Creation and maintenance of good employee-employer relations is the very basis of development of industrial peace. The healthy industrial relations in an enterprise generate democratic attitudes, which lead to progress and stability. In India, industrial democracy plays a vital role in solving welfare issues but as far as decision making at the policy level is concerned, its role is minimal. The modern industrial relations are a blend of traditional systems and innovation. Some of the features of earlier system persist and therefore, lead to conflict with new practices, creating challenging problems for the management as many of the changes may be opposed by worker. There is no doubt that industrial relations in India have come a long way in terms of labour legislations by the Government, adoption of proper management practices and introduction of innovative policies by industrial organizations. But, still in spite of increasing awareness about industrial relations, the problem has been a matter of major concern to a large number of industrial units due to many reasons.

The published facts and figures on industrial relations from various government reports relate to the country, industry and state and do not throw any light on industrial relations in a particular industrial centre or region. The present study can give fairly a good idea of industrial relations situation in a particular industrial centre i.e. Ahmednagar city.