1947. The Union argues that since January 1947 the male workers in the Company are being paid a minimum wage of Rs. 30 per month. It must be remembered that in fixing the operative date of the revised grades of pay it is necessary to ascertain when the demand was first made. From the record, I find that this demand was embodied in a resolution passed at a meeting of the members of the Union held on 10th April 1948 and the demand was forwarded to the Company by the Union's letter dated 16th April 1948. Allowing for some time for the consideration of the demand by the Company, I think that these women workers should be entitled to the enhanced revised pay scale awarded to them herein retrospectively from 1st June 1948.

12. I might as well at this stage deal with the other categories of women workers, namely Lid Painting Girls and Women and Sample Room Attendants as well as the Sample Tester's Assistant and the Women Supervisor. Lid Painting Girls and Women are paid by the Company at present in the "Packing A Grade" which is Rs. 1-0-6 rising to Rs. 1-2-6 per day. The Union demands for them Rs. 1-6-0—Rs. 2-0-0 in five years. The Sample Room Attendants at present start on Rs. 1-2-6 and rise to Rs. 1-8-6 per day. I have seen these ladies at work and I am of the opinion that they are doing semi-skilled work. These women workers have to paint the lids of the lithographed tins which have to be painted according to certain specifications in order that the shades of colours painted on the lids may look very attractive to the customer. The Sample Room Attendant has to maintain various samples of varied importance in a correct order so that they are easily available whenever demanded. The Union, I think, rightly stresses that some extra intelligence and education is required for marking the samples in their numerical order and keeping them in their proper places. I feel that these women workers do semi-skilled work and for semi-skilled workmen in Goodlass Wall Ltd., I have awarded a wage scale of Rs. 1-8-0—As. 2—Rs. 2-4-0 per day. The Union has demanded a wage scale of Rs. 1-6-0 rising in five years to Rs. 2-0-0 per day which is fair and reasonable. I, therefore, award Lid Painting Girls and Women and Samples Room Attendants a wage scale of Rs. 1-6-0—0-2-0—Rs. 2-0-0 per day.

13. To Sample Testers Assistant and the Women Supervisor, the Company pays wages in the scale of Rs. 1-2-6 rising to Rs. 1-8-6 per day. In Goodlass Wall Ltd. this work is done by Sample Room Attendant or Tester's Assistant. The Union in its statement of claim has argued that their work is skilled inasmuch as their duty is to test the paint samples in the laboratory for drying time, viscosity, etc., and also weigh out raw materials on the fine chemical balances for making experiments and other connected work in the laboratory and in a general way help the Chemist. The woman Supervisor has to supervise the work of all women coolies in the factory and, therefore, hers is a responsible job. While going round the factory I saw the Sample Testers Assistant at work. I was impressed by the efficiency displayed by her and on my questioning her she explained her duties to me. I have not the least hesitation in holding that the Sample Testers Assistant is doing skilled work and I consider the scale of wages which the Company at present pays this woman worker, which is lower than that ordinarily granted to coolies in other Companies, most inadequate and in need of revision. In Goodlass Wall Ltd. for skilled workmen of the lowest grade I have awarded the wage scale of Rs. 2-0-0—As. 2½—Rs. 3-6-6 per day (A.J-IT. 63 of 1948). The Union has demanded for these women workers a wage scale of Rs. 1-12-0 rising to Rs. 2-8-0 per day. I have, therefore, no hesitation in awarding the Sample Testers Assistant and the Women Supervisor the increased wage scale of Rs. 1-12-0—As. 2—Rs. 2-8-0 per day.

14. As regards Cleaners and Trolley-men, at the hearing it was ascertained that the Company pays cleaners in the scale of Rs. 1-2-6—Anna 1—Rs. 1-5-6 and Trolley-men in the scale of Rs. 1-2-6—Anna 1—Rs. 1-6-6. The Union argues that Cleaners have to clean motor lorries and oil and grease them and have also to do loading and unloading of the goods despatched to customers and generally to help the lorry driver. The Company in its written statement has pointed out that cleaners do not have to oil and grease lorries as this work is being carried out under monthly contracts with the suppliers of the vehicles, viz. Bombay Garage Ltd. and French Motor Car Co. Ltd. The Company has stated that cleaners merely wash the lorries and assist with the loading at the factory and carry out unloading by themselves at the customers' shops. As regards Trolley-men, the Company pays them in the wage scale of Rs. 1-2-6—Anna 1—Rs. 1-6-6. It is admitted that Trolley-men do a rather heavy type of coolie work. After hearing both the parties I am satisfied that Trolley-men deserve a slightly higher scale of wages than is paid to ordinary coolies and I, therefore, award them a wage scale of Rs. 1-5-0—1½ As.—Rs. 1-11-0 per day.

15. As regards Cleaners, the Company in its Exhibit 10 has classified them as Delivery-men in the C Group, for which I have fixed a wage scale of Rs. 2-0-0—2½ As.—Rs. 3-6-6 per day. Cleaners would, therefore, have received the wage scale of Rs. 2-0-0—As. 2½—Rs. 3-6-6 per day, but since the Union has claimed for them a wage scale of Rs. 1-8-6 to Rs. 2-12-0 in 5 years, I cannot award them the wage

scale fixed for Group C. I, therefore, award them the wage scale demanded for them. I would, however, recommend to the Company to pay Cleaners the same wage scale as awarded to the rest of the categories in Group C.

16. The only categories of employees not shown in Exhibit 10 and mentioned in demand No. 1 of Annexure A are the Assistant Package Painter, Painter Muccadam, Painters, Mechanic, Despatch Coolie and Railway Bookers. It is agreed by the Union and the Company that the designation of Assistant Package Painter should be done away with. Fitters in this Company are doing more skilled work than Mechanics in this Company, whilst in Goodlass Wall Ltd. Mechanics are superior workmen to Fitters. Mechanics in Goodlass Wall Ltd. have been placed in Group H. There is no Group "H" in the Elephant Oil Mills Ltd. It is, therefore, suggested that the most efficient Fitter in this Company should be designated as Mechanic and placed in Group "H". The Company is agreeable to this suggestion and I, therefore, award that Group "H" be created and the most efficient Fitter should be appointed in that Group. For Group "H" in Goodlass Wall Ltd. I have fixed the wage scale of Rs. 3-0-0—6 As.—Rs. 6-6-0 per day and for Group "H" in this Company I also fix the same. Despatch Coolies are given the designation of Deliverymen and Deliverymen have been placed in Group C and I would have awarded them the wage scale of Rs. 2-0-0—As. 2½—Rs. 3-6-6 per day; but since the Union has demanded for them the wage scale of Rs. 1-12-0 rising to Rs. 3-0-0 per day in five years, I award that wage scale; but I would recommend to the Company to pay them the same wage scale as to the other categories of employees in Group C.

17. As regards the Painter Muccadam, he is the Foreman Painter, a new category created, which is placed in Group G. A new category of Rough Painters has been created to represent those whom the Union refers to as Painters and they have been placed in Group B. As regards the Railway Bookers the Company points out that there is no separate designation of a daily paid workman of this nature as the work is being done by a monthly paid clerk. This exhausts all the categories of employees in Annexure A.

18. With regard to the rest of the workmen mentioned under this demand in Annexure A, the Company pointed out that some of the designations do not exist in this Company at present. The Company, however, has filed a statement (Ex. 10) in which it shows the present categories of workmen and the new categories in which it suggests they should be divided. The Company has divided all its workmen, excluding the female workers but including sweepers and coolies into 7 groups A to G. It has further agreed to create a new category of Mechanic (most efficient Fitter) and to place him in Group H. It is admitted that Group A, which consists of only sweepers and coolies, is to be treated as belonging to the unskilled class. The employees designated in Group B are admitted by both sides to be doing semi-skilled work. Employees in Group C are skilled workmen of the lowest degree and those

in Group D to G represent skilled workmen of higher grades. This classification is practically the same as the classification suggested by Goodlass Wall Ltd. (Ex. 23 in AJ-IT. 63 of 1948). Out of these I have already dealt with Coolies forming part of Group A, for whom, I have fixed a wage scale of Rs. 1-2-6—Annual increment of As. 2 for the first year and As. 1½ thereafter—rising to Rs. 1-10-6 per day. The Company has treated sweepers along with Coolies. The Union has demanded that sweepers and sepoy should be transferred to the monthly salaried staff with appropriate grades. In my award in AJ-IT. 63 of 1948 (dispute between Goodlass Wall Ltd. and the workmen employed under it) I have awarded Watchmen, Sepoys, Hamals and Sweepers a wage scale of Rs. 30—2—50—1—65 per month. I, therefore, direct that Sepoys and Sweepers should be transferred to the monthly salaried staff and should be paid salaries in the scale of Rs. 30—2—50—1—65 per month.

19 With regard to the B Group, the Company classifies the following workmen into that Group—

- (1) Rough Painters (New Category).
- (2) Workshop Coolies.
- (3) Second Grade Machinemen.
- (4) Second Grade Kettle Attendant.
- (5) Package Painter.
- (6) Hammermen.
- (7) Greasers and Oilers.
- (8) Nailer.
- (9) Oil Fillers.
- (10) Second Grade Stencillers.
- (11) Sample Room Attendant.

It is admitted by both parties that their work is semi-skilled. For the similar B Group in Goodlass Wall Ltd. I have awarded wages in the scale of Rs. 1-8-0—As. 2—Rs. 2-4-0 per day. I, therefore, award that the workmen mentioned above as forming Group B shall be paid wages in the scale of Rs. 1-8-0—As. 2—Rs. 2-4-0 per day.

20. With regard to Group C, the Company classifies the following workmen in that Group :—

- (1) First Grade Machinemen.
- (2) First Grade Kettle Attendant.
- (3) First Grade Stencillers.
- (4) Deliverymen.
- (5) Assistant Weighman.
- (6) Sample Room Tinter.

It is agreed that they are skilled workmen of the lowest grade. I have fixed for Group C in Goodlass Wall Ltd. a wage scale of Rs. 2-0-0—As. 2½—Rs. 3-6-6 per day, and I award the same for the employees of this Company mentioned in Group C as stated above except for the Assistant Weighman. For all the categories of employees mentioned in Group C the Union has demanded a higher wage scale

than what I have awarded except for the Assistant Weighman and Deliverymen. I have already dealt with the case of the Deliverymen. For the Assistant Weighman the Union has demanded a wage scale of Rs. 1-12-0 rising to Rs. 3-0-0 per day. I cannot, therefore, grant him a higher wage scale than what is demanded for him. He will, therefore, get salary in the wage scale of Rs. 1-12-0—As. 2½—Rs. 3-0-0 per day. I, however, would recommend to the Company to grant the Assistant Weighmen the same wage scale as awarded to the rest of the workmen in this Group.

21. Group D proposed by the Company consists of the following five workmen :—

- (1) Mason.
- (2) Solderers "B" Grade.
- (3) Carpenter "B" Grade.
- (4) Tinter.
- (5) Gum Runner.

Group D in Goodlass Wall, Ltd., consists of the same five categories except for the Mason and to that Group I have awarded a wage scale of Rs. 2-8-0—As. 3—Rs. 3-8-0 per day and I award the same scale for the employees of the D Group of this Company enumerated above.

22. The E Group proposed by the Company consists of the following workmen :—

- (1) Weighman.
- (2) Assistant Fitter.
- (3) Muccadams.
- (4) Senior Laboratory Assistant.

This Group consists of the same workmen as in Group E of Goodlass Wall, Ltd., except for the Senior Laboratory Assistant. For the E Group in Goodlass Wall, Ltd., I have awarded a wage scale of Rs. 2-8-0—As. 3½—Rs. 4-4-0 per day, and I award the same for this Group. However, for Assistant Fitters the Union has demanded a wage scale of Rs. 2-8-0—Rs. 3-8-0 per day in five years. The scale of wages awarded by me to the Assistant Fitter would be higher which cannot be done. I, therefore award that the Assistant Fitter shall be paid wages in the scale of Rs. 2-8-0—As. 3—Rs. 3-8-0 per day but I would recommend to the Company to grant him the same wage scale, as to the rest of the categories in Group E.

23. The next Group, i.e. Group F, consists of only one workman namely, the Blacksmith, for whom the Company offers a wage scale of Rs. 2-0-0—Rs. 2-14-0 in five years. The Union has demanded for the Blacksmith the same wage scale as for the Fitter, Rs. 2-8-0 to Rs. 5-0-0 per day, in five years. To the Blacksmith in Goodlass Wall, Ltd., I have awarded a wage scale of Rs. 2-8-0—As. 4—Rs. 4-4-0 per day and I award the same scale to the Blacksmith in this Company.

24. Group G consists of three categories of employees, namely Fitter, Boiler Attendant and Foreman Painter. All these three categories of employees are also included in the Group G in Goodlass Wall, Ltd., and



for them I have awarded a wage scale of Rs. 2-8-0—Rs. 4—Rs. 4-8-0 per day and I award the same to the Group G in this Company. Group H shall consist of the Mechanic (most efficient Fitter) and he shall be paid wages in the scale of Rs. 3-0-0—As. 6—rising to Rs. 6-6-0 per day.

25. I, therefore, direct that all the workmen covered by demand No. 1 in Annexure A except for the female workers and Sepoys and Sweepers shall be grouped as suggested in Ex. 10 and as stated above and shall be paid wages in the scales provided above.

26. As regards the date from which the new scales awarded by me shall be made operative, it is competent to me to fix any date after the date of the reference which is 9th September 1948. The demand for the revision of wage scales was made by the Union earlier. As the scales of wages of these workmen have not been satisfactory, I award that the new wage scales shall come into force from 1st October 1948.

27. As regards adjustment, I award that the adjustment should be on the same principles as awarded by me in A.J.-IT 63 of 1948 (dispute between Goodlass Wall, Ltd., and its workmen). I, therefore, direct that the present salaries and wages of all the workmen should be adjusted in the scales of pay I have prescribed on the following basis with effect from 1st October 1948 except for the Packing Girls and Women, Keg Painting Girls and Women, Miscellaneous Working Girls and Women for whom the adjustment will be with effect from 1st June 1948:—

For those with less than one year's service—No increment in the revised scale.

For those with one year's service—One increment in the revised scale.

For service of more than 2 years but less than four years—Two increments in the revised scale.

For service of more than four years.—Three increments in the revised scale.

28. These increments should be added to the present salary. It may be that some of the employees have come very near the maximum. In their cases the adjustment will not take them above the maximum of the grades fixed for them. Those who may be getting more than the maximum will continue to get the same and their salaries will not be increased. After these increments are granted the employee shall be stepped up to the nearest increase in the revised scale if the amount of salaries with the increments as added above falls short of that amount in the revised scale. After the salaries are adjusted no employee will be staggered and he will continue to get future annual increments. All the workmen shall be paid their dues under this Award within two months of the publication of this Award in the official Gazette.

29. With regards to demands Nos. 2, 3, 4, 5, 9, 10, 11 and 12 in Annexure A, the Union urged the same arguments in their support as it had urged in respect of the same demands in the dispute with Goodlass Wall, Ltd. (A.J.-IT 63 of 1948). The Company also urged the same

arguments in opposing these demands as were urged by Goodlass Wall, Ltd., in opposing identical demands by the Union on behalf of the workmen in Goodlass Wall, Ltd. Demands No. 6 and 14 having been satisfied by the Company were withdrawn by the Union. No order is, therefore, necessary on demand No. 6 and 14 which are treated as satisfied.

*Demand No. 2—Dear Food Allowance—*

30. As regards demand No. 2, the position is the same as in Goodlass Wall, Ltd. This Company is also paying dearness allowance to its workmen on the Bombay Millowners' Association's scale and the only award necessary is that it will continue to pay dearness allowance at the rate at which dearness allowance is paid to textile workers in the city of Bombay or if the rate is revised by the Bombay Millowners' Association or by an Order of the Industrial Court, Bombay, then at such revised rates.

31. The Union demands that the workers should be paid dearness allowance on the basis of 26 working days in a month irrespective of whether the factory works for 26 days or not. I have rejected a similar demand in the dispute with Goodlass Wall, Ltd., and for the same reason I reject this demand.

*Demands No. 3(a), (b), (c), (d)—Leave—*

32. As regards demand No. 3 (a), (b), (c) and (d), the demands are identical as the demand No. 3 (a), (b), (c) and (d) in Goodlass Wall, Ltd. (A.J.-IT 63 of 1948). The arguments advanced by both the parties were the same. In Goodlass Wall, Ltd., I have awarded the daily rated workmen the same leave as is provided for under the Factories' Act, 1948, and I award the same in this adjudication. Privilege leave should be granted according to the exigencies of work in the Company. As regards the accumulation of privilege leave, the provisions of the Factories' Act, 1948, with regard to accumulation of privilege leave shall also be followed.

*Demand No. 3(b)—Leave without Pay—*

33. I have awarded this demand in Goodlass Wall, Ltd., and I award that the Company shall grant its workmen 30 days' leave in a year without wages and allowances.

*Demand No. 3(c)—Sick Leave.—*

34. On the demand for sick leave, I have awarded the workmen of Goodlass Wall, Ltd., 7 days' sick leave in the year on full pay and dearness allowance subject to the same conditions as provided for in the awards in the Ford Motor Co. of India, Ltd., and the United Motors (India), Ltd., (A.J.-IT Nos. 21 and 62 of 1948). I, therefore, award 7 days' sick leave in the year on full pay and dearness allowance to the workers in this Company on the following terms and conditions:—

- (1) In cases of application for sick leave for a period which would make the total period of sick leave longer than seven days during the year the applicant must first exhaust all the privilege leave due to him and then, if necessary, draw on the accumulation of sick leave which he has made.

(2) Ordinarily, sick leave should be granted only on production of a medical certificate, but for temporary absence for a day owing to sickness a medical certificate should not be insisted upon.

*Demand No. 3-(d)—Casual Leave—*

35. For the reasons stated in my award on this demand in AJ-IT 63 of 1948, I award 7 days' casual leave in the year subject to the condition that not more than three days' casual leave shall be taken at a time and that the grant of casual leave shall depend upon the exigencies of work in the Company. Casual leave cannot be claimed as of right but only in unforeseen and emergent circumstances. Casual leave will be on full pay and dearness allowance.

*Demand No. 4—Gratuity—*

36. Demand No. 4 in Annexure A and demand No. 7 in Annexure B in this adjudication are identical with demand No. 4 in Annexure A and demand No. 7 in Annexure B in AJ-IT 63 of 1948, dispute between Goodlass Wall, Ltd., and its workmen. With regard to this demand both parties also addressed the same arguments as were advanced in the earlier adjudication proceedings. After due consideration of all the material placed before me, I award the following scheme of gratuity:—

- |   |   |
|---|---|
| (1) On the death of an employee while in the service of the Company or on his physical or mental disability to continue further in service. | One month's salary for each year of service subject to a maximum of 15 months' salary to be paid to his heirs, executors or nominees. |
| (2) On voluntary retirement or resignation of an employee :—<br>After 15 years' continuous service in the Company.                          | 15 months' salary.  |
| (3) On termination of service by the Company :—   |   |
| (a) After 10 years' continuous service but less than 15 years' service in the Company.  | $\frac{3}{4}$ of one month's salary for each year of service.   |
| (b) After 15 years' continuous service in the Company.  | 15 months' salary.  |

Gratuity will not be paid to any employee who is dismissed for dishonesty or misconduct.

37. Salary for the purpose of calculating gratuity shall mean the substantive salary (exclusive of dearness allowance) of an employee on the date the employee ceases to be in the employment of the Company. The Company may at its discretion grant gratuity in excess of the above.

38. This Award shall apply to both the daily-rated workmen and the monthly paid staff and should be treated as an Award in respect of demand No. 4 in Annexure A and demand No. 7 in Annexure B.

*Demand Nos. 5-a and 8-a Bonus—*

39. The demand for bonus for the daily rated workmen and for the monthly salaried staff is the same. Therefore, demand No. 5 in Annexure A and demand No. 8 in Annexure B are treated together.

40. Under demand No. 5-a, the Union demands that 1/12th of the earnings from 1st February 1947 to 31st July 1947 should be awarded as balance of Independence Day bonus. The Company has paid 1/24th of the total earnings for the year as Independence Day bonus. The same arguments were advanced in support of this demand for half month's wages as further Independence Day bonus as were advanced in the adjudication of the dispute between the Union and the Goodlass Wall Ltd. After considering the arguments of both sides and relying upon the decision in the dispute between the Basanti Cotton Mills, Ltd., Calcutta, and its employees (I. C. R. Bombay 1948, page 288) I disallowed this claim, in the earlier adjudication. For the same reasons I reject demand No. 5-a under Annexure A and demand No. 8-a under Annexure B.

*Demand Nos. 5-b and 8-b—Annual Bonus—*

41. With regard to demand No. 5-b under Annexure A, which is the same as demand No. 8-b under Annexure B, the Union in its statement of claim has argued that bonus of 2 months' wages paid by the Company since 1942 has been inadequate considering the large profits the Company has been making each year. The Union argues that as there is no profit sharing system the employees should be paid at least three months' basic salary as bonus. It also claims bonus to compensate for the low rate of wages and dearness allowance paid by the Company.

42. The Company has opposed this demand and in its written statement has pointed out that the demand for three months' salary every year as bonus is excessive and one that cannot be granted. The Company in its written statement has shown that since 1943 both workers and the factory staff have each year been paid two months' basic wages as bonus except that in 1946 a slightly higher bonus of 1/5th of the annual salary was granted by the employers. At the hearing of the adjudication and by a special application dated 17th February 1949, which was heard on 24th February 1949, the Company pointed out that the Company's financial year ends on the 30th of June every year. Workers have received bonus up to 31st December 1947 and the staff have received bonus up to the 30th June 1947. The Company desires that as bonus is usually related to a Company's financial year it is desirable that such a position should also exist in this Company in respect of payment of bonus both to the workers and the monthly salaried staff. The Company argues that that could only be done by paying bonus as follows:—

- (1) For workers for six months only up to 30th June 1948.
- (2) For the monthly salaried staff for 12 months ending 30th June 1948.

43. The Company made it clear at the hearing that this application had been made without prejudice to the Company's contention that the demand as framed could not be adjudicated upon as it was a demand for payment of bonus in future years. The Union has argued that the demand is not for a future period and has referred me to the correspondence between the Union and the Company on the one hand and the letters addressed by the Union to the Deputy Director of Labour Administration before the reference of this dispute to adjudication (Exhibit 16) in which demand is for one month's wages as additional bonus for the period from 1st December 1945 to 30th November 1946. At the hearing Mr. Vimadalal, the learned Counsel for the Company, stated that at most this demand of the Union could be treated as being in respect of the said period of one year from 1st December 1945 to 30th November 1946. The Company has in its written statement shown the amount of bonuses it has paid to the workmen and the monthly salaried staff since 1943. It appears from that statement that in 1946 the Company paid 2-4 months' wages as bonus on the same basis as granted to the textile workers in Bombay and in 1947 the Company paid two months' wages as regular annual Bonus and also paid a half months' wages as Independence Day Bonus. The Company has filed a statement (Exhibit 25) showing the amount of bonus paid to the factory workers, the factory staff and the head office staff from 1941 to 1947. It is to be noted that the factory workers are paid bonus for the year ending 31st December in each year and the salaried factory staff and the head office staff are paid bonus for the period ending 30th June of each year. From the correspondence it is clear that the demand of the Union was in respect of an additional bonus equivalent to one month's wages out of the profits of the Company for the year ended 30th June 1946 and was so understood by the Company, as in its reply dated 3rd April 1947 the Company stated, "it is regretted that we are quite unable to entertain the Union's demand for a bonus equal to 1/4 of the total earnings during the period ended 30th June 1946." I agree with Mr. Vimadalal that as the amount of bonus to be paid would depend upon the actual profits made by the Company for any year it would not be desirable to fix the amount of bonus to be paid by a Company in future years. The demand therefore according to me refers to the payment of bonus out of the profits of the Company for the financial years ending 30th June 1946, 30th June 1947 and 30th June 1948. The reference to adjudication being of 9th September 1948, it is competent for me to award Bonus for these periods and such an award would not be for any future period. The Company by its application dated 17th February 1949 *inter alia* desires that for both the daily rated workmen and the salaried staff bonus should be fixed for the period ending 30th June 1948. The Company has for 1946 paid 2-4 months' basic wage and for 1947 two months' basic wage as annual bonus and a further half month's basic wages as Independence Day Bonus. I have seen the balance sheets of the Company for the years ending 30th June 1946, 30th June 1947 and 30th June 1948. As the same have been given to me by the Company under a sealed cover I am not in a position to disclose or discuss the same. I am, however,

satisfied that during each of its financial years ending 30th June 1946, 30th June 1947 and 30th June 1948 the Company made such profits as to justify the grant of three months' basic wages as bonus to each of its employees, both daily rated and the monthly salaried staff. Independence Bonus paid in 1947 cannot be taken into account as it was paid in celebration of a unique event in the history of the country. I direct that the Company shall pay additional bonus for the periods stated below on the following basis:—

For the period	Basis	To whom to be paid
1st January 1946 to 31st December 1946.	1/20th of basic wages earned during the period 1st January 1946 to 31st December 1946 so as to bring the total bonus for that period to 3 months' basic wages.	Factory Workers.
1st July 1945 to 30th June 1946.	1/20th of the basic salary earned during the period 1st July 1945 to 30th June 1946, so as to bring the total bonus for that period to 3 months' basic wages.	Factory Salaried Staff.
1st January 1947 to 31st December 1947.	1/12th of the basic wages earned during the period 1st January 1947 to 31st December 1947 so as to bring the total bonus for that period to 3 months' basic wages.	Factory Workers.
1st July 1946 to 30th June 1947.	1/12th of the basic salary earned during the period 1st July 1946 to 30th June 1947 so as to bring the total bonus for that period to 3 months' basic wages.	Factory Salaried Staff.
1st January 1948 to 30th June 1948.	1/4th of the basic wages earned during 1st January 1948 to 30th June 1948.	Factory Workers.
1st July 1947 to 30th June 1948.	1/4th of the basic wages earned during 1st July 1947 to 30th June 1948.	Salaried Staff.

The Union has urged before me that I should not award bonus for only six months for the daily workmen for the period ending 30th June 1948 as it would create considerable misunderstanding among the workers with regard to the award on this demand. However, the Union has conceded that on principle the application of the Company that payment of bonus should be related to the Company's financial year is sound, but it has only pleaded that out of consideration for the possible misunderstanding which may arise, this request of the Company should not be granted. I do not think there is much substance in this contention of the Union, and, therefore, I am inclined to uphold the contention of the Company. The bonus awarded as stated above shall be paid on the following terms and conditions:—

- (1) Employees who have worked for less than 75 working days and more than 32 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 32 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct during 1946, 1947 and 1948 shall not be entitled to any bonus for that respective year even if he has worked for more than 32 days.

(3) Bonus as stated above shall be paid within two months from the date of publication of this award in the official Gazette.

(4) Persons who are eligible for bonus but who are not in the service of the Company on the date of the payments shall be paid in one lump sum payment on 1st June 1949 provided claims in writing are submitted to the Manager of the Company before the 23rd May 1949, after which no application, shall be entertained.

*Demand No. 6—Free Uniforms—*

44. This demand having been satisfied by the Company has been withdrawn by the Union. No order is, therefore, necessary thereon.

*Demand No. 7—Canteen—*

45. Demand No. 7 in Annexure A and demand No. 9 in Annexure B are the same. At the hearing upon Mr. Sharpe, the Manager of the Company, stating that the Company intends to provide a dining room and a canteen for the workers and the monthly paid staff in the extension of the factory, at present under construction, the demand was withdrawn by the Union. No order is, therefore, necessary on this demand.

*Demand No. 8—Soap for Washing—*

46. At the hearing the Company agreed to supply once every week 2½ ozs. of 501 bar soap to each workmen. I award accordingly.

*Demand No. 9—Free Milk Ration—*

47. A similar demand was made in respect of the workmen of Goodlass Wall Ltd., where I have awarded that all workmen working in the Mill Department on Lead Process, the first grade Machinemen who work under the platform where lead powder is mixed and the powder weighmen when handling lead powder should be given a free milk ration of half a seer per day by the Company. The Union wants that free milk ration should be given to each worker attending the Varnish fire in the Varnishing Department every day. I have held in the Goodlass Wall adjudication that the Union has not made out a case for milk ration for the varnish workers attending on fires. No additional grounds have been urged in these proceedings in support of this demand, and I, therefore, direct that this Company shall give milk ration of half a seer a day only to the following workmen—

(1) All workmen working in the Mill Department on lead process.

(2) First Grade machinemen who work under the platform where lead powder is mixed.

(3) Powder weighmen when handling lead powder.

*Demand No. 10—Annual Factory Holidays—*

48. It appears from the Company's written statement that the Company adheres to the schedule of holidays published by the Bombay Millowners' Association. On very rare occasions, however, it has been necessary to change the date of any particular holiday but this is never

done without close consultation with the Millowners' Association and also the Factory Inspector who requires notification of any change in the date of factory holidays. The Company considers that the Union's demand relates to occasions when special days have been set aside for holidays in connection with some special occasion, such as Independence Day, Mahatma Gandhi's birthday etc. Such occasions are proclaimed at very short notice and the Union has not always acted with celerity when it has been consulted. The Company claims that it has never failed to grant a holiday of this nature any difference of opinion usually being concerned with the fixing of an alternate working day or payment for the holiday. I think it desirable that the workers should be consulted in advance of fixing the factory holidays in a year and also that any change in the holidays so fixed should also be made with a prior consultation with the workers' representatives. I, therefore, direct that the annual holidays should be fixed in consultation with the workers' representatives and that if any change is to be made the same should be made after consultation with the workers' representatives. The fixing of an alternate working day should also be in consultation with the workers' representatives. This seems to me a fair and reasonable demand as after all it is the workers who are primarily concerned as to the day on which they would like to enjoy a holiday.

*Demand No. 11—Transfer of Workers—*

49. A similar demand had been made against Goodlass Wall Ltd. in AJ-IT. 63 of 1948 and both sides have repeated the same arguments. I, therefore, award that all workmen transferred to a higher post temporarily and acting in that post for more than 15 days should be paid 50 per cent. of the difference between their existing salaries and the salaries of the post in which they are acting in addition to their substantive pay. If a workman is transferred to a higher grade he shall be paid the wages or salary of the higher grade from the date of appointment to the permanent vacancy.

*Demand No. 12—Providing Substitutes—*

50. This demand is identical with demand No. 14 in Annexure A in Goodlass Wall Ltd.'s dispute (AJ-IT. 63 of 1948). For the same reasons as stated in that Award I feel I would not be justified in giving any directions which might interfere with the efficient management of the Company and I, therefore, reject this demand.

*Demand No. 13—Allotment of Proper Duties—*

51. This demand is identical with demand No. 15 in Annexure A in AJ-IT. 53 of 1948 (dispute between Goodlass Wall Ltd. and its workmen). For the reasons stated in that award this demand is also rejected.

*Demand No. 14—Clean Water for Drinking.—*

52. The demand for supply of clean water for drinking and washing purposes has been satisfied since the demand was made and, therefore, the demand was withdrawn at the hearing.



*Demand No. 15—Tiffin Allowance—*

53. It was agreed at the hearing that the Driver and the Two Cleaners and the Coolies on the Company's lorries should each be paid Re. 1 as tiffin allowance when they go out on lorries and remain out during the lunch recess.

*ANNEXURE "B".**Demand No. 1—Working Hours—*

54. This demand is identical with demand No. 1 in Annexure B in AJ-IT. 63 of 1948 (dispute between Goodlass Wall Ltd. and its workmen). The demand is that for staff excluding menial staff there should be 8 working hours on week days, including one hour for lunch interval and 4 hours on Saturdays or Sundays when Saturdays is a holiday. The Union demands watchmen 8 hours in a day/night. At present the menial staff of the Company work for 48 hours a week and watchmen are also made to work for not more than 8 hours a day/night. Thus the Union's demand with regard to the menial staff and the watchmen is being satisfied.

55. With regard to the staff, the Union argues that the demand is for 39 working hours in the week. It points out that in the head office the hours of work are from 10 a.m. to 6 p.m. on week days with one hour's recess and from 10 a.m. to 1-30 p.m. on Saturdays with no break. Thus the total actual hours of work at the head office are 38½ hours in the week. At the factory, however, the clerical staff attached to the production department in the factory work for 48 hours in the week, the same as factory labour. The other clerical staff also work for 48 hours in the week but every alternate week they have a holiday on Saturday with the result that on an average they work for 46 hours a week. The Union has filed a statement (Ex. 12) showing the holidays granted to the workers in the head office and the factory, and has argued that the hours of work which the clerical staff have to do in the factory are much longer than the hours of work at the head office. The Union has cited the award of the learned Tribunal, Mr. D. G. Kamekar in AJ-IT. 32 of 1947 (dispute between the Standard Vacuum Oil Company, Bombay, and the workmen employed under it, *Bombay Government Gazette*, Part I, dated 17th September 1948, page 4213) where a certain compensation was granted to clerks transferred from the main office to the installation department where the hours of work were longer. The Company has strenuously opposed this demand. The Company objects to a comparison being made with the hours of work of the head office staff. The Company also argues that the actual hours of work done is less than 48 hours in the week because of the general tendency to start work late and to stop working before the closing hours. It must, however, be remembered that the hours of work in force in the factory office are within the limits provided for by the Factories Act and the Bombay Shops and Establishments Act and I do not think a case has been made out to justify any ordering the Company to reduce the same. The demand is, therefore, rejected.

divide them into as many as 17 grades, as the Company has done. I have discussed the various grades at length in my award in A.J.I.T. 63 1948 (Goodlass Wall Ltd. vs. its workmen) and I have fixed certain wage scales for them. I propose to fix the same scales for this Company. I, therefore, award that the non-technical and technical staff shall be divided into the following grades with the scales of pay shown against each grade :—

*Non-Technical Staff—*

Grade A—Overseers	... Rs. 60—5—100.
Grade B—Junior Clerks	... Rs. 70—5—110—E.B.—7½— 140—E.B.—10—200.
Grade C—Senior Clerks	... Rs. 150—10—210—E.B.—15— 240.
Grade D—Heads of Departments	Rs. 200—15—260—20—400.

*Technical Staff—*

Grade A—Overseers	... Rs. 60—5—100.
Grade B—Assistant Foremen	... Rs. 80—5—110—E.B.—7½—140 —E.B.—10—240.
Grade C—Foremen	... Rs. 200—10—290—E.B.—20— 330.
Grade D—Junior Chemist	... Rs. 85—5—110—E.B.—7½—140 —E.B.—10—240.
Grade E—Chemist	... Rs. 200—15—290—E.B.—20— 330.

57. To Junior Clerks the Company pays a salary of Rs. 60 per month on probation and on confirmation starts them on Rs. 65 per month. Probationers will, therefore, start on Rs. 65 per month and on confirmation shall draw a salary of Rs. 70 per month.

58. As regards Electricians and Van and Lorry Drivers,—they are classified by the Company in the Miscellaneous group. To Van and Lorry Drivers the Company pays salary in the grade of Rs. 50—5—65—E.B.—5—90. The Union demands for Van and Lorry Drivers a scale of Rs. 100—5—125—10—175 which is excessive and has no relation to what is at present being paid to this class of workmen. In the award in the dispute between the Indian Vegetable Products Ltd. and its workmen (A.J.I.T. 28 of 1948) I have fixed for drivers a wage scale of Rs. 75—5—100 which, I think, is adequate. I, therefore, award Van and Lorry Drivers in this Company a wage scale of Rs. 75—5—100. I have awarded the same salary scale to the van drivers in the Goodlass Wall Ltd. award.

59. As regards Electricians, the Company pays them in the scale of Rs. 60—5—80—E.B.—5—100. The Company in its written statement has pointed out that Electricians in this grade are required to possess second class wireman's certificate and the Company encourages them to pass the higher examination to obtain a first class wiremen's Certificate, by raising the scale of salary accordingly. In Goodlass Wall Ltd.

wiremen with the same qualification have been put in the wage scale of Rs. 2-8-0—Annas 4—Rs. 4-8-0 per day which on the basis of a month of 26 working days works out to Rs. 65—Rs. 6½—Rs. 117. The Company at present pays them in the wage scale of Rs. 65—5—80—E. B.—5—110. I propose to raise them to the wage scale of Rs. 65—6½—117 and I award accordingly.

60. With regard to the menial staff (sepoys and sweepers) in Annexure A I have ordered them to be transferred to the monthly staff and have fixed for them the wage scale of Rs. 30—2—50—1—65. I would fix the same scale for peons and watchmen. In the result, therefore, peons, sweepers, watchmen and sepoy will be paid wages in the scale of Rs. 30—2—50—1—65.

61. With regard to the Laboratory Attendant, the Company pays him the same wage scale as to sweepers, peons and watchmen. I think a laboratory attendant is something more than a mere moppper-up or a menial servant and I have fixed for him a wage scale of Rs. 35—3—80 in my award in the dispute between Goodlass Wall Ltd. and its workmen, and I award the same scale to the laboratory attendant in this Company.

62. As regards the Head Office Messenger, this Company has no separate grade for him. The peons who carry correspondence between the factory and the head office are daily paid workmen in receipt of dearness allowance on the basis of the Bombay Millowners' Association's scale. Since there is no separate category of Head Office Messenger I cannot fix any separate wage scale for him.

*Demand No. 2-a—Heads of Peons, etc.—*

63. For the same reasons as stated in my award in the dispute between Goodlass Wall Ltd. and its workmen, I award that the senior-most among the peons, sweepers and watchmen in this Company should also be paid a special allowance of Rs. 5 per month.

64. By the note under this demand the Union claims that appointments to higher posts should generally be made from amongst those who are already in the service of the Company. This appears to be the practice of the Company except when out of special considerations of efficiency outside hands are engaged. No award is, therefore, necessary on this demand.

65. With regard to the date from which the new scales awarded herein shall take effect, I award that they shall take effect from 1st October 1948. With regard to the adjustment of salaries in the new scales, the same system as directed in Annexure A should be followed with regard to the menials and the monthly rated staff also with effect from 1st October 1948 and all dues should be paid within two months from the date of the publication of this award in the official Gazette.

*Demand No. 3—Dearness Allowance—*

66. The present rate of dearness allowance paid to the staff is 25 per cent. of the salary plus Rs. 15 per month subject to a minimum of

Rs. 55 per month, the same as in Goodlass Wall Ltd. For those members whose salary is over Rs. 300 dearness allowance is paid at 25 per cent. plus Rs. 15 subject to a maximum of Rs. 130 per month. The Union demands that all salaried employees excluding the menial staff should be paid dearness allowance at the rate of 40 per cent. of the salary plus Rs. 35 or Rs. 75 per month, whichever is greater. For the menial staff the Union demands dearness allowance on the basis of the cost of living index number calculated for the full calendar month. In my award in the dispute between Goodlass Wall Ltd. and its workmen, I have awarded the menial staff dearness allowance at the Bombay Millowners' Association's rate. The menial staff of this Company will, therefore, be paid dearness allowance at the Bombay Millowners' Association's rate on the basis of the number of days worked and not on the basis of the calculation for the full calendar month as demanded by the Union.

67. To the salaried staff of Goodlass Wall Ltd. and the salaried staff of Indian Vegetable Products Ltd. I have awarded dearness allowance at the rate of 60 per cent. of the basic salary on the first Rs. 100 and 20 per cent. of the balance with a minimum allowance of Rs. 65 per month. This Company has as much capacity to pay dearness allowance as those two Companies and I, therefore, award that dearness allowance to the clerical and technical staff of the Company shall be paid at the above rate (at the rate of 60 per cent. of the basic salary on the first Rs. 100 and 20 per cent. of the balance with a minimum allowance of Rs. 65 per month).

68. With regard to the date from which the new rate of dearness allowance shall be made operative, I have fixed the operative date in Goodlass Wall Ltd. with retrospective effect from 1st January 1948 and I fix the same date herein. The reason is that the Union had demanded revision in the rate of dearness allowance to be paid to the monthly salaried staff by its letter dated 8th December 1947 (Ex. 6) with retrospective effect from 1st September 1947. The Union has however, not been able to justify its demand for retrospective effect from 1st July 1947. The difference between the dearness allowance as awarded and that already paid for the period from 1st January 1948 shall be paid within two months of the date of publication of this award in the official Gazette.

*Demand No. 4—Immediate Revision of Salary—*

69. By this demand the Union demands that the scales of pay awarded should be applied from the date the member entered the service of the Company and if it is less than the figure thus obtained, it should be immediately adjusted accordingly. For the reasons stated in my award in the dispute between Goodlass Wall Ltd. and its workmen (A.J. IT. 63 of 1948) this demand is rejected.

*Demand No. 5-a and 5-d—Privilege Leave—*

70. On this demand the same arguments were advanced as in the earlier adjudication of Goodlass Wall Ltd. and its workmen (A.J. IT. 63 of 1948). For the reasons stated in my award in A.J. IT. 63 of 1948,

I award the same leave as was granted in that award. I, therefore, award as follows :—

Thirty days' privilege leave in the year on full pay and dearness allowance to the monthly rated staff of this Company with the right to accumulate privilege leave upto 90 days. The actual period of leave to be granted would depend upon the exigencies of work in the Company.

*Demand No. 5-b and 5-c—Sick Leave.—*

71. The Company grants as many as 21 days' sick leave on full pay and dearness allowance, but it does not grant any accumulation thereof. Under demand No. 5-e the Union claims accumulation of sick leave up to a minimum period of three months. I have allowed accumulation for three years in my award in AJ-IT. 63 of 1948 and I, therefore, award that sick leave should be allowed to be accumulated for 63 days. Sick leave should be granted only on production of a medical certificate from a registered medical practitioner.

*Demand No. 5-c—Casual Leave—*

72. The Company grants 7 days' casual leave which is quite adequate considering that it grants 21 days' sick leave. This demand, which is for 15 days' casual leave is, therefore, rejected.

*Demand No. 6—Provident Fund—*

*Demand No. 6 (a)—Increase in the rate of contribution to the Provident Fund.*

73. This demand is identical with demand No. 5 (a) in Annexure B in AJ-IT. 63 of 1948 (dispute between Goodlass Wall Ltd. and its workmen). Both parties advanced the same arguments in support of and in opposition to this demand. For the reasons stated in my award in AJ-IT. 63 of 1948 I reject demand No. 6 (a).

74. With regard to demands No. 6-b, 6-c, 6-d and 6-g, I recommend that the Company should so alter its rules that every employee gets the following proportion of the Company's contribution :—

After completion of 5 years of service.	50 per cent. of the Company's contribution.
After completion of 6 years of service.	60 per cent. of the Company's contribution.
After completion of 7 years of service.	70 per cent. of the Company's contribution.
After completion of 8 years of service.	80 per cent. of the Company's contribution.
After completion of 9 years of service.	90 per cent. of the Company's contribution.
After completion of 10 years' service.	100 per cent. of the Company's contribution.

However, as there are trustees to the Provident Fund who are not parties to this dispute and as all the beneficiaries are not before me, whatever recommendation I may make in respect of this demand will not be binding upon the trustees and the Commissioner of Income Tax whose approval to the scheme is necessary in order to obtain exemption from income-tax. However, "It is open to an Industrial Tribunal to make recommendations to an employer Company with respect to a Provident Fund scheme." (AJ. IT. 10 of 1947). I, therefore, recommend that the Company's Provident Fund Rules should be amended on the above terms.

*Demand No. 6-c.*

74-A. The Union demands that one of the Trustees to the Provident Fund should be a representative of the employees who is a member of the Union. Under rule 4 of the Provident Fund Rules of the Company the Fund constituted into an irrevocable Trust is to be vested in two or more Trustees who may from time to time be appointed by the Board of Directors of the Company. The rules do not seem to provide any limit for the number of Trustees to be appointed. The demand of the Union is not only a reasonable one but a step in the right direction. It cannot be denied on any justifiable grounds. I, therefore, recommend that one additional Trustee of the Provident Fund should be appointed by the Directors from amongst the members of the factory's staff, preferably one who is a member of the Union.

*Demand No. 6-f—Lapse and Forfeitures Account—*

75. For the same reasons as stated in my award in AJ-IT. 63 of 1948 (dispute between Goodlass Wall Ltd. and its workmen), this demand is rejected.

*Demand No. 10—Dispensary and Medical Treatment—*

76. The Union in its statement of claim has withdrawn this demand. No order is, therefore, necessary on this demand.

*Demand No. 11—Extra Allowance—*

77. The Union demands that an extra allowance of Rs. 20 per month should be paid to clerks who work on Comptometers and typewriters. It was ascertained at the hearing that the Company has no comptometer. The demand is, therefore, in respect of typists only. The Company has opposed this demand and has argued that its grade of salaries for typists is adequate and that there is no need for an extra allowance of Rs. 20 per month demanded by the Union.

78. As regards typists, they are in the same grade as Junior Clerks and in this Company they are paid salaries in the Junior clerical grade. No separate grade has been fixed for them nor has one been demanded by the Union. I, therefore, award typists an allowance of Rs. 10 per

month. This allowance to the typists would take effect from 1st January 1949.

79. The award is directed to be submitted to Government. No order as to costs.

(Signed) SALIM M. MERCHANT,  
Industrial Tribunal.

(Signed) N. N. MAJMUDDAR,  
Secretary.  
Bombay, 18th/19th April 1949.

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**Order.**

No. 560/46-I.—Whereas the dispute between the Elephant Oil Mills Limited, Bombay, and the workmen employed under it was referred by Government Order, Labour Department, No. 560/46-I, dated the 9th September 1948, for adjudication to an Industrial Tribunal;

And whereas the Industrial Tribunal has now given its award in the said dispute;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 15 read with sub-section (3) of section 19 of the Industrial Disputes Act, 1947 (XIV of 1947), the Government of Bombay is hereby pleased to declare that the said award shall be binding on the Elephant Oil Mills Limited, Bombay, and the workmen employed under it and to direct that the said award shall come into operation on the 28th April 1949 and shall remain in operation for a period of one year.

By order of the Governor of Bombay,

C. K. MARU,  
Under Secretary to Government.

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Bombay Castle, 30th April 1949.

**Order.**

No. 1964/46.—Whereas an industrial dispute has arisen between the Bombay Dyeing and Manufacturing Company Limited (Spring Mills), Bombay, and its employees in the Ring Spinning Department in respect of the proposed allotment of 4 sides to 3 siders;

Now, therefore, in exercise of the powers conferred by section 86C of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to refer the said industrial dispute for decision to the Wage Board for the Cotton Textile Industry, constituted by Government Notification, Labour Department, No. 216/48, dated the 4th August 1948.

By order of the Governor of Bombay,  
N. K. DRAVID,  
Secretary to Government.

Bombay Castle, 2nd May 1949.

No. 2119/46-I.—The award of the Tribunal in the industrial dispute between the Surat Silk Goods Mills, Surat, and the workmen employed under it referred for adjudication under Government Order, Labour Department, No 2119/46-I, dated the 4th May 1948, is hereby published :—

BEFORE M. C. SHAH, ESQUIRE, INDUSTRIAL TRIBUNAL,  
BOMBAY.

AJ-IT. 50 of 1948.

ADJUDICATION

BETWEEN

The Surat Silk Goods Mills, Surat

AND

The Workmen employed under it.

Re : Bonus or profit-sharing for the year 1947.

*Appearances.*—Mr. B. Narayanaswamy, Advocate, for the Company.

Mr. D. A. Desai, Advocate, with Mr. I. C. Desai,  
President and Mr. H. S. Thakur, Secretary, Surat  
Silk Mill Workers' Union, for the workmen.

AWARD.

This industrial dispute between the Surat Silk Goods Mills, Surat, and the workmen employed under it relates to the bonus for the year 1947 and has been referred to me for adjudication by the Government of Bombay by Order No. 2119/46-I, Labour Department, dated the 4th May 1948, under section 10 of the Industrial Disputes Act, 1947 (XIV of 1947). The workmen who are represented by the Surat Silk Mills Workers' Union have asked for a bonus equivalent to three months' wages for the year 1947 "on the basis of profit-sharing", and have filed a statement of claim amplifying their demand. The Company, which is a proprietary concern, has filed a written statement in reply opposing the claim and denying having made large profits in the year in question and pleading its inability to pay any bonus. At the hearing the Union has not laid stress on the demand for profit sharing and has asked for a bonus on the strength of the profits made by the Company. The Company's working year ends with the Diwali. The statement of account for the year ending the 12th November 1947 shows a net profit of Rs. 63,513-7-0 after making allowance for depreciation and interest actually paid on borrowings. There were originally three partners in the concern one of whom retired on the 31st December 1946 withdrawing from the Company his share of the assets and the concern was thereafter owned by the present two proprietors who are brothers. The mill is working in three shifts and the depreciation on machinery has been calculated on the basis of 22½ per cent. comprising of 15 per cent. for the day shifts and 7½ per cent. for the night shift to which no serious exception can be taken. On this basis



the total depreciation is shown as Rs. 1,45,255. It appears that at the time when the third partner retired from the Company the old machinery was valued at Rs. 6 lacs and was taken over by the remaining partners, and thereafter new machinery of the value of Rs. 51,845 was added and for the purpose of calculating the depreciation in the year in question the machinery has been valued at Rs. 6,51,845. Mr. Desai for the Union has objected to this valuation on the ground that the price of the machinery accounted for at the time of the dissolution of the partnership is not the real value and that in any case depreciation of the machinery which was hitherto not shown has been appropriated by the partners and that that factor should count in assessing the value of the machinery. The Company's reply is that they have actually paid the retiring partner his share of the machinery on the basis of the valuation of Rs. 6 lacs and that the said valuation ought therefore to be accepted. It is also urged that they stand the liability of being assessed to income tax on the basis of this valuation. It seems to me that the Company's contention is not without substance. All the same the fact that the depreciation has not been taken into account in the past valuations of the Company's working should not be lost sight of. At any rate the profits admitted by the Company itself come to Rs. 63,513 for the whole year in question which are quite appreciable. Having regard to the circumstances therefore I hold it reasonable and fair to award a bonus equivalent to 10 per cent. (approximating to one month and six days) of the earnings, viz. the basic wage (exclusive of dearness allowance) of the workmen in the year 1947, that is from 1st January 1947 to 31st December 1947.

2. Subject to the following conditions all employees concerned in this reference shall be given a bonus equivalent to one-tenth of their earnings in the year 1947 :—

(1) Employees who have worked for less than 75 working days and more than 32 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 32 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct in 1947, shall not be entitled to any bonus even if he has worked for more than 32 days.

(3) Bonus shall be calculated on earnings (exclusive of dearness allowance and bonuses paid during the period) from 1st January to 31st December 1947.

(4) In the case of women who have been on maternity leave during the period referred to, the actual maternity allowance drawn by them shall be included in their earnings for the purpose of calculating the bonus payable.

(5) Bonus as above stated shall be paid to the employees in one lump sum within three weeks of the publication of this award in the official Gazette.

(6) Persons who are eligible for bonus but who are not in the service of the Company on the date of the payment shall submit their claims in writing to the Company within four weeks of the publication of the award and payment of the bonus shall be made to such persons within six weeks of the publication of this award.

(Signed) M. C. SHAH,  
Industrial Tribunal.

(Signed) N. N. MAJUMDAR,  
Secretary,  
Bombay, 21st April 1949.

**Order.**

No. 2119/46-I.—Whereas the dispute between the Surat Silk Goods Mills, Surat, and the workmen employed under it was referred by Government Order, Labour Department, No. 2119/46-I, dated the 4th May 1948, for adjudication to an Industrial Tribunal;

And whereas the Industrial Tribunal has now given its award in the said dispute;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 15 read with sub-section (3) of section 19 of the Industrial Disputes Act, 1947 (XIV of 1947), the Government of Bombay is hereby pleased to declare that the said award shall be binding on the Surat Silk Goods Mills, Surat, and the workmen employed under it and to direct that the said award shall come into operation on the 2nd May 1949 and shall remain in operation for a period of one year.

No. 2119/46-II.—The award of the Tribunal in the industrial dispute between the Dhanamal Silk Mills, Surat, and the workmen employed under it referred for adjudication under Government Order, Labour Department, No. 2119/46-II, dated the 4th May 1948, is hereby published:—

BEFORE M. C. SHAH, ESQUIRE, INDUSTRIAL TRIBUNAL,  
BOMBAY.

AJ-IT. No. 49 of 1948.

ADJUDICATION.

BETWEEN

The Dhanamal Silk Mills, Surat

AND

Its Workmen.

Re: Bonus or profit-sharing for the year 1947.

*Appearances.*—Mr. C. M. Mehta, Solicitor, Messrs. Gagrat & Co.,  
for the Mills.

Mr. D. A. Desai, Advocate with Mr. I. C. Desai,  
President and Mr. H. S. Thakur, Secretary, Surat  
Silk Mill Workers' Union for the workmen.

## AWARD

This industrial dispute between the Dhanamal Silk Mills, Surat, and the workmen employed under it relates to the bonus for the year 1947 and has been referred to me for adjudication by the Government of Bombay by Order No. 2119/46-II, Labour Department, dated the 4th May 1948, under section 10 of the Industrial Disputes Act, 1947 (XIV of 1947). The workmen have asked for a bonus equivalent to three months' wages in the year 1947 "on the basis of profit-sharing" and have filed a statement of claim amplifying their demand, through the Surat Mill Workers' Union. The Dhanamal Silk Mills have not filed any statement in reply but have appeared at the hearing and have opposed the claim denying having made large profits in the year in question and pleading their inability to pay any bonus. At the hearing the Union has not laid stress on the demand for profit-sharing and has asked for a bonus on the basis of the profits made by the Company in the year. The Company's statement of account for the year ended 31st March 1948 shows a gross profit of Rs. 5,31,282-10-4 and a net profit of Rs. 1,52,507-13-4 and relying on the quantum of the net profits the Union has urged that the demand for bonus equivalent to three months' wages is reasonable and fair. Mr. Mehta for the Company has however pointed out that the net profits above referred to do not take into account the depreciation on the machinery and buildings, and interest on the invested capital and that after deducting these charges the net profits come to very much less. Now depreciation will be a prior charge on the gross earnings of the Company and simply because it has not been taken into account in the statement of accounts (Ex. 1) it will not be proper to rule out the item on this head in valuing the net profits. The value of the machinery is put at Rs. 3,92,493 odd and at the rate of 10 per cent., which is the admissible rate for purposes of Income-tax, it is claimed that the depreciation amount would come roughly to Rs. 39,250. The Company is a proprietary concern and was started in 1941 and I understand that no deductions for depreciation charges have been hitherto made at the annual accounts taking and it also appears that additions have been made to the machinery from time to time. The Proprietor of the Company is unable to say how exactly the machinery was valued at the end of each year. The amount due for depreciation which otherwise should have been earmarked from year to year and which should also have gone to reduce the value of the machinery, for the purpose of calculating the depreciation charges every year, appears to have been appropriated by the owner as part of profits, it being a proprietary concern, and, therefore, it will not be quite fair to adopt the value of the machinery assessed in the statement of accounts (Ex. 1). In fact the accounts for the year 1947 (Ex. 2) show the same value of the machinery on the 31st March 1947 viz., Rs. 3,92,493 odd and, when this was pointed out, Mr. Mehta frankly admitted that the value of the machinery in the year 1948 will be less by the amount of depreciation due in 1947 and

will come to Rs. 3,53,243. In the absence of other material and assuming that that is the correct valuation, the depreciation charges will come to Rs. 35,324 as against Rs. 39,250 originally claimed. The same is true of the value of the buildings and they would come to Rs. 11,280 by the above process of calculation and together the two items come to Rs. 46,604. As for the interest on the invested capital it appears that the profits of the previous year are added to the capital and the total is shown as the capital for the succeeding year. To this however the proprietor's reply is that the profits are utilised in expanding the business itself and are not taken away and if that is so, no serious exception can be taken to such a course. However the profits added include the depreciation and the interest charges which properly speaking should be excluded from the net profits even according to the stand taken by the Company in these proceedings. In the absence of the previous accounts it is not possible to find out what the actual capital would be, but on the balance sheets filed in this case the capital will be appreciably less than the figure stated in Exhibits 2 and 1. But taking for the purpose of discussion the amount as stated in Exhibit 1 it admittedly includes buildings and machinery worth about Rs. 6 lacs and Mr. Mehta has fairly conceded that this should be excluded and the capital might be taken at about Rs. 19,25,000. Calculating interest at the rate of 3 per cent. it will come to about Rs. 57,750 though as I pointed out that will not be quite a correct figure. The deductions on account of the depreciation on machinery and buildings and the interest charges thus come to about Rs. 94,354 on a rough basis, and on the figures stated by the Company, the actual net profits come to Rs. 58,153. That is however a conservative estimate and does not take into account the reduction in the value of machinery and buildings for the purpose of depreciation which has occurred from year to year. The profits no doubt are much less than those made in the year 1946; all the same in view of the fact that the charges for depreciation and interest have not been correctly assessed and the fact that the profits made are quite sizable I award a bonus equivalent to 10 per cent. (which approximates one month and six days) of the earnings viz. the basic wage (exclusive of dearness allowance) of the workmen in the year 1947, that is from the 1st January 1947 to 31st December 1947 (both sides admit that this is the correct period). Accordingly I award to the workmen bonus as stated above.

2. Subject to the following conditions all employees concerned in this reference shall be given a bonus equivalent to one-tenth of their earnings in the year 1947 :—

(1) Employees who have worked for less than 75 working days and more than 32 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 32 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct in 1947, shall not be entitled to any bonus even if he has worked for more than 32 days.

(3) Bonus shall be calculated on earnings (exclusive of dearness allowance and bonuses paid during the period) from 1st January to 31st December 1947.

(4) In the case of women who have been on maternity leave during the period referred to, the actual maternity allowance drawn by them shall be included in their earnings for the purpose of calculating the bonus payable.

(5) Bonus as above stated shall be paid to the employees in one lump sum within three weeks of the publication of this award in the official Gazette.

(6) Persons who are eligible for bonus but who are not in the service of the Company on the date of the payment shall submit their claims in writing to the Company within four weeks of the publication of the award and payment of the bonus shall be made to such persons within six weeks of the publication of this award.

(Signed) M. C. SHAH,  
Industrial Tribunal.

(Signed) N. N. MAJUMDAR,  
Secretary.  
Bombay, 21st April 1949.

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**Order.**

No. 2119/46-II.—Whereas the dispute between the Dhanamal Silk Mills, Surat, and the workmen employed under it was referred by Government Order, Labour Department, No. 2119/46-II, dated the 4th May 1948, for adjudication to an Industrial Tribunal;

And whereas the Industrial Tribunal has now given its award in the said dispute;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 15 read with sub-section (3) of section 19 of the Industrial Disputes Act, 1947 (XIV of 1947), the Government of Bombay is hereby pleased to declare that the said award shall be binding on the Dhanamal Silk Mills, Surat, and the workmen employed under it and to direct that the said award shall come into operation on the 2nd May 1949 and shall remain in operation for a period of one year.

No. 422/48.—The award of the Tribunal in the industrial dispute between the Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar, and the workmen employed under it referred for adjudication under Government Order, Labour Department, No. 422/48, dated the 28th February 1949, is hereby published :—

BEFORE MR. SALIM M. MERCHANT, INDUSTRIAL TRIBUNAL,  
BOMBAY.

ADJUDICATION

AJ. IT 18 of 1949.

BETWEEN

The Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar,  
(Bombay)

AND

The workmen employed under it.

In the matter of an Industrial Dispute regarding laying down certain conditions before the service of an employee can be terminated and the Bombay Press Employees' Union should be recognised as the sole representative Union of the workmen.

Counsel Mr. Sohrab D. Vimadalal, Bar-at-Law, instructed by Messrs. Solomon & Co., Solicitors, for the Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar (Bombay).

Mr. Vinayak Purohit, General Secretary of the Bombay Press Employees' Union, for the workmen.

AWARD.

This dispute between the Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar, and the workmen employed under it as represented by the Bombay Press Employees' Union, Bombay, has been referred to me as Industrial Tribunal by the Government of Bombay under subsection (2) of section 10 of the Industrial Disputes Act of 1947 (XIV of 1947) by its Order, Labour Department, No. 422/48, dated 28th February 1949, for adjudication of the matters in dispute which as stated in Annexure A to the said order are as follows :—

(1) Service should not be terminated without giving sufficient time for the employee to improve and without the employee having the right to defend himself against a written charge sheet.

(2) Bombay Press Employees' Union to be recognised as the sole representative of the workmen.



2. This is the second Industrial Dispute between the same parties referred to my adjudication. The earlier dispute AJ.IT 76 of 1948 involves major issues and is still pending before me. This dispute, however, involves only two demands and as the matter has been heard and these two demands are independent of the demands made in the earlier major dispute between the parties, I do not think I should withhold making an award in this dispute pending the conclusion of the proceedings of the earlier adjudication.

3. After the usual notices were issued the matter was heard before me on 26th March 1949 and 2nd April 1949. At the hearing Mr. Purohit for the Bombay Press Employees' Union (hereinafter called the Union) stated that paragraph 33 of the Union's statement of claim in AJ.IT 76 of 1948 should be treated as the Union's statement of claim in respect of demand No. 1 herein and paragraphs 34 and 35 of the said statement of claim should be treated as the statement of claim in respect of demand No. 2 herein. Mr. Vimadalal, learned Counsel for the Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar (hereinafter called the Company) stated that the last two paragraphs of the Company's written statement in AJ.IT 76 of 1948 should be treated as the Company's written statement in respect of these two demands. Later the parties filed these paragraphs as separate statement of claim and written statement herein and they have been marked Ex. 1 and Ex. 2 respectively.

*Demand No. 1.*—Service should not be terminated without giving sufficient time for the employee to improve and without the employee having the right to defend himself against a written charge sheet—

4. The Union in its statement of claim states that no action of a serious nature should be taken against any employee without giving the employee sufficient opportunity to improve his conduct and that his services should not be terminated without putting him on a proper charge sheet and without holding a proper enquiry and without giving him an opportunity to defend himself through the Union. After a certain discussion at the hearing, the parties were agreed that on this demand the Company should follow the practice laid down in Standing Order No. 13 mentioned in Annexure B to the Award of the Industrial Tribunal appointed under the Industrial Disputes Act of 1947 (XIV of 1947) in the matter of the Industrial Dispute between 169 printing presses of Calcutta and Howrah and their employees and published by the Government of West Bengal, Commerce, Labour and Industries Department, Order No. 1487, Labour, dated 11th May 1948. The said Standing Order No. 13 is as follows :—

*Disciplinary action for misconduct.*

(a) A workman may be warned or fined for any of the following acts and omission :—

- (i) Disobedience ;
- (ii) Carelessness ;
- (iii) Negligence ;

- (iv) Laziness ;
- (v) Occasional breach of rules ;
- (vi) Committing nuisance in the factory premises ;
- (vii) Failure to observe safety instructions expressly given.
- (viii) Quarrelling.

(b) A workman may be suspended or dismissed without notice or compensation in lieu of notice, if he is found to be guilty of Misconduct as defined below :—

- (i) Wilful insubordination or disobedience, whether alone or in combination with others, to any lawful and reasonable order of a superior officer.
- (ii) Theft, fraud or dishonesty in connection with the Company's business or property.
- (iii) Wilful damage to or loss of the Company's goods or property.
- (iv) Taking or giving bribes or any illegal gratifications.
- (v) Habitual absence without leave or absence without leave for more than 14 days at a time.
- (vi) Habitual late attendance.
- (vii) Habitual breach of any law applicable to the factory, e.g., smoking in prohibited areas.
- (viii) Riotous or disorderly behaviour during working hours at the factory or any act, subversive to discipline.
- (ix) Habitual negligence or neglect of work.
- (x) Frequent repetition of any act or omission referred to in paragraph 13 (a) above.
- (xi) Striking work or inciting others to strike work in contravention of the provisions of any law or rule having the force of law.

(c) An order of suspension shall be in writing and may take effect immediately on delivery to the workmen. Such order shall set out in detail the alleged misconduct and the workman shall be given an opportunity of explanation. If, on enquiry, the order is confirmed, the workman shall be deemed to have been absent from duty for the period of suspension and shall not be entitled to any emoluments for such period. If, however, the order is rescinded the workman shall be deemed to have been on duty during the period of suspension and shall be entitled to the same wages as he would have received if he had not been suspended.

(d) No order of dismissal shall be made unless the workman concerned is informed in writing of the alleged misconduct and is given an opportunity to explain the circumstances alleged against him.. The order of dismissal for such offence must have the approval of the Manager or Proprietor or Managing Director who may institute independent enquiries before dealing with the charges against the worker.



(e) In awarding punishment under this standing order, the Management shall always take into account the gravity of the misconduct, the previous record, if any, of the workman and any other extenuating or aggravating circumstances that may exist. A copy of the order passed by the Manager shall be supplied to the workman concerned.

(f) The Company shall maintain a record containing details of such misconduct as above in respect of such a worker who is warned, suspended or dismissed and this shall be entered therein and the worker concerned shall be required to sign or put his left thumb impression against the entry.

I, therefore, award that the procedure as stated above shall be followed before the services of an employee are terminated by the Company.

**Demand No. 2.**—Bombay Press Employees' Union to be recognised as the sole representative of the workmen—

5. With regard to demand No. 2, the Union argues that as the Bombay Press Employees' Union is the largest and the most representative Union in the press industry in Bombay it should be recognised as the sole representative union of the workmen. The Company has opposed this demand and *inter alia* argued that as the Bombay Industrial Relations Act of 1946 has not been extended to the press industry, there can be no question of the recognition of this Union as the sole representative of the workmen in the Press Industry. It also argues that, "this demand does not fall within the purview or scope of adjudication under the prevailing Law". On the question of recognition of a Union as a representative Union, I have held in A.J.IT 29 of 1948, dispute between the Western India Engineering Co., Bombay, and the workmen employed under it, (*Bombay Government Gazette*, Part I, dated 17th November 1948) that such a demand is untenable. In the matter of recognition of a trade union, the Central Government has now amended the provisions of the Indian Trade Union Act by the Trade Unions Amending Act, 1947. The amending Act has been passed by the Indian Dominion Legislature and has recently received the assent of the Governor General on 20th December 1947. Under clause 2, section 1, of the said Act, the Act is to come into force on such date as the Central Government may be notification in the official Gazette appoint. It is expected that the notification will be issued soon. Section 28 (e) of the amended Act enables the Trade Union, which has applied for recognition to the employer and failed to obtain it, to apply to the Labour Court for recognition. The Union should, therefore, adopt the procedure prescribed by the said amending Act after it comes into force and apply to the Company for recognition and if it fails to obtain it to apply to the Labour Court for recognition. The demand as made is, therefore, untenable and as such it is rejected.

6. The award is directed to be submitted to Government. No order as to costs.

N. N. MUJMUDAR,  
Secretary.

Bombay, 27th April 1949.

SALIM M. MERCHANT,  
Industrial Tribunal.

Order.

No. 422/48.—Whereas the dispute between the Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar, and the workmen employed under it was referred by Government Order, Labour Department, No. 422/48, dated the 28th February 1949, for adjudication to an Industrial Tribunal;

And whereas the Industrial Tribunal has now given its award in the said dispute;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 15 read with sub-section (3) of section 19 of the Industrial Disputes Act, 1947 (XIV of 1947), the Government of Bombay is hereby pleased to declare that the said award shall be binding on the Ravi Udaya Vijaya Photo Litho Offset Works, Ghatkopar, and the workmen employed under it and to direct that the said award shall come into operation on the 2nd May 1949 and shall remain in operation for a period of one year.

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BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 2285/46.—In pursuance of the provisions of section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act :—

No. Dy. C. L. (A)/B-7104.

Office of the Dy. Commissioner of Labour,  
(Administration), Wellington Cinema  
Building, Bombay 2,  
30th April 1949.

From—A. C. Amdekar, Esq., M.A., Conciliator, Bombay Industrial Relations Act;

To—The Chief Conciliator, Bombay Industrial Relations Act, Bombay.

Report under section 58 (2) of the Bombay Industrial Relations Act, 1946, regarding the dispute between The Phoenix Mills Ltd., Bombay, and their employees in the Mule Department represented by the Rashtriya Mill Mazdoor Sangh, Bombay.

On 7th March 1949, the Manager of the Phoenix Mills Ltd. gave a notice of change in form "K" to the Rashtriya Mill Mazdoor Sangh, Bombay, since it is authorised as representative of employees by the elected representatives of employees of the mill covered by occupations "B", "C", "G", "I" and "J", to the effect that owing to the

uneconomic running of the present mules and as it is intended to install new ring frames in the Mule Department in place of the present old machines, the mill desires to close down the Mule Department completely and retrench about 167 persons in the department including about 111 copreelers. As there was no agreement between the parties "N" form was sent to the Conciliator who registered it on 22nd March 1949.

Conciliation proceedings were held on 6th April 1949. The representative of the Sangh did not object to the closure of the Mule Department, if the retrenched workers were suitably provided for in other departments of the mill. The Conciliator requested the management to give the exact number of men in different categories that shall be retrenched and the vacancies in other departments in which they can be absorbed. He also suggested that the retrenchment in the Mule Department may be effected by stages, as it would take time before the new ring frames were received and installed in the mill. Both the parties then wanted adjournment to consider the details. They met the Conciliator again on 20th April 1949 and asked for a further adjournment, which was granted.

The parties met the Conciliator finally on 29th April 1949 and stated that they were not able to reach any settlement between themselves. The Management informed the Conciliator that the actual number of permanent workers in the Mule Department who would be retrenched was about 128 of which 99 were cop-reelers. They said that about 28 of these workers can be given badli passes in the Ring and other departments and they may be considered for future permanent vacancies in preference to existing badlis in those department, provided they proved to be capable of doing the work. They added that one Head jobber and 99 cop-reelers will have to leave the mill, as there are no suitable vacancies in which they can be absorbed. Since the new ring frames are expected to take a long time before they are installed, the Conciliator suggested that only half of the Mule Department may be stopped immediately and the remaining half, when those frames are installed. The Sangh was agreeable to such a proposal; but the management wanted to close the whole of the department on the plea that it was not economic to run it even now. In the alternative the representative of the Sangh claimed retrenchment gratuity for all who were to be retrenched. The management refused to pay any such gratuity at all and further discussion in the matter, therefore, did not arise. In these circumstances, it is regretted that the conciliation proceedings ended in a failure.

A. C. AMDEKAR,  
Conciliator.

Bombay Castle, 3rd May 1949.

**BOMBAY INDUSTRIAL RELATIONS ACT, 1946.**

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act :—

No. Dy.C.L.(A)/B-7122.

Office of the Dy. Commissioner of Labour  
(Administration), Wellington Cinema  
Building, Bombay 2.

30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay Industrial Relations Act ;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58(2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spg. and Wvg. Co. Ltd., Sholapur, and its employees in occupation "A".

The General Manager, Sholapur Spg. & Wvg. Co. Ltd., Sholapur, gave a notice of change under section 42 (1) of the Bombay Industrial Relations Act on 12th April 1949, to the elected representatives of employees in occupation "A". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed." The total number of employees to be reduced in occupation "A" is 237.

No agreement was reached between the parties and report in Form "N" was sent to the Conciliator on 21st April 1949. The report in Form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared

a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners' Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Millowners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the mills would thereby be much less and the problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. ABHYANKAR,  
Conciliator.

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#### BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following

report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act :—

No. Dy.C.L.(A)/B-7123.

Office of the Dy. Commissioner of Labour  
(Administration), Wellington Cinema  
Building, Bombay 2.

30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay Industrial Relations Act;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58(2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spg. and Wvg. Co. Ltd., Sholapur, and its employees in occupation "B".

The General Manager, Sholapur Spg. and Wvg. Co. Ltd., Sholapur, gave a notice of change under section 42(I) of the Bombay Industrial Relations Act on 12th April 1949, to the elected representatives of employees in occupation "B". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed." The total number of employees to be reduced in occupation "B" is 617.

No agreement was reached between the parties and report in Form "N" was sent to the Conciliator on 21st April 1949. The report in Form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners' Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Mill owners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills

was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the mills would thereby be much less and the problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. ABHYANKAR,  
Conciliator.

#### BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act :—

No. Dy.C.L.(A)/B-7124.

Office of the Dy. Commissioner of Labour  
(Administration), Wellington Cinema  
Building, Bombay 2.  
30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay Industrial Relations Act;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58(2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spg. and Wvg. Co. Ltd., Sholapur, and its employees in occupation "O".

The General Manager, Sholapur Spg. & Wvg. Co. Ltd., Sholapur, gave a notice of change under section 42 (I) of the Bombay Industrial Relations Act on 12th April 1949, to the elected representatives of employees in occupation "C". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed". The total number of employees to be reduced in occupation "C" is 502.

No agreement was reached between the parties and report in form "N" was sent to the Conciliator on 21st April 1949. The report in form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners' Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Millowners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the mills would thereby be much less and the



problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. ABHYANKAR,  
Conciliator.

BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act :—

No. Dy.C.L. (A)/B-7125.

Office of the Deputy Commissioner of  
Labour (Administration), Wellington  
Cinema Building, Bombay 2.

30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay  
Industrial Relations Act ;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58 (2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spinning and Weaving Co. Ltd., Sholapur, and its employees in occupation "D".

The General Manager, Sholapur Spinning and Weaving Co. Ltd., Sholapur, gave a notice of change under section 42 (1) of the Bombay Industrial Relations Act on 12th April 1949, to the elected representatives of employees in occupation "D". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mills on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement

of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed." The total number of employees to be reduced in occupation "D" is 467.

No agreement was reached between the parties and report in form "N" was sent to the Conciliator on 21st April 1949. The report in form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Millowners Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is : half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the mills would thereby be much less and the problem being spread over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meetings

and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. ABHYANKAR,  
Conciliator.

**BOMBAY INDUSTRIAL RELATIONS ACT, 1946.**

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act :—

No. Dy. C.L.(A)/B-7127.

Office of the Deputy Commissioner of  
Labour (Administration), Wellington  
Cinema Building, Bombay 2.

30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay  
Industrial Relations Act ;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58 (2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spg. and Wvg. Co. Ltd., Sholapur, and its employees in occupation "F".

The General Manager, Sholapur Spg. & Wvg. Co. Ltd., Sholapur, gave a notice of change under section 42 (I) of the Bombay Industrial Relations Act on 12th April 1949 to the elected representatives of employees in occupation "F". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed." The total number of employees to be reduced in occupation "F" is 234.

No agreement was reached between the parties and report in form "N" was sent to the Conciliator on 21st April 1949. The report in form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in

excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners' Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Millowners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the mills would thereby be much less and the problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agent on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Director's meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. AHBYANKAR,  
Conciliator.

## BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act:—

No. Dy. C. L. (A)/B-7128.

Office of the Deputy Commissioner of  
Labour (Administration), Wellington  
Cinema Building, Bombay 2.

30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay  
Industrial Relations Act;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58 (2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spinning and Weaving Co. Ltd., Sholapur, and its employees in occupation "G".

The General Manager, Sholapur Spinning and Weaving Co. Ltd., Sholapur, gave a notice of change under section 42 (1) of the Bombay Industrial Relations Act on 12th April 1949 to the elected representatives of employee in occupation "G". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed". The total number of employees to be reduced in occupation "G" is 36.

No agreement was reached between the parties and report in form "N" was sent to the Conciliator on 21st April 1949. The report in form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of

the recommendations made by the Millowners' Association, Bombay, in this behalf in 1936. It had been shown to experts in Bombay and also to the Millowners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the mills would thereby be much less and the problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agent in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. ABHYANKAR,  
Conciliator.



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H. G. ABHYANKAR,  
Conciliator.



## BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act.

No. Dy.C.L. (A)/B-7130.  
Office of the Dy. Commissioner of  
Labour (Administration), Wellington  
Cinema Building, Bombay 2.

30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator, Bombay Industrial Relations Act ;

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58 (2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spinning and Weaving Co. Ltd., Sholapur, and its employees in occupation "J".

The General Manager, Sholapur Spinning and Weaving Co. Ltd., Sholapur, gave a notice of change under section 42 (I) of the Bombay Industrial Relations Act on 12th April 1949 to the elected representatives of employees in occupation "J". The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed." The total number of employees to be reduced in occupation "J" is 317.

No agreement was reached between the parties and report in Form "N" was sent to the Conciliator on 21st April 1949. The report in Form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep

the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners' Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Millowners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the Mills would thereby be much less and the problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that the proceedings failed.

H. G. ABHYANKAR,  
Conciliator.

## BOMBAY INDUSTRIAL RELATIONS ACT, 1946.

No. 712/46.—In pursuance of the provisions of sub-section (4) of section 58 of the Bombay Industrial Relations Act, 1946 (Bom. XI of 1947), the Government of Bombay is pleased to publish the following report of conciliation proceedings forwarded to it by the Chief Conciliator under sub-section (3) of section 58 of the said Act.

No. Dy. C. L. (A)/B-7126,  
Office of the Dy. Commissioner of  
Labour (Administration), Wellington  
Cinema Building, Bombay 2.  
30th April 1949.

From—Dr. H. G. Abhyankar, B.A. (Hons.), LL.B., Conciliator,  
Bombay Industrial Relations Act.

To—The Chief Conciliator, Bombay Industrial Relations Act.

Report under section 58 (2) of the Bombay Industrial Relations Act, 1946, of the dispute between the Sholapur Spinning and Weaving Co. Ltd., Sholapur, and its employees in occupation 'E'.

The General Manager, Sholapur Spinning and Weaving Co. Ltd., Sholapur, gave a notice of change under section 42 (1) of the Bombay Industrial Relations Act on 12th April 1949 to the elected representatives of employees in occupation 'E'. The notice of change stated that "the Company has been incurring heavy losses in running the mills and that it has become almost impossible to continue the working of the mill on the present basis. The notice further stated that one of the most important reasons for this is the over-staffing of almost all the departments of the mills, thereby increasing the wage cost materially. It is, therefore, the intention of the management to reduce the complement of workers employed so as to bring it in line with the complement of workers employed in other mills, and having regard to the proportion between units of machinery and workers employed". The total number of employees to be reduced in occupation 'E' is 345.

No agreement was reached between the parties and report in form "N" was sent to the Conciliator on 21st April 1949. The report in form "N" was registered on 26th April 1949, and conciliation proceedings were held in Sholapur on 27th April 1949. At the outset of the discussions the General Manager of the Sholapur Mills informed the Conciliator that the complement of employees in the Sholapur mills was far in excess of that required for the proper working of the machinery. It has, therefore, been decided, he said, to reduce the number of employees so as to keep

the complement of workers sufficient for the proper working of all units of machinery. The General Manager stated that he had prepared a scheme of the number of employees required for the working of the mill. The scheme it was stated was on the lines of the recommendations made by the Millowners' Association, Bombay, in this behalf in 1930. It had been shown to experts in Bombay and also to the Millowners' Association, Bombay, who had approved of the scheme. The General Manager further said that the reduction of employees proposed to be carried out under the notice of change under reference has been done in accordance with that scheme.

The elected representatives of employees declared that from their experience the number of employees at present employed in the mills was adequate for the proper working of the mills. The elected representatives then made a suggestion that there are a number of employees in the mills, with long record of service, who would voluntarily leave the mills if gratuity were offered to them. The elected representatives, stated that if a sufficiently attractive scheme of gratuity were announced by the mill quite a large number of employees would voluntarily go away. The scheme suggested by the elected representatives is: half a month's wage and dearness allowance per year of service or one month's basic wage and in the case of reeling and winding departments, the actual wage or Rs. 26 whichever is higher. The Conciliator suggested to the representatives of the management that the whole dispute be submitted to arbitration of the Industrial Court, that in the meantime the management should announce a scheme of gratuity. Thus those who wanted to take benefit of the scheme would voluntarily leave the mills. The reduction intended by the Mills would thereby be much less and the problem being spread-over a period of time would be less serious than what it is now. The representative of the management agreed to consider the suggestion and asked for time to consult the Managing Agents in Bombay. Proceedings were, therefore, adjourned for a few hours.

In the evening the General Manager of the Mills informed the Conciliator that he has consulted the Managing Agents on telephone in Bombay, but the Managing Agents have expressed their inability to enter into a submission without the consent of the Board of Directors. As no specific date had been fixed for the Board of Directors' meeting, and as no indication of the likely decision was available, it was thought that further discussion would not be fruitful. I have, therefore, to regret to report that proceedings failed.

H. G. ABHYANKAR,  
Conciliator.

**BY THE REGISTRAR, BOMBAY INDUSTRIAL RELATIONS  
ACT, 1946.**

No. 105/49.—In exercise of the powers conferred on me under section 74 (2) of the Bombay Industrial Relations Act, 1946, and rule 70 of the Bombay Industrial Relations Rules, 1947, I have on this 21st day of April 1949 registered the following award made by the Industrial Court, in the industrial dispute between the Raymond Woollen Mills, Thana, and its employees, regarding Standardization of wages, minimum wage, dearness allowance, etc.

**In the Industrial Court, Bombay.**

Ref. (I.C.) No. 2 of 1948.

ARBITRATION

BETWEEN

The Raymond Woollen Mills, Thana,

AND

Its employees.

In the matter of an industrial dispute regarding standardization of wages, minimum wage, dearness allowance, etc.

*Industry.*—Woollen Textile.

*Present.*—Mr. K. C. Sen, President.

*Appearances.*—Mr. B. Narayanaswamy, Advocate, with Mr. R. G. Gokhale for the Mills.

Mr. S. S. Kavlekar with Messrs. B. B. Tamhne, C. C. Medhekar and Dutta Samant for the employees.

Mr. S. S. Rege, Government Labour Officer, in person.

AWARD.

PART I.

This reference which was made by Government on 28th January 1948 relates to an industrial dispute between the Raymond Woollen

Mills, Thana, and its employees. The said employees made nine demands, the first of which relates to the minimum wage and the standardization of wages and musters. On the 15th July 1948 an agreement having been reached between the parties regarding the minimum wage it was fixed at Rs. 28-0-6 per mensem. The question of standardization of wages and musters was then sent for enquiry to Mr. D. P. Joshi who was appointed sole assessor for the purpose. On the 5th February 1949 Mr. Joshi submitted a scheme of standardization. Objections from both parties to the assessor's scheme were heard and on the Court finding that Mr. Joshi had omitted to include the hosiery section in his scheme asked him to make an enquiry into the said section also and submit a separate report. That report is still awaited, but in the meanwhile the parties have arrived at an agreement concerning all the demands except in so far they relate to the matter under enquiry by Mr. Joshi. The employees have withdrawn their demands Nos. 2 to 9 as also No. 1 (c); and with regard to demand No. 1 (b) they have agreed that the assessor's report is to be accepted, subject to the changes made by the parties by agreement, those changes having been set out in an annexure to their agreement dated the 4th April 1949. There will, therefore, be an award in terms of the said agreement and the matter regarding hosiery section will remain for further adjudication pending receipt of Mr. Joshi's report and the parties' representations concerning the same.

N. N. MUJMUDAR,  
Registrar.

K. C. SEN,  
President.

Bombay, 14th April 1949.

D. G. KALE,  
Registrar,

Bombay, 21st April 1949.

Bombay Industrial Relations Act.

Plot No. 128,  
Hindu Colony, Dadar.  
Bombay, 5th February 1949.

THE REGISTRAR,  
The Industrial Court, Bombay.

Dear Sir,

*Subject.*—Reference No. 3032 of 17th July 1948 in the matter of arbitration between the Raymond Woollen Mills, Thana, and its employees, Re : Standardization of occupation and wages.

Your letter of 19th July 1948 accompanied with a copy of the Interim Award by the Industrial Court conveyed to me the order of my appointment as an assessor in the above dispute directing me to frame a scheme

of standardization of wages for the employees of that mill on the basis that no employee should be paid less than Rs. 28-0-6 for a month of 26 working days.

At the time of my appointment as an assessor in this dispute, I was already engaged in a similar dispute between the three Bombay Woollen Mills and their employees. I was, therefore, required to put off this case till the other case was disposed off. There was also great similarity between the two disputes and the result of the case of the Raymond Woollen Mills depended on that of the other ones. Due to some circumstances, the dispute between the Bombay Mills and their employees dragged on till middle of the last month. Hence the delay in this case.

Unlike that of the Cotton Mills standardization of wages, specially of pieceworkers in Woollen Mills is beset with a number of difficulties owing to absence of required data and of standard material. The mill authorities express eagerness to introduce piecework system in most of the occupations, in spite of an unsteady foundation. A good deal of my time was spent in adjusting a number of irregularities in the piecework system. I had also to work without a guidance of any kind.

In certain occupations, however, it became incumbent on me to change piecework system to time work, as I came across a number of anomalies. A glaring example was that of menders in weaving, who were paid on piecework. I was told the workers were not real menders but simply burlers or pickers and yet their piecework rates accrued to them much higher wages than to the darners who were on time work. Darners are supposed to be more skilled workers than burlers. I also failed to understand the basis of piecework rates for menders. I have, therefore, suggested both Menders and Darners on time work. A similar case is of Warpers. Already the rates for this occupation is partially piece work and partially time work. This I have changed to time work.

The scheme of standardization of wages that is appended herewith consists of two parts—Part (1) for Time Workers; Part (2) for Pieceworkers—which extends in Schedules from A to G.

The minimum rate awarded by the Interim Report is Rs. 28-0-6 against that of the Bombay Mills of Rs. 30. On this basis all rates of similar occupations in Raymond Woollen Mills should stand comparatively lower, but I found conditions of work differ widely in the two cases the

former is first of all a much bigger mill than any in Bombay. The quality of work turned out is better, and more machines are minded by the operatives. These considerations naturally weighed with me in standardising the occupational rates. Besides, there are some occupations which are on piecework in Raymond Woollen Mills against the same on time work in Bombay Mills. All piecework rates are incentives and naturally stand higher than those on time work.

All rates in the standardisation scheme either piecework or time work include the daily allowance of two annas per day granted by the interim award as well as all allowances granted by the Mill upto now for delays, etc., excepting the dearness allowance which should be separately calculated.

I was informed by Mr. Khaitan, the Managing Director of the Mill that the Hosiery Section was only working temporarily and would be soon closed. I have, therefore, omitted that section from my scheme.

A suggestion had come from Mr. Khaitan, the Managing Director, about basing the standardised rates on a rationalising system, which he is thinking of introducing at an early date. He gave me the idea of the rationalisation by which he was going to curtail a number of workers in the various departments. I had to ask him if he had any trials made of the system which he wanted to introduce, or if he had calculated the work load factor of that system. He had none of any experiments or trials made on this basis. I asked the opinion of labour on the introduction of a rationalised system of work, when I was told that they were in no way inclined to welcome any rationalised system at this stage. I was clearly made to understand that they were first of all eager to see the results of this case of standardisation of wages pending in the Industrial Court and after experiencing the result they would be in a better position to see if they could welcome any system of rationalisation. I had, therefore, clearly to tell Mr. Khaitan that I could not take into consideration at this stage his suggestion of rationalisation.

Lastly, I have to thank those officers in the mills without whose assistance it would not have been possible for me to accomplish this difficult task.

Yours faithfully,  
(Signed) D. P. JOSHI.

ENGINEERING DEPARTMENT.

No. of hands.	Occupation.	Standard wages 26 days in a calendar month.
<i>Boiler Department.</i>		
2	Sarangs	65 0 0
1	Boiler Fitter "A" Grade	84 8 0
1	Boiler Fitter "B" Grade	65 4 0



## ENGINEERING DEPARTMENT—contd.

No. of hands.	Occupation.	Standard wages 26 days in a calendar month.
<i>Boiler Department—contd.</i>		
2	Boiler Masons "A" Grade	71 8 0
3	Firemon	35 12 0
16	Boiler Cleaners	28 7 0
<i>Shafting Department.</i>		
4	Shafting Oilers	35 12 0
<i>Mechanic Department.</i>		
6	Turners "A" Grade	61 12 0
3	Assistant Turners "B" Grade	35 12 0
2	Turners "C" Grade	28 7 0
1	Foreman	230 12 0
2	Blacksmiths	57 11 0
2	Strikers	34 2 0
1	Tinsmith "A" Grade	74 12 0
1	Tinsmith "B" Grade	53 10 0
2	Tinsmiths "C" Grade	35 12 0
	Tinsmith Coolies	28 0 6
1	Pattern Maker Carpenter	74 12 0
1	Assistant Pattern Maker Carpenter	32 8 0
10	Other Carpenters including Department Carpenters	61 12 0
1	Slay Carpenter	68 4 0
2	Rope Slicers	37 6 0
1	Welder	81 4 0
5	Fitters "A" Grade	84 8 0
15	Fitters "B" Grade, including Departmental Fitters such as Comb-Circle-Fuller and Pin Fitters	55 4 0
6	Fitters "C" Grade	39 0 0
1	Navganies Muccadam	48 12 0
7	Navganies	34 15 0
	Coolies including helpers to Carpenters, Fitters etc.	28 0 6
<i>Fire Service.</i>		
4	Bombwallas	29 4 0
<i>Electrical Department.</i>		
1	Foreman	139 12 0
1	Wireman "A" Grade	74 12 0
3	Wiremen "B" Grade	42 4 0
7	Motor Attendants	29 4 0
	Wiremen Coolies and Electrical Apprentices	28 0 6

*Note.*—

- "A" Grade Fitters—Those who can do line levelling and such other skilled job.  
 "B" Grade Fitters—Engaged in departmental repair work such as spinning, weaving, finishing, etc.  
 "C" Grade Fitters—Mechanic or bench fitters.  
 "A" Grade Masons—Engaged in skilled work.  
 "B" Grade Masons—Ordinary building work.  
 "A" Grade Tinsmith—Skilled job.  
 "B" Grade Tinsmith—Ordinary repairs job.  
 "C" Grade Tinsmith—Helper.  
 "A" Grade Turner—Skilled job.  
 "B" Grade Turner—Ordinary turning.  
 "C" Grade Turner—Apprentice or helper.  
 "A" Grade Wireman—Skilled job.  
 "B" Grade Wireman—Routine repair work.

No. of hands.	Occupations.	Standard wages 26 days in a calendar month.
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## ENGINEERING DEPARTMENT—contd.

*Building and White Washing Department.*

						Rs.	a.	p.
2	Masons "B" Grade	...	...	...	...	43	14	0
4	White Washers	...	...	...	...	29	4	0

*Drivers.*

1	Senior Lorry Driver	...	...	...	...	80	7	0
4	Junior Lorry, Bus or Car Drivers	...	...	...	...	68	4	0
4	Lorry, Bus or Car Cleaners	...	...	...	...	28	0	6
1	Motor Mechanic	...	...	...	...	100	12	0

## GENERAL MISCELLANEOUS DEPARTMENT.

2	Office Boys	...	...	...	...	28	0	6
1	Dispensary Boy	...	...	...	...	28	7	0
1	Labour Office Boy	...	...	...	...	28	0	6
1	Compound Overseer	...	...	...	...	50	6	0
1	Head Gardener	...	...	...	...	30	14	0
4	Assistant Gardeners	...	...	...	...	28	0	6
2	Head Store Coolies	...	...	...	...	29	4	0
	Assistant Coolies	...	...	...	...	28	0	6
	Grain Coolies, i.e., those who have to lift bags	...	...	...	...	34	15	0
3	Milk Man	...	...	...	...	28	0	6
1	Tardeo Godown Cooly	...	...	...	...	28	0	6
1	Testing Boy	...	...	...	...	28	0	6
1	School Peon	...	...	...	...	28	0	6
4	Ayas attending Creche	...	...	...	...	28	0	6
	Grass Cutters, Compound sweeping, Watering Coolies and Sweepers	...	...	...	...	28	0	6
1	Cook	...	...	...	...	29	4	0
1	Assistant Cook	...	...	...	...	28	0	6
5	Order Boys to execute and check coupons	...	...	...	...	28	7	0
3	Tea Preparers	...	...	...	...	28	7	0
28	Kettle Boys to supply tea	...	...	...	...	20	0	6
1	Head Cook	...	...	...	...	34	2	0
	Female Coolies	...	...	...	...	28	0	6

*Watch and Ward Department.*

3	Watch and Ward Jamadars	...	...	...	...	35	12	0
50	Sepoys	...	...	...	...	32	8	0

## WOOLLEN DEPARTMENT.

*Wool Godown Department.*

1	Muccadam	...	...	...	...	39	0	0
15	All Coolies engaged in piling up the bales and delivery of woollen bales should be treated as semi-naviganics	...	...	...	...	32	8	0
	Other Coolies	...	...	...	...	28	0	6
2	Pickers	...	...	...	...	28	0	6

*Woolen Carding Department.*

4	Wool Openers	...	...	...	...	30	1	0
8	Wool Scourers	...	...	...	...	30	14	0
2	Mixers and Cutters of dyed blends	...	...	...	...	28	0	6

## WOOLLEN DEPARTMENT—contd.

No. of hands.	Occupations.	Standard wages 26 days in a calendar month.
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*Woolen Carding Department—contd.*

		Rs. a. p.
3	Wool Dryers ... ..	30 14 0
2	Jobbers ... ..	65 0 0
	Coolies ... ..	28 0 6
4	Teasers ... ..	30 1 0
2	Willow Men ... ..	30 1 0
4	Garnett Workers ... ..	30 1 0
10	Rag Machine Men ... ..	30 1 0
2	Jobbers ... ..	68 4 0
20	Blending Men and Women ... ..	28 0 6
	Coolies ... ..	28 0 6
6	Hopper Feeders ... ..	30 1 0
6	Lap Men ... ..	30 1 0
11	Condenser Men ... ..	30 1 0
18	Fettlers ... ..	41 7 0
	Bobbin Cutters, Wool Openers and Sweepers ... ..	28 0 6
2	Oilers ... ..	34 2 0
2	Head Jobbers ... ..	94 4 0
2	Jobbers ... ..	48 12 0

*Mule Department.*

2	Head Jobbers ... ..	91 0 0
2	Jobbers ... ..	48 12 0
18	Spinners ... ..	35 12 0
45	Piecers ... ..	30 1 0
	Ship carriers, yarn carriers, tube boys and sweepers ... ..	28 0 6
	Doffer Boys ... ..	28 7 0
2	Oilers ... ..	34 2 0

## WORSTED DEPARTMENT

*Worsted Carding.*

8	Machine men working as Hopper Feeders and Can Dodgers	30 1 0
2	Fettlers ... ..	41 7 0
	Sweepers etc. ... ..	28 0 6
1	Jobber ... ..	74 12 0

*Combing Department.*

10	Mixing Box Minders	}	...	...	30 1 0
2	Back Wash Minders				
4	Strong Box Minders				
2	Punch Box Minders				
6	Finishers				
6	Top Box Minders	}	...	...	32 8 0
9	Combers ... ..				
11	Hank Openers ... ..				
	...				
1	Combing Head Jobber supervising Combing and Carding* ...				

## WORSTED DEPARTMENT—contd.

No. of hands.	Occupations.	Standard wages 26 days in a calendar month.
		Rs. a. p.
2	Jobbers	58 8 0
1	Oiler	34 2 0
	Top Packers	28 0 6
	Male and Female Slubbing Dryers	28 7 0
8	Can Gill Box Minders and 2 Spindle Gill box minders— 4 machines per hand.	} Piecework Rate according to Schedule "A".
8	Six Spindle Drawing Minders and 8 Spindle weighing minders—2 machines per hand.	
8	Eight Spindle Reducers—2 machines per hand.	
8	Eight Spindle Finishers—4 machines per hand.	
<i>Roving Department.</i>		
24	32 Spindle Roving—2 machines per man	Piecework Rate according to Schedule "B".
10	Re-Roving Men	30 1 0
	Empty bobbin carriers, full bobbin carriers and sweepers	28 0 6
12	Machine Observers to assist Drawers	30 1 0
2	Drawing Head Jobbers	91 0 0
6	Drawing Jobbers	74 12 0
2	Oilers	34 2 0
<i>Worsted Spinning.</i>		
Double Siders with 200 spindles as well as Single Siders with 100 spindles but working on 10 counts and below :		
	Hosiery yarn	35 12 0
	Weaving yarn	30 1 0
113	Doffer Boys	28 7 0
2	Head Jobbers	91 0 0
8	Jobbers	74 12 0
2	Oilers	34 2 0
	Bobbin Carriers	28 0 6
	Bobbin Takers	30 1 0
	Sweepers	28 0 6
<i>Doubling Department.</i>		
	Twisters both in the Universal and Dolly Doubling	32 8 0
	Bobbin Setters	28 7 0
	Bobbin Takers	30 1 0
	Bobbin Carriers	28 0 6
3	Doubling Jobbers	74 12 0
3	Oilers	34 2 0
	Sweepers	28 0 6

## WORSTED DEPARTMENT—concl'd.

No. of hands.	Occupations.	Standard wages 26 days in a calendar month.
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		Rs. a. p.	
<i>Reeling Department.</i>			
70	Reelers	...	30 1 0
1	Jobber	...	74 12 0
1	Assistant Jobber	...	53 8 0
	Sweepers, empty bobbin carriers, full bobbin carriers	...	28 0 6

<i>Scouring Department.</i>			
12	Yarn Scourers	...	30 1 0

<i>Bundling Department.</i>			
3	Press Men, Weigh Men and Bales Men	...	33 5 0
	Wrapper	...	30 1 0
4	Hank Knotters	...	28 0 6
98	Hankers	...	28 0 6
1	Muccadam	...	35 12 0

<i>Spinning Miscellaneous Department.</i>			
1	Head Roll Coverer	...	58 8 0
6	Roller Coverers	...	39 0 0
2	Roller Polishers	...	39 0 0
6	Moochies	...	34 2 0
2	Tape Men	...	39 0 0
	Helpers to Moochies, Roller Polishers and Roller Coverers etc.	...	28 0 6

## WEAVING DEPARTMENT.

*Winding.*

Split Drum winding each winder minding 5 drums for woollen and 6 or 7 for worsted.	...	Piecework rate according to Schedule "C"—1.
Lessona Cheese Winding each winder minding 6 spindles	...	Piecework rate according to Schedule "C"—2.
Cone Drum Winding each winder minding 10 cones each	...	Piecework rate according to Schedule "C"—3.
Grey Winding each winder minding 20 spindles	...	Piecework rate according to Schedule "C"—4.
Lessona Cone Winding	...	Piecework rate according to Schedule "C"—5.

## WEAVING DEPARTMENT—contd.

No. of hands.	Occupations.	Standard wages 28 days in a calendar month.
		Rs. a. p.
	Universal Pirn Winding each winder minding 5 spindles ...	Piecework rate according to Schedule "C"—8.
	Winding boys distributing yarn, etc. ...	28 7 0
	Oilers ...	34 2 0
2	Winding Supervisors ...	39 0 0
<i>Warping.</i>		
20	Warpers ...	58 8 0
10	Creel Boys ...	28 7 0
2	Beamers ...	65 0 0
2	Jobbers ...	65 0 0
	Beam Coolies carrying beams ...	35 12 0
<i>Drawing.</i>		
12	Drawers ...	Piecework rate according to Schedule "D".
12	Reachers ...	Piecework rate according to Schedule "D".
1	Reed Repairer ...	55 4 0
2	Heald Repairers ...	34 2 0
<i>Mending Department.</i>		
1	Mending Overlooker ...	68 4 0
2	Piece Examiner ...	55 4 0
2	Measurers ...	52 0 0
2	Pice Number Marker ...	52 0 0
55	Menders ...	30 14 0
	Darner "A" Grade ...	65 0 0
	Darner "B" Grade ...	52 0 0
	Darner "C" Grade ...	45 8 0
	Coolies ...	28 0 6

*Note.—*

"A" Grade Darner—Those who can darn suitings and such other finer sorts.

"B" Grade Darner—Those who can darn plain sorts like flannel shirting, etc.

"C" Grade Darner—Those who darn ordinary Lohis.

## WEAVING DEPARTMENT—concl'd.

No. of hands.	Occupations.	Standard wages 26 days in a calendar month.
<i>Weaving Shed.</i>		
		Rs. s. p.
	<i>Dob Cross Looms—</i>	
5	Relievers ... ..	45 8 0
8	Beam Gaiters ... ..	55 4 0
2	Chain Maker and Fancy Jobbers ... ..	104 0 0
136	Dob Cross Weavers ... ..	P. W. Schedule "E"—1 and "E"—2.
10	Dob Cross Line Jobbers ... ..	P. W. Schedule "F" Part (A).
2	Head Jobbers, one day and one night ... ..	P. W. Schedule "G".
	<i>Sowdens Looms—</i>	
2	Relievers ... ..	39 0 0
3	Beam Gaiters ... ..	55 4 0
56	Weavers ... ..	P. W. Schedule "E"—1 and "E"—2.
4	Jobbers ... ..	P. W. Schedule "F" Part (B).
	<i>Platts Looms—</i>	
4	Relievers ... ..	45 8 0
5	Beam Gaiters ... ..	55 4 0
124	Weavers ... ..	Piecework rate according to Schedule "E"—1 and "E"—2.
8	Jobbers ... ..	Piecework rate according to Schedule "F" Part (C).
2	Moochies ... ..	32 8 0
2	Yarn Loom Coolies ... ..	28 7 0
2	Oilers ... ..	34 2 0
6	Weft Boys, distributing weft ... ..	28 7 0
2	<i>Re-conditioning Jobbers—</i>	
	One for repairing dob cross looms "A" Grade ... ..	118 0 0
	One for repairing other plain looms "B" Grade ... ..	104 0 0
	Loom cleaners ... ..	28 0 8
	Warp Boys ... ..	28 7 0
	Bobbin Counters ... ..	29 4 0
	Yarn Distributers ... ..	28 7 0
	Coolies carrying spools ... ..	28 0 8
	Wire Head repairer boys ... ..	23 0 8
	Piece carriers and other coolies ... ..	28 0 8

## DYEING DEPARTMENT.

No. of hands.	Occupations.	Standard wages 28 days in a calendar month.
		Rs. a. p.
10	Hussong Dyers	37 6 0
26	Piece Dyers	34 15 0
16	Yarn Dyers	30 14 0
4	Hydro Extractors	30 14 0
2	Piece Examiners	40 10 0
4	Colour Weighers	40 10 0
2	Dye Water Filterers	23 7 0
16	Coolies loading and unloading Hussong machines	28 7 0
	Cotton Yarn Dyers	30 14 0
1	Chloronator	48 12 0
2	Jobbers	91 0 0
2	Assistant Jobbers	58 8 0
	Stain Cleaners	29 4 0
	Post Perchers	29 4 0

## FINISHING DEPARTMENT.

2	Jobbers	91 0 0
2	Assistant Jobbers	74 12 0
2	Conditioning Jobbers	73 2 0
2	Head Measurers	40 10 0
30	Milling Machine Men	32 8 0
20	Scoring Men	32 8 0
8	Hydro Extract Men	31 11 0
1	Mangle Machine Man	32 8 0
6	Crabbing Machine Men	32 8 0
2	Brushing Men	32 8 0
12	Tenters	35 12 0
10	Cutters	35 12 0
2	Head Cutters	39 0 0
14	Raising Machine Men	34 15 0
6	Blowers	34 15 0
2	Dampers	32 8 0
3	Press Men	32 8 0
6	Perchers	32 8 0
2	Folders working on Lifting and Folding Machines	34 15 0
	All Boys and helpers in the Finishing Department	29 4 0
	Sweepers	28 0 6
	Coolies	28 0 6
6	Hand Folders	28 0 6
	Lohi and Rug Cutters	28 0 6
2	Darners	45 8 0
2	Stampers	34 2 0
2	Labelling Men	28 0 6
2	Packers	28 0 6
2	Assistant Packers	28 0 6

## FRINGING DEPARTMENT.

2	Picing Girls	29 4 0
13	Fringers	Picework at 3-4 pies per fringe.



## FRINGING DEPARTMENT—contd.

No. of hands.	Occupation.	Standard wages 26 days in a calendar month.		
		Rs.	a.	p.
4	Balers	39	0	0
	Bale Godown Coolies to be treated as Havganies	34	15	0
7	Tailors	35	12	0
2	Jobbers	65	0	0
2	Measurers	40	10	0
2	Stampers	34	2	0
2	Piece Examiners	40	10	0
2	Checkers	40	10	0
	Perchers	29	4	0
	Folders	29	4	0
10	Darners in all "A" Grade, "B" Grade or "C" Grade	as in Weaving.		
2	Bale Number Marker	29	4	0
	Loading and Unloading Coolies	32	8	0
2	Sweepers	28	0	6
2	Socks Examiners	32	8	0
2	Sorters	32	8	0
	Socks Darners	45	8	0

## SCHEDULE "A".

PIECEWORK<sup>1</sup>/<sub>2</sub> RATES FOR DRAWING DEPARTMENT.

## Rate per 100 lbs.

Suitings	...	...	53 pies.
Crossbreads	...	...	31.3 pies.
Merino	...	...	48.3 pies.

Note.—The total amount according to the above rates of the total production of day and night of the whole month is to be divided equally between all the men working from Can Gill Box to the Finisher.

## SCHEDULE "B".

## PIECEWORK RATES FOR ROVING MEN.

## Rate per 100 lbs.

Suitings and Merinos weighing 7 drams	...	98 pies.
Suitings, Merinos and Crossbreads weighing 12 drams	...	51 pies.
Merinos and Crossbreads weighing 8 drams	...	71 pies.
Merinos and Crossbreads weighing 16 to 20 drams	...	44 pies.

## SCHEDULE "C"-1.

## PIECEWORK RATES FOR SPLIT DRUM WINDING.

*Woollen Yarns.*

Counts.					Rates in pias per 100 lbs.
60s to 80s	...	...	...	...	168
81s to 100s	...	...	...	...	198
101s to 120s	...	...	...	...	228
121s to 140s	...	...	...	...	260
141s to 160s	...	...	...	...	290
161s to 180s	...	...	...	...	320
181s to 200s	...	...	...	...	350
201s to 220s	...	...	...	...	378
221s to 240s	...	...	...	...	404

*Double Worsted Yarns.*

Counts.					Rates in pias per 100 lbs.
2/15s to 2/17s	...	...	...	...	360
2/18s to 2/20s	...	...	...	...	420
2/21s to 2/23s	...	...	...	...	474
2/24s to 2/26s	...	...	...	...	525
2/27s to 2/29s	...	...	...	...	570

## SCHEDULE "C"-2.

## PIECEWORK RATES FOR LESSONA GIRESE WINDING.

*Double Worsted Yarn.*

Counts.					Rates in pias per 100 lbs.
2/16s to 2/19s	...	...	...	...	222
2/20s to 2/23s	...	...	...	...	270
2/24s to 2/27s	...	...	...	...	306
2/28s to 2/31s	...	...	...	...	344
2/32s to 2/35s	...	...	...	...	382
2/36s to 2/39s	...	...	...	...	414
2/40s to 2/44s	...	...	...	...	442

## SCHEDULE "C"-3.

## PIECEWORK RATES FOR CONE DRUM WINDING.

*Double Worsted Yarn.*

Counts.				Rates in pias per 100 lbs.
3/10s to 3/11s	...	...	...	170
2/5s to 2/7s	...	...	...	130
2/8s to 2/10s	...	...	...	206
2/11s to 2/13s	...	...	...	280
2/14s to 2/16s	...	...	...	344
2/17s to 2/19s	...	...	...	408
2/20s to 2/22s	...	...	...	468

*Single Worsted Yarn.*

Counts.				Rates in pias per 100 lbs.
1/8s to 1/10s	...	...	...	455
1/11s to 1/13s	...	...	...	572
1/14s to 1/16s	...	...	...	670
1/17s to 1/19s	...	...	...	743
1/20s to 1/22s	...	...	...	790

*Woollen Counts.*

The rates for Woollen counts are the same as those of the same woollen counts in Split Drum Winding.

## SCHEDULE "C"-4.

## PIECEWORK RATES FOR GREY WINDING.

*Double Worsted Yarn.*

Counts.				Rates in pias per 100 lbs.
2/16s to 2/19s	...	...	...	175
2/20s to 2/23s	...	...	...	214
2/24s to 2/27s	...	...	...	246
2/28s to 2/31s	...	...	...	278
2/32s to 2/35s	...	...	...	306
2/36s to 2/39s	...	...	...	338
2/40s to 2/44s	...	...	...	354
2/45s to 2/49s	...	...	...	376

## SCHEDULE "C"-5.

## PIECEWORK RATES FOR LESSONA CONE WINDING.

*Double Worsted Yarn.*

Counts.				Rates in pies per 100 lbs.
3/10s to 3/11s	..	..	..	140
2/5s to 2/ 7s	..	..	..	110
2/8s to 2/10s	..	..	..	172
2/11s to 2/13s	..	..	..	230
2/14s to 2/16s	..	..	..	282
2/17s to 2/19s	..	..	..	330
2/20s to 2/22s	..	..	..	376
2/23s to 2/25s	..	..	..	420

*Single Worsted Yarn.*

Counts.					Rates in pies per 100 lbs.
8s	..	..	..	..	360
9s	..	..	..	..	396
10s	..	..	..	..	432
11s	..	..	..	..	465
12s	..	..	..	..	496
13s	..	..	..	..	526
14s	..	..	..	..	555
15s	..	..	..	..	582
16s	..	..	..	..	605
17s	..	..	..	..	629
18s	..	..	..	..	648

## SCHEDULE "C"-6.

## PIECEWORK RATES FOR UNIVERSAL WINDING.

*Single Worsted Yarn.*

Counts.					Rates in pies per 100 lbs.
8s to 12s	..	..	..	..	380
13s to 17s	..	..	..	..	460
18s to 23s	..	..	..	..	530
24s to 30s	..	..	..	..	590
31s to 38s	..	..	..	..	640
39s to 47s	..	..	..	..	680
48s to 56s	..	..	..	..	710

Counts.	Woollen Yarns.				Rates in pies per 100 lbs.
60s to 80s .. .. .	..	..	..	..	250
81s to 100s .. .. .	..	..	..	..	290
101s to 120s .. .. .	..	..	..	..	325
121s to 150s .. .. .	..	..	..	..	355
151s to 180s .. .. .	..	..	..	..	380
181s to 210s .. .. .	..	..	..	..	400
211s to 250s .. .. .	..	..	..	..	415

*Note.*—For double Worsted yarns the basis of rates will be the same as of single worsted yarn counts equivalent to the double yarns with a deduction of 15 per cent.

### SCHEDULE "D".

#### PIECEWORK RATES FOR DRAWERS.

	Rates per 1,000 ends
Plain, Twill, Drills, etc., on 4 shafts all Grey, i.e., without colour .. .. .	50 pies.
Plain, Twill, Drills, etc., on 4 shafts if self or 100 per cent. colour .. .. .	53 pies.
Plain, Twill, Drills, etc., on 4 shafts if stripes and patters .. .. .	56 pies.
Dobby allowance 5 to 6 shafts .. .. .	68 pies.
Dobby allowance 7 to 12 shafts .. .. .	75 pies.
Dobby allowance 13 to 16 shafts .. .. .	100 pies.

#### PIECEWORK FOR REACHERS.

Reachers are to get 2/3 of the Drawers Rates.

*Note.*—The above rates are for the use of Wire Healds. If in place of Wire Healds Knitted Healds are used then 10 per cent. to be deducted from the above rates.

### SCHEDULE "E"-1.

#### WEAVERS RATES FOR WORSTED AND UNION GOODS.

Standard weave is any twill weave on four shafts.

Basic Revolutions of Looms—100 revolutions per minute.

For every less revolution than 100, 1 per cent. is to be added to the basic rate, and for every higher revolution up to 25 than 100, 1 per cent. to be deducted. For more revolutions than 25 above 100 up to 40, 30 per cent. to be deducted from the basic rate.

Counts.	Standard ends per inch.	Standard picks.	Rate for 100 picks.
2/16s to 2/26s .. .. .	40	40	1.5
2/27s to 2/36s .. .. .	48	48	1.4
2/37s to 2/44s .. .. .	56	56	1.2
2/45s to 2/60s .. .. .	60	60	1.1

*Allowances.*

(a) For every 4 ends more than the above standard up to ten ends .01 is to be added.

(b) In the case of sorts with ends ten and more than the above standard .02 is to be added to the basic rate for every four end more.

(c) For plain weave (1/1) 5 per cent. to be added to the basic rate in the case of counts spun from tops below 56s. For counts spun from tops above 56s, 10 per cent. to be added.

(d) For coloured warps—No allowance for colour up to 5 per cent.

From 5 per cent. to 25 per cent.—10 per cent.	} With grey warp and coloured weft 5 per cent. allowance is given.
From 26 per cent. to 50 per cent.—12 per cent.	
From 51 per cent. to 100 per cent.—20 per cent.	

(e) For every additional jack than four, .05 to be added for every jack.

(f) For every additional shuttle than one, .05 to be added per shuttle. In case of pick and pick sorts the shuttle allowance to be raised to .07 per shuttle.

(g) For picks ten and above than the standard 10 per cent. to be added.

(h) For decoration or weave stripes,  $2\frac{1}{2}$  per cent. to be added for every different variety of stripe.

(i) In the case of woollen weft with worsted warps 10 per cent. to be added to the basic rate for woollen count up to 151 and below and for counts 300s and above. No allowance for counts 151s to 299s.

*Deductions.*

(a) For less ends by ten or above 10 per cent. to be deducted in case of plain weaves with counts spun from tops 56s and above, 15 per cent. in case of counts spun from tops below 56s. For weaves other than plain, the deductions will be 15 per cent. and 20 per cent. respectively.

(b) If warps up to 28s are spun from tops above 56s, 20 per cent. to be deducted.

*General.*

In case of cotton warps the basic rate is arrived at by taking the basic rate of worsted count equivalent of the cotton count with the addition of 75 per cent. In this case no deductions for low number of ends.

The above rates held good for single loom weavers. When a weaver minds two loom, the rates are calculated the same way as of single loom weavers but are reduced to  $\frac{2}{3}$ .

## SCHEDULE "E"-2.

## WEAVERS' RATES FOR WOOLLEN GOODS.

Standard Weave—Twill weave on four shafts.

No colour allowance for naturally coloured wool.

	Standard ends per inch.	Standard picks per inch.	Rate for 100 picks.
Warp and Weft up to 64s	14	12	2.65
Warp and Weft 65s to 100s	16	16	2.15
Warp and Weft 101s to 140s	18	18	1.8
Warp and Weft 141s to 180s	20	20	1.7
Warp and Weft 181s to 220s	24	24	1.75
Warp and Weft 221s to 260s	28	28	2.00

*Allowances.*

	For every one end more than standard.	For plain weave.	Per extra shaft than four.
Warp and Weft up to 64s	.05	15%	.1
Warp and Weft 65s to 100s	.05	12%	.1
Warp and Weft 101s to 140s	.03	10%	.1
Warp and Weft 141s to 180s	.03	8%	.1
Warp and Weft 181s to 220s	.02	8%	.1
Warp and Weft 221s to 260s	.02	8%	.1

For every extra shuttle over 1 an allowance of .05 is given.

	Colour 5 to 25 per cent.	Colour 26 to 50 per cent.	Colour 51 per cent. and above
Warp and Weft up to 64s	10%	12%	16%
Warp and Weft 65s to 100s	10%	12%	16%
Warp and Weft 101s to 140s	12%	15%	20%
Warp and Weft 141s to 180s	12%	15%	20%
Warp and Weft 181s to 220s	15%	18%	25%
Warp and Weft 221s to 260s	15%	18%	25%

Basic rate in the case of doubled woollen yarns is arrived at by taking the basic rate for the equivalent of the double yarn count minus 25 per cent.

Basic rate both in the case of woollen as well as worsted sorts is the one calculated by additions or deductions for high or low number of ends to the rate per hundred picks.

SCHEDULE " F ".

PART (A).

The Line Jobbers' wages' working on Dob Cross Looms are to be calculated at  $18\frac{1}{2}$  per cent. on the total of weavers' wages working under each one of them.

SCHEDULE " F ".

PART (B).

The wages of Line Jobbers working on Sowdens Looms are to be calculated at 18 per cent. on the total of the weavers' wages working under each one of them.

SCHEDULE " F ".

PART (C).

The wages of Line Jobbers working on the Platts Looms with double as well as single loom weavers are to be calculated at  $14\frac{1}{2}$  per cent. on the total of the weavers' wages working under each one of them.

SCHEDULE " G ".

The piecework rates of each of the day and night shift Head Jobbers are to be calculated at 3 per cent. on the total wages of both the day and night shift weavers of the whole shed.

IN THE INDUSTRIAL COURT, BOMBAY.

REFERENCE No. 2 OF 1948.

BETWEEN

The Raymond Woollen Mills, Thana,

AND

Its employees.

In the matter of Standardization of wages, etc.

May it please the Hon'ble Court,

The parties to the above reference have arrived at the undermentioned Agreement and pray that the Court may be pleased to pass an award in terms hereof.

Demands.

Agreement.

- I.—No. 1—(a) Minimum wages of an employee should be Rs. 35 per month and it should be so graded that every employee should get a living wage of Rs. 55 as early as possible.
- |  |
|--|
| Has already been agreed and an interim award made. |
|--|



Demands.

Agreement.

- |  |   |
|--|---|
| <p>(b) The wages and musters should be standardized on the basis of the wage indicated in (a) above.</p>   | <p>With reference to this demand the parties agree as under :—<br/>The Assessor's Report standardizing the wages as submitted to the Court is accepted subject to the changes made by the parties by agreement, the changes are annexed hereto.</p> |
| <p>(c) A committee should be constituted for introducing and enforcing the standardisation of wages and musters and the workers should have a representation on that committee.</p>          | <p>The employees withdraw this demand.</p>  |
| <p>No. 2—The scale of Dearness Allowance should be raised to fully compensate the rise in the cost of living.</p>  | <p>The employees withdraw the demand.</p>   |
| <p>No. 3—A Bonus equivalent to 25 per cent. of the profits should be given to the employees.</p>   | <p>The employees withdraw the demand, in view of letter from the management dated 24th December 1948.</p>   |
| <p>No. 4—Employees who go out of Thana for Company's work should be paid boarding allowance.</p>   | <p>The employees withdraw the demands.</p>  |
| <p>No. 5—Every employee of the third shift should get an allowance of annas 4 per day.</p>   |   |
| <p>No. 6—Employees who have put in more than seven years' service should be paid gratuity.</p>   |   |
| <p>No. 7—A Cloth Shop should be opened in the mill and the management of the cloth and food ration shops and of the Canteen should be entrusted to the representatives of the employees.</p> |   |
| <p>No. 8—The watchmen should work only eight hours a day and have a weekly day of rest.</p>  |   |
| <p>No. 9—Employees should get the mill cloth at concession rates.</p>  |   |

II.—It is hereby agreed between the parties that wage rates agreed to hereinbefore shall be given effect to FROM 1ST JANUARY 1948, and the difference in wages payable by reason of this retrospective effect shall be paid in a lump sum on or before 29th June 1949, irrespective of the worker being in service on the date of agreement or not.

4th April 1949.

For the Employers  
Raymond Woollen Mills Ltd.,

(Signed) B. Narayanaswamy,  
Advocate for Employers Co.

(Signed) P. N. ENGINEER,  
General Manager.

For the employees,

(Signed) V. B. TAMHANE,  
President,  
Woollen Mill Kamgar Union, Thana,  
(Representative Union).

Elected Representatives—

(Signed) 1 .....  
2 .....  
3 .....  
4 .....  
5 .....

THE RAYMOND WOOLLEN MILLS LTD., THANA.

Annexure.

Department.	No. of hands.	Occupation.	Present rate with interim increase for 26 days.	Rate given on percentage— 26 days.	Remarks.
1	2	3	4	5	6
			Rs. a. p.	Rs. a. p.	
Mechanic ...	1	M. W. Fitter	... 74 12 0	82 1 0	
	1	M. W. Fitter	... 84 8 0	89 6 0	
	1	Spg. Fitter	... 84 8 0	89 6 0	
	2	Fitters	... 68 4 0	74 12 0	
	1	Boiler Fitter	... 84 8 0	89 6 0	
	2	Fitters ...	... 53 3 6	60 2 0	
	2	Wvg. Fitters	... 52 0 0	58 8 0	
	2	Fsg. Fitters ...	... 52 0 0	58 8 0	
	1	Fitter ...	... 55 4 0	59 11 6	
	6	Fitters ...	... 52 0 0	58 8 0	
	1	Boiler fitter ...	... 55 4 0	59 11 6	
	1	Comb Circle and Faller Fitter ...	... 43 1 0	47 15 0	

Department.	No. of hands.	Occupation.	Present rate with interim increase for 26 days.	Date given on percentage—26 days.	Remarks.
1	2	3	4	5	6
			Rs. a. p.	Rs. a. p.	
<i>Mechanic—contd</i>	1	Assistant Fitter	... 38 3 0	41 13 6	
	1	Assistant Fitter	... 32 8 0	35 5 6	
	4	Fitter Apprentices	... 28 0 6	33 11 6	
	1	Fitter (Temp.)	... 43 4 0	47 15 0	
	1	Turner	... 61 12 0	67 7 0	
	2	Turners	... 55 4 0	61 12 0	
	3	Turner	... 53 3 6	61 12 0	
	2	Assistant Turners	... 28 0 6	33 11 6	
	1	Assistant Turner	... 35 12 0	39 0 0	
	2	Turner Apprentices	... 28 0 6	33 11 6	
	1	Blacksmith	... 53 3 6	60 2 0	
	1	Blacksmith	... 57 11 0	62 9 0	
	1	Tinsmith	... 53 3 6	60 2 0	
	1	Tinsmith	... 74 12 0	87 5 6	
	2	Assistant Tinsmiths	... 35 12 0	39 0 0	
	1	Pattern Maker	... 74 12 0	82 1 0	
	2	Rope Splicers	... 36 15 6	40 10 0	
	1	Slay Carpenter	... 68 4 0	74 12 0	
	1	Carpenter	... 61 12 0	67 7 0	
	1	Spg. Carpenter	... 43 1 0	47 2 0	
	6	Carpenters	... 48 5 6	54 0 6	
	2	Carpenters	... 43 1 0	47 15 0	
	1	Nawghani Mukadam	... 48 12 0	54 7 0	
	1	Foreman	... 225 0 0	247 8 0	Paid on calendar month.
			C. M.		
			+3 14 0		
<i>Electric</i>	...	1 Foreman	... 160 0 0	176 0 0	Paid on calendar month.
			+3 14 0		
		1 Night Attendant	... 74 12 0	82 7 6	
		1 Wireman (Certified)	... 42 4 0	71 8 0	
		7 Motor Attendants	... 28 0 6	33 11 6	
<i>Transport</i>	...	1 Lorry Driver	... 80 0 0	92 0 0	Paid on calendar month.
			+3 14 0		
		5 Lorry Drivers	... 65 0 0	74 12 0	Paid on calendar month.
			+3 14 0		
		6 Lorry Cleaners	... 28 0 6	33 11 6	
<i>General Misc.</i>		1 Head Gardener	... .....	.....	Allowance of Rs. 15 for working on Tractor as long as the Tractor works.
<i>Teasing</i>	...	1 Jobber (Day Shift)—Senior	61 12 0	74 12 0	
<i>Spg. Misc.</i>	...	1 Head Roller Coverer	... 56 7 6	65 0 0	

Department.	No. of hands.	Occupation.	Present rate with interim increase for 26 days.	Rate given on percentage—26 days.	Remarks.
1	2	3	4	5	6
			Rs. a. p.	Rs. a. p.	
<i>Winding</i> ...	1	Supervisor (Female Shift) ...	Day ... 39 0 0	45 8 0	
	2	Oilers ...	... 32 1 6	45 8 0	
<i>Warping</i> ...	2	Heald repairers ...	... 55 4 0	65 0 0	
<i>Weaving</i> ...	22	Beam Gaiters ...	... 55 4 0	65 0 0	
<i>Dyeing</i> ...	10	Hussong Dyers ...	... 34 2 0	39 0 0	
	24	Piece Dyers ...	... 28 0 6	39 0 0	
	36	Yarn Dyers ...	... 28 0 6	32 8 0	
	4	Hydro Extractors ...	... 28 0 6	32 8 0	
	4	Colour weighers ...	.....	42 4 0	
	2	Assistant Jobbers ...	... 36 15 6	60 2 0	
<i>Finishing</i> ...	30	Millers ...	... 28 0 6	34 2 0	
	18	Scourers ...	... 28 0 6	35 12 0	
	16	Headmen ...	... 28 0 6	39 0 0	
	8	Rotary pressmen ...	.....	39 0 0	
	4	Lohie cutters ...	.....	32 8 0	
<i>Ware house...</i>	1	Jobber (Day Shift-Senior).	54 7 0	74 12 0	

Thana, 4th April 1949.

No 106/49.—In exercise of the powers conferred on me under Section 74(2) of the Bombay Industrial Relations Act, 1946, and Rule 70 of the Bombay Industrial Relations Rules, 1947, I have on this 26th day of April 1949 registered the following award made by the Industrial Court, in the industrial dispute between the Millowners' Association, Bombay, 80 other Cotton Textiles Mills in Bombay and their employees regarding bonus for the year 1948, in one instalment and in addition an adequate share in the profits of the industry:—

In the Industrial Court, Bombay.

REF. (IC) No. 7 OF 1949.

ARBITRATION

BETWEEN

1. The Millowners' Association, Bombay
2. Acme Thread Co., Limited, Bombay

3. Amritlal Harjivandas and Company, Bombay
4. Anwar Textile Mills, Bombay
5. B. K. Dalal Knitting Factory, Bombay
6. Bankdum Industries Ltd., Bombay
7. Bombay Textile Ltd., Bombay
8. Calcuttawala Tape Works, Bombay
9. Diamond Surgical Works, Bombay
10. Eastern Tape Mfg. Co. Ltd., Bombay
11. Kathiwar Textile Mills, Bombay
12. Lokamanya Textile Mills, Bombay
13. Modern Textile Mfg. Co., Bombay
14. National Cotton Products Ltd., Bombay
15. New India Textiles, Bombay
16. Samartha Engineering & Wvg. Co. Ltd.,  
Bombay
17. Sunrich Mills, Bombay
18. Suryakant Textile Mills, Bombay
19. Swastik Textile Mills Ltd., Bombay
20. Universal Textiles, Bombay
21. Universal Textiles Ltd., Bombay
22. Venus Silk Mills, Bombay
23. Bombay Cotton Waste Mill, Bombay
24. Apollo Mills Ltd., Bombay
25. Bombay Dyeing & Mfg. Co. Ltd. (Spring  
Mills), Bombay
26. Bombay Dyeing & Mfg. Co. Ltd., (Textile  
Mills), Bombay
27. Bradbury Mills Ltd., Bombay
28. Century Weaving & Mfg. Co. Ltd., Bombay
29. Colaba Land & Mills Co. Ltd., Bombay
30. Crown Spg. & Mfg. Co. Ltd., Bombay
31. David Mills Ltd., Bombay (Hind Mills).
32. Dawn Mills Co., Ltd., Bombay
33. Dharan Mills Ltd., Bombay
34. Digvijaya Spg. & Wvg. Co. Ltd., Bombay
35. Edward Textile Ltd., Bombay
36. Elphistone Spg. & Wvg. Mills Co. Ltd. Bombay
37. Finlay Mills Ltd., Bombay
38. Gold Mohur Mills Ltd., Bombay
39. Hindustan Spg. & Wvg. Co. Ltd.,  
Bombay
40. Hirjee Mills Co. Ltd., Bombay
41. India United Mills Ltd., Mill No. 1,  
Bombay

Being members  
of the Mill-  
owners' As-  
sociation,  
Bombay.

42. India United Mills Ltd., Mill Nos. 2 & 3,  
Bombay
43. India United Mills Ltd., Mill No. 4,  
Bombay
44. India United Mills Ltd., Mill No. 5,  
Bombay
45. Indian Manufacturing Co. Ltd., Bombay
46. Jam Mfg. Co. Ltd., Mill No. 1, Bombay
47. Jam Mfg. Co. Ltd., Mill No. 2, Bombay
48. Jubilee Mills Ltd., Bombay
49. Kamla Mills Ltd., Bombay
50. Khatau Makanji Spg. & Wvg. Co. Ltd.,  
Bombay
51. Kohinoor Mills Co. Ltd., Mills Nos. 1 & 2,  
Bombay
52. Madhavji Dharāmsi Mfg. Co. Ltd., Bombay
53. Madhusudan Mills Ltd., Bombay
54. Mayer Mills Ltd., Bombay
55. Modern Mills Ltd., Mill No. 1, Bombay
56. Modern Mills Ltd., Mill No. 2, Bombay
57. Moon Mills Ltd., Bombay
58. Morarji Cokuldas Spg. & Wvg. Co. Ltd.,  
Bombay
59. New China Mills Ltd., Bombay
60. New City of Bombay Mfg. Co. Ltd., } Being members  
Bombay } of the Mill-  
owners' As-  
sociation,  
Bombay.
61. New Great Eastern Spg. & Wvg. Co. Ltd.,  
Bombay
62. New Kaiser-I-Hind Spg. & Wvg. Co. Ltd.,  
Bombay
63. New Prahlād Mills Ltd., Bombay
64. New Sun Mills Co. Ltd., Bombay
65. New Union Mills Ltd., Bombay
66. Phoenix Mills Ltd., Bombay
67. Podar Mills Ltd., Bombay
68. Raghuvanshi Mills Ltd., Bombay
69. Ruby Mills Ltd., Bombay
70. Saksaria Cotton Mills Ltd., Mills No. 1,  
Bombay
71. Saksaria Cotton Mills Ltd., Mills No. 2,  
Bombay (Prakash Cotton)
72. Sassoon Spg. & Wvg. Co. Ltd., Bombay
73. Shree Ram Mills Ltd., Bombay
74. Shri Niwas Cotton Mills Ltd., Bombay
75. Simplex Mills Co. Ltd., Bombay
76. Sir Shapurji Broacha Mills Ltd., Bombay
77. Standard Mills Co. Ltd., Bombay
78. Swan Mills Ltd., Bombay
79. Tata Mills Ltd., Bombay

- |   |   |
|---|---|
| 80. Victoria Mills Ltd., Bombay                   | } Being members<br>of the Mill-<br>owners' As-<br>sociation,<br>Bombay. |
| 81. Western India Spg. & Wvg. Co. Ltd.,<br>Bombay |   |

AND

Their employees.

Regarding Bonus for the year 1948 in one instalment and in addition an adequate share in the profits of the industry.

*Industry.*—Cotton Textile.

*Present.*—Mr. K. C. Sen, President,  
Mr. D. G. Kamerkar, Member,  
Mr. M. C. Shah, Member.

*Appearances.*—Counsel Sir J. B. Kanga with Messrs. R. J. Kolah and Narayanaswamy for the Millowners' Association, Bombay, and their member mills.

Mr. Shantilal H. Shah and Mr. G. D. Ambekar for some of the elected representatives.

Mr. N. V. Phadke with Mr. Raja Kulkarni for some of the elected representatives.

Mr. T. Godiwala with Mr. D. G. Phansikar and Mr. Umesh C. Mane for some of the elected representatives.

Mr. S. S. Rege, Government Labour Officer, Bombay.

## AWARD

### PART I

This reference has arisen in the following way. Early in November 1948 the Rastriya Mill Mazdoor Sangh gave a notice of change to the Millowners' Association demanding bonus for the workers for the year 1948 in order "to make up the deficit in the living wage in the first instance and in addition an adequate share in the profits of the Industry." Thereafter Government issued a notification on the 15th November 1948, in exercise of the powers conferred on them by sub-section (5) of section 43 of the Bombay Industrial Relations Act, declaring that the whole of the cotton textile industry in the local area of the City of Bombay was affected by the notice of change. Thereafter the present reference was made by Government on the 27th January 1949 in which the parties were the Millowners' Association, Bombay, 22 cotton textile mills which are not members of the said Association and the employees of the mills which are members of the said Association and those of the said 22 mills. By a subsequent notification dated the 8th February 1949 Government made 58 mills which are members of the Millowners' Association, Bombay, also parties to the said reference. The industrial dispute referred to this Court was stated to be in respect of demands for payment of an adequate and unconditional lump allowance, i.e., bonus, for the year 1948 in one instalment and also for an adequate share in the profits

of the industry. The 22 mills which are not members of the Millowners' Association have been made parties to such a reference for the first time on the present occasion. Notices were issued by the Court to the Millowners' Association and to the mills which are not members of the Association as well as to the employees' representatives elected in accordance with the provisions of section 26 of the Bombay Industrial Relations Act. Written statements regarding their contentions were filed by the Millowners' Association, several of the mills which are not members of the Association and the Rashtriya Mill Mazdoor Sangh, the Mill Mazdoor Sabha and the Bombay Girmi Kamgar Union, each of the last three on behalf of some of the elected members of the employees. It seems to us necessary to keep the dispute between the Millowners' Association along with the mills which are its members and the employees of the latter separate from the dispute between the 22 non-member mills and their employees; and in this part we shall deal with the first dispute only.

2. Bonus was paid by the mills during the period 1942 to 1945 amounting to 1/6th of the total annual basic earnings of the workers and in 1945 an additional Victory bonus amounting to one month's basic earnings was also paid. The bonus directed to be paid by the award of this Court for the year 1946 amounted to 1/5th of the workers' annual basic earnings. In 1947 the Court awarded 1/6th of the annual basic earnings and the mills in addition paid an Independence bonus equivalent to one month's basic earnings. The following calculations were made in the award regarding the bonus for 1947 (*Bombay Government Gazette*, May 13, 1948, page 2285):—

	Rs.
Estimated gross profits for the year 1947-48 ..	7.44 crores.
Less two months' bonus .. ..	1.80 crores.
	<hr/>
Balance ..	5.64 crores.
Less depreciation .. ..	1.30 crores.
	<hr/>
Balance ..	4.34 crores.
Less tax at 7 annas in the rupee ..	1.90 crores.
	<hr/>
Balance ..	2.44 crores.
Less dividend at 6 per cent. ..	0.90 crores.
	<hr/>
Balance ..	1.54 crores.
	<hr/>

This year the Millowners' Association have filed the following statement regarding the estimated profits for the year 1948-49:—

	Rs.
Estimated gross profits for the year, after providing for all contingent liabilities, but before making any provision for bonus, depreciation and taxation.	16,98 lakhs.



	Rs.
Total amount of depreciation expected to be allowed by the Income-tax Department on the gross profits referred to above.	1,25 lakhs.
Income-tax and Business Profit Tax expected to be payable by the mills on the gross profits referred to above.	7,38 lakhs.
Balance expected to be available after providing for all known contingencies, depreciation and income-tax, but before making any provision for bonus.	8,35 lakhs.


They have further stated that the above figures do not include the trading results of seven mills, out of which one, the Moon Mills, was destroyed by fire in August 1948 and another the Prakash Cotton Mills, has not furnished any estimate of the profits; that if a reasonable estimate has to be made regarding the other five mills, having regard to the profits earned by them in the previous year, the estimated gross profits, before making any allowance for bonus, depreciation and taxation, would be increased to Rs. 17,36 lakhs, and that the balance expected to be available after providing for all known contingencies, depreciation and income-tax, but before making provision for bonus, would be increased to Rs. 8,55 lakhs. As against the estimated figures for 1947 the Millowners' Association have now supplied the actual figures for the gross profits, depreciation, the bonus and the dividend paid and the reserve for the said year. They are as follows:—

	Rs.
Gross profits .. .. .	10.18 crores.
Depreciation .. .. .	1.36 crores.
Bonus (3 months' basic earnings) .. .. .	2.22 crores.
Dividend .. .. .	2.10 crores.
Reserve .. .. .	1.60 crores.

3. The case for the employees is that in 1948 all the mills made very large profits, out of which excessive commissions were paid to the managing agents, that they further got some relief from taxation as compared with the position in 1947, and that during the period of decontrol in 1948 the mills were enabled to make huge profits which would to some extent, though not perhaps fully, be reflected in their accounts and balance sheets. They urge that in view of such circumstances a substantial effort should be made to make up for the deficit in their income owing to the basic wage and the dearness allowance not coming up to the living wage standard; and some of the employees also urge that they should also be given a share in the surplus profits that may be found. The Mill Mazdoor Sabha and the Ginni Kamgar Union, however, have declared themselves opposed to any scheme of profit sharing, having based their claims mainly on the ground that bonus is nothing more than deferred wage, i.e., an amount which represents, however partially, what they have been prevented from earning owing to the basic wage not coming up to the living wage standard.

or level. The Mill Mazdoor Sabha has asked for three months' earnings inclusive of dearness allowance and has contended that its demand should be granted free from any of such conditions as are usually attached to the grant of bonus.

4. Bonus has been thus defined by the Textile Labour Inquiry Committee: "The term bonus is applied to a cash payment made in addition to wages. It generally represents the cash incentive given conditionally on certain standards of attendance and efficiency being attained." It is true that Courts, and even this Court, have sometimes regarded bonus as an *ex gratia* payment and employers have always persistently resisted claims to bonus on the ground that it is an *ex gratia* payment. The term "bonus", it was observed by the Earl of Birkenhead in *Sutton v. Attorney General* (1923) 39 T. L. R. 294, "may, of course, be properly used to describe payments made of grace and not as of right. But nevertheless it may also include, as here, payments made because legally due, but which the parties contemplate will not continue indefinitely." It has now been authoritatively decided that though bonus may not be included in the terms of any contract entered into by employers and the employees, as soon as a demand for bonus is refused all the elements of a trade dispute arise (per Stone C. J. in *The Indian Hume Pipe Co. v. Nanavaty*, 48 Bom. L. R. 551), and the adjudicator has jurisdiction to decide it. Such a claim may be made by the employees as a matter of right and cannot, therefore, be regarded as a prayer for a payment which can be made only *ex gratia*. In the last case cited above reliance was placed on *National Association of Local Government Officers v. Bolton Corporation* [(1943) A. C. 166] where Lord Wright said, at page 187, "This payment, if made, cannot properly, in my opinion, be regarded as a mere gratuity. Though there is an element of bounty in it, the bounty, if granted, is given for good reasons of national policy.....I do not see why this does not fall within the definition of a trade dispute in the Act, just as much as a dispute as to the rate of wages or salary." In *In the matter of an application and in the matter of the Indian Paper Pulp Company Limited*, a case decided by the Calcutta High Court and referred to in a recent decision of the Madras High Court (*Shri C. Bhakihavatsabu Nayudu v. The Chrome Leather Co. Ltd., and the Secretary, Chrome Leather Co., Workers' Union*) the learned Chief Justice said, "In my view such a claim is not necessarily a claim as a gratuity. It is a claim that the workmen should be entitled as of right to these payments in certain circumstances. If that be so, it appears to me that a dispute relating to the payment of such a bonus can well be regarded as a dispute relating to the terms of employment and therefore an industrial dispute within the definition of that term in section 2 (k) of the Industrial Disputes Act." As stated at page 6 of "Conciliation and Arbitration in Industrial Disputes," a publication of the International Labour Organisation, "For the settlement of collective disputes of this kind it is not a question of applying and interpreting existing law, but rather of finding first of all the equitable basis according to which these disputes should be regulated." In Volume I



of "Labour Disputes and Collective Bargaining" by Ludwig Teller, in Chapter eleven it has been observed: "The kernel of the distinction between commercial and industrial arbitration is said to be found in the fact that commercial arbitration is an aspect of the administration of justice, and, more particularly, a substitute for the judicial process, while the arbitration of labour disputes is more often an extension of the process of collective bargaining." This Court has held in Reference No. 1 of 1945 (F. B.) and other cases that the demand for bonus is an industrial matter to be adjudicated by this Court. In several cases the right of the workers to demand bonus depending on the amount of profits made by the employer in any given year has been clearly recognised. It will thus be seen that the connotation of the expression "bonus" has not always remained the same; and at the present time the conception that it is an *ex gratia* payment has been clearly abandoned by this Court. In the award regarding the Millowners' Association, Bombay, and the employees of the cotton textile mills which were its members (Reference No. 1 of 1946) it was stated that in the domain of industrial relations between employers and workers the rights and duties of the parties are not governed merely by civil law but by collective bargaining in the settlement of disputes arising out of demands made by one on another for more earnings, better conditions of work and increased production, and that "the justification for such demands as an industrial matter arises especially when wages fall short of the living wage standard and the industry makes huge profits part of which are due to the contribution which the workers make in increasing production."

5. Bonus *prima facie* appears to us to partake more of the nature of profit sharing than of deferred wage. The Committee on Profit Sharing which made its Report in September 1948 have used expressions like "the profit sharing bonus payable to labour" (page 11); and Mr. Khandubhai K. Desai, one of the members of the Committee, has stated in his note of dissent, "Some sort of profit sharing is even now in operation in large number of industries like cotton textiles and coal mines in the form of annual bonuses" (page 20). In the Banks' award (*Bombay Government Gazette*, Extraordinary, 9th April 1947, page 1099 at p. 1109) this Court observed, "It is within the competence of a bank to give a bonus to its shareholders as well as members of the staff, and although such a bonus to the members of the staff may not have any precise and definite relation to the profits, the extent of those payments does depend roughly on the profits made." At the same time, it seems to us that this Court, in the Bombay award of 31st May 1947, rightly referred to the difference between the actual wages and the living wage standard as a justification for the payment of bonus. Such a demand derives its strength, where the living wage standard has not been reached, from a feeling of deficiency in the means to attain the necessary standard of living. Therefore bonus in such circumstances no doubt serves as a temporary satisfaction, wholly or in part, of his need. Theoretically, adequate wages and dearness allowance should be the first charge on an industry. In "the Spirit of Industrial Relations"

by H. S. Kirkaldy (Oxford University Press, 1947) the author states (page 101): "Profit-sharing can never be a complete solution to the problems of industrial co-operation because a living wage must always be a first charge upon industry so long as it continues to operate and whether it makes a profit or not." Labour as well as the working capital employed in the industry both contribute to the profit made and both are, therefore, entitled to claim a legitimate return out of the profit; and such legitimate return, so far as labour is concerned, must be based on the living wage standard. It is, however, to be remembered that a claim to bonus might be admissible even if the living wage standard were completely attained. It may, therefore, be stated that so long as the living wage standard has not been attained, the bonus partakes primarily of the character of the satisfaction, often partial and temporary, of the deficiency in the legitimate income of the average worker in an industry, and that once such income has been attained it would also partake of the character of profit-sharing. Owing to this dual character of bonus it would be a mistake to regard a demand for bonus as a demand for profit sharing pure and simple. Even if it be held, as the Committee on Profit Sharing have held, that profit sharing on a fifty-fifty basis would be equitable, it would be proper, in our opinion, when the living wage standard has not been reached, for labour to demand even a greater share after the gross profits have been reduced by depreciation, reasonable reserves and dividend, and suitable provision for taxation.

6. It has, however, to be remembered that capital has generally been held entitled to keep a fair return on the "employed capital". This expression has been used by the Indian Tariff Board in their report on the Cotton Yarn and Cloth Prices (1948) as comprising (a) the fixed capital, which is more or less permanently sunk in land and buildings, and plant and machinery, and (b) the working capital, which is employed in buying raw materials and stores, power and fuel, paying wages and salaries, and meeting office expenses and certain other overheads. Fixed capital, which is derived mostly from paid-up share money, the depreciation fund and reserves, and sometimes from debentures, is held by the Board to be subject to greater risks than the working capital which is derived mostly from liquid reserves, bank loans, private deposits and sometimes from share money. A part of the employed capital is depreciation fund, but no return can be claimed for it as it is built out of annual allocations to depreciation which forms part of the cost of production and has, therefore, been already charged through prices. Similarly debenture and loan charges are already debited before profits are declared and cannot, therefore, be again considered for the purpose of calculating the return on fixed capital. The claim for an adequate return on the reserves, however, is legitimate at least as to that part of the reserves which is utilised in acquiring stocks-in-trade, stores, etc. It seems to us, however, that shareholders cannot claim the same rate of return on such reserve as on the paid-up share capital, though both are parts of employed capital.

7. In the Bombay award dated the 31st May 1947 the cost of replacement and modernization of machinery (including depreciation) has been taken as about 72 crores. We are informed that the original value of the present machinery of the mills is 26.6 crores and the Millowners' Association have asked us to raise it, in view of the rise in the cost of machinery at the present time, which was not foreseen in 1947, to 100 crores. If we are to rely on the estimate of the Tariff Board, which is stated to be based on enquiry "from persons intimately acquainted with the cotton textile industry", the cost of replacement today would be  $2\frac{1}{4}$  to  $2\frac{1}{2}$  times the pre-war cost. On this view the estimate of 72 crores itself, particularly in 1947, would appear to be excessive. We were at first inclined to increase this sum to 80 crores, but in view of the authoritative opinion of the Tariff Board we think that there would be no sufficient justification for such increase, and we would, therefore, take the figure of 72 crores as the cost of replacement, renewals and modernization of the existing machinery. This amount would include not only what should be put aside from year to year as reserve but also the total amount at the credit of the depreciation fund.

8. To take the subject of adequate return or dividend on the paid-up capital, such capital, we have been told, stands at 17.2 crores today. The return at 6 per cent. on this amount would amount to 1.03 crores. The mills, however, will be permitted, under the dividend restriction law to pay out dividends to the extent of 2.25 crores. The Millowners' Association have contended that this amount should be allowed to be debited against the gross profits and relied on the decision of Chagla J. in the Bombay Electric Supply and Tramways award of 1946 (*Bombay Government Gazette Extraordinary*, May 25, 1946, page 668). There the Company had paid a dividend at the rate of 12 per cent. to its ordinary shareholders and the learned adjudicator held that it was not an unreasonable return on the capital invested, in view of the risks run by the subscribers and the probability that the shareholders then on the register of the Company were not the original shareholders and had paid higher rates for acquiring the shares than the latter. Mr. Shantilal Shah, however, has contended that the reasonable dividend which can be allowed by the Court should not exceed a fair rate such as 6 per cent. on the amount of paid-up capital, because what a shareholder may have paid in purchasing a share in excess of its original price does not go into the industry but merely passes from the purchaser to the vendor of the share. There is a good deal of truth in this criticism, but it must not be forgotten that the payment of dividends is one of the most important incidents in the industry and should not, therefore, be unduly controlled.

9. It must, at the same time, be emphasised that dividends should be paid out only after adequate provision has been made for reserves, although the practice seems to be the other way. According to the Committee on Profit Sharing, the purpose of the reserve is to "provide for repairs and maintenance, emergencies, rehabilitation and modernization of plant and equipment and reasonable expansion." With great respect, it seems to us, however, that reserves should not be allowed

to be accumulated for the purpose of expansion, which should be financed by the raising of new capital. Mr. Shantilal Shah has raised the question whether the interest accruing on reserves should not be added to it from year to year. This, however, is never done, because what it earns would ordinarily go into the gross profit. The Millowners' Association appear to be in the habit of showing in the reserves the amounts set apart for the equilization of dividend fund and the amounts paid for insurance, the employees' pension and gratuity fund and the workmen's welfare. It does not appear to us that these amounts should properly be included in the reserve proper; they should be shown in some other appropriate manner. The Tariff Board has held that the full amount of reserves required for replacement and renewal in this industry should be collected within the next 12 to 15 years. As against that this Court held in 1947 that the amount of 45 crores which it was necessary then to add to the reserves for such purpose should be spread over a period of about ten years from that year. It seems to us extremely doubtful whether the mills would be able to put aside the requisite amount of reserves by 1957, i.e., within the next eight years. We think it advisable to extend the period by two more years, i.e., up to 1959. Out of the total amount of reserve required, i.e., 72 crores, the cash surplus already amounted in 1946 to 27 crores, and in 1947 a total amount of 3.46 crores was further added, i.e., an addition of 1.36 crores to the depreciation fund and 2.10 crores as reserves. Thus by the end of 1947 there was an accumulation of 30.46 crores. Deducting this amount from 72 crores we get the figure 41.54 crores. The annual amount of reserves including depreciation fund, therefore, which ought henceforth to be put aside by the mills may be taken as 4.15 crores, or roughly 4.25 crores.

10. Judged by this standard, last year's reserve of 2.10 crores set apart in 1947 would appear to be inadequate. A larger amount could not be put in owing to the dividend which was paid out. The mills, in our opinion, do not appear to realise fully their responsibility in this matter; and if in 1948, which has been one of the best years for the industry, at least 4 crores (inclusive of depreciation) are not put in, the Court, if the question of the bonus for 1949 comes before it, would be justified in using a smaller sum for depreciation and reserve, presuming that the replacement period would inevitably extend beyond 1959.

11. What return on the reserve should be regarded as adequate? We have been told that a sum of about 26 crores out of 30 crores of the reserve is utilized in acquiring stocks-in-trade, stores, etc., the balance being invested and the income therefrom going into the gross profits. This part of the reserve would not earn as much return as the paid-up capital and we may allow for it a return of about 4 per cent., amounting roughly to 1 crore. This amount of 1 crore, however, should be regarded as included in the 2.25 crores which the industry has paid by way of dividend, which represents the return to the shareholders for having participated in the profit-making funds and assets of the Company. The balance of the dividend thus paid after deducting 1 crore, i.e.,

1.25 crores, is not much higher than the return at 6 per cent. on paid-up capital of 17.2 crores, i.e., 1.03 crores.

12. We shall have to begin our calculations for ascertaining the amount available for bonus by first making an estimate of the gross profits for the year 1948. Admittedly those profits have been very high in that year. We have looked at the figures regarding profits which have been published in the *Commerce* in respect of five or six mills which have published their balance sheets, and find that the gross profits for 1948 in those cases amount to  $2\frac{1}{3}$  up to over 6 times the gross profits made in 1947 (see pages 343, 494, 542, 702 and 750 of the *Commerce*, Articles on the financial position of the New City of Bombay Manufacturing Company Limited, New Great Eastern Spinning and Weaving Company Limited, Edward Textiles Limited, the Bombay Dyeing and Manufacturing Company Limited, the Kohinoor Mills Company Limited, and the Century Spinning and Manufacturing Company Limited). The estimated gross profits for 1948 have been given as 17.36 crores. In 1947 the estimated profits were taken as 7.44 crores but the actual gross profits turned out to be 10.18 crores, an increase of about 45 per cent. Mr. Shantilal Shah has contended that the figure for 1948 should be taken as 29.4 crores, according to his calculations, inclusive of the managing agents' commission. The expression "estimated gross profits in the year" in the statement filed by the Millowners' Association is qualified by the words "after providing for all contingent liabilities but before making any provision for bonus, depreciation and taxation." It is not clear what contingent liabilities have been referred to. There was no such reservation in the corresponding statement filed by the Association last year when the question of bonus was being enquired into by this Court. It can be taken as certain that during the decontrol period (about 4 months) all the mills made profits considerably above the level attained during the rest of the year. At the recent annual meeting of the Millowners' Association the President is reported to have admitted that the higher profits of the year were due mostly to the removal of cloth control by the Government of India. We think that in view of all circumstances which we have considered it would be a conservative estimate to take the gross profits of the year at double the figure of actual gross profits made in 1947 (10.18 crores), i.e., at 20.36 crores.

13. The figure of depreciation has been given as 1.30 crores. We accept this figure, though this is the same as the figure given for 1947 and it ought to have been somewhat less, being based on written-down value of the block. Mr. Shantilal Shah has contended that the bonus to be given should be equivalent to at least  $4\frac{1}{2}$  months' basic earnings, i.e., 4.32 crores, the monthly basic wage-bill amounting to 96 lakhs. The Association has pointed out that an amount of 45 lakhs has also to be paid by way of bonus to the clerks and other staff. It has been contended that if bonus to the extent of  $4\frac{1}{2}$  months' basic wages is granted the Income-tax authorities may not make allowance to the full extent of such bonus in view of the proviso to clause (x) of sub-section (2) of section 10 of the Indian Income-tax Act, which is to the effect, *inter alia*,

that any sum paid to an employee as bonus, where such sum would not have been payable to him as profits or dividend if it had not been paid as bonus or commission, is one of the allowances to be deducted from the profits and gains of business, provided that the amount of the bonus or commission "is of a reasonable amount" with reference to (a) the pay of the employee and the conditions of his service, (b) the profits of the business for the year in question, and (c) the general practice in similar businesses. We think that it would be unreasonable on our part to assume that the amount of bonus considered by us as reasonable in the peculiar circumstances of this case will not, when the income-tax authorities will look into the matter, be considered reasonable in the same context. As to the amount of tax leviable on the part of the profits which is assessable to, we have been asked by the Association to consider the incidence of the business profits tax which was not considered in the last award relating to bonus in the Bombay textile industry. In that award the tax was computed at the rate of 7 annas in the rupee. In view of the exemptions, which have been recently increased and which are allowed for the purpose of business profits tax, we think that it would be safe to take the incidence of income-tax as well as business profits tax in the aggregate at  $7\frac{1}{2}$  annas in the rupee. The amount put into the depreciation fund, i.e., 1.30 crores, will not be liable to tax, but the balance of the total reserves 4.25 crores, i.e., 2.95 crores, must be tax-free, and the dividends will also be paid after taxation has been deducted. We thus get the following calculations on the basis that  $4\frac{1}{2}$  months' Basic wages should be given as bonus :—

Gross profits	...	...	...	20.36 crores.
Less Depreciation	...	...	...	1.30 crores.
			Balance ...	19.06 crores.
Less Bonus to workmen	...	...	...	4.32 crores.
			Balance ...	14.74 crores.
Less Bonus to clerks and other staff	...	...	...	0.45 crores.
			Balance ...	14.29 crores.
Less Taxes at $7\frac{1}{2}$ annas in the rupee	...	...	...	6.70 crores.
			Balance ...	7.59 crores.
Less Reserves	...	...	...	2.95 crores.
			Balance ...	4.64 crores.
Less Dividend	...	...	...	2.25 crores.
			Balance ...	2.39 crores.

This balance is substantially higher than the balance of 1.54 crores in the award relating to bonus for the year 1947, although we have taken into consideration certain matters and factors which were not taken into



consideration in the last year's award. We do not think that this balance is insufficient for any purpose for which the mills may legitimately want to incur expenses over and above such items as have been taken into consideration in the calculations shown above.

14. The amount of 4.32 crores is a very large sum, and we are definitely of the opinion that it should not be paid in one lump sum. The Association urges that the bonus should be paid in two instalments, one in May and the other in June. We have also considered the feasibility of ordering at least a part of the amount to be paid in the form of National Cash Saving Certificates. Though, of course, such certificates can be cashed at once, it would be likely that some part of the payment would be retained, for some time at least, in that form, if such an order could be made. Mr. Shantilal Shah on behalf of such of the employees as belong to his Union has expressed his willingness to accept a part of the bonus not exceeding 25 per cent. in the form of such certificates. In *Arvind Mills, Ltd. v. K. R. Gadgil* 42 Bom. L. R. 955 it was held that the term "wages", as defined in the Payment of Wages Act, did not include bonus which was not earned by an employee under the terms of a bonus scheme. If the Court orders the payment of a part of bonus in the form of Saving Certificates that might entitle an employee to say that he had earned it under the terms of the bonus scheme. Then the question would arise whether this Court would be making a legal order in directing this mode of payment. If the Payment of Wages Act applies, such mode of payment would not be permissible even by agreement, and in any case it would not be desirable that one section of the employees should be paid in one manner which is not applicable to the other sections. We might have taken the risk of directing such a mode of payment as one of the conditions applying to the payment of bonus, but the effect of this would most probably be the filing of a suit in the High Court and thus considerable delay in the payment of at least a part of the bonus. Besides, if the manner of payment directed was not ultimately found to be legal it would no doubt result in considerable resentment on the part of the workers. For these reasons it seems to us desirable for the legislature to look into this question and see whether it would be feasible, in suitable cases, for the Industrial Court to order such a mode of payment.

15. The conditions as usually attached to the payment of bonus are those to be found in the award regarding the bonus payable to the employees of the Bombay Cotton Textile Mills for the year 1947 (Reference No. 1 of 1948, I. C. R. (Bom.) (1948) page 48]. The employees have objected to the following three conditions:—

(1) Employees who have worked for less than 75 working days and more than 32 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 32 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct during the year, shall not be entitled to any bonus even if he has worked for more than 32 days.

(3) Persons who are eligible for bonus but who are not in service of the mill on the date of the payment shall be paid in one lump sum on \_\_\_\_\_, provided claims in writing are submitted to the Manager of the mill concerned before \_\_\_\_\_, after which no application for bonus shall be entertained.

As to the first condition Messrs. Phadke and Godiwala have urged that no minimum period of work should be insisted upon because workers are entitled to bonus as of right and should get a proportionate share of it even if any of them has worked for one day in the year. This condition seems to have been inserted in order to check the evil of absenteeism to a certain extent and to ensure the mills securing an appreciable amount of work from a worker before his share in the profits is considered. As to absenteeism the Textile Labour Inquiry Committee has stated at page 364 of their Report, that even an attendance bonus has been found ineffective in discouraging absenteeism and that proper conditions of work in the factory, adequate wages, protection from accident and sickness and facilities for obtaining leave for rest and recuperation constitute the most effective means of reducing absenteeism. This condition was inserted after the matter had been fully discussed before the Full Bench last year and we do not think that a case has been sufficiently made out for its deletion. In 1948, however, the workers suffered from the effects of a compulsory closure of the mills on account of the cyclone which occurred in that year, the average number of days which a worker lost owing to this reason being about 12. For this reason it seems to us that it would be appropriate to reduce the period of 32 days in conditions 1 and 2 to 20 days and to reduce the period of 75 working days to 63 working days, and we direct accordingly. As to the second condition our attention has been drawn to a decision given in the dispute regarding bonus for the year 1947 between the Ford Motor Company of India Limited and their workmen (AJ-IT. 56 of 1948, *Bombay Government Gazette*, January 20, 1949, at p. 290) where it was stated that for the reasons given in paragraph 11 of the award in the dispute between the Eastern Chemical Company (India), Bombay, and their workmen (*Bombay Government Gazette*, Part I, dated September 25, 1948, at page 4333) it was improper that the bonus should be withheld from every employee who may have been dismissed for misconduct. The argument which appealed to the Tribunal was that where an employee was dismissed for misconduct he had been already sufficiently punished and it was unnecessary further to deprive him of the bonus to which he would have been otherwise entitled. There were, however, no standing orders applicable to the Company in question in the said case or to the other Company referred to, viz., the Eastern Chemical Company (India), Bombay. In the case of cotton textile industry, however, the expression misconduct has been precisely defined in the standing orders and it would be only where the misconduct has resulted in dismissal (which would ordinarily have to be upheld by the Labour Court) that disqualification would apply. There being, therefore, the double safeguard of the powers of the Labour Court to intervene and the definition of the expression "misconduct" in the standing

orders it seems to us that in this case it would not be right to delete condition 2 which would apply only to cases of dismissal and which is calculated to deter miscreants to an appreciable extent. As to the third condition it seems to us unnecessary to retain the words "before ....., after which no application for bonus shall be entertained." It is, however, desirable that a person who is eligible for bonus but who may not be in the service of the mill on the day of payment should make an application in writing to the Manager of the mill concerned. It has been contended by Messrs. Phadke and Godiwala that the bonus should be directed to be paid in terms of basic wages *plus* the dearness allowance. Having held what should be the quantum of the bonus it seems to us that it would be academic, particularly in view of the past practice, to direct in this year that the bonus should be calculated in terms of the basic wage *plus* dearness allowance. There is no doubt that dearness allowance is essentially a part of the wages, but we do not think that there are sufficient reasons for departing from the practice which has been followed by this Court over a period of several years, particularly as the dearness allowance varies from month to month and its inclusion would render the calculations more difficult.

16. We, therefore, direct that subject to the following conditions all employees, whether permanent or *badli*, who have worked in the mills concerned shall be given a bonus equivalent to their basic earnings in 1948 for  $4\frac{1}{2}$  months :—

(1) Employees who have worked for less than 63 working days and more than 20 working days shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 20 days or less shall be granted a bonus to the extent of 50 per cent. and employees who have worked for 20 days or less shall not be paid any bonus.

(2) Any employee who has been dismissed for misconduct in 1948 shall not be entitled to any bonus even if he has worked for more than 20 days.

(3) Bonus shall be calculated on earnings (exclusive of dearness allowance and bonuses paid during the period) from the 1st January to the 31st December 1948.

(4) In the case of women who have been on maternity leave during the period referred to, the actual maternity allowance drawn by them shall be included in their earnings for the purpose of calculating the bonus payable.

(5) Bonus as above stated shall be paid to the employees in two instalments, by the 31st May 1949 and the 30th June 1949 respectively.

(6) Persons who are eligible for bonus but who are not in service of the mill on the date of the payment shall be paid in one lump sum

by the 30th November 1949. In such cases, claims in writing should be submitted to the Manager of the Mill concerned.

(Signed) K. C. SEN,  
President.  
( ,, ) D. G. KAMERKAR,  
Member.  
( ,, ) M. C. SHAH,  
Member.

(Signed) N. N. MAJUMDAR,  
Registrar.

Bombay, 23rd April 1949.

No. 107/49.—In exercise of the powers conferred on me under section 74 (2) of the Bombay Industrial Relations Act, 1946, and rule 70 of the Bombay Industrial Relations Rules, 1947, I have on this 26th day of April 1949 registered the following award made by the Industrial Court, in the industrial dispute between the Swadeshi Mills Ltd., Kurla, Coorla Spg. & Wvg. Co. Ltd., Kurla, and the Kurla Girni Kamgar Sangh, Kurla, regarding bonus for the year 1948 :—

**In the Industrial Court, Bombay.**

Ref. (IC) No. 2 of 1949.

**ARBITRATION**

BETWEEN

Kurla Girni Kamgar Union, Kurla..

AND

1. Swadeshi Mills Co. Ltd., Kurla.
2. Coorla Spg. & Wvg. Co. Ltd., Kurla.

*Re* : The bonus for the year 1948.

*Industry*.—Cotton Textile.

*Present*.—Mr. K. C. Sen, President, Industrial Court.

*Appearances*.—Mr. Shantilal H. Shah, with Mr. G. D. Ambekar, for the Kurla Girni Kamgar Sangh, Kurla.

Mr. B. Narayanaswamy, Advocate, for the Swadeshi Mills Co. Ltd. and Coorla Spg. & Wvg. Co. Ltd., Kurla.

**AWARD.**

On 3rd January 1949 this reference was filed by the Kurla Girni Kamgar Sangh, Kurla, under section 73A of the Bombay Industrial Relations Act, 1946. The Sangh had given a notice of change in Form "L" under

section 42 (2) and rule 52 to the second parties on the 9th November 1948 stating that the textile industry, including the Mills named as the second party, had made huge profits during the year 1948 and that the employees should be given an adequate and unconditional lump allowance, i.e., bonus, for the year 1948, to make up the deficit in their legitimate income in the first instance and in addition an adequate share in the profits of the industry.

The Mills named as the second party are members of the Millowners' Association, Bombay. The parties at the hearing agreed that bonus may be awarded on the same terms and conditions as are mentioned in Ref. (IC) No. 7 of 1949. I, therefore, make my award accordingly.

K. C. SEN,  
President.

N. N. MAJUMDAR,  
Registrar.  
Bombay, 23rd April 1949.

Bombay, 26th April 1949.

No. 109/49.—In exercise of the powers conferred on me under section 74 (2) of the Bombay Industrial Relations Act, 1946, and rule 70 of the Bombay Industrial Relations Rules, 1947, I have on this 28th day of April 1949 registered the following award made by the Industrial Court, in the industrial dispute between Shri Laxminarayan Mills Co. Ltd., Chalisgaon, and the Chalisgaon Girni Kamgar Union, Chalisgaon, regarding dearness allowance to clerks and watchmen :—

**In the Industrial Court, Bombay.**

Reference No. 30 of 1948.

ARBITRATION

BETWEEN

The Chalisgaon Girni Kamgar Union, Chalisgaon

AND

Shri Laxminarayan Mills Co. Ltd., Chalisgaon.

In the matter of an industrial dispute regarding dearness allowance to clerks and watchmen.

*Industry.*—Cotton Textile.

*Present.*—Mr. M. C. Shah, Member, with Mr. S. S. Paranjape, pleader.

*Appearances.*—Counsel Mr. Sushil S. Kavalekar, for the Union.

Mr. B. Narayanaswamy, Advocate, instructed by  
Mr. R. G. Pathakar, Secretary of the Mills Co.,  
for the Mills.

AWARD.

The parties have reached a settlement and have filed an agreement containing the terms thereof (appended hereto). In view of the

settlement the demands have been withdrawn by the Union. The reference is therefore disposed of. No order as to costs.

(Signed) M. C. SHAH,  
Member.

(Signed) N. N. MAJUMDAR,  
Registrar,  
Industrial Court.

Bombay, 14th April 1949.

*Reference No. 30 of 1948.*

In this reference the Applicant's claim is for Dear food Allowance for the days of leave with pay of clerks and watchmen from the year 1941 to 1947.

The parties arrived at an agreement on the following terms:—

(1) The whole claim is satisfied by the payment of Rs. 3,000 in lump sum as an *ex-gratia* payment for the days of leave with pay from the year 1941 to 1947 of Clerks and Watchmen.

(2) The Union has to receive the sum from the Company and distribute it to the Claimants concerned.

(3) The liability of the Company ceases by paying the sum of Rs. Three thousand for the whole claim detailed in the same reference.

(4) The responsibility rests on the Union for distribution of the sums to the proper Claimants.

(5) The Applicant is to withdraw the application as there is an agreement of the claimant R. 30 of 1948.

(6) It is further agreed that the sum of Rs. 1,500 fifteen hundred should be paid to-day to the Union and the remaining sum of Rs. 1,500 should be paid on 15th May 1949.

(Signed).....

General Manager,  
The Chalisingaon S. L. N. Mills Co. Ltd.

(Signed).....

Secretary,  
Girni Kamgar Union.

Chalisingaon, 8th April 1949.

Before me,

(Signed) M. C. SHAH,  
Member.

Bombay, 13th April 1949.

No. 110/49.—In exercise of the powers conferred on me under section 74 (2) of the Bombay Industrial Relations Act, 1946, and rule 70 of the Bombay Industrial Relations Rules, 1947, I have on this 28th day of April 1949 registered the following award made by the Industrial Court, in the industrial dispute between the New Pratap Spinning, Weaving and Manufacturing Co. Ltd., Dhulia, and the Dhulia Girni Kamgar Union, Dhulia, regarding the discontinuance of practice of women workers coming late and leaving early :—

**In the Industrial Court at Bombay.**

Reference No. 1 of 1949.

BETWEEN

New Pratap Spinning, Weaving and Manufacturing Co. Ltd., Dhulia

AND

Dhulia Girni Kamgar Union.

In the matter of discontinuance of the practice of women workers coming late and leaving early.

*Industry.*—Cotton Textile.

*Present.*—Mr. D. G. Kamerkar, Member.

*Appearances.*—Mr. B. Narayanaswamy, Advocate, for the Mill Company.

Mr. Hanif for the Dhulia Girni Kamgar Union.

**AWARD.**

This is a reference under section 73 of the Bombay Industrial Relations Act, 1946, made by the Government of Bombay by their Notification No. 7/48 of the Labour Department, dated the 31st December 1948.

2. The employer Company, at whose instance the reference was made, alleges that it was a long-standing practice in Khandesh textile mills for women workers to attend half an hour too late and to leave 10 minutes too early before the scheduled closing time. The practice entailed loss in production and has been discontinued in nearly all the mills in Khandesh, except at Dhulia, where women workers still persist in it and claim to retain it as a matter of right. The Company had served a notice of change on 13th September 1947, in the first instance, on the Dhulia Girni Kamgar Union, demanding discontinuation of that practice. In the course of the conciliation proceedings, which were held in June 1948, the General Secretary of the Union promised to persuade the women workers to put in work for the full scheduled hours and the Company, therefore, withdrew the notice of change at the

intervention of the conciliator. As the General Secretary failed in his persuasions, a fresh notice of change had to be served on 13th September 1948. On the failure of conciliation proceedings, which were held on 6th October 1948, the Management approached Government for referring the dispute to arbitration of the Industrial Court under section 73.

3. The Dhulia Girni Kamgar Union has not put in any written statement. At the hearing, Mr. Hanif admits that in support of the alleged right the women workers will not be able to point to any standing order or even to any notification by the Company expressly extending the concession of late attendance and early leaving to women workers or impliedly recognizing it. It is quite obvious that the practice or usage cannot be permitted to continue and the women workers cannot be heard to assert it as a matter of right, now that the Factories Act has regimented the working hours in the interest of the operatives themselves. Until 1943, mills in Khandesh required their operatives to put in work for 10 hours in the course of a day; but these hours were curtailed by the Factories Act to 9, thereafter. By the amendment to the Factories Act made in August 1946, the working hours were restricted to 48 in a week. When the country is in need at present of a sustained effort at production, it is evidently disingenuous to permit a section of workers to attend too late and to leave too early. The practice, moreover, results in a general hold-up of all activity in the departments in which the women may have been employed. So that, even punctual attendance by the large majority of men operatives cannot be put to useful purpose. Work in the textile mills is a continuous process, which will not run until the full complement of operatives is in its proper place at the proper moment. Mr. Hanif is not able to cite any special reason why the concession is at all necessary for women workers. The Industrial Court and the Legislature have of late been very particular to remove all inequalities in service conditions on the ground of sex, except in particulars peculiar to the sex. There appears to me no ground upon which the change sought to be introduced—if it can amount to a change at all—can be withheld.

4. In the result, I direct that the practice of women workers in the employer Company's Mills at Dhulia attending too late and leaving too early should be discontinued with immediate effect.

No order as to costs.

(Signed) N. N. MAJUMDAR,  
Registrar.

(Signed) D. G. KAMERKAR,  
Member.

Bombay, 20th April 1949.

Bombay, 28th April 1949.



No. 102/49.—In exercise of the powers conferred on me under section 74 (2) of the Bombay Industrial Relations Act, 1946, and rule 70 of the Bombay Industrial Relations Rules, 1947, I have on this 20th day of April 1949 registered the following award made by the Industrial Court, in the industrial dispute between the Gopal Mills Co. Ltd., Broach, and the Textile Labour Union, Broach, regarding bonus for the year 1947 :—

In the Industrial Court, Bombay.

Submission No. 7 of 1948.

### ARBITRATION

In the matter of an industrial dispute

BETWEEN

The Gopal Mills Company Limited, Broach

AND

The Textile Labour Union, Broach.

*Re.* Bonus for the year 1947.

*Industry.*—Cotton Textile.

*Present.*—Mr. M. C. Shah, Member.

*Appearances.*—Counsel Mr. M. P. Amin with Mr. J. M. Gandhi for the Mills.

Mr. S. P. Dave, General Secretary, with Mr. V. K. Trivedi, Member, and Mr. R. H. Patel, Secretary, Textile Labour Association for the Union.

### AWARD.

This is a submission under section 66 of the Bombay Industrial Relations Act for the arbitration of the dispute relating to the payment of bonus to the employees for the year 1947 between the Gopal Mills Co. Ltd., Broach, and the Textile Labour Union, Broach. The Union gave a notice of change to the Company on the 25th October 1948 and in the course of the conciliation proceedings that followed in its wake the parties agreed to have the dispute referred to the arbitration of this Court. The Union has demanded a bonus equivalent to 25 per cent. of the employee's earnings in the year 1947 on the plea that the Mill Company has made large profits in the year in question and has in fact already made a provision of Rs. 1,60,000 for payment of bonus to the workers. It is urged that in view of the profits made and the fact that the average wage at Broach has hitherto been lower than the minimum wage fixed by the Industrial Court, which latter is Rs. 26

per month for a month of 26 working days, and the fact that there is a large gap between the minimum wage and the living wage, the demand for bonus equivalent to 25 per cent. of the basic wage is reasonable. The Company has opposed the demand on the ground that the real profits are much less than what they appear to be in the statement of accounts and that the claim is far too disproportionate to the profits actually made. The balance sheet of the Company for the year ending 31st December 1947 shows at the outset a profit of Rs. 6,60,860 which includes an amount of Rs. 80,459 odd which the agents have given up from their commission for being credited to the depreciation fund. Therefore properly speaking, as this sum has been given up specifically for the abovesaid purpose the profits would be reduced to that extent and they would be Rs. 5,80,401. The Company has actually spent Rs. 1,94,682 odd on repairs to buildings and machinery and apart from the question whether such a large sum should be properly debitable to the current expense of the year, the fact does remain that the amount has been actually spent, and should go out of the profits shown. Deducting it therefore from the above sum the balance comes to Rs. 3,85,719. Mr. Amin for the Company has urged that the sum of Rs. 1,60,000 which has been shown in the balance sheet as reserved for payment of bonus was really set apart not only for that purpose but for three other purposes and that this sum too should be deducted from the profits made and the balance left thereafter, viz. Rs. 2,25,719, should be the net profits for purposes of considering the workers' demand for bonus. The contention is not correct and, apart from the correctness of the rival contentions as to the purpose for which the sum of Rs. 1,60,000 was set apart, the fact does remain that it does form part of the profits of the Company during the year and it will be wholly improper to exclude it from the profits. In my opinion the sum of Rs. 3,58,719 represents the real profits made by the Company for the purpose of determining the quantum of the bonus.

2. Mr. Amin has urged that the profits of the Company have been falling from year to year and that while they were 29 lacs in 1943 and 14 lacs in 1944 they were Rs. 7,93,000 in 1945 and Rs. 4,84,000 in 1946, and that compared to these the profits of 1947 were much less. 1943 was however the peak year and although it is true that the profits of the Company, as of other similar concerns, have since receded from the peak level, the profits made in 1947 were still substantial. It is true the Company voluntarily paid a bonus equivalent to 23 per cent. in 1946 and the same was accepted by the Union, but having regard to the fact that the profits in 1947 were, on actual calculations, less than in the previous year, I consider that a bonus equivalent to 1/5th (20 per cent.) of the basic wage of the employees in the year 1947 will be quite reasonable and fair. I might observe that the textile worker of the Ahmedabad Mills was given a bonus at that rate. The Union has referred, by way of comparison, to the Baroda Mills and the New Shorrock Mills, Nadiad, which have given a bonus equivalent to three months' wages in 1947, but no such comparison can be made because the New

Shorrock Mills of Nadiad has made enormous profits of Rs. 36 lacs in 1947 and one of the Baroda Mills, viz. the Shri Jagdish Mills, has made a profit of Rs. 10,40,000 odd. Besides, the taxation in Baroda State is much lower and that confers a substantial advantage on the Mill Companies working in that State.

3. As for the sum of Rs. 1,60,000 the balance sheet mentions in clear and unambiguous terms that the amount has been reserved for payment of bonus to workers for the year 1947 and, in my opinion, it is futile to construe the statement as meaning that the sum was meant as a provision for four different purposes, viz. (1) an increase in the minimum wage that might be awarded by the Industrial Court, (2) an increase in the dearness allowance, (3) leave with pay and (4) bonus for the year 1947. But if that was the intention there was nothing to prevent the Company from stating so in clear terms. As it is, it does not appear that the sum was intended for the purposes now mentioned because even according to the Company the entire sum of Rs. 1,60,000 would be necessary for meeting the extra cost in the shape of the increase in the minimum wage alone, which means that nothing was available for the remaining three purposes. The total cost for the first three purposes comes to Rs. 2,40,000 which leaves a deficit of Rs. 80,000 without making any provision for the payment of bonus. There is thus no substance in this contention of the Company and it must be taken, as the balance sheet itself mentions, that this sum was reserved for bonus to workmen. But that by itself will not mean that the entire sum should, without having regard to other circumstances, be given away for payment of bonus. In my opinion having regard to the real profits made it would be appropriate to award bonus at the rate of 20 per cent. or 1/5th of the basic wage and accordingly I award to the employees of the Gopal Mills Co. Ltd., Broach, a bonus equivalent to 1/5th of their earnings, viz. the basic wage, excluding dearness allowance, during the year 1947.

4. The Union desires, and the Company has no objection to it, that the payment should be made on the same conditions on which bonus for 1946 was paid. I therefore order that the bonus for 1947 as awarded above should be paid on the same terms and conditions on which bonus for 1946 was paid to the workmen. No order as to costs.

(Signed) M. C. SHAH,  
Member.

(Signed) N. N. MAJUMDAR,  
Registrar, Industrial Court.

Bombay, 14th April 1949.

D. G. KALE,  
Registrar,  
Bombay Industrial Relations Act.

Bombay, 20th April 1949.