

# LOCKING OUT WORKERS

A Citizens' Fact-finding Report on the Lockout and Subsequent Events at Stump, Schuele, and Somappa Springs Private Limited, Hosur Road, Bangalore inside front cover

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Layout & Design: Vinay Chandran

Printed by : PDF version

Suggested contribution: Rs. 50/-

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An online copy of this book is available for free download at www.puclkarnataka.org.

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## INTRODUCTION

Stumpp, Schuele and Somappa Springs Private Limited (hereinafter SSSPL) is, arguably, the leading manufacturer of springs for cars, two-wheelers and commercial vehicles, for clients like Maruthi Udyog, Tata, Hyundai, TVS, Toyota, Bajaj etc. However, over the past two months, it has been in the news for some of its labour practices, which have also caught the attention of civil society organisations. The workers of this factory were at its gates claiming that the management had declared a lockout at its Hosur Road factory for its contract workers on I<sup>st</sup> March 2014, and, five days later, for its permanent workers, and that all these workers were suddenly rendered jobless, and their families face an insecure and bleak future on the street.

After declaring a lockout on their workers who were Union members, the management illegally brought in more than 100 workers from other states (Andhra Pradesh, Assam, Tripura, Jharkhand, Odisha, and Bihar) and from the northern districts of Karnataka to resume production. This was discovered in a surprise inspection by a team of officials from the Revenue Department following a directive of Karnataka State Human Rights Commission, which had received a complaint in this regard. The team of officials found that the new temporary employees were working in 'inhuman conditions', sleeping on empty cartons on the rooftop; they were not allowed to go outside the factory and were treated like bonded labourers.

On 7<sup>th</sup> April, the state government passed orders prohibiting the lockout declared by the management of permanent and contract workers, hence requiring the management to lift the lockout with immediate effect. On the 9<sup>th</sup> of April, the management lifted the lockout, but only for the permanent workers. On the 11<sup>th</sup> of April, the permanent workers resumed work on the guarantee that the contract workers would also allowed to go back to work.

However, till date, the contract workers have not been allowed inside. The management, instead, has taken the stand that only contract workers of its choice would be allowed to resume work while those who were active as union leaders would not be given back their jobs. Even this is subject to two conditions. First, the existing union would have to agree to only represent the permanent workers and make the necessary changes in its constitution. Second, there should be no outside leadership of the union, and all the office bearers should be permanent workers. We have also been informed that the permanent workers who have resumed work are being subject to harassment tactics by the management in order to break the union.

With a view to finding out more about the lockout incident, a group of concerned citizens, comprising civil society activists, including members of human rights organizations, formed a team and decided to undertake a fact-finding investigation into the circumstances that led to the lockout, the players involved in the incident, as well as the impact of the lockout on the factory's workers. The fact-finding team consisted of the following members:

- I. Dr. Ramdas Rao (People's Union for Civil Liberties Karnataka)
- 2. Shakun M. (Vimochana)
- 3. Arul Selva (People's Union for Civil Liberties Karnataka)
- 4. Pushpa Achanta (Journalist)
- 5. Gopika Nangia (Student and Member, Concern)
- 6. Dr. Kishor Bhat (St. John's Academy of Health Sciences)
- 7. Partha Bopaiah (Student, Bangalore University)
- 8. Dr. Kaveri R I (Inspire Fellow, Hyderabad Central University)
- 9. Rajesh Srinivas (Sangama)
- 10. Ashok Kaliyamurthy (Activist)

It was decided to meet the workers of the factory who are protesting against the management's action, the members of the management team, the contractors and the officials of the Labour



Workers protesting at the gate of 'Stumpp, Schuele and Somappa Private Limited'

Department, Government of Karnataka, in order to obtain their versions of the events.

This report presents their versions of the events, followed by an account of the working conditions at *SSSPL*, and an update on the current situation. We end with our findings on the lockout, and a list of suggestions regarding how the crisis may be resolved.

## 1. CONTEXT: CONTRACT LABOUR UNDER GLOBALISATION

During our discussions with the workers, Union representatives and the officials of the Labour Department as well as doing research on our own, we have learnt that over the past two decades, there has been a considerable shift in the employment policies of industrial establishments. Alongside the permanent workers, lakhs of contract workers are being employed to perform the same tasks as the permanent workers, of course without the same protection. Furthermore, the jobs of housekeeping, security, canteen service, etc. are almost entirely being carried out by contract workers. To a large extent this shift in labour employment is directly traceable to globalisation, liberalisation and privatisation.

Broadly speaking, globalization of capital, in the context of labour, is marked, since the 1990's, by the following features (which have been well documented and don't need elaboration):

- a) The last two decades have seen, across the globe, the establishment of the neo-liberal state founded on an ideology of development which involves opening up the national economy to global capital, deregulation of production norms, and making private profit the sole determinant of development.
- b) On the economic front, there is the emergence of the socalled 'informal economy' which comprises 50%-75% of all non-agricultural employment in developing countries. The informal economy is increasingly supplanting the formal economy, often existing within the framework of the latter, with an army of contract workers taking over the work of organized workers in the workplace, but earning a fraction of their wages and deprived of their employee benefits, and being vulnerable to the most brazen exploitation ('hire and fire' at employer's will, with no compensation).

- c) In fact, even the organized sector is coming to be marked with the same characteristics that mark the informal sector poor and unsafe working conditions, long working hours, little or no bargaining power to pursue their employment interests vis— -vis the employer, lack of worker protection when faced with termination and so on.
- d) Production, internationally, has become fragmented, and involves sub-contracting of industrial processes-including skilled processes and core activities of production, semiskilled and unskilled processes-to a host of contractor enterprises as well as to the informal sector in the developing countries. The objective of such contractualization of labour seems to be to undermine organized labour's control over the work process and an atomization of the work force into permanent, contract, casual, trainee, apprentice and so on, thereby impeding collective bargaining power, worker unity and worker mobilization.
- e) 'Flexibility' is the defining characteristic of labour in the age of globalization. 'Flexibilization of labour' involves adjusting the number of workers in the workplace and their wages and working hours in accordance with the needs of the employer and market conditions. In other words, flexibilization is nothing but a euphemism for the policy of 'hire and fire'. It spells smaller work forces, fewer rules in the workplace, weaker unions, and wages being tied to the business cycle.
- f) The two most glaring consequences, especially for the unorganized workers, are: (i) Huge wage disparities between organized and unorganized workers; (ii) It is 'a race to the bottom' in terms of wages, labour standards, due to bargaining down by managements.

How have contract workers in India fared under globalization?

a) In the wake of economic liberalization, Indian employers have been demanding that the state permit more 'flexibility' in their dealings with employees by relaxing provisions of the *Contract Labour (Regulation and Abolition) Act 1970.* In practice, this means that they should be given a free hand to hire contract workers to perform their operations, rather than to get it done through their regularly employed workforce. The objective is profit maximization through cutting of labour costs (since the wages received by contract workers are substantially lower than those paid to the permanent workers), and thereby enhance the employer's competitiveness.

- b) The National Commission for Enterprises in the Unorganized Sector in its Report The Challenge of Employment in India: An Informal Economy Perspective has found that the entire increase in the employment in the organised or formal sector over the two NSS rounds in 1999-2000 and 2004-2005 has largely been 'informal' in nature, i.e. without any job or social security. This constitutes what can be termed as 'informalisation of the formal sector', where any employment increase is of workers without social security benefits and casual or contract workers, again without the benefits that should accrue to formal workers.
- c) The contract labour system involves two types of contract labour arrangements:
  - In 'Job-contracting' or in outsourcing, a 'principal employer' contracts with a contractor for the supply of goods and services. The contractor hires his own employees, who are under his control, and supervision. The contractor gets paid by the principal employer on the basis of output, not according to the number of workers engaged in the production.
  - In 'Labour-only contracting', the contractor supplies labour to the principal employer, and gets paid on the basis of workers supplied to the employer as service charges. The real control of the labour lies with the principal employer through contractors who use the alibi of supervisors.
- d) While the *Contract Labour Act 1970* includes both types of contracting, under the *Industrial Disputes Act, 1947*, it has to

be determined whether a given contract is genuine or not, viz., whether it has been undertaken for work of the establishment or 'is a mere ruse/camouflage to evade compliance of various beneficial legislations,' in other words, it is a 'sham contract.' Often, large firms like Toyota or Kirloskar resort to the so-called 'core' and 'periphery' arrangements: 'the core' operations are performed by their regular workforce, while for 'peripheral activities' (i.e., operations such as security, canteen or cleaning), they engage an 'outside source', an 'independent contractor' who provides such services. In actual practice, however, such large firms employ contract workers even in their core operations. (The case of SSSPL is one such example of such an illegal contracting.) According to the International Labour Organisation (ILO), this practice is increasing in manufacturing and service industries; government policies encourage even public-sector enterprises to adopt the contract system.

e) Worker unions have reacted worldwide to demand regulation of contract labour, including its abolition. Equally, the security and service conditions available to the permanent workers should also be extended to contract workers. In October 1999, the Government of India set up the Second National Commission on Labour which, among other things, made the recommendation that after two years of working, a worker should be treated as a permanent worker. A dissenting member of the Commission C.K. Saji Narayanan has even suggested that "the contract labour system should be progressively abolished on the background of ground realities."

It is necessary, in this context, that we also recollect the words of caution expressed by the Supreme Court in regard to the contract labour system. In *Bhilwara Dughd Utpadak Sahakari S. Ltd. Vs. Vinod Kumar Sharama Dead By LRs & Ors (Civil Appeal 2585/2006)*, the Supreme Court held that:

In order to avoid their liability under various labour statutes employers are very often resorting to subterfuge by trying to show that their employees are, in fact, the employees of a contractor. It is high time that this subterfuge must come to an end. Labour statutes were meant to protect the employees/workmen because it was realised that the employers and the employees are not on an equal bargaining position. Hence, protection of employees was required so that they may not be exploited.

However, this new technique of subterfuge has been adopted by some employers in recent years in order to deny the rights of the workmen under various labour statutes by showing that the concerned workmen are not their employees but are the employees/workmen of a contractor, or that they are merely daily wage or short term or casual employees when in fact they are doing the work of regular employees. This Court cannot countenance such practices any more. Globalisation/liberalisation in the name of growth cannot be at the human cost of exploitation of workers.

In Harjinder Singh vs Punjab State Warehousing Corp, the Court further cautioned the approach of the courts in dealing with labour issues as seen below:

Of late, there has been a visible shift in the courts approach in dealing with the cases involving the interpretation of social welfare legislations. The attractive mantras of globalisation and liberalisation are fast becoming the raison d'etre of the judicial process and an impression has been created that the constitutional courts are no longer sympathetic towards the plight of industrial and unorganized workers. In large number of cases like the present one, relief has been denied to the employees falling in the category of workmen, who are illegally retrenched from service by creating by-lanes and sidelanes in the jurisprudence developed by this Court in three decades. The stock plea raised by the public employer in such cases is that the initial employment/engagement of the workman-employee was contrary to some or the other statute or that reinstatement of the workman will put unbearable burden on the financial health of the establishment. The courts have readily accepted such plea unmindful of the accountability of the wrong doer and

indirectly punished the tiny beneficiary of the wrong ignoring the fact that he may have continued in the employment for years together and that micro wages earned by him may be the only source of his livelihood. It need no emphasis that if a man is deprived of his livelihood, he is deprived of all his fundamental and constitutional rights and for him the goal of social and economic justice, equality of status and of opportunity, the freedoms enshrined in the Constitution remain illusory. Therefore, the approach of the courts must be compatible with the constitutional philosophy of which the Directive Principles of State Policy constitute an integral part and justice due to the workman should not be denied by entertaining the specious and untenable grounds put forward by the employer - public or private.

Indeed, these words of caution by the Supreme Court have guided us in the present endeavour.

## 2. VERSIONS OF THE ISSUE OF LOCKOUT

#### 2.1 The Version of the Workers regarding the lockout

The Fact-finding Team met with the workers, both permanent and contract, who are members of the *Stumpp*, *Schuele and Somappa Springs Employees Association* (®) (henceforth referred to as the Union), who have been locked out, and also met with Mr. S. Balan, President of the *Stumpp*, *Schuele and Somappa Springs Employees Association* and the State President of AICCTU and Mr. Shankar, Vice-President All India Central Council for Trade Unions (AICCTU).

According to the workers, the real issue that brought about this lockout has to do with the conditions of work of contract workers and that the Union was taking up this issue along with raising other



The workers were spending all day and night outside the factory in a tent, asking the management to lift the lockout

demands in regard to the permanent workers. Below are the events that, according to them, led to the lockout.

In September 2012, the Union had filed a petition before the Labour Commissioner seeking for the payment of the same wages as the permanent workers for all contract workers under Rule 25(2)(v)(a) of the *Contract Labour (Regulation and Abolition) Rules*, as both the categories of workers were doing the same work. The Union also filed a Claim Petition seeking service weightage as per Government Notification bearing No. CLA/CR-49/2010-2011 dated 11<sup>th</sup> March 2013. The Union felt the need to bring together the contract and permanent workers on the same platform and form a common Union. The permanent workers and the union members were told by the management to keep out the contract workers from their union and withdraw their support to their demands, but they refused.

From then onwards, their troubles started. The company started targeting their union office-bearers. They first charge-sheeted Thimmappa<sup>\*</sup>, a union leader, on flimsy charges. He was served a show cause notice in May 2013. The inquiry went on for five months at the end of which disciplinary action was recommended against him. However, due to the workers' struggle, the action was rescinded, forcing the management to reinstate the services of Thimmappa. On 26<sup>th</sup> June 2013, the union amended their by-laws in order to provide a legal framework for both the contract and permanent workers to protect their rights, and formed the *Permanent/Contract Employees Association* ® in *SSSPL*. Contract workers were formally admitted as members into the union.

When the Management failed to negotiate with the workers in any manner, on 01/03/2014, the contract workers conducted a peaceful demonstration before the office of the Labour Commissioner seeking that the law on equal pay for equal work be enforced, and they be paid service weightage as per the law.

However, thereafter the Management refused to allow the contract workers into the factory to work. Despite repeated

<sup>\*</sup> To maintain confidentiality, all the names of workers in this report have been changed.

requests for negotiations by the Union, the Management refused to come forward for any talks.

In solidarity with the contract workers, the permanent workers also tried to speak to the Management to resolve the issues of the contract workers including wages, service weightage and working conditions, but the Management refused to come forward for any form of talks. In support of the contract workers, on 6th March 2014, the permanent workers issued a notice to the Management on 6th March 2014, seeking for them to come for negotiations, otherwise, they would do a tool down strike. When we spoke to the workers, they made it clear to us that it was not their intention to actually strike, but they merely wanted the Management to come forward for talks. However, enraged by the support given by the permanent workers to the contract workers, the Management declared a lockout on 06/03/2014.

Subsequent to this, the contract and permanent workers were staying outside the factory in a tent, day and night, for more than 30 days, demanding that the management withdraw the lockout and initiate a meaningful dialogue with the Union to resolve all outstanding issues.

The Labour Department of the state government initiated legal conciliation proceedings, purportedly, to resolve the crisis. However, the conciliation failed due to the obstinate stance of the management, and the matter was referred to the government. The Labour Secretary has referred the dispute to the Labour Court, vide orders passed on 5th April 2014 and also passed an order prohibiting the lockout by the management on 7th April 2014. The Union members immediately took copies of the prohibition order to the management who refused to act on the same. indicating that they would only act when an official copy was received by them. It appears that the official copy was received by the management on 9<sup>th</sup> April 2014, and the management indicated that the lockout would be lifted. Elated, the workers withdrew their peaceful agitation near the gates of the factory the same night. Thereafter on 10<sup>th</sup> April 2014, all the workers went to the factory at 7.30 a.m. and sought to be allowed in to resume their work. However, to their utter shock, the management stated that only the permanent workers would be allowed inside the factory, and this was unacceptable to the workers, who then marched to the Labour Department office. The Deputy Labour Commissioner summoned the management and held talks with them and the Union. The management took the position that the prohibition of the lockout does not apply to the contract workers since they are not "workers of the factory". However, they assured the Union and the Deputy Labour Commissioner that they would be willing to allow the contract workers to resume work once they make an arrangement for the 250 trainees engaged during the lockout. The management assured the Union that all the contract workers would be allowed to resume work within a short period. With this understanding, the permanent workers were allowed to resume their work on 11<sup>th</sup> April 2014.

However, the management is adamant about refusing to lift the lockout for the contract workers, even though the workers are willing to negotiate, and are in fact ready to resume work. The workers have stated in their representation to the director of the company on 10<sup>th</sup> March 2014 that they are willing to resume normal work and that it's only the management that has forced them out of the factory on 1<sup>st</sup> March 2014 i.e., through an undeclared lockout, "amounting to refusal of employment and illegal retrenchment."

According to the workers, the main reason for the declaration of the lockout was the fact that the issues of the contract workers were being raised by the permanent and contract workers, and it was with the intent to break the union and to refuse to comply with the law in regard to contract workers, that such a lockout was declared. For the first time all the workers—the contract workers and the permanent workers, the core, and the non-core workers—had come together. According to the workers, the management wanted to break up this unprecedented unity of all the workers. The management's strategy is evidenced by the fact that they have taken back only the permanent workers.

Refuting the management's contention that the contract workers are not the management's responsibility but of the contractors, the union points out these workers have been recruited by SSSPL, "the principal employer" and were discharging their duty "under its supervision and control." Hence, the union states that the contracts were sham contracts and the contractors were merely name lenders. The Union alleges that the management wants to disown its legal liability towards contract workers by stealthily employing them through labour brokers, otherwise called as "contractors." There are four contract agencies that have employed a total of about 300 workers for the company's operations.

## 2.2 The Management's Version

The management's version is that these current troubles with the union are due to the increasing demands made by each union leader when there is a change of leadership. The management was ready to negotiate with the union about demands, but then they roped in contract workers into the union and wanted their services to be regularised. However, the management cannot make the contract workers permanent since they do only unskilled work such as loading, unloading, oiling, packing, bending, trolley loading, and cleaning up. Since they are unskilled, they cannot pay them anymore than minimum wage. The management has also complained about the worker Kantha whose contract they terminated, for fudging attendance records, and hence they say they cannot accept the demand of the union to take him back. The management also alleges that there was violence when the lockout was declared and other workers including women were manhandled. The management alleges that on 1<sup>st</sup> March 2014, the workers stopped coming to the factory, and engineers and supervisors stepped in to help with the production.

Regarding the tool down notice, the management finds it even worse than a strike because "they come into the company and neither work nor let anyone else work". On 5<sup>th</sup> March 2014, the Director addressed the employees and asked them not to let the situation go out of control. The management alleges that on the night of 5<sup>th</sup> March, three machines were sabotaged by contract workers, and "it was extremely dangerous and could have caused up to a 100 deaths". Hence, they decided to stop production and to declare a lockout. The management dismisses the idea that a

notice of strike does not constitute a strike since they had already stopped work. The management is firm that workers cannot be let back into the factory, because it may lead to sabotage and even deaths of people.

In response to the representation made by the union, the management has denied all responsibility for the wage structure or the service conditions of the contract workers, stating that "the Association should take up the matter in respect of contract workmen directly with the contractors". (Letter dated 6th March 2014 from the Director and Chief Operations of *SSSPL* addressed to the union). In fact, the management's letter alleges that "...this situation in the factory clearly establish(es) that the workmen who intend 'tool down strike' from 6.3.14 are likely to indulge in more acts of sabotage and unlawful activities."

Regarding the surprise inspection by the SHRC and the Revenue Department in which they found bonded labourers in the factory, the management denies the charges completely.

## 2.3 Version of the Deputy Labour Commissioner

According to Shri Shripad, the Deputy Labour commissioner, what sparked the crisis was something minor, an avoidable clash of egos. Since the Labour Department has no powers to judge whether the lockout was justifiable or not, the department had initiated conciliation proceedings between the management and the workers. He had also issued a recommendation for an order for the Prohibition of Lockout in *SSSPL*. The Labour Secretary subsequently passed the order on 7<sup>th</sup> April 2014 prohibiting the lockout.

## 2.4 Version of the Contractors

The fact-finding team was unable to meet the contractors since they refused to talk about the strike. However, we had brief conversations on the phone with two contractors who were quite reluctant to meet and speak to us, and hence their identities have been kept confidential. One contractor told us that his firm had nothing to do with the workers with regard to the issues of the strike. The contractor was only carrying out, with the help of the workers, the work that the management had assigned his firm. As for the workers, it was the management that appointed and trained them in their factory premises, the machinery and infrastructure belonged to the company, and the entire production process was under the control of the company.

The second contractor's account was more detailed, and provides an insight into the management's skilful use of contractors in the factory. To quote him at length:

I am a contractor, and I have a number of workers who I pay wages to, but the wages are fixed by the management. Considering the present crisis, I would like the management to increase the wages, but I cannot put any pressure on them/force them to do so. Since the wages are paid by the management, if the management wants us to pay higher wages, we are willing to pay it.

I am worried about the lockout, because while I have received commission for the work carried out by my team. and have been able to pay the workers their wages so far, I do not know what is going to happen from now onwards. If the lockout continues, it will affect my earnings. I am an ordinary contractor and my future is very uncertain. Like the workers, I also have been put into a state of insecurity.I also have a family to support. I do not blame the workers as a whole, but I feel that due to the actions of a few workers. the entire workforce has suffered in this situation. I wish that the management lifts its lockout. I don't have anything more to say about the action of the lockout. I don't know much about the workers who are presently inside the factory. Yes, a few of them have been brought from outside, but many of them have been working at the company for quite some time. That is my impression. I don't know anything about the conditions of the workers inside. I have read the newspaper report on the SHRC raiding the premises. My impression is that the workers inside the factory are getting paid normally.

Unfortunately this is happening in many such factories. Another example is the Kirloskar Company. Who to blame for the lockout, I cannot say, but the entire industry is suffering for the action of a few workers. If the workers show up for work, and work is allotted to me by the management, I am willing to employ the workers, but, given the situation of the lockout, this is not feasible.

## 3. WORKING CONDITIONS AT STUMPP, SCHUELE AND SOMAPPA SPRINGS PVT. LTD. (SSSPL)

To understand the present situation of the lockout, it is essential to first look at the conditions of service of workers in SSSPL, as it is the demand for changes in these conditions that ultimately led to the declaration of the lockout.

The company employs 88 permanent workers and around 620 contract workers. The workers told us that although most contract workers and permanent workers do the same work, they are paid differential wages-contract workers are paid around Rs. 6,000 a month, while permanent workers are paid Rs 12,000-15,000 a month for doing the same work. Many of the contract workers have been working for 8-12 years. They point out that they are paid a meagre sum of Rs. 222/- per day, "which is nothing but starvation wages," and they cannot manage food, clothing shelter and other basic necessities. In their interaction with the team, the workers shared their grievances, which mainly revolved around the following issues: (a) Disparity in wages and wage benefits among different workers (b) Harassment by the Management (c) Failure to provide service weightage (d) Arbitrary Termination of Workers (e) Troubled relations between the Management and (f) Working Conditions—Safety (g) Worker's living conditions.

## 3.1 Disparity in wages and wage benefits among different workers

The table appended to this report (8.8) provides a detailed listing of 206 contract workers hired by the company with individual details of nature of work, department, salary drawn, years of training and service, and wage differentials between contract worker and permanent worker doing the same work.

From the table, we can draw the following conclusions:

- a) Contrary to what the management says, there is no difference in the work done by a permanent worker and a contract worker. All these jobs are performed by permanent workers as well as contract workers.
- b) However, the wage differentials between a contract worker and a permanent worker are extremely high. Often a permanent worker draws more than double, even triple, the salary of a contract worker.
- c) The wage differential ranges from Rs. 4,000 to even Rs. 13,000.
- d) In a majority of cases, contract workers have put in service of 10-15 years (20 years in two cases), and yet are currently earning in the range of Rs 6,000-11,000. Thus, 71 workers, who were appointed in the company as trainees, worked in the company upto eight years, and were then reappointed afresh as contract workers.

In addition to the information provided by the table, the workers provided other information that supports their contention about disparities between contract and permanent workers.

- a) The workers told us that a high percentage of the contract workers have the same qualification of receiving training and certification in ITI as permanent workers, and yet as pointed out above, there is a glaring disparity between wages and benefits. Equally, these workers are denied several of the 14 components of wages received by the permanent workers. The association alleges that the management is following these tactics in order to deny the workers the right of organisation and collective bargaining.
- b) In addition to the permanent and contract workers who have been locked out, there is also a class of workers who are titled "engineers", several of whom, despite having no specific educational qualification as engineers, are paid between Rs. 15,000-20,000 for the exact same work that the permanent and contract workers perform at the plant. About 150-200 workers enjoy that rank, several of whom, according to the workers, perform the role of "supervisors," and not

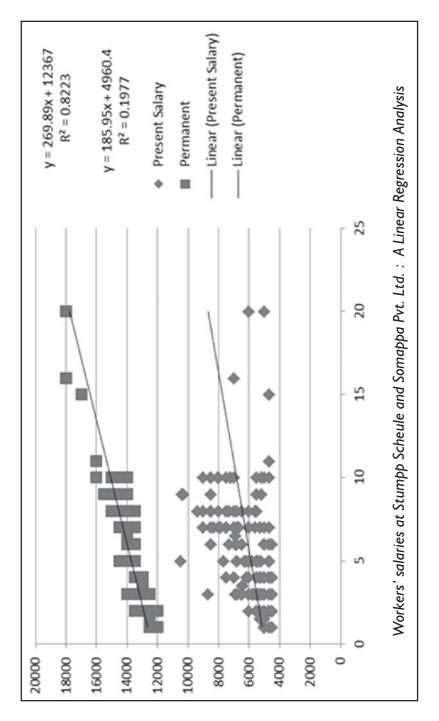
engineers. While Contract workers are entitled to only Provident fund and ESI, service benefits for Engineers and Permanent workers include holidays (30 days a year), in addition to these benefits.

c) There are two other grades of workers: trainees and casual employees. Currently, the plant has about 120 trainees and 70 casual employees. Casual workers earn around Rs. 3,000 a month and trainees between Rs. 4,000-6,000 per month. Several workers have stated that they were kept as trainees for over four years. There are no additional benefits for casual workers.

#### Comparative Salaries of Permanent Workers and Contract Workers: A Linear Regression Analysis (See graph)

For a deeper understanding of how contract workers in this company fare in their careers vis- -vis permanent workers, we decided to do a linear regression analysis. Regression analysis is a method which tells us what the value of one variable is when given another variable. We took a sample of 206 contract workers and documented their current salaries (one variable) and compared them with the number of years of experience they had (another variable). We also performed our analysis with the salaries of permanent workers (another variable) in similar roles.

We performed a linear regression in order to provide estimates for starting salaries and annual increments in the two situations. Our objective was to arrive at an estimate of what the contract workers' salaries ought to be, given the number of their years of experience. The regression analysis also provides an estimate of how accurate this prediction can be. As per a regression analysis, a contract worker who joins the company has a starting salary of Rs. 4,960 and an annual increment of Rs. 186 per year. Had they been permanent, their starting salaries, as per regression analysis, would have been Rs. 12,367 with an annual increment of Rs. 270 per year. Moreover, the R-value for the current salaries was (R =0.20), indicating that pay increments are quite variable in this company, and do not entirely correspond with the worker's experience. The expected salaries, if the contract workers had



been regularized, correlated very well (R = 0.82), implying that expected salaries of contract workers, if they had the same emoluments as permanent workers, would have corresponded well with their experience.

This shows us that even accounting for experience and work responsibilities, contract workers in this company are paid much less than permanent workers. The reasons for pay differences cannot be explained by supposing that permanent workers had more years of experience or performed more skilled work. On an average, the contract workers have been working for five years, and would earn 241% of their current salaries if they were paid as permanent workers, doing the same work. Thus, overall, what our regression analysis reveals is that the contract workers are being paid 41% less of what they should have been paid if they had been permanent workers.

#### Disparity in Wages: A Comparison of Two Workers' Salaries

One telling example of this disparity in wages is that of Ramesh and Sunil, a contract worker and a permanent worker respectively, whom the fact-finding team met and collected the following facts. They do the same work on the same machines, but during different shifts. There is only one person per shift. There are two shifts: 6 a.m.-2 p.m., and 2 p.m.-10 p.m. The shift that a person does changes every week. For instance, if Ramesh does work during the 6 a.m.-2 p.m. shift, then Sunil will do the same work during the 2 p.m.-10 p.m. shift. The following week the shifts will switch: Ramesh will do the 2 p.m.-10 p.m. shift and Sunil the 6 a.m.-2 p.m. If either of them falls ill or for some reasons is unavailable, then the other person will do his shift. The fact that they are doing the same work is clearly indicated by the fact that their shifts are interchangeable.

Ramesh joined the factory in 2006, while Sunil joined the factory in 2004. Both underwent a training period of four years. After four years of training, in 2008, Sunil became a permanent worker. However, after four years of training, in 2010, Ramesh did not become a permanent worker. He became a contract worker. Though the training they underwent is the same and the work they currently do is the same, the wage and the benefits that they get are vastly different. Ramesh gets an average monthly gross salary of Rs. 7,377 while Sunil gets an average monthly gross salary of Rs. 16,686. The monetary benefits that Sunil gets include incentives, city compensatory allowance, shift allowance, washing allowance and several other allowances-none of which Ramesh gets.

Additionally, Sunil states that he is permitted 36 days of leave a year. On the other hand, Ramesh states that he has no permitted days of leave in a year (apart from government holidays). In fact, if he misses a day of work, money is deducted from his monthly salary.

Sunil gets Rs 108 for each hour of overtime he does, while Ramesh gets only Rs. 60. Sunil's night shift allowance for food is Rs. 50, while Ramesh's is only Rs.8. While Sunil can periodically take loans from the management, that option is not available to Ramesh. Sunil gets five sets of uniforms every two years, while Ramesh gets two every two years.

While Sunil feels that he cannot be fired that easily since he is a permanent employee, Ramesh stated that the management could decide easily not to renew his contract at any point in time(it is renewed on a yearly basis), or even abruptly terminate his contract as has happened with several of his co-workers. The difference, Ramesh states is: "He is an employee, but what I am for the company is a daily wage ".

## 3.2 Harassment by the Management

The union alleges that ever since they sought the support of *Jaya Karnataka*, four union leaders have been shadowed by the factory's security guards everywhere on the factory premises, even while going to the toilet. This surveillance started in June 2011 when Ashok and Prashant were suspended and continued till May 2012 when Balan assumed presidentship of the union and prevailed upon the management to stop the practice. While the targeting of the union leaders has stopped, the factory is now fully under security surveillance. In 2012, CCTVs were installed in all the areas of the factory. Earlier, the security guards were confined to the outdoor

areas, such as the checking gate, scrap yard, diesel bunk etc. But now they are everywhere on the shop floor, carrying out regular checks during production.

According to the union, office bearers of the union are regularly given notice about their attendance record and complaints of their 'misconduct' i.e., talking to their workers on the shop floor etc. No permission is given for workers to air their grievances to the union during the working hours, even in an emergency.

## 3.3 Failure to provide service weightage

Most permanent workers have been working at the factory for 6-10 years. Some have even stayed past retirement. The contract workers have been working for anywhere between 5 and 30 years, often having started out as trainees who worked for 4-10 years as trainees. At the end of their training, they were made to resign as trainees and enrol afresh as contract workers, in which status many people remained for 10-15 years. Such practices of the management have effectively nullified the benefits of seniority and work experience for the workers at the plant.

For example, the contract worker, Kantha, whose services have been terminated, was hired as a trainee for two years, but his training period was extended for a total of seven years. During this entire period, he was being paid about Rs. 3,000 a month. After his training period, he was on contract for about a year, and his salary was fixed at Rs. 8,000 per month (about Rs. 6,800 pm, after deductions for ESI and PF). There are several other examples which indicate that one's role as a permanent or contract employee is often not related to years of service: Somnath, a union leader, is a permanent worker, has worked at the factory for 12 years, and currently earns Rs. 15,000 per month. On the other hand, Mahesh has been working at the factory for over 14 years but is still a contract worker. His tenure as a contract worker began in 2003 on a payment of Rs. 1,350 per month. Shyam, who has been working for five years at the factory, gets paid a salary of Rs. 5,786 per month, while he states that for the same work permanent workers get Rs. 14,000-15,000.

## 3.4 Arbitrary Termination of Workers

The workers stated that the Management terminated the services of contract workers in an arbitrary manner. In July 2013, three contract workers were removed from service for flimsy reasons, including one being that of carrying a mobile phone into the factory. Two women employees from the housekeeping section were injured in an accident outside the factory, and were admitted into the ESI hospital; when they came out of the hospital three days later and reported for duty, they were dismissed from service. Another employee suffered injuries in an accident in the factory and was admitted into ESI; when he was discharged from the hospital and came back to the factory, he was dismissed. The union did not do anything during the first three terminations, but when this became a pattern, they started protesting to the management.

Another pending issue between the workers and the management involves the suspension of two workers, Prashant and Ashok. In June 2012, when Prashant was handling two machines simultaneously, one machine got jammed. (Such multi-machine operations are normal practice, according to the workers.) Jeevan, the departmental head, got angry and reportedly slapped Prashant. The union initially complained to the Managing Director, but when there was no response, Ashok, a union leader, questioned the management as to why no action was taken against Jeevan. In response, the management conducted an inquiry, and suspended Prashant and Ashok. In the meanwhile, the union filed an FIR, and a caste atrocity case has been registered by the police. The Labour Court has passed orders reinstating Prashant and Ashok, but the management has challenged this order.

The issue of the illegal termination of Kantha, a contract worker and active member of the union, continues to plague the relations between the management and the workers. Kantha joined the company in 2007 as a contract worker doing the same "C.1.6" type of work as an engineer. When he got involved in union activities, the Managing Director allegedly started monitoring his activities. Then on Dec. 9, 2013, when he reported for work in the morning, he was not allowed to enter the factory. The union repeatedly approached the HR and the management for an

explanation, but did not get any. Eventually, he was told by his contractor to leave his job and was promised another elsewhere. Kantha refused and took the matter to the Labour department where he was told during the conciliation proceedings that he was accused by the contractor of fudging the attendance and overtime records for which he was fired. No supporting evidence was given for this accusation. The contractor reportedly declared during the conciliation proceedings that he was helpless in the matter because the management had told him to keep out Kantha at any cost. The management insists on a legal inquiry. Meanwhile Kantha is still out of a job. The union feels that the management has made this into a prestige issue and vindictively wants to teach the union a lesson. As pointed out above, three contract workers had been similarly fired earlier at the same time when the union started enrolling contract workers. The union feels that more union leaders are next in the 'line of fire.'

## 3.5 Troubled Relations between the Management and the Unions at SSSPL

As the management itself acknowledges, *SSSPL* has been having industrial relationship issues. Till 1986, the company was under the management of Somappa who, according to one of the union leaders, had a good industrial record with workers. The management was paying its workers good wages—in fact higher than even in Bosch company. But in 1986, tensions between the management and the workers flared up during a strike, and the company started targeting its workers.

The company union, which had only 25 members, did not enrol junior workers as members till 2009 when a new union supported by *Jaya Karnataka* was formed and started organizing junior workers on a number of issues. One of the issues they took up was of appointment of junior workers—they were appointed for other units of the company but were made to work in the Koramangala factory. Another issue was that unlike the older union members, who were paid DA under the Simla formula (pegged to the price index), the junior workers were paid fixed DA. As a result, their wages stagnated, with the Basic Pay in the range of Rs 900-1500, and salary totalling a maximum of Rs 7,000, even

after 4-5 years of training. Moreover, the management in its annual Employee Appraisal used to sanction differential rates of salary increase to its employees, leading to a lot of variations in salary. According to the union, this practice led to rewarding their favourites with higher pay, and discriminating against others.

Another source of tension was the abrupt transfer of Somnath, a leading member of the union, to their Delhi factory. The workers allege that the transfer was a vindictive act of the management in retaliation for the union raising the demand for parity of DA among all categories of workers. After 18 months of negotiations, the issues were peacefully resolved when the management merged the DA into salary. Salary was doubled for most workers and Rs. 50,000 was offered as DA arrears (unpaid for years); the union has challenged this matter with the Labour department, asking for sanction of higher arrears, and negotiations are going on.

#### 3.6 Working conditions—Safety

Workers said that accidents are frequent. The injuries they described usually consisted of cuts, broken fingers, and acid burns. While first aid is provided on site, for medical treatment, they are taken to nearby hospitals, under the ESI scheme. A sign publicly displayed in the factory claims that no accidents have happened in many years, but the workers allege that is only because accidents do not get reported. In reality, accidents happen with a frequency of once a month. Two months back, there was a furnace blast that left many people badly burnt. While workers engaged in activities that require it are provided safety goggles, people in the vicinity are not. This leads to eye injuries for those who worked in the vicinity. Poor ventilation in the grinding room and the presence of chemicals like paint thinner have caused some people to develop respiratory problems. When trying to address the safety issues, workers were told that the management did not have access to required safety equipment. Gloves, masks, and goggles are usually in short supply, and the workers state that the management claims that they cannot mobilize equipment on their own, and that they are not responsible for procuring the equipment in sufficient quantities.

## 3.7 Workers' living conditions

It is important to highlight the living conditions and general lifestyles of the workers, as it points to the impact of the working conditions and the low wages. It is also essential to look at the real impact that the lockout has had on them and their families.

We found that most workers are in their early to mid-thirties, and were married, with children. Very often, the spouses of the workers have to work fulltime jobs to make ends meet. The financial situation becomes quite difficult when there is a pregnancy in the home. Many workers leave their children in their home in the villages they come from. No company transport is provided. Often, they commute from long distances in the city, ranging from Electronic city to Yelahanka. Some even come from villages near Mysore, and commute daily. Workers spend Rs. 900 and more on transport, and often wake up at 4:30 a.m. to reach work. Rent is usually of the order of Rs. 3,000-8,000 per month for single room accommodations housing the entire family. All workers present at the protest have borrowed money from their friends to sustain their families during the lockout.

The team visited the homes of several workers' families in order to find out how the loss of the worker's job had affected their families. What follows are narratives from some workers' families in which they discuss their current situation, and the impact of the lockout on the family's finances and needs.

a) Yellappa is a contract worker who after 14 years of service is earning Rs 9,500 pm. He lives with his wife Lakshmi and their two children in Koramangala slum. The family has no savings, and he has had to work overtime at the factory for him to make ends meet. His wife Lakshmi quit her job as a garment worker due to health problems three years ago. Her health continues to be fragile and requires frequent medical attention. They pay a rent of Rs. 3,000 for a 12x8 asbestos-roofed house, with communal toilets shared by five other families. They also spend Rs. 2,000 each month on repayment of a loan. Electricity and water charges amount to Rs. 500 per month. Since they are only entitled to 10 buckets of water a day, they have to pay for tankers every month to get water.

Lakshmi and Yellappa are primarily concerned about the education of their children since they spend Rs. 1,200 pm on their school and tuition fees. They are worried that if the lockout continues, they will be unable to pay fees. The older daughter has just finished her SSLC and needs to be admitted to a college, requiring admission/ donation and other allied expenses. They are not sure if they will be able to afford to send her to college. They are trying to find part time employment for their 15 year old daughter.

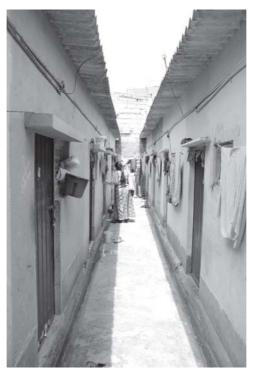
For their food needs, they manage because they are able to get the substandard rice from their BPL card, but they are unable to afford most fruits and vegetables, thereby restricting the family's nutritional requirements. Lakshmi and Yellappa say they are willing to eat only one meal a day if that means they could provide education for their children. They say the children have already stopped asking for things they would like to eat as they are now forced to understand their situation. Lakshmi says that the children study hard but they are now unable to educate them further.

Yellappa went to the site of protest every day, incurring a cost of Rs.50 as bus charges. He has had to borrow money from his neighbours since he has not earned any wages this month. He is unable to find a new job since this is the only trade he knows. He is unable to apply to most places due to his age. After working at *SSSPL* for 14 years, he feels he will not be able to learn a new skill.

b) Sridhar is a contract worker who has worked in the company for 10 years and is currently drawing wages of Rs 6,500. He has been living in the R.T. Nagar slum for the past 3-4 years with his wife Sowmya. His two children, an 18 year old daughter and a 16 year old son, live in their village in Andhra Pradesh because he is unable to support them in the city. They are looked after by his grandparents, and Sridhar pays for a part of their education. He lives in a small one-

room tenement despite facing water problems there since it is closer to the factory. His wife, Sowmya, has to wake up at I a.m. every day to get water for the household. Like other workers in the company, he has borrowed money from his neighbours, and his family can survive only because he works overtime at SSSPL. Sowmya used to work as a housemaid but has discontinued because of health reasons.

Sridhar has been unable to pay his monthly rent of Rs. 4,000 due to the lockout, and he has been told by the house owner that he may ask them to vacate within a week. The neighbours report that after losing his job, Sridhar had become quite depressed and socially withdrawn, and had almost stopped talking. They recently took him to a hospital in his village to get medical attention, which cost Rs. 10,000.



Row of houses at the worker's slum

Although the family does not have a BPL ration card, they get rice from their village which offsets their expenses slightly. Still, they are worried about whether they will be able to feed themselves next month. Sowmya says that she will not be able to send any money for their children this month. The family are also worried if they will ever have the money to get their daughter married.

Nagesh has worked in the factory for the last nine years, **c**) and his current earnings are Rs 6,000. Like most others, he only got his contract after about five years of employment, during which time he was designated as 'trainee' or 'fixed term worker'. Nagesh lives with his wife Seema and two children, aged seven and five years in Attibele. They migrated from their village in Mandya district when he found a job in the city. Seema has taken up a job as a garment worker with a monthly salary of Rs. 6,000 to support the finances of the family, despite having young children to take care of at home. They spend about Rs. 2,000 every month on just children's fees and tuition. They pay a rent of Rs. 3,500. However, they do not have a ration card and have to buy grains and pulses at market price. They spend Rs. 4,000 on ration, Rs. 3,000 on vegetables and incur Rs. 2,000 on hospital expenses every month. They cannot ask their in-laws to support them as they too are quite poor and live in the village.

Seema had to pledge her ornaments to a money lender recently to get some money for the family. She is not sure if she will have the money to get it back. She says she never thought that she would have to pledge her ornaments, but without having money for a whole month, there was no other choice. She says it is almost a torture to work at the garment factory but she had no other alternative except to take up the job. She also feels that it may not be easy for Nagesh after working for nine years at *SSPL* to find another job, since he is growing old and may not be able to develop the skills for it. She says he could work with her at the garments factory but they will give him low pay; moreover, if he does get a garment job, no one will respect him. The lockout has



Common toilet for forty families in the slum in bad condition

put a lot of pressure on them and there are a lot of fights between them about money. They are constantly worried if they will be able to provide for their children or if it makes sense to move back to their village.

**Manohar** is a contract worker, and after tenure of nine years, **d**) is getting a salary of Rs. 6,500 pm. He lives with his wife Seetha and his two children, Gopi and Deepa. Manohar works in the Print Correction department while Seetha works at a garment factory earning Rs.5,000 every month. They pay a monthly rent of Rs. 5,000 and Rs. 2,500 as fees for their two children every month. The water and electricity charges come to Rs. 700 rupees a month. They spend Rs.4,000 on ration and vegetables. The family migrated from Andhra Pradesh when people in their village told him of this job at SSSPL. They migrated because due to lack of rains in the region, the lands had gone dry and become uncultivable, and there was no way of making a living there. See tha says it's not possible to live on her salary alone, but they have been forced to deal with it because of the lockout. Manohar has borrowed money from their neighbours to pay rent or fees. Even when Manohar had the job, they were able to manage only because he was working overtime.

The family do not have ration cards and are forced to buy things at market price, putting further pressure on their finances. Seetha has had to cut back on the food and vegetables because that is the only way they will survive without any money from Manohar. Although the fees are high and increase every year, they feel that the children need to study so that they may have a chance to a better life.

Seetha says she does not have the money to visit or attend weddings of close relatives and has not visited her village in a long time. She says it is really tough not to be able to provide your children with basic needs and wishes. She says the children too have learnt how not to ask for anything. She also feels that Manohar will not be able to change trades or get a new job now because he has grown old and that all the new jobs are for young people and no one wants old people. She just wants this whole issue with the management to be cleared and for Manohar to resume work.

e) **Ramesh** is a contract worker who joined the company in 2006, and is currently drawing a salary of Rs 7,000. His family finds it hard to get by on the salary he gets from the company. Ramesh, his wife, and young daughter, live in a one-bedroom tenement in a slum in Jayanagar. Rent alone costs Rs.3,500 per month. They receive no piped water at their residence and have to fill up drums of water from outside. They also have to use a common toilet. Ramesh is from Hubli, and has been unable to get a ration card here which means the family has to spend Rs 2,000 every month on buying rations. Three years ago, his wife gave birth to a daughter. The birth of a child is already proving to be a major expense with hospital bills and other expenses running up to Rs. 1,500 a month.

Ramesh worries about his future, as he has already been taking loans each time a family member has to pay a visit to the hospital, and each time his family visits Hubli. He wonders how he will be able to afford a good education and upbringing for his daughter. f) Nasser, 45, a native of Andhra Pradesh, came to Bangalore in 2004 in search of employment. He has been a contract worker (in the quality assurance department) at SS&SSPL for the last six-and-a-half years. Nasser is paid a daily wage of Rs. 222 which adds up to about Rs. 5,000 during a typical month.

Nasser's wife, Mehrunissa, works as a casual worker too and earns around Rs. 4,500 per month. Their son, lqbal, is a class X student back in Andhra Pradesh. Their daughter, Nazma, married to a Bangalore-based carpenter, is pregnant with the family's first grandchild and has come to live with them for her delivery.

The family lives in a 200 sq. ft. one-room house in Shivajinagar. The house has no running water and they are dependant on a weekly, intermittent supply of Cauvery water to a communal tap. At other times, water has to be purchased by the drum at high rates. The house has no toilets and they share six public latrines (which are in a deplorable condition) with forty other families.

Nasser's daily commute by BTMC bus costs as much as Rs. 30 and the meals served at the factory Rs. 10. The meal is so meagre that even a self-confessed light eater like Nasser has to buy extra plates of rice, just to have energy for hard manual labour.

Due to the spiralling cost of living, the family leads a handto-mouth existence even with two incomes. They pay a monthly rent of Rs. 2,200 and basic utilities cost Rs. 600 pm. They have no savings to speak of, leaving them very vulnerable when, say, medical emergencies arise. They live in constant fear of being plunged into a debt spiral, since money has to be borrowed at an exorbitant interest rate of 7-10% per month. Nasser would like to send his son to a good technical college (after his class X exams), the prospect of which both excites him and fills him with dread, because of the costs involved. As a father, his biggest dream is to ensure a bright future for his son.



One bedroom residence of a family of four

The family is confident that if Nasser is paid a fair wage, they would be able to live a life of dignity. Their chief complaint is that wages have not kept pace with inflation. Nasser states, "When I came to Bangalore a decade ago, milk used to cost Rs. 12 a litre. Now it's Rs. 36 a litre. The price has tripled, but my wages have only doubled."

## 4. CURRENT IMPASSE

On 05/04/2014, the Government of Karnataka passed order bearing No. KaE247 IDM 2014, referring the dispute between the management and the Union in regard to the partial lockout of permanent and other workers by the management to the Second Additional Labour Court, Bangalore. Thereafter, on 07/04/2014 the Labour Secretary passed order bearing No. KaE247 IDM 2014 prohibiting the lockout of the management in exercise of its powers under Section 10(3) of the Industrial Disputes Act, 1947.

The workers informed us that on 10/04/2014, all the permanent and contract workers, who have been locked out, assembled at the factory gate at 7.30 a.m. with the intention of reporting for work. After a long wait, the Management issued a letter informed them that only the permanent workers would be allowed into the factory, whereas the contract workers would not be permitted since the contracts entered into with the four contractors had been terminated. When the Union and the workers spoke to the Management to reconsider their decision, they informed the Union that they would give the decision within a few days. On this assurance the permanent workers resumed work on 11/04/2014.

The company had an undeclared lockout of contract workers since I<sup>st</sup> March 2014 and had declared the lockout of permanent workers on 6<sup>th</sup> March 2014, which was prohibited by the Labour Secretary on 7<sup>th</sup> April 2014; the company announced it to the workers on 9<sup>th</sup> April 2014. But the management took the untenable stand that it was a partial lockout, being limited to permanent workers of the company and hence the contract workers would not be permitted to resume work. The permanent workers waited for two days for this resolve, and then went back to work on 11<sup>th</sup> April, when the management assured the union that all contract workers would be taken back in a short period.

The union complained to the Labour Commissioner about the management not lifting the lockout for contract workers. In the first meeting, the management announced its refusal to allow contract workers inside; in the second meeting the management asked for more time for consultation with the Board. In the third meeting before the Labour Commissioner, the management reiterated its stand and announced that it had terminated the services of all the four contractors hired by the company; simultaneously, it had appointed a new batch of 350 workers, 150 casual workers and 200 trainees, with a salary of Rs 7,500 and Rs 8,500 respectively. From now onwards, the management said the factory won't have any contract workers. (This is in fact not the case since many contract workers, such as drivers and other staff, are still on rolls).

However, till date, the Management has failed to lift the lockout insofar as the contract workers are concerned, and presently about 250 workers are still locked out and not being permitted to resume work. The Management now states that only contract workers of its choice would be permitted to resume work and this only if the union abandons all 'outside' office bearers and converts itself into an 'internal' union and further would not have any contract workers as union members.

The impasse stands at this juncture today.

## 5. THE FINDINGS/CONCLUSIONS OF THE FACT-FINDING TEAM

## a) Same work but different pay

Undoubtedly, the major issue behind the lockout is the struggle waged by the association against the disparity in wages between the permanent workers and the so-called "contract workers". These workers are discharging the same job as that of the permanent workers as well as performing the same or similar duties in producing the same components, but are getting very different salaries. They also have the same training and years of experience as the permanent workers. The law on this, namely Rule 25(2)(v)(a) of the Rules under the *Contract Labour (Regulation and Abolition) Act* provides as under:

In cases where the workmen employed by the contractor perform the same or similar kind of work as the workmen directly employed by the principal employer of the establishment, the rates of wages, holidays, the hours of work and other conditions of service of the workmen of the contractor shall be the same as applicable to the workmen directly employed by the principal employer of the establishment.

As seen above, the contract workers and the permanent workers perform the same work, but their wages and working conditions are extremely different and arbitrary, in violation of the law.

# b) Lockout used as a means to frustrate the struggle of workers

In response to the legitimate and legal demand of the workers of equal pay for equal work, the management, instead of trying to address the issue at hand, declared a lockout, despite the workers clearly stating that they wanted to work. The lockout was used as a tool of intimidation to suppress the just struggle of the workers. The management's act of refusing to take back the contract workers shows their intention of breaking the association of the contract and permanent workers. Instead of providing a just wage to the workers of the factory who have been working there for several years, the management has brought workers from outside, who are kept in poor living conditions. This is a continuation of the previous pattern of exploitation of workers. The act of lifting the lockout for the permanent workers, and not the contract workers, is a clear attempt to break the union of the two.

# c) Lockout by the Management results in the loss of livelihood of around 250 contract workers

Due to the lockout, the families of the workers have to face grave financial difficulties, which have left them with little bargaining power. As brought out in our interviews with their families, most of them have taken loans; they have had to cut down on essentials like food, education and healthcare. The future of the workers that have spent years in the factory is precarious since other employment opportunities are hard to come by. Since they have been trained in this specific job, it is immensely difficult to find a similar job elsewhere. It seems like the management is sending out a message to the workers that raising their voice to ask for their rights will result in them losing their jobs.

## d) Unfair Labour practices followed by the Management

As per the *Contract Labour* (*Regulation and Abolition*) Act, 1970, core activities and core personnel cannot be contracted out, and only seasonal, non-core activities can be contracted out. However, in *SSSPL*, almost all the workers are engaged in core, full production. Hence to designate such workers in core production as contract workers is a violation of the Act. Around 50% of workers after passing out of ITIs have been trained by the company for two years, and then the company hires them afresh. We are told that the company changes the employee ID token after making the employee resign from service, and hiring him afresh. This is done to deny the service weightage and other benefits (PF, retirement) accruing to the employee. Again, under the Labour Act, a trainee working in a company is not supposed to operate the machine except under the supervision of an employee. It is only permissible to employ one trainee for every seven skilled employees in the

workplace. However, in *SSSPL*, trainees, contract and permanent workers do the same work side by side. As pointed out before, such an invidious categorisation has the effect of creating divisions amongst the workforce to prevent worker mobilisation.

## e) Arbitrary Termination of workers

Instead of addressing the concerns of the workers through negotiations, the company has in many instances resorted to terminating the services of its workers when the workers raised demands for reinstating dismissed workers or for service weightage or equal pay for equal work.

## f) Failure of the Labour Department

Despite receiving information about labour malpractices in the company, the Labour Department failed to conduct inspections and take action. The inspectors from the Labour Department who visited the premises after the lockout supressed information about the actual number of workers on the premises. They reported that there were only 18 workers in the premises, while the SHRC found that there are over a 100. The Labour Department has thus failed to use its power to take action against the management which violated the principle of equal pay for equal work.

## g) Violating the fundamental rights of the workers, permanent and contract, to unionisation and collective bargaining

The Union at SSSPL includes all the permanent and contract workers, and is one of the few establishments where the permanent and contract workers have come together to form a single union. Generally, permanent workers have their own unions while contract workers are seldom organised, and if so, have their own separate unions. Unfortunately, the management has used the lockout as a tool to break this unity of the workers. The demand of the management—that the existing Union should convert itself into an 'internal' union with no 'outside' office bearers, that it should only have permanent workers as its members, and that it cannot represent the contract workers—is illegal, unconstitutional, and violates the fundamental right of the workers to collective bargaining.

## 6. THE SUGGESTIONS OF THE FACT-FINDING TEAM

### To the Management

- a) The management must heed the order issued by the Labour Secretary prohibiting the lockout. The lockout must be lifted immediately for the contract workers also in order to end the hardships faced by the workers and their families.
- b) Since the lockout has been unfairly imposed on the workers, the workers must be duly compensated for the loss of pay and the hardships undergone.
- c) The management should abolish the contract labour system in perennial nature of work in SSSPL.
- d) All contract and other temporary workers should be regularised and receive the same benefits as the permanent workers, commensurate with qualifications and experience.
- e) The management should engage in a serious dialogue with the association and set up a redressal mechanism to sort out their grievances.
- f) Trainees should be taken only for a period not extending beyond one year. Further, the practice of enagaging workers as trainees, then altering their status to casual workers, and then to contract workers should be immediately done away with. Instead, trainee workers should be absorbed as permanent workers on completion of the training period of one year.
- g) Management should ensure safe and comfortable working conditions, including adequate ventilation and provision of safety equipment for all workers.

#### To the Union and the workers

a) The Union and the workers must take all trust-building steps on its part to wipe out the trust deficit between the management and the Union.

- b) The Union must be responsive to the efforts of the Management towards a meaningful dialogue.
- c) The workers must discharge their roles with efficiency to ensure the success of the company.

### To the Labour Department and the State Government

- The Labour inspectors who filed false reports on engagement of outside labour during the lockout must be immediately suspended and disciplinary action must be initiated against them.
- b) The Labour Department must ensure that SSSPL complies with the lockout prohibition order, and all contract workers are allowed to resume work.
- c) Given the critical situation of contract workers in the industry, the Labour Department should intervene decisively to protect contract workers.
- d) Given the extreme vulnerability of the contract workers in the industry, the Labour Department must ensure that the protections under various acts such as *Contract Labour* (*Regulation and Abolition*) Act, 1970 are made available to contract workers when the management acts against them.
- e) The Labour Department must take extreme care to see that licenses are issued to contractors only after ascertaining that the work that is assigned to the workers under their care is incidental and non-perennial, and conforms to provisions of the contract labour act.
- f) Similarly, the labour department must ensure that licenses are given to principal employers only after ascertaining that the work they get license for is not core and perennial in nature.
- g) The Labour department must on a *suo muto* basis conduct regular inspections in factories to prevent violations with regard to registration and employment of contract workers while ensuring job security for contract workers.

- h) The Labour department is often perceived by workers as unfriendly and intimidating, and in fact favouring the management. The Labour department must have a mechanism in place to ensure that unions have faith in the ability in the department to ensure justice for workers.
- The Labour department must ensure that all provisions of the Contract Labour Act are complied with fully, and matters of service weightage and charter of demands by workers are taken into consideration in conciliation proceedings.
- j) The Labour Department must strive to see that representations made by workers to the department are duly acknowledged, and immediately acted upon and replied to within a period of one month.
- The State Government must abolish contract labour in work of perennial nature and core activities in all industrial establishments across the state.
- The Labour Department must cancel the registration of principal employers and licenses of contractors wherever violations of the *Contract Labour* (*Regulation and Abolition*) Act 1970, are found.
- m) It must be ensured that stringent punishment is accorded for violation of the *CLRA*. Further, the workers who have suffered due to these violations shall be made permanent workers.
- All disputes before the Labour Department must be concluded expeditiously and within a fixed time-frame, not more than one month from the time the dispute is raised. All cases of lockouts and strikes must be conducted on a day-to-day basis and settled within one week.
- o) If during a strike or a lockout, the management employs outside labour, the practice must be prohibited instantly by the Labour Department and stringent action be taken against the management.
- p) The State Government must immediately raise the minimum wage to Rs. 15,000/- per month for the unorganised sector, including contract workers.

## 7. ANNEXURES

# 7.1 Interview with Balan, the union lawyer and President of the Workers Association

Till 1990, all perennial workers were permanent, whether they were involved in 'core' or 'non-core' activities. In 1997, the contract system was abolished in canteen services. In 2000, a Group of Ministers under the then Vajpayee government devised the category of 'non-core' activities to describe the work of housekeeping, gardening, driving staff vehicles etc. as something 'incidental' to the production process. But in fact, many 'non-core' activities like house-keeping are essential to the production process. However, the parliament and the courts upheld this decision.

In SSSPL, employees with the same qualification and the same experience are assigned different designations, simply because the management wants to reward employees who are faithful to it with a higher designation. Many employees in the good books of the management are designated 'engineers', though they have only a diploma, just like their 'non-favourite' counterparts—but the latter are assigned a lower category.

There are two types of contractors—contractors of service and contractors for service. A contractor of service brings his own workers to carry out the task assigned to him, and has no relationship with the principal employer. A contractor for service, on the other hand, is actually only a broker or a middleman for the owner; it is the latter who controls the entire production process, including the machinery, the factory premises, and the workers whom he has trained and placed at the service of the contractor. SSSPLhas various contractors for service who are not even registered with the labour department. This company is in the organized sector of the industry, but the workers belong to the unorganized sector of labour, hence they receive no protection from the labour department.

The management wanted me not to negotiate on behalf of contract workers, but I refused, and so the management stopped dealing with me. Now, the management has informed the labour department that it won't talk to the union leaders but only to the workers. *SSSPL* is not incurring losses in this lockout because they are sitting on plum land in the heart of the city that they acquired at throwaway prices.

There is no law to protect contract workers subject to hire and fire policy. The labour department is powerless to do anything about the contract workers to ensure proper payment of wages and service conditions. Of the total workforce of 3 crore and 40 lakh in Karnataka, only 18 lakh organized workers have protection of the labour department. Contract workers can be fired after getting gratuity and PF, and they do not have any other entitlements; there is no law to defend their rights. Hence they have no recourse except to force negotiations on the management by striking work, blocking roads, taking the fighting to the streets, and facing police violence.

Apart from SSSPL, there have been four lockout cases in Bangalore recently—Bombay Rayon, Toyota, Coca Cola and Maruti Udyog. In all these cases, it is the permanent workers who are fighting for their entitlements (increment etc.), not the contract workers.

### 7.2 Interview with the Deputy Labour Commissioner, Shri. Sripad

We met Shri. Sripad, the Deputy Labour Commissioner who held the conciliation proceedings. He told us that what sparked the crisis leading to the lockout was something minor: a contract worker was removed from service by the management, and the unions demanded that he should be taken back and accordingly went on a tool-down strike. They had a variety of demands which they wanted to put on the negotiating table: wage increase along with a charter of other demands. He also mentioned that a complicating factor was that there have been frequent changes of union leaders, many of them outsiders, dealing with the management. All this led to a clash of egos, and an avoidable lockout.

He said that usually, a Memorandum of Settlement will resolve the issue and the lockout will be lifted. He said that they repeatedly asked the management to end the lockout during the conciliation proceedings, but they refused to budge. Accordingly, the Labour Department gave a failure report and sent it to the Government for it to be referred to the Labour Court.

He informed us that under the Industrial Disputes Act, both the parties have powers to declare a lockout or a strike. The Labour Department has no powers to judge whether either the lockout or the tool-down strike was justifiable or not. They can only initiate conciliation proceedings between the management and the workers. In his capacity as the initiator of conciliation proceedings, Shri Shripad recommended that the Labour Secretary in the Department issue an order for the Prohibition of Lockout in *Stump and Schuele*. The recommendation was endorsed by the Labour Commissioner and forwarded to the Labour Secretary.

## 7.3 Interview with Shri Satish, Managing Director, SSSPL

I am part of the third generation running the company. Our company is a 54 year old group. We never had an issue prior to this of any kind, whether labour issues or others. I firmly believe in ethics, and proper demeanour. And without which such beliefs such successful long-term management doesn't function properly.

We are the largest automotive spring maker in the country. We have won several R and D initiatives and awards in the country. Our technology has been accepted in the country plus world over. Mitzubishi came to us recently and proposed a venture; our customers include GM, Ford, Toyota, Honda and Nissan. We even supply to the Armed forces with a proprietary understanding with GOI that sensitive issues will not be shared with anyone. That is how much the Government trusts us.

Almost 5,000 people depend on us for their livelihood and that of their family. If we are forced to shut down because of this, India will lose something. And to think we have been charged with

bonded labour! It is really sad that such baseless charges are being levelled.

We see our workers as stakeholders. It is for the workers that the factory has stayed in its current location. We would otherwise move, because our factory sirens irritate Koramangala residents. We could easily set up a construction of another kind here and shift the factory premises elsewhere.

For a while now we have been having industrial relationship issues. Fresh employees are about 30 years old, having replaced the old guard. Some problems are there within the organization with the new generation of employees. A small percentage is discontented. Mr Balan is the seventh union leader I am dealing with in three years. Mr. Ravi is responsible for these rapid changes. With each new leader, they make demands, which are granted by management in the interest of peace, and then the union leader changes and there is a fresh set of demands. The last leaders were Jaya Karnataka and they were reasonable; the agreement with the permanent workers ended 30<sup>th</sup> March 2014. Each worker got an increment of Rs. 6,000 per month, and arrears of about 2 lakh rupees. Immediately after this, the union got rid of Java Karnataka leadership. Mr. Balan then came in and began renegotiating and submitted a fresh charter of demands. I was ready to discuss and I have documents from the Labour Department saying that while there is an existing agreement, there is no need for renegotiating. Then they roped in contract workers into the union.

Contrary to what is being stated, the contract workers' jobs are unskilled work, consisting of things like loading, unloading, oiling, packing, bending, trolley moving, cleaning up. These don't come under the skill requirements of permanent workers.

One contract worker had fudged attendance records: Laxman. As part of routine discipline, he was fired. He was offered a salary till he found another source of employment, and the contractor would ensure he was placed elsewhere. I didn't even know about this until March, when the demand came from the union that he has to be taken back into the same job. The management said this was not acceptable. There can be a legal inquiry into this and it will show I am right. Then contract workers gave me a strike notice on 20<sup>th</sup> January. We wrote back to the department, asking for the issues to be sorted out peacefully and without a strike notice. It is not difficult for us to replace the workers, especially contract workers who do unskilled work; but we would prefer not to have such disruption in the factory.

The workers stopped doing overtime work, which is entirely their right. We did not mind this.

On 1<sup>st</sup> March, on the issue of Laxman being taken back, they stopped coming to the factory. 200 people did not show up. To continue production, I got my staff, engineers, supervisors, to help with the production. The Vice President of Finance was oiling and packing. I was on the shop floor.

I asked the contractors for more people. The union workers, permanent employees, then said they would do a tool down in solidarity with contract workers. For us, that is even worse than a strike because they come into the company and neither work nor let anyone else work. They gave only a two day notice.

I went to the Labour Department and asked them to sort it out. On 5<sup>th</sup> of March, I called all employees on the shop floor and addressed them personally, and asked them to please not resort to drastic measures like strikes. I asked them not to let this go out of control. On 5<sup>th</sup> night, three machines were sabotaged by contract workmen who clean in the area. One CNC press machine had its inlet and outlet valve changed and its programs erased. The press is worth about Rs. 2.5 crores. There is high precision machine does sorting of engine valve spring. A hand glove was fed into the machine and it got jammed. I have photographic evidence. The furnace operator, a permanent worker, sabotaged the LPG and Nitrogen valve so that the LPG started leaking. It was extremely dangerous and could have caused upto 100 deaths. We detected the smell on the morning of the 6<sup>th</sup>. This really scared me. My lawyer said that we could not risk so many lives and we should stop production immediately.

## 8. DOCUMENTS

# 8.1 Letter to Labour Commisioner from Association on equal pay for equal work ...... Page 1

). ನಂ. 657	ಹೊಸೂರು ರಸ್ತೆ, ಕೋರಮಂಗಲ, ಬೆಂಗಳೂರು - 560 095.	
ಗಿಲ್ಲೇಖ	ದಿನಾಂಕ	
То	17/12/2012	
Labour Commi	ssioner	
Karmika Bhawa	ın,	
Dairy Circle,		
Bangalore.		
Sub: Equ	al payment for equal work under Rule $25(v(a) \text{ of the Rules under the})$	
Contract	Labour (Regulation and Abolition) Act, for contract labour employed in	
the produ	ction/core activities in Stumpp, Schuele and Somappa Springs Private	
Limited,	Hosur Road, Koramangala, Bangalore - 95, as per the list enclosed	
herewith		
Respected Sir,		
Stumpp, Schuele	and Somappa Springs Private Limited situated at the above-referred	
address is a corp	orate company registered under the Companies Act, has been into the	
production of auto	mobile components like springs.	
In the production	unit and in its related activities the company employs about 700 workers.	
95 workers are on	permanent basis working in the plant and machinery and producing end	
products of spri	ngs as automobile components. Workers are trained having ITI	
apprenticeship cer	tificates. These workers are paid basic wages, dearness allowance, HRA,	
conveyance, ince	ntive, city compensatory allowance, washing allowance, refreshment	
allowance, attenda	nce bonus and other allowances amounting to gross salary varying from	
Rs. 13,000/- to Rs	25,000/	

ಉಪಾಧ್ಯಕ್ಷರು ಪ್ರಧಾನ ಕಾರ್ಯದರ್ಶಿ

ಎನ್. ರವಿಕುಮಾರ್

ಟಿ. ಪ್ರಕಾಶ್

ಅಧ್ಯಕ್ಷರು

ಎಸ್. ಬಾಲನ್

ಉಪ ಕಾರ್ಯದರ್ಶಿ

ಎನ್. ಯಲ್ಲರಾಜು

ಖಜಾಂಚ

ಟಿ. ಕೃಷ್ಣಕಾಂತ್

## 8.1 Letter to Labour Commisioner from Association on equal pay for equal work ...... Page 2

## ಸ್ಟಂಪ್, ತೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಪ್ರಿಂಗ್ಸ್ ಕಾರ್ಮಿಕರ ಸಂಘ (ದಿ.) STUMPP SCHUELE & SOMAPPA SPRINGS EMPLOYEES' ASSOCIATION (R)

ರಿ. ನಂ. 657

ಹೊಸೂರು ರಸ್ತೆ, ಕೋರಮಂಗಲ, ಬೆಂಗಳೂರು - 560 095.

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The company employs about 250 workers in the name of casuals/contract labourers and trainees who possess training having 1TI apprenticeship certificates i.e. same qualification and are discharging same or similar duties in producing the same components. In the same machine four different categories of workmen are pressed into service, each category of workman wearing different uniforms all working the same shift under identical working conditions. Out of these 250 workers we are herewith enclosing list of 146 workers who are guised as contract workers doing the job of general production, M/C operator, oiling operator, CNC operator, grinding operator, champring operator, general operator, component correction, sorting work, tempering operator, bending and sorting, etc. Suffice it to state that these workers are discharging same job as that of the permanent workers as far as the production is concerned. Whereas these workers are paid consolidated wages ranging from Rs. 4,500/- to Rs. 9,000/- depending upon their experience. These workers have put in over 5 - 15 years of service. Significantly these workers.

With the aim of reducing the permanent workers, the management is recruiting in the name of junior engineers and engineers though they are similarly qualified as that of the permanent and casual workers. Management is following these tactics in order to deny the workers right of organisation and collective bargaining.

There are about 30 housekeeping workers to clean the canteen, urinals, toilets, do tasks of sweeping and mopping the premises, which are permanent nature of job.

On the administration/clerical/secretarial side there are about 150 workers.

ಅಧ್ಯಕ್ಷರು ಎಸ್. ಬಾಲನ್

ಉಪಾಧ್ಯಕ್ಷರು ಟಿ. ಪ್ರಕಾಶ್ ಪ್ರಧಾನ ಕಾರ್ಯದರ್ಶಿ ಎನ್. ರವಿಕುಮಾರ್

. ಉಪ ಕಾರ್ಯದರ್ಶಿ ಎನ್. ಯಲ್ಲರಾಜು ಖಜಾಂಚಿ ಟಿ. ಕೃಷ್ಣಕಾಂತ್

# 8.1 Letter to Labour Commisioner from Association on equal pay for equal work ...... Page 3

## ಸ್ಪಂಪ್, ತೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಪಿಂಗ್ಸ್ ಕಾರ್ಮಿಕರ ಸಂಘ (ರಿ.) STUMPP SCHUELE & SOMAPPA SPRINGS EMPLOYEES' ASSOCIATION (R)

ರಿ. ನಂ. 657

ಹೊಸೂರು ರಸ್ತೆ, ಕೋರಮಂಗಲ, ಬೆಂಗಳೂರು - 560 095.

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Our Union has been demanding from the management to abolish the contract labour in the plant since they are doing similar or same job as that of the workers who are on permanent rolls. But the management as a cost-cutting measure and to exploit the trained workforce in violation of law has been employing through intermediaries called contractors denying them the wages and conditions of services enjoyed by the permanent workers.

There is absolutely no justification for the company to employ contract labourers for the core production activities. The company ought to have abolished the contract labour system and carried out this work by regularizing their services.

Under the under circumstances we request your kindself to depute one of the Deputy Labour Commissioners to conduct an enquiry at the plant in reference to the list enclosed with this communication and pass necessary orders directing the management to extend all the 14 components of wages and other benefits and conditions of service that are being provided to permanent workman to these workers who are discharging same or similar jobs in the ends of law and justice.

Yours faithfully,

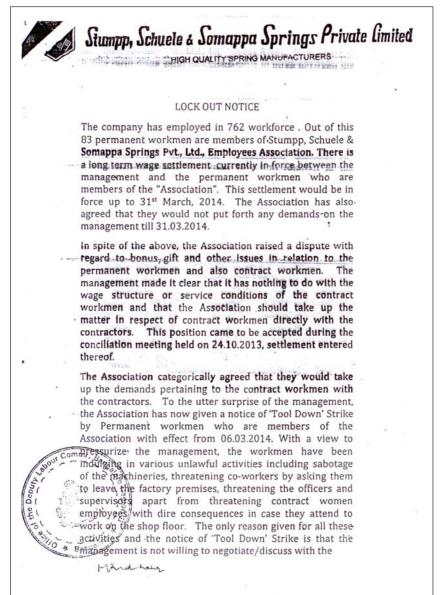
Sibo

S Balan

ಅಧ್ಯಕ್ಷರು ಉಪಾಧ್ಯಕ್ಷರು ಪ್ರಧಾನ ಕಾರ್ಯದರ್ಶಿ ಉಪ ಕ ಎಸ್. ಬಾಲನ್ ಟಿ. ಪ್ರಕಾಶ್ ಎನ್. ರವಿಕುಮಾರ್ ಎನ್. ೧

ಉಪ ಕಾರ್ಯದರ್ಶಿ ಖಜಾಂಚಿ ಎನ್. ಯಲ್ಲರಾಜು ಟಿ. ಕೃಷ್ಣಕಾಂತ್

#### 8.2 Lockout Notice from SSSPL ..... Page I



#### 8.2 Lockout Notice from SSSPL ..... Page 2

umpp, Schuele & Somappa Springs Private Gmited Association, service conditions and issues pertaining to contract workmen. The company cannot allow a section of the work force to take law into their own hands and indulge in all sorts of unlawful 'activities. This situation in the factory clearly establish that the workmen who intend 'Tool Down' Strike from 06:03.2014 are likely to indulge in more acts of sabotage and unlawful activities. The machineries and equipments in the factory are highly expensive and the company cannot oblige to take any chance with the safety of these machineries and equipments. Also it is necessary to protect the lives of the other employees, officers, executives, supervisors and women employees. The company firmly relieves that the shop floor is a place to work and not for idulging in agitation. The contract with the workmen is to allow the workmen to work at the work place and to carry out the work and not for indulging in any unlawful activities. Keeping the above factors in view, the company has no other option but to declare lock out of permanent workmen who are members of the "Association". Those workmenwho are not members of the "Association" and who have not expressed any intention of 'Tool Down Strike' will be allowed to work. Lock out will not apply to Officers, Executives, Supervisors, Engineers, Trainees Casuals Employees other categories of Management Personnel and essential services. ーーー おおし みかいしん ふんけんかく for Stumpp, Scheuele & Somappa Springs (P) Ltd. M Sudhakar Director & Chief Operations Officer Dated: 6th March 2014.

## 8.3 Letter to Labour Department from Association on the lockout ...... Page I

## ಸ್ಟಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಪ್ರಿಂಗ್ಸ್ ಪ್ರೆವೇಟ್ ಲಿಮಿಟೆಡ್ ಪರ್ಮನೆಂಟ್ ಮತ್ತು ಕಾಂಟ್ರಾಕ್ಟ್ ಎಂಪ್ಲಾಯೀಸ್ ಅಸೋಸಿಯೇಷನ್ (ರಿ) STUMPP SCHUELE & SOMAPPA SPRINGS PVT. LTD. PERMANENT / CONTRACT EMPLOYEES ASSOCIATION (R)

ರಿ. ನಂ. 657 ನಂ. 103, 1ನೇ ಮಹಡಿ, 2ನೇ ಮೈನ್, ಕುರುಬರ ಸಂಘದ ಕಟ್ಟಡ, ಗಾಂಧಿನಗರ, ಬೆಂಗಳೂರು - 560 097.

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దిసాంక..... 22<sup>nd</sup> March 2014 Bangalore.

To,

Principal Secretary to Government, Labour Department Room No. 414, 4th Floor, Vikasa Soudha, . Dr. Ambedkar Veedhi, Bangalore – 560001.

Dear Sir,

Sub: Prohibition of illegal lock-out by the management of Stumpp, Schuele & Somappa Springs Pvt. Ltd. and other reliefs.

Sir, we wish to draw your attention to the illegal lockout since 6<sup>th</sup> March 2014, by the management of Stumpp, Schuele & Somappa Springs Pvt. Ltd., of permanent and contract workers belonging to the Union, and request that appropriate action be taken against them as mandated under law including prohibition of the illegal lockout and prosecution.

Our factory, Stumpp, Schuele & Somappa Springs Pvt. Ltd. is the manufacturer of springs for almost all manufacturers of cars, 2-wheelers and commercial vehicles, including Maruthi Udyog, Tata, Hyundai, IVS, Toyota, Bajaj, etc. This factory, located on Hosur road, has been in operation since more than 40 years, and from one plant has now expanded to more than a dozen manufacturing plants. This growth of the company has been on the back of the exploitation of its workers, who to this day receive pittance as wages.

Since 1<sup>st</sup> March 2014 the contract workers have been denied employment and since 6<sup>th</sup> March 2014 the management has declared an illegal lockout for the permanent and contract workers who are members of the Union. We would like to reiterate that the permanent and so-called contract workers are and have been ready and willing to work, and the management is well aware of this. Our Union leaders have been continuously in contact with the management in this regard much prior to the lock out. However, subsequent to our peaceful demonstration before the office of the Labour Commissioner on 1<sup>st</sup> March 2014, the management refused to allow the contract workers inside the factory amounting to refusal of employment and thereby denied them their livelihood. Please note that these so-called contract workers are

ಅಧ್ಯಕ್ಷರು ಎಸ್. ಬಾಲನ್ ಉಪಾಧ್ಯಕ್ಷರು ಟಿ. ಪ್ರಕಾಶ್ ಪ್ರಧಾನ ಕಾರ್ಯದರ್ಶಿ ಎನ್. ರವಿಕುಮಾರ್ ಉಪ ಕಾರ್ಯದರ್ಶಿ ಎನ್. ಯಲ್ಲರಾಜು ಖಜಾಂಚಿ ಟಿ. ಕೃಷ್ಣಕಾಂತ್

#### 8.3 Letter to Labour Department from Association on the lockout ...... Page 2

## ಸ್ಟಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಪ್ರಿಂಗ್ಸ್ ಪ್ರೈವೇಟ್ ಲಿಮಿಟೆಡ್ ಪರ್ಮನೆಂಟ್ ಮತ್ತು ಕಾಂಟ್ರಾಕ್ಟ್ ಎಂಪ್ಲಾಯೀಸ್ ಅಸೋಸಿಯೇಷನ್ (ರಿ) STUMPP SCHUELE & SOMAPPA SPRINGS PVT. LTD. PERMANENT / CONTRACT EMPLOYEES ASSOCIATION (R)

ರಿ. ನಂ. 657 ನಂ. 103, 1ನೇ ಮಹಡಿ, 2ನೇ ಮೈನ್, ಕುರುಬರ ಸಂಘದ ಕಟ್ಟಡ, ಗಾಂಧಿನಗರ, ಬೆಂಗಳೂರು - 560 097.

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employed under sham contracts and are paid a mere fraction of the wages received by the permanent workers. It is in solidarity with so-called contract workers, who are members of the Union, the permanent workers sought for the management to resolve the outstanding issues of the so-called contract workers including wages, service weightage and working conditions but were stonewalled by the management. Left with no option they issued a notice that they would resort to a tool-down action with effect from 6th March 2014, not with the intention of resorting to any strike but solely with the intention that the management would come forward for negotiations. It was stated in the notice that the desire was to discuss and settle the issues amicably. However, the management refused to have any dialogue and instead suddenly and without provocation declared an illegal lock-out and refused to allow the workmen into the factory on 6th March 2014. The 1st shift workmen who had already entered the factory for their shift were stopped from working and instead told that they would continue only if they forego their membership of the Union. Thereafter the management put up the notice declaring the lock-out of the permanent and contract workers who are members of the Union.

We would like to highlight that the main issues between the management and the workers include the following:

- There is a huge disparity in the wages paid to the contract workers and the permanent workers despite them performing the same work on the same machine. This is an extremely exploitative situation which cannot be tolerated. This is in gross violation of Rule 25(2)(v)(a) and sections 16 to 21 of the Contract Labour Act.
- The management is arbitrarily and without cause and without any due process firing contract workers who are members of the Union including Shri S.S. Laxmana, who has worked for the company for 7 years, including 5 years as a trainee.
- The management has failed to pay service weightage to the co-called contract workers as per the government notification bearing No. CLA/CR-49/2010-2011 dated 11<sup>th</sup> March 2013.
- The management has not agreed to discuss the charter of demands dated 7<sup>th</sup> February 2014 submitted in regard to the wages and working conditions of the co-called contract workers.
- 5. The management is engaging in unfair labour practices as seen above, including targeting, of Union leaders and members, actively discouraging membership in the Union, increasing the number of contract workers, refusing to dialogue with the Union by engaging casual workers after declaring the illegal lock-out and by continuing with the illegal lock-out.
- 6. The management refuses to engage in any dialogue with the Union.

ಅಧ್ಯಕ್ಷರು	ಉಪಾಧ್ಯಕ್ಷರು	ಪ್ರಧಾನ ಕಾರ್ಯದರ್ಶಿ	ಉಪ ಕಾರ್ಯದರ್ಶಿ	ಖಜಾಂಚ
ಎಸ್. ಬಾಲನ್	ಟಿ. ಪ್ರಕಾಶ್	ಎನ್. ರವಿಕುಮಾರ್	ಎನ್. ಯಲ್ಲರಾಜು	ಟಿ. ಕೃಷ್ಣಕಾಂತ್

### 8.3 Letter to Labour Department from Association on the lockout ...... Page 3

wo ber 8. Ma	e management has been practicing unfair labour policy of hiring and firing rkers most particularly whoever requests for implementation of statutory lefits.
wo ber 8. Ma	rkers most particularly whoever requests for implementation of statutory
	nagement is also known for flouting of statutory provisions of law enacted the welfare and benefits of workers.
<ul> <li>the act</li> </ul>	e management is registered and the contractors have obtained licences under Contract Labour Act for engagement of contract workers in non-core ivities, however factually they are being employed for core activities vis-à- same and similar work performed by permanent workers.
10. In job	the guise of trainees the management engage workers to perform the same as the permanent worker with the sole motive of denying them better rking conditions.

and direct the management to permit all the workers, permanent and contract, to report for duty and do their normal work and grant them all the consequential benefits, including wages for the period that they were refused employment i.e. from 1<sup>st</sup> March 2014 for contract workers and 6<sup>th</sup> March 2014 for the permanent workers.

Thanking you,

For Stumpp Schuele & Scmappa Employees Association (Reg. 657)

N. Rucon General Secretary

ಅಧ್ಯಕ್ಷರು	ಉಪಾಧ್ಯಕ್ಷರು	ಪ್ರಧಾನ ಕಾರ್ಯದರ್ಶಿ	ಉಪ ಕಾರ್ಯದರ್ಶಿ	ಖಜಾಂಚ
ಎಸ್. ಬಾಲನ್	ಟಿ. ಪ್ರಕಾಶ್	ಎನ್. ರವಿಕುಮಾರ್	ಎನ್. ಯಲ್ಲರಾಜು	ಟಿ. ಕೃಷ್ಣಕಾಂತ್

8.4 Report of the Karnataka State Human Rights Commission ...... Page I

d' BERRE Boddago zet a sont gay & gay see a gay a sont gay draw draw. محمدونكة معد عامكمو ومحمد مع محمد مع مع مع مع HRC 51+14.83.11 2:26.03.204 808 2008:27.03.2014,08 28 202020 5.40 2028 2022 2020 poleted by cp 2020. -638 க்ஷல கால இன்னை இன்று கிழைக் கால கல் கிருக்கால T. ನೆರತಂಡಿತೆಯಾರು ಜೈನೆತ್ರಿಕೆಂ ( ಅಮೇಕ ನೆ ಕೇಲಕು ನಿತ ಲಿಗ್ಗೆಯಾಗೆ ಇವ ಹಾಮಾಹಿತ್ರಿಕೆಯ್ಯಾ. ಹೋಜನ್ ತ್ರಿತ್ಯಲ್ ಅಮಿಲೆಡ್ (SSSSPL) ಹೊಲೆಮಿಂಗಲನ ಕಾರ್ಪಾಸೆಯ Up? alles see Somestors to messing for Lizer By me cost constant assistance soger and अन्य भूमें भार क्या है कार्य होते कार्य होते कार्यय न्यादा हु केर्या हु 382 කිස්ටාසින කිසේර විසුයි යිගෙනි කිටහාසි කියාවා 100 කි 33802 8 Boose Strone Goald boost and Boost Boost Boost how work wed though should be go to the tous and 15 002 20 Azito 201 80 0020 808 2120 3503 2020 · 00002 4.30 8 282 - 87 202 202 202 2122 503 4.30 302 4.30 De 298 80202 30392 8. 5000 200 1012 80203 8 5000200 & Ayr2y Shart and Reprozed Sta Do 398. 200 06324 30.22 bo scaboz agende so too and and

8.4 Report of the Karnataka State Human Rights Commission ...... Page 2

OUS THERE SECTION - REPEAR Station Brz good for in the star of the sub and a star Repcosit work Azor warge of Barery Rood & T-rup ASIMITA ACTIVIST H-br VA BNDaTOPIC 256A 4. 34 K.J. HR KSHRI Migh bendella. U.S.Bege 13/14 29/3/14. . Taberildar Souss (9/27/3/14 B'Love South.

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### 8.5 The Hindu article on the Karnataka State Human Rights Commission's Raid

4/30/2014 Officials find factory employees living in 'inhuman conditions' - The Hindu THE MORE HINDU Cities » Bangalore Published: March 28, 2014 00:09 IST | Updated: March 28, 2014 00:09 IST Officials find factory employees living in 'inhuman conditions' They were barred from venturing outside premises A team of officials from the Revenue Department on Thursday found about 100 youth, aged between 21 and 26, working in inhuman conditions in a factory on Hosur Road. The surprise inspection followed a direction from the State Human Rights Commission (SHRC), which had received a complaint alleging that the company had employed bonded labourers. A majority of the employees, who are from different parts of the country including Andhra Pradesh, Assam, Tripura, Jharkhand, Odisha, Bihar and northern parts of Karnataka, claimed to be diploma holders and had been appointed as interns with a remuneration of Rs 8,500 per month for eight hours of work every day, Tahsildar (Enforcement), Revenue Department, Chudamani told The Hindu. Officials found that the employees were sleeping on the rooftop over empty cartons. "There were no wash rooms or other amenities, which clearly showed human rights violations," Ms. Chudamani said. Employees claimed that they had been given strict instructions against venturing out of the premises. The officials have summoned company officials for an explanation. Keywords: Revenue Department, Hosur Road factory, SHRC, bonded labourers, human rights violations, employee living conditions Printable version | Apr 30, 2014 2:30:11 PM | http://www.thehindu.com/news/cities/bangalore/officials-findfactory-employees-living-in-inhuman-conditions/article5840548.ece © The Hindu http://www.thehindu.com/news/cities/bangalore/officials-find-factory-employees-living-in-inhuman-conditions/article5840548.ece?css=print



## 8.6 Vijaya Karnataka article on the Karnataka State Human Rights Commission's Raid

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#### 8.7 Prohibition of Lockout Notice

สสารณ์ได้ ಸರ್ಕಾರ ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಸಚಿವಾಲಯ, ಸಂಖ್ಯೆ: ಕಾಇ 247 ಐಡಿಎಂ 2014 ವಿಕಾಸ ಸೌಧ. ಬೆಂಗಳೂರು, ದಿನಾಂಕ: 07.04.2014 ಆದೇಶ ಆಡಳಿತವರ್ಗದವರಾದ ಮೆ: ಸ್ಯಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಟ್ರಿಂಗ್ಸ್ ಪ್ರೈವೇಟ್ ಲಿ., ನಂ.139/2, ಹೊಸೂರು ರಸ್ತೆ, ಬೆಂಗಳೂರು-560095, ಇವರು ಸ್ಟಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಟಿಂಗ್ಸ್ ಪ್ರೈವೇಟ್ ಲಿ., ಪರ್ಮನೆಂಟ್ ಮತ್ತು ಕಾಂಟ್ರಾಕ್ಟ್ ಎಂಪ್ಲಾಯೀಸ್ ಅಸೋಸಿಯೇಷನ್, ನಂ.103, 2ನೇ ಅಂತಸ್ತು, ಕುರುಬರ ಸಂಘ ಕಟ್ಟಡ, ಗಾಂಧಿನಗರ, ಬೆಂಗಳೂರು-560009, ಇವರಿಂದ ಪ್ರತಿನಿಧಿಸಲ್ಪಡುವ ಕಾರ್ಮಿಕರಿಗೆ ದಿ: 06-03-2014ರಿಂದ ಅಂಶಿಕ ಲಾಕೌಟ್ ಘೋಷಿಸಿ ಹಾಗೂ ಕಾರ್ಮಿಕರ ವಿವಿಧ ಬೇಡಿಕೆಗಳನ್ನು ಈಡೇರಿಸದಿರುವುದರಿಂದ ಉಂಟಾದ ಕೈಗಾರಿಕಾ ವಿವಾದವನ್ನು ನ್ಯಾಯ ನಿರ್ಣಮಕ್ಕಾಗಿ 2ನೇ ಅಪರ ಕಾರ್ಮಿಕ ನ್ಯಾಯಾಲಯ, ಬೆಂಗಳೂರು, ಇಲ್ಲಿಗೆ ಸರ್ಕಾರಿ ಆದೇಶ ಸಂಖ್ಯೆ: ಕಾಇ 247 ಐಡಿಎಂ 2014, ದಿ: 05-04-2014ರ ಮೂಲಕ ಕಳುಹಿಸಲಾಗಿದೆ. ಆಡಳಿತವರ್ಗದವರಾದ ಮೆ:ಸ್ಟಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಟ್ರಿಂಗ್ಸ್ ಪ್ರೈವೇಟ್ ಲಿ., ನಂ.139/2, ಹೊಸೂರು ರಸ್ತೆ, ಬೆಂಗಳೂರು-560095, ಇವರು ತಮ್ಮ ಸಂಸ್ಥೆಯನ್ನು ಕಾನೂನು ಬಾಹಿರವಾಗಿ ಬೀಗಮುದ್ರ ಘೋಷಿಸಿರುವುದರಿಂದ ಕೈಗಾರಿಕಾ ಶಾಂತಿಯನ್ನು ಕಾಪಾಡಿಕೊಂಡು ಹೋಗುವ ದೃಷ್ಟಿಯಿಂದ ಕೈಗಾರಿಕಾ ವಿವಾದ ಕಾಯ್ದೆ 1947 ಕಲಂ 10 (3) ರಡಿಯಲ್ಲಿ ಪ್ರದಕ್ಷವಾದ ಅಧಿಕಾರವನ್ನು ಚಲಾಯಿಸಿ, ತಕ್ಷಣದಿಂದ ಜಾರಿಗೆ ಬರುವಂತೆ ಬೀಗ ಮುದ್ರಯನ್ನು ನಿಷೇಧಿಸಿ ಆಧೇಶಿಸಲಾಗಿದೆ. IN TRANSPORT AND AND ADDRESS AND ADDRESS AND ADDRESS A ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆಜ್ಞಾನುಸಾರ ಮುತು ಅವರ ಹೆಸರಿನಲಿ n (ಫಿ.ಬಿ.ರಾಮಮೂರ್ತಿ)-ಸರ್ಕಾರದ ಅಪರ ಮುಖ್ಯಕಾರ್ಯದರ್ಶಿ ಕಾರ್ಮಿಕ ಇಲಾಖೆ. ಪ್ರತಿಗಳು:-1. ಕಾರ್ಮಿಕ ಆಯುಕ್ತರು, ಕಾರ್ಮಿಕ ಇಲಾಖೆ, 'ಕಾರ್ಮಿಕ ಭವನ, ಬನ್ನೇರುಘಟ್ಟ ರಸ್ತೆ, ಬೆಂಗಳೂರು-29 ಇವರ ಪತ್ರ ಸಂ: ಐಡಿಎ-2/ಸಿಆರ್-239/2013-14, ದಿ:22-03-2014ಕ್ಕೆ ಉಲ್ಲೇಖಿಸಿದೆ. 2. ಆಡಳಿತವರ್ಗ:- ಮೆ:ಸ್ಟಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪ್ಪ ಸ್ಟ್ರಿಂಗ್ಸ್ ಪ್ರೈವೇಟ್ ಲಿ., ನಂ.139/2, ಹೊಸೂರು ರಸ್ತೆ, ಬೆಂಗಳೂರು-560095, 🗶 ಕಾರ್ಮಿಕ ವರ್ಗ:- ಸ್ಪಂಪ್ ಶೂಲೆ ಮತ್ತು ಸೋಮಪು ಸ್ಪಿಂಗ್ಸ್ ಪ್ರೈವೇಟ್ ಲಿ., ಪರ್ಮನೆಂಟ್ ಮತ್ತು ಕಾಂಟಕ್, ಎಂಟ್ಯಾಯೀಸ್ ಅಸೋಸಿಯೇಷನ್ (ರಿ), ನಂ.103, 1ನೇ ಮಹಡಿ, 2ನೇ ಮೈನ್, ಕುರುಬರ ಸಂಘದ ಕಟ್ಟಡ, ಗಾಂಧಿನಗರ, ಬೆಂಗಳೂರು-560009

SLNO	NAME	DEPT	SERVICE OF TRAINING CON	TRAINING CONTRACT SERVICE	TOTAL	NATURE OF WORK	CONTRACT PRESENT SALARY	PERMANENT WORKER SALARY	DIFFRENCE AMOUNT
	PRAVEEN KUMAR H.D	MN01	4	3	7	SHOT PEINING	6000	13800	7800
	LAKSHMANA S.S	C1.6	5	1.5	6.5	GRINDING M/C OPERATOR	6900	14000	7100
	RAMESH M.R	MN01	2	-	e	MORATA M/C OPERATOR	5000	12500	7500
L	RAMESH.G	MN01	2	-	e	MORATA M/C OPERATOR	6500	12500	6000
-	RAGAVENDRAK	MN01	-	-	2	M/C SHOT PIENING	5000	12500	7500
	SRI RAMULU	MN01	4	m	2	GRINDING M/C OPERATOR	8340	14000	5660
	KRISHNA NAIK.K.C	MN01	2	m	80	ID SORTING	9400	14000	4600
-	MANI KANTA.S	MN01	4	m	2	ID SORTING	8000	14000	6000
	SREERAMA K.M	CNC	2	m	5	CNC OPERATOR	10500	14500	4000
	DAVID.M	CNC	80	-	6	CNC M/C OPERATOR	10400	15500	5100
-	SRINIVAS MURTHY	C1.6	7	-	00	GRINDING M/C OPERATOR	6500	14500	8000
	KUMAR	MN05	m	m	9	GRINDING M/C OPERATOR	8500	13800	5300
-	KARUPPU SWAMY	CNC	4	6	2	CNC M/C OPERATOR	7000	14000	7000
-	AMEENSAB MONDEKAR	C1.6	2	-	5	GRINDING M/C OPERATOR	5500	12500	7000
	PRABHUR	CNC	4	6	2	CNC M/C OPERATOR	6000	14500	8500
-	BIRAPPA, Y.H	C1.6	80	2	10	ID SORTING	8500	14000	5500
	KAMALAKAR	E2	2	-	m	M/ OPERATOR	6500	14000	7500
	DINAKAR D.S	C1.6	5	-	9	M/C OPERATOR	7300	14000	6700
_	MANOHAR.L	CNC	2	1	m	M/C OPERATOR	8700	14000	5300
_	M.VENKTESHAN	C6.0	4	1	2	M/C OPERATOR	7700	14000	6300
	NAGENDRA.K	C6.0	2	-	m	M/C OPERATOR	6026	13500	7474
	VINAY KUMAR KOTTI	MGM	m	m	9	SAP WORK	6500	13800	7300
	RAGHU RAM.G	MGM	2	6	S	ITEM MOVEMENT	6000	13500	7500
	KARTIKAYAN.R	C6.0	80	1	6	M/C OPERATOR	10300	15000	4700
	DHILP.R	C6.0	7	-	e0	M/C OPERATOR	9000	15000	6000
_	NAGESH REDDY	MN18	e	2	5	M/C OPERATOR	6000	14000	8000
	JAYANNA.H.K	CNC	9	-	7	M/C OPERATOR	0006	14500	5500
	KALLESH.S	CNC	2	1	m	M/C OPERATOR	6900	12500	5600
	SHIVA SHAKTHI.S	CNC	2	2	4	M/C OPERATOR	6160	13000	6840
	SHIVALIGE GOWDA.M.B	CNC	2	2	4	M/C OPERATOR	7500	13000	5500
_	PRATHAP	E2	2	-	3	M/C OPERATOR	6750	13000	6250
	CHANNA BASVA.H.M	E2	2	2	4	M/C OPERATOR	5300	13000	7700
	SIDDAPPA.V	E2	4	9	2	M/C OPERATOR	8500	14500	6000
	· VIJAY KUMAR K.M	E2	e	m	9	M/C OPERATOR	6800	14000	7200
-	KAMAL KUMAR N	CNC	e	7	10	CNC M/C OPERATOR	7500	16000	8500
	DAVERAJ	C6.0	7	-	80	M/C OPERATOR	7000	15000	8000
	SUNIL KUMAR.K.R	E2	2	-	0	M/C OPERATOR	5800	13000	7200
_	RAVI KUMAR.G	E2	7	1	90	M/C OPERATOR	8500	14500	6000
	RHACVA NAPAVANA	60	V	c.	6	MIC ODEDATOD	7500	14000	0000

SHIVA PRAKASH.C	E	4	4	8	M/C OPERATOR	8500	13500	2000
MANJUNATHA, A.V	E2	3	Q	5	M/C OPERATOR	6200	14000	7800
PARDEEP KUMAR	E2	2	6	2	M/C OPERATOR	5800	14000	8200
MANJUNATHA.V	751	ю	-	4	M/C OPERATOR	7000	13500	6500
PAVAN KUMAR M	CNC	9	-	2	M/C OPERATOR	7500	14500	7000
LOHITH KUMAR J.R	CNC	9	-	7	M/C OPERATOR	6000	14000	8000
NAGARAJU.K.M	CNC	3	-	4	M/C OPERATOR	7000	13500	6500
VANNUR SWAMY	C6.0	7	-	8	M/C OPERATOR	8500	15000	6500
SANGAMESH	C1.6	2	-	6	GRINDING M/C OPERATOR	5700	13000	7300
V.VISWANATHA	ы	2	-	3	ELECTRITION	6500	13500	7000
VIJAY KUMAR.C.P	TKML	4	4	8	M/C OPERATOR	7500	14500	7000
SHIVA RAY.S	CNC	2	-	0	COILING OPERATOR	6500	13500	7000
NANJAPPA	T2.5	2	2	1	BENDING OPERATOR	5600	13500	7900
M.ANANDA	E2	2	0	10	GENERAL PRODUCTION	8000	14500	6500
JAYARAMANAYAKA	E1	7	6	10	M/C OPERATOR	9006	15000	6000
MAHADEVA SWAMY	E3 714	7	0	10	M/C OPERATOR	8000	15000	7000
KRISHNA GOWDA	E3 714	7	0	10	M/C OPERATOR	8500	15000	6500
N.MANJUNATH	T2.5	9	4	10	GENERAL PRODUCTION	7200	15000	7800
K.MARUTHI	T2.5	9	4	10	BENDING OPERATOR	5000	14000	0006
VISHVANATH REDDY	T2.5	4	4	œ	M/C OPERATOR	6800	14500	2700
R.VINCENT	72.5	9	4	10	BENDING OPERATOR	7000	14500	7500
RAMESH	TKML	3	2	5	TOOL SETTING OPERATOR	6800	14000	7200
NINGAPPA	T2.5	4	2	9	M/C OPERATOR	4500	13500	8000
SRIDHAR.G.A	725	4	е 1	7	INSPECTION	7500	14000	6500
VENKATESH MURTHY	723	9	4	10	M/C OPERATOR	8027	15000	6973
K.MAHEBOOB	702-2	4	3	7	GENERAL PRODUCTION	6800	13500	6700
KEMPARAJU	E1	4	4	8	GENERAL PRODUCTION	8000	14500	6500
A.C.DAYANANDA	E1	9	3	6	M/C OPERATOR	8500	15000	6500
MADHU KUMAR J	SFCT/715	4	3	7	DEGREASING OPERATOR	6000	13500	7500
M.SHIVA KUMAR	W/W	4	4	80	WELDER	6000	15000	0006
A.C. PATIL	713/RA		2	7	M/C OPERATOR	7840	14000	6160
MANJUNATHA	MN 18		4	4	OILING OPERATOR	5500	13500	8000
N. RADHA KRISHNA	CNC		5	5	BENDING OPERATOR	5500	14000	8500
SRINIVASA.H	MN18		3.5	3.5	GENERAL PRODUCTION	6432	13000	6568
NAGESH REDDY	MN03		3.5	3.5	GENERAL PRODUCTION	6432	13000	6568
S.K NAGARAJ	E2		5	5	GENERAL PRODUCTION	4700	14000	9300
RAVI.N	T2.5		4	4	BENDING OPERATOR	5500	13500	8000
R.V.LAKSHMI NARAYANA	T2.5		2 .	7	BENDING OPERATOR	- 7000	14000	7000
NAGARAJU.N	E2		6	9	GENERAL PRODUCTION	5300	13000	7700
CHANDRA MOULI	T2.5		7	7	GENERAL PRODUCTION	5000	14000	9006
RANAJIT MURTY	MN18		-	-	OILING OPERATOR	4700	12500	7800
VENKATARAMANA	MN01		1.5	1.5	OILING OPERATOR	5000	12500	7500
SOLOMON JOSEPH	SONM		2	2	CHAMPRING OPERATOR	5000	12500	7500
K P NAGARA III	TKMI		2	2	GENERAL PRODUCTION	4750	12500	7750

8.8 Table of Contract Workers Salaries, Job Profile and Years of Experience ...... Page 2

4 1.5 8 CHA
CHAMPRING OPERATOR
OILING OPERATOR
SORTING WORK
SORTING WORK
TEMPRING OPERATOR
CHAMPRING OPERATOR
SORTING WORK
CHAMPRING OPERATOR
GENERAL PRODUCTION
OILING OPERATOR
BENDING OPERATOR
GRINDING M/C OPERATOR
CHAMPRING OPERATOR
GENERAL PRODUCTION
M/C OPERATOR
GENERAL PRODUCTION
GENERAL PRODUCTION

8.8 Table of Contract Workers Salaries, Job Profile and Years of Experience ...... Page 3

					OLIVEL NOUVOILON	2000	00cc1	20000
MURALI.M		T2.5	4	4	M/C OPERATOR	5000	13500	8500
RAVICHANDRA	RA	C1.6	8	e	OILING OPERATOR	5000	13500	8500
SIDDHAPPA	A	C1.6	2	2	OILING OPERATOR	5000	13000	8000
ARUN KUMAR	AR		1	m	M/C OPERATOR	5000	13500	8500
CHANABASAVA.H.M	A.H.M	E2	ŝ	m	M/C OPERATOR	4500	13500	0006
ESHWARRA.R	R	T2.5	4	4	GENERAL PRODUCTION	5000	13500	8500
ANTHONYHARRY	RRY	T2.5	m	m	GENERAL PRODUCTION	4500	13500	0006
MATCHES.B.H	3.H	T2.5	3	m	GENERAL PRODUCTION	4500	13500	0006
MURALI,H	Ŧ	T2.5	4	4	GENERAL PRODUCTION	5000	13500	8500
PRASADHA.K	K	T2.5	3	e	GENERAL PRODUCTION	4500	13500	0006
RAMRA.J		T2.5	2	2	GENERAL PRODUCTION	4500	13500	0006
WIJAYA.M		T2.5	-	-	GENERAL PRODUCTION	4500	12500	8000
HARISHA		MN05	2	2	GENERAL PRODUCTION	4500	13000	8500
RAJA SHEKARA	<b>IRA</b>	scc	4	4	GENERAL PRODUCTION	4500	13500	0006
BASAPPA		MGM	10	10	GENERAL PRODUCTION	5500	15000	9500
NAGESH		MGM	4	4	PACKING	4500	13500	0006
CHIKKANNA	A	MGM	2	2	GENERAL PRODUCTION	4500	13000	8500
RAMESH.M.R	æ	MN01	2	2	M/C OPERATOR	5000	13500	8500
VENU		C1.6	2	2	SORTING WORK	4500	13000	8500
ISHWAR PANDE	IDE	MN05	2	2	GRINDING M/C OPERATOR	5500	13000	7500
RAGHU RAM.G	1.6	MGM	2	ŝ	SORTING WORK	6000	13500	7500
UMESH.T.S	S	STORE	16	16	MATERIAL DISPATCH	7000	18000	11000
UMESHACHARI, T.S	RI.T.S	CNC	2	2	BENDING OPERATOR	5500	13000	7500
M.M.SHANKAR	AR	CNC	2	2	BENDING OPERATOR	5500	13000	7500
BASAVARAJ	2	CNC	9	9	BENDING OPERATOR	6500	14000	7500
VASUDEVA REDDY	EDDY	CNC	-	-	BENDING OPERATOR	5000	12000	7000
NARASHIMMA MURTY	AURTY	MGM	4	4	SORTING WORK	5000	13500	8500
SELVARAJ		MN05	2	2	M/C OPERATOR	5000	13500	8500
GAJENDRUDO	00	MN05	2	2	OILING OPERATOR	5300	13500	8200
SANTANU BAG	AG	MN05	2	2	M/C OPERATOR	5000	13500	8500
NAVEEN KUMAR.K	AR.K	MN05	2	5	SHOT PEINING	5000	13500	8500
LAKSHMI NARAYANA	YANA	50NM	2	2	M/C OPERATOR	5000	13500	8500
GOVINDAPPA.G	A.G	MN05	2	2	M/C OPERATOR	5000	13500	8500
ESHWAR		30NM	-	-	M/C OPERATOR	5000	12500	7500
HARISH KUMAR.V	AR.V	MN05	2	.2	M/C OPERATOR	5000	13500	8500
RAJU A	Ē	714	-	-	HEAT TREATMENT	5000	12500	7500
UDAY KUMAR	R.	MN01	2	2	<ul> <li>OILING OPERATOR</li> </ul>	6000	13000	7000
AANJUNATHA	AA	STORE	e	m	MATERIAL DISPATCH	6500	13500	7000
RAMAN NAILU	CC C	TKML	5	2	BENDING OPERATOR	5000	13000	8000
RAMESH		TKML	2	S	BENDING OPERATOR	6800	13500	6700
VENKTESHAPPA	Add	TKML	9	0	BENDING OPERATOR	5500	13000	7500
SHIVA KUMAR	AR	CNC	2	5	BENDING OPERATOR	5000	13000	8000
I OKPSH M P	٩	TOOL ROOM	3	0	HELPER	6000	12500	6500

SOMARAJA.N	C1.6	5	2	SETTING OPERATOR	6000	14000	8000
KUMAR.D.G	TKML	2	~	BENDING OPERATOR	5000	13000	8000
KESHAWA MURTHY	E1	2	2	SORTING WORK	5500	13000	7500
MANJUNATHA.B	CIVIL	9	9	CIVIL WORK	6880	13500	6620
VENATSHAIAH	STORE	4	4	STOREWORK	5300	13000	7700
SHANKARAPPA	CIVIL	5	2	CIVIL WORK	6000	13500	7500
STALINF	STORE	7	1	STOREWORK	6680	14500	7820
RAJU.G	DELPHI	5	e	SORTING WORK	5500	13000	7500
MAHESH, H, R	DISPETCH	5	2	PACKING	6300	14000	7700
SRIDER	T2.5	4	4	BENDING OPERATOR	6000	13500	7500
SUDEER REDDY.K	DISPETCH	5	S	PACKING	6300	14000	7700
HARISH.N	scc	5	5	SORTING WORK	6000	13500	7500
DIVAKAR	DISPETCH	4	4	PACKING	5500	13500	8000
NAMDEV	SFCT		3	DEGREASING OPERATOR	5500	13000	7500
ADIYAPPA	HOUSE KEEP	2	2	HOUSE KEEPING	5000	12500	7500
SENNAKESVA	HOUSE KEEP	2	2	HOUSE KEEPING	5500	12500	7000
MUNIYALLAPPA	HOUSE KEEP	20	20	HOUSE KEEPING	6000	18000	12000
JAMUNAMMA	HOUSE KEEP	3	3	HOUSE KEEPING	5000	12500	7500
VASANTHAMMA	HOUSE KEEP	4	4	HOUSE KEEPING	5000	13000	8000
RAJAMANI	HOUSE KEEP	6	6	HOUSE KEEPING	5500	14500	9000
ANAJANAPPA	HOUSE KEEP	5	5	HOUSE KEEPING	5500	13500	8000
NAGAVENIE	HOUSE KEEP	-	-	HOUSE KEEPING	5000	12500	7500
BABAYYA.B	HOUSE KEEP	8	8	HOUSE KEEPING	5500	14000	8500
MANJULA.B	HOUSE KEEP	-	-	HOUSE KEEPING	5000	12500	7500
GOVRAPPA	HOUSE KEEP	20	20	HOUSE KEEPING	5000	18000	13000
VENKATESH MURTHY	HOUSE KEEP	2	2	HOUSE KEEPING	5000	12500	7500
SWAMINATHA	HOUSE KEEP	80	8	HOUSE KEEPING	7300	14000	6700
VENKATESH MURTHY	FOUSE KEEP	2	2	HOUSE KEEPING	5000	12500	7500
KRISHNA MURTHY	715	6	6	PAINTING	5200	14000	8800
VENKATESHAPPA.T.K	715	9	3	TUMBLING	5200	13500	8300
WILLIAM ROORIGUES	E2	4	4	BENDING OPERATOR	4500	13000	8500
GOPAL REDDY	E1	2	2	SORTING WORK	4500	12000	7500
KRISHNAYYA	E2	2	2	BENDING OPERATOR	5000	13000	8000
ANIL KUMAR	MN01	1	-	GRINDING M/C OPERATOR	5000	12500	7500
NANDA KUMAR	E1	2	2	BENDING OPERATOR	5000	13000	8000

128	BALARAJ.S	0.21	4	4	GENERAL PRODUCTION	2000	13500	8500
129	MURALI.M	T2.5	4	4	M/C OPERATOR	5000	13500	8500
130	RAVICHANDRA	C1.6	8	6	OILING OPERATOR	5000	13500	8500
131	SIDDHAPPA	6	24	2	OILING OPERATOR	5000	13000	8000
132	ARUN KUMAR	E2 2	-	9	M/C OPERATOR	5000	13500	8500
133	CHANABASAVA.H.M	E2	9	6	M/C OPERATOR	4500	13500	0006
134	ESHWARRA R	T2.5	4	4	GENERAL PRODUCTION	5000	13500	8500
135	ANTHONYHARRY	T2.5	3	6	GENERAL PRODUCTION	4500	13500	9000
136	MATCHES.B.H	T2.5	6	m	GENERAL PRODUCTION	4500	13500	0006
	MURALI.H	T2.5	4	4	GENERAL PRODUCTION	5000	13500	8500
138	PRASADHA.K	T2.5	e	m	GENERAL PRODUCTION	4500	13500	0006
139	RAMRA.J	T2.5	2	2	GENERAL PRODUCTION	4500	13500	0006
	M.AYALIV	T2.5	-	-	GENERAL PRODUCTION	4500	12500	8000
	HARISHA	MN05	2	2	GENERAL PRODUCTION	4500	13000	8500
	RAJA SHEKARA	scc	4	4	GENERAL PRODUCTION	4500	13500	0006
	BASAPPA	MGM	10	10	GENERAL PRODUCTION	5500	15000	9500
	NAGESH	MGM	4	4	PACKING	4500	13500	0006
	CHIKKANNA	MGM	2	2	GENERAL PRODUCTION	4500	13000	8500
	RAMESH.M.R	MN01	2	2	M/C OPERATOR	5000	13500	8500
	VENU	C1.6	2	2	SORTING WORK	4500	13000	8500
	ISHWAR PANDE	MN05	2	2	GRINDING M/C OPERATOR	5500	13000	7500
	RAGHU RAM.G	MGM	2	5	SORTING WORK	6000	13500	7500
	UMESH.T.S	STORE	16	16	MATERIAL DISPATCH	2000	18000	11000
	UMESHACHARI. T.S	CNC	2	2	BENDING OPERATOR	5500	13000	7500
	M.M.SHANKAR	CNC	2	2	BENDING OPERATOR	5500	13000	7500
	BASAVARAJ	CNC	9	9	BENDING OPERATOR	6500	14000	7500
	VASUDEVA REDDY	CNC	-	-	BENDING OPERATOR	5000	12000	7000
	NARASHIMMA MURTY	MGM	4	4	SORTING WORK	5000	13500	8500
	SELVARAJ	MN05	2	2	M/C OPERATOR	5000	13500	8500
	GAJENDRUDO	MN05	2	2	OILING OPERATOR	5300	13500	8200
	SANTANU BAG	MN05	2	2	M/C OPERATOR	5000	13500	8500
	NAVEEN KUMAR.K	MN05	2	2	SHOT PEINING	5000	13500	8500
	LAKSHMI NARAYANA	WN05	2	2	M/C OPERATOR	5000	13500	8500
	GOVINDAPPA.G	MN05	2	2	M/C OPERATOR	5000	13500	8500
	ESHWAR	MN05	-	-	M/C OPERATOR	5000	12500	7500
	HARISH KUMAR V	MN05	2	.2	M/C OPERATOR	5000	13500	8500
	RAJUA	714	1	-	HEAT TREATMENT	5000	12500	7500
	UDAY KUMAR	MN01	2	~	OILING OPERATOR	6000	13000	70:00
•	MANJUNATHA	STORE	m	m	MATERIAL DISPATCH	6500	13500	7000
	RAMAN NAILU	TKML	2	2	BENDING OPERATOR	5000	13000	8000
	RAMESH	TKML	5	S	BENDING OPERATOR	6800	13500	6700
	VENKTESHAPPA	TKML	e	m	BENDING OPERATOR	5500	13000	7500
	SHIVA KUMAR	CNC	2	5	BENDING OPERATOR	5000	13000	8000
	LOKESH M.P	TOOL ROOM	0	3	HELPER	6000	12500	6500

8.8 Table of Contract Workers Salaries, Job Profile and Years of Experience ...... Page 6

8000	8000	7500	6620	7700	7500	7820	7500	7700	7500	7700	7500	8000	7500	7500	7000	12000	7500	8000	0006	8000	7500	8500	7500	13000	7500	6700	7500	8800	8300	8500	7500	8000	7500	8000
14000	13000	13000	13500	13000	13500	14500	13000	14000	13500	14000	13500	13500	13000	12500	12500	18000	12500	13000	14500	13500	12500	14000	12500	18000	12500	14000	12500	14000	13500	13000	12000	13000	12500	13000
6000	5000	5500	6880	5300	6000	6680	5500	6300	6000	6300	6000	5500	5500	5000	5500	6000	5000	5000	5500	5500	5000	5500	5000	5000	5000	7300	5000	5200	5200	4500	4500	5000	5000	5000
SETTING OPERATOR	BENDING OPERATOR	SORTING WORK	CIVILWORK	STOREWORK	CIVIL WORK	STOREWORK	SORTING WORK	PACKING	BENDING OPERATOR	PACKING	SORTING WORK	PACKING	DEGREASING OPERATOR	HOUSE KEEPING	HOUSE KEEPING	HOUSE KEEPING	PAINTING	TUMBLING	BENDING OPERATOR	SORTING WORK	BENDING OPERATOR	GRINDING M/C OPERATOR	BENDING OPERATOR											
n	2	2	9	4	S	2	ы	5	4	5	5	4	e	2	2	20	3	4	6	5	+	80	-	20	2	8	2	6	3	4	2	2	1	2
'n	2	2	9	4	S	2	6	5	4	Q	5	4	m	2	2	20	e	4	6	2 L	-	80	-	20	2	80	6	6	3	4	2	2		2
C1.6	TKML	E1	CIVIL	STORE	CIVIL	STORE	DELPHI	DISPETCH	T2.5	DISPETCH	scc	DISPETCH	SFCT	HOUSE KEEP	HOUSE KEEP	HOUSE KEEP	715	715	E2	E1	E2	MN01	E1											
SOMARAJA.N	KUMAR.D.G	KESHAWA MURTHY	MANJUNATHA B	VENATSHAIAH	SHANKARAPPA	STALIN.F	RAJUG	MAHESH.H.R	SRIDER	SUDEER REDDY K	HARISH.N	DIVAKAR	NAMDEV	ADIYAPPA	SENNAKESVA	MUNIYALLAPPA	JAMUNAMMA	VASANTHAMMA	RAJAMANI	ANAJANAPPA	NAGAVENIE	BABAYYA B	MANJULA B	GOVRAPPA	VENKATESH MURTHY	SWAMINATHA	VENKATESH MURTHY	KRISHNA MURTHY	VENKATESHAPPA.T.K	WILLIAM ROORIGUES	GOPAL REDDY	KRISHNAYYA	ANIL KUMAR	NANDA KUMAR
172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206

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This is a report by a citizens' team on the lockout declared by *Stump, Schuele, and Somappa Springs Private Limited* in Bangalore on its workers in March-April 2014. The report investigates the circumstances that led to the lockout as well as its impact on the factory's workers.

This report provides a timely reminder of how contractualisation of labour in Indian industry in the last two decades has adversely affected the working class, which has, against great odds, produced newer forms of struggle and resistance.

> (A) new technique of subterfuge has been adopted by some employers in recent years in order to deny the rights of the workmen under various labour statutes by showing that the concerned workmen are not their employees but are the employees/workmen of a contractor, or that they are merely daily wage or short term or casual employees when in fact they are doing the work of regular employees. This Court cannot countenance such practices any more. Globalisation/ liberalisation in the name of growth cannot be at the human cost of exploitation of workers.

> > The Supreme Court in Bhilwara Dugdh Utpadak Sahakari S. Ltd. Vs. Vinod Kumar Sharma Dead By Lrs & Ors (Civil Appeal 2585/2006).