CHAPTER – 1

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The Indian textile industry is the mother industry of the country. The making of textiles is one of the oldest and most fundamental crafts of a civilized community. In the initial stage it was a cottage industry. Mostly women and children carried out the work. Now it is mechanized and competitive highly. The textile industry provides around 18% of total employment in country. Deriving partial or full sustenance from the cultivation of cotton or production of textiles supports around 60 million people directly/indirectly.

The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture.

Textile Industry is providing one of the most basic needs of people and holds the importance, maintaining sustained growth for improving quality of life. It has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of processing; it is a major contribution to the country’s economy.

Its vast potential for creation of employment opportunities in the agricultural, industrial, organised and decentralised sectors & rural and
urban areas, particularly for women and the disadvantaged is noteworthy.

Although the development of textile sector was earlier taking place in terms of general policies, in recognition of the importance of this sector, for the first time a separate Policy Statement was made in 1985 in regard to development of textile sector. The textile policy of 2000 aims at achieving the target of textile and apparel exports of US $ 50 billion by 2010 of which the share of garments will be US $ 25 billion. The main markets for Indian textiles and apparels are USA, UAE, UK, Germany, France, Italy, Russia, Canada, Bangladesh and Japan.

The main objective of the textile policy 2000 is to provide cloth of acceptable quality at reasonable prices for the vast majority of the population of the country, to increasingly contribute to the provision of sustainable employment and the economic growth of the nation; and to compete with confidence for an increasing share of the global market.

Developing countries with both textile and clothing capacity may be able to prosper in the new competitive environment after the textile quota regime of quantitative import restrictions under the multi-fibre arrangement (MFA) came to an end on 1st January, 2005 under the World Trade Organisation (WTO) Agreement on Textiles and Clothing.

As a result, the textile industry in developed countries will face intensified competition in both their export and domestic markets. However, the migration of textile capacity will be influenced by objective
competitive factors and will be hampered by the presence of distorting
domestic measures and weak domestic infrastructure in several
developing and least developed countries. The elimination of quota
restriction will open the way for the most competitive developing
countries to develop stronger clusters of textile expertise, enabling them
to handle all stages of the production chain from growing natural fibers
to producing finished clothing. Low wages can still give developing
countries a competitive edge in world markets, time factors now play a
far more crucial role in determining international competitiveness.
Countries that aspire to maintain an export-led strategy in textiles and
clothing need to complement their cluster of expertise in manufacturing
by developing their expertise in the higher value-added service segments
of the supply chain such as design, sourcing or retail distribution. To
pursue these avenues, national suppliers need to place greater emphasis
on education and training of services-related skills and to encourage
the establishment of joint structures where domestic suppliers can share
market knowledge and offer more integrated solutions to prospective
buyers.

The textile industry is undergoing a major reorientation towards
non-clothing applications of textiles, known as technical textiles, which
are growing roughly at twice rate of textiles for clothing applications
and now account for more than half of total textile production. The
processes involved in producing technical textiles require expensive
equipments and skilled workers and are, for the moment, concentrated in developed countries. Technical textiles have many applications including bed sheets; filtration and abrasive materials; furniture and healthcare upholstery; thermal protection and blood-absorbing materials; seatbelts; adhesive tape, and multiple other specialized products and applications. India must take adequate measures for capturing its market by promoting research and development in this sector.

The mood in the Indian textile industry given the phase-out of the quota regime of the multi-fiber arrangement (MFA) is upbeat with new investment flowing in and increased orders for the industry as a result of which capacities are fully booked up to April 2005. As a result of various initiatives taken by the Government, there has been new investment of Rs.50,000 crore in the textile industry in the last five years. Nine textile majors invested Rs.2,600 crore and plan to invest another Rs.6,400 crore. Further, India's cotton production increased by 57% over the last five years; and 3 million additional spindles and 30,000 shuttle-less looms were installed. The industry expects investment of Rs.1,40,000 crore in this sector in the post-MFA phase. A Vision 2010 for textiles formulated by the government after intensive interaction with the industry and Export Promotion Councils to capitalize on the upbeat mood aims to increase India's share in world's textile trade from the current 4% to 8% by 2010 and to achieve export value of US $ 50 billion by 2010 Vision 2010 for textiles envisages growth in
Indian textile economy from the current US $37 billion to $85 billion by 2010; creation of 12 million new jobs in the textile sector; and modernisation and consolidation for creating a globally competitive textile industry.

There will be opportunities as well as challenges for the Indian textile industry in the post-MFA era. But India has natural advantages which can be capitalised on strong raw material base—cotton, man-made fibers, jute, silk; large production capacity (spinning - 21% of world capacity and weaving - 33% of world capacity but of low technology); vast pool of skilled manpower; entrepreneurship; flexibility in production process; and long experience with US/EU (European Union). At the same time, there are constraints relating to fragmented industry, constraints of processing, quality of cotton, concerns over power cost, labour reforms and other infrastructural constraints and bottlenecks. E.g., cost of power was Rs. 8/- per garment in India whereas in China it was Rs. 2 per garment.

Further, for the benefit of exporters, there should be a state-owned cargo shipping mechanism. Several initiatives have already been taken by the government to overcome some of these concerns including rationalisation of fiscal duties; technology upgradation through the Technology Upgradation Fund Scheme (TUFS); setting up of Apparel Parks; and liberalization of restrictive regulatory practices.
Shri Kamal Nath, Union Minister of Commerce & Industry, has said that India will take up the issue of non-tariff barriers (NTBs) in the World Trade Organisation (WTO) Doha round of multilateral trade negotiations, which are expected to gather steam from March 2005 onwards. 

On the eve of Republic Day President Kalam said that “India is presently exporting six billion U.S. Dollars worth of garments, whereas with the WTO regime in place, we can increase the production and export of garments to 18 to 20 billion U.S. Dollars within the next five years. This will enable generation of employment in general and in rural areas in particular. By tripling the export of apparels, we can add more than 5 million direct jobs and 7 million indirect jobs in the allied sector, primarily in the cultivation of cotton. Concerted efforts are needed in cotton research, technology generation, transfer of technology, modernisation and upgrading of ginning and pressing factories and an aggressive marketing strategy.”

NCDEX launched its silk contract (raw silk and cocoon) on Thursday, January 20, 2005. With this launch, the total number of products offered by NCDEX goes up to 27. The launch of the silk contract will offer the entire suite of fibers to the entire value chain ranging from farmers to textile mills. With the objective of The Government had announced change from the value-based drawback rate hitherto followed to a weight-based structure for textile exports that will discourage raw
material exports and also curtail the scope for misusing the drawback claims by boosting invoice value of exports.

The textile industry has high linkage and it touches economy at many points and has a chain and multiplier effect on it. It has a sizable weight in the country's index of industrial production and contributes significantly to its gross net product. By way of taxes it provides more than 6000 million rupees to national exchequer. The textile industry caters to the basic need of human beings in the nation and thus it is regarded as one of the prominent industries. Initially, the textile industry could cater the need of clothing to the restricted area where it was functioning. However, with the rapid growth of communication, information and technology these boundaries are over, and whole of the world market is available. Awareness of common man has been groomed and is turned to be very choosy. The industry which was market oriented gradually became consumer oriented.

The textile industry is low profit making industry compare to huge investment & large number of employees of different categories. It requires various types of departments’ coordinating with each other through Personnel Department that directly deals with them. That may relate to production, marketing, social securities, controlling human behavior, administration etc. to achieve the target while maintaining discipline. However, the industry is distinguished by its unique diversity containing.
Composite Mill Sector.

1) Decentralized power loom sector.
2) Spinning & Fiber industry.
3) Hand loom
4) Garments.
5) Process houses.
6) Hosiery & knitting
7) Wool, Silk & jute sector

The industry is oldest as well as biggest one in India divided in to three segments:

1) Organized sector - Composite & Export oriented Spinning Mills
2) Decentralized Sector - Power looms.
3) Handloom & Craft

The labour intensive nature of industry affords considerable scope for the job opportunities with relatively lower investment. Textile industry’s contribution is not restricted to only national economy but it has also major share in earning foreign currency. It contributes to the tune of 33% of export revenue in the form of export of textiles or apparels and cloth. The industry consumes major raw material cotton, which is a major crop of Maharashtra, M.P., Gujarat, Haryana, Lower Rajasthan, Andhra Pradesh, and Punjab and in some parts of Karnataka and Tamilnadu. It provides huge monetary support to Central Govt. in the form of sales tax, excise, and other taxes. The Indian textile industry
produces. 39,208 Million sq. meters. of cloth - (for year 2000) having more than 37 millions spindles and 5.64 million looms including handlooms, which is highest in the world.

1.2 Importance of Subject

1.2.1 Textile industry and disciplinary proceedings during ancient time

In olden days industries of any kind were few and far between and the scope for development was very less due lack of scientific devices, communication system, transportation, mental revolution, cultural pattern, group cohesiveness Industrial psychology was not developed at that time. Then the condition of workers was not satisfactory, they were regarded as slaves, Industrialists squeeze them for their own accord. The problem of population was migratory character of the labour causing absenteeism and labor turnover. In earlier days business was carried on under sole proprietorship.

1.2.2 Textile industry and disciplinary proceedings during modern time

Industrial Revolution played an important role in the development of industries. It brought revolutionary changes in the methods and techniques of industrial production. The industries were shifted from the former workshop to new mills and factories. Steam and power supplemented or were substituted for the efforts and energy of people. Though production processes were simplified by the use of new and developed machineries and techniques, but on the other hand, other
relating to men, materials the existing principles of management were
suitably changed or amended and new principles were developed.

Industrial Revolution and technical changes in methods and machines
proposed the large-scale production. By the use of technically developed
machines and simplifications of methods, large scale a production
became possible. The following social changes also contributed to
development of industrial relations—

(a) **Education:**

Education brought the change in the attitude of labour towards
their work. They realized that work is worship and they would be
more benefited if they worked hard. They can very easily
understand what is right and what is against their interest. They
can no longer be exploited.

(b) **Change in Social Value of the Labour:**

Social values of workers affect the efficiency of worker on the job.
If a worker is given due regard in the society or by his fellow, he
will be the most contented man in the society and his efficiency
will be increased thereby large scale production and advances
means of transportation and communication have increased the
social value of labour and personnel problems have increased
thereby.

The subject is a serious attempt to analyze the various facets
and specificities in the subject of industrial jurisprudence with special
reference to disciplinary action in Indian Industry services. The basic principles of industrial jurisprudence are well stated: (i) that all labour legislation must be conceived as social legislation; (ii) that all contractual obligations should be regulated by industrial law and not by contract law; and (iii) that principles of social justice must be operative in the implementation of labour legislation its basic components being, to put it in the words of the late Chief Justice of India Dr. P.B. Gajendragadkar, 'justice, enquiry and good conscience'.

Within this precise context, it is considered that Domestic or Departmental Enquiry consists of four main stages, viz. (a) charge; (b) investigation of the charge; (c) findings; and (d) punishment and appeal.

1.2.3 Brief history of textile industry before First World War

Up to 18th century the cotton industry was a cottage industry and huge market of India attracted British Industrialists and the close associate of British Govt. who were playing major role in increasing domination of British Empire to set up textile industry. The first mill was opened in Bengal. The reason was British Govt. had good control over Bengal and secondly Bengal was already famous for cloth production. The Gluster Mill (Now known as Bowreach Cotton Mills Ltd.) was established at Ghoosery of Hawrah district for spinning locally grown cotton. This mill seems to have had a prosperous carrier, but other workers did not favor its establishment for a very long time, and
attempt could not meet with success. That event therefore stands out as an isolated one and can't be registered as foundation of present day mill industry.

Till the period Bombay was handed over to British as dowry by Portuguese which was best suitable for textile Industry due to high humidity, easy shipment facility and near to cotton growing belt of Khandesh, M.P and Berar, The mill under title of “Bombay spinning and weaving company limited” was established by MR Cawasji Nanabhai Davar in 1851 with 5000 throttle spindles. This marks the firm beginning of present day industry. In the same year enterprising merchants formed a company by adopting company system for establishing a cotton mill. This project made quick progress and the mill itself went into production in July 1854. And in the very first year the company distributed 20% dividend to its shareholders. Then another mill called as Bombay throttle mills was started in 1857. This initial success leads many wealthy trade men to promote 96 mills in Mumbai through 73 firms. The lion share was of E.D. Sasoon who has 51,900 looms, 1, 12,000 workers and a paid up capital of Rs.7.66 crores. During 1880 British had got relations with China and opened yarn market for their domestic cottage industry. This had a good impact on Indian textile industry. 30 more spinning mills came up between the periods of 1882 to 1889. And from 1860 to 1868 out of 17 mills in the country 11 mills came up in Mumbai. By 1876 there were 47 textile mills in India.
1.2.4 Textile industry at the verge of world war I and after

The First World War provided a strong stimulus to the expansion of the industry. Imports of cloth became difficult and as the war progressed there was a remarkable fall in imports. The mills, which were in existence, made enormous profits and prices of mill shares rose to fantastic heights.

It was industrial revolution, which led to the replacement of old domestic system of production by the factory system. A large number of men worked together on the machines in return for wage. This distraction the old person ties between the worker and his employee. The employer began to regard the worker as commodity and almost forget that he is human being. Later on the how throne experiments re-established the fact that the worker is just not commodity or machine but he is unique complex personality and that his behaviors in his work situation is powerfully influenced by his psychological and social needs. The management-started exploitation of the workforce in the textile industry to the extent that while working on the machines in non-protective conditions the workers used to meet with accident or due to unhygienic condition of work place they could not be regular on their work because of health problems and the workforce remained at the mercy of employer for the compensation against death while on duty, remuneration against the services rendered, accident, health problems due to unhygienic condition of workplace etc.
For a number of years the more generous employers have been in the habit of giving compensation voluntarily, but this practice by no mean general. The growing complexity of industry in this country with the increasing use of machinery and the consequent danger to workmen along with their comparative poverty rendered it advisable that they should be protected as far as possible from hardship arising from accident. The act called ‘The Workmen’s Compensation Act’ was passed in the year 1923. The act provides the cheaper and quicker disposal of disputes relating to compensation through special tribunal i.e. possible under the civil law.

After the First World War the condition of the industry improved slightly. The tariff board was appointed in 1926 to survey the whole position of the industry. The tariff board reported in 1927. It was discovered that the Indian industries were suffering because of the use of low paid labour in Japan. It was also argued that the depression in the industry was just a part of the world depression. Therefore, the board recommended large number of measures for securing the internal and external economies for the industry. The only recommendation by way of protection was that the import duty on cotton cloth should be increased from 11% to 15%. It was also recommended that the government should give subsidy on the spinning of higher counts of yarn. And also exemption from import duty was recommended in respect of textile machinery and mill stores. But these recommendations of the board were not acceptable to the Government.
The industrial revolution gave birth to the factory system and new and new scientific researches developed it. The large scale production under the factory system has increased the labour problems of unique nature and developed a new system of labour. The labour was exploited because capitalists did not regard the labour more than a commodity, which could easily be sold or bought. There were two groups - Labour and capitalist.

The trade union movement in India started rather late, though the industrialization of the country began in about 1850. The first trade union was founded by Mr. N.K. Lokhande in 1890 and was known as the Bombay Mill Hands Association. This was followed by the Amalgamated Society of Railway servants in India, 1897, the Printers' Union of Calcutta, 1905, the Madras and Calcutta Postal Trade Unions aimed at promoting welfare activities for workers, spreading literacy among them and redressing their grievances by constitutional methods. They were, however, not trade unions in the true sense of the phrase but rather social unions and they were completely free from even the most rudimentary touch of radicalism. The movement was for the workers rather than by the workers and was generally confined to the some what educated class of workers As a result it did not make much head way among those employed in the textile, mining and plantation. The leadership in the movement was provided mostly by social reformers, careerists and politicians-cum-nationalists.

The movement developed somewhat during the First World War, although it began to take roots in the country only after the end of this catastrophic conflict. Spiraling prices, the Swaraj Movement, the Russian Revolution and the setting up of the International Labour organisation— all these affected the ideas of the workers, and intensified the sense of class-consciousness among them. By 1920, there was a fairly large class of industrial employees, many of whom joined the various unions— the Indian Seamen’s Union, the Madras textile Labourers, Union, the Jamshedpur Labour Association, the G.I.P.oker’s Union, and the Colliery Employees Association of Jharia. The Ahmedabad Textile Labour Association came into being following the initiative taken for that purpose by Mahatma Gandhi.

The Government then began to take interest in the labour problems being welfare state and enacted laws to protect the interest of the labour class from exploitation of the capitalistic class. In the circumstances to protect interest of working class Govt. passed the ‘Trade Unions Act’ in the year 1926. Moreover, several labour leaders united them to take care of their own interest and trade unions are formed and developed. Today, there is hardly any industry or firm, which has not trade union, or there is hardly any worker who is not affiliated to any trade union. In modern times, the trade unions have widened their scope of activities and contributed a lot to improve the fate of the workers. Now trade unions are the main agents of collective bargaining,
which provides security of job and security from several industrial hazards. The Constitution of India confers on all citizens a fundamental right to form associations or unions. The Trade Unions Act 1926 is one of the old enactments in the field of labour laws, but it is a conservative piece of legislation. The right to form unions is thus doubly recognized in India by the Constitution of India and the Trade Unions Act, 1926.

In a Welfare State such as ours, the task effectively implementing socio-economic reforms rests with textile industry. Thus, textile workers, i.e., persons who are members of the textile industry, occupy a unique position in India. The legal position of a Government servant is more of status than of contract. The duties such status is fixed by the law and in the enforcement of these duties society has an interest. The public is, therefore vitally interested in the efficiency and integrity of textile workers.

Methods\(^2\) of wage payment in the United states were revolutionized prior to the 'scientific-management' Movement, Led by Frederick W. Taylor*, one of the first industrial engineers, the usual method of payment had been by the hour or by the day. Taylor and his followers' believed that the worker would produce more if he were given an incentive to do so. Accordingly, a worker's pay should be increased in some proportion to increased output resulting from his own extra efforts. These ideas brought about the widespread adoption of piecework and other more intricate wage-incentive systems, as well as work

\(^2\) Wages & Salary Administration - Dr Mohan Pandey & Rastogi
measurement or time study, work simplification, and other industrial engineering techniques.

Disciplinary proceedings against textile workers have, therefore, assumed great importance in recent years in ensuring a clean and efficient administration. The legal principles applicable to this branch and the procedure are followed by the textile industry.

Knowledge of Disciplinary Rules and procedures becomes forfeited with a total comprehension of allied rules on service matters, conduct, relevant constitutional guarantees and safeguards, confidential records, reduction and reversion, dismissal, removal and termination, suspension and compulsory retirement etc. The provisions relating to this subject spread over in various Acts such as:

1] The Industrial Employment (Standing Orders) Act, 1946
2] The Bombay Industrial Relations Act, 1946
3] The Industrial Disputes Act, 1947
4] Bombay Shops and Establishments Act, 1948
5] The Employees' State Insurance Act, 1948
6] The Factories Act, 1948,
8] The Contract Labour (Regulation And Abolition) Act,1970
9] The Payment of Gratuity Act, 1972,
1.3 Objectives of the Study

1.3.1 To Examine the Human Resources in different unit Mills

An organisation, whether formal or informal, large or small, is composed of people – the human resources – who come from different walks of life and who are different from one another in their walks of life and who are different from one another in their psychological make-up. Human resources consist of the total knowledge, skills, creative abilities, talents and aptitudes of an organisation’s work force, as well as the values and attitudes and beliefs of the individuals involved in it. They are the sum total of inherent abilities, acquired knowledge, and skills represented by the talents and aptitudes of the employed. The quantity and quality of human resources are modified by such environmental factors as education, training and development. With the help of acquired knowledge and talents, a human being is capable of producing new ideas, developing and improving capital goods and modifying the available physical (land) and financial (capital) resources in order to achieve greater productivity, satisfaction and the goals set by an organisation. Capital, national resources, foreign aid and international aid play an important role in economic growth;

The National Textile Corporation (Maharashtra North) Ltd. (A Govt. of India Undertaking) is having different unit mills located in Maharashtra under it’s umbrella.
The various categories of the employees working in the above mills are as under:

1] **Workers** : Highly skilled, skilled, semi skilled, non-skilled.

2] **Clerical** : Administrative nature job is being performed and the clerical grades are further classified in various grades viz. Jr. Clerk, Sr. Clerk, Chief Clerk.

3] **Technical** : Technically qualified in Spinning, Weaving, Processing, & having knowledge of administrative nature and supervising the departments with optimum utilization / production and maintaining peaceful cordial industrial relations.

4] **Managerial** : Planning, organizing, staffing, coordinating, directing and decide strategy to achieve the target.

1.3.2 To Study of Procedure of Conducting Disciplinary Proceedings in Textile Industries

In certain developing countries, and especially in India the evolutionary changes have not effected the required adjustments; and this has necessitated the providing of a legal framework for governing the relationship between the employer and the employees of a given establishment, the basis of which, perhaps, lies in a kind of consensus of minds between labour and management.

For reasons of social justice, all workmen whether they are working in a private organisation or in Government or in Public Sector Undertakings have been truanted protection through the industrial legislation
Disciplinary proceedings are conducted in all the industries including textile industry as per the rules framed by the industry concerned generally in two-stages i.e. (i) first stage inquiry and (ii) stage inquiry.

1.3.3 To Study & evaluation of Rules and Regulations

adopted by NTC(MN) Ltd., Mumbai

National Textile Corporation (Maharashtra North) Ltd. (A Govt. of India Undertaking) have three categories of employees and therefore three different type of rules & regulations relating to disciplinary proceedings are adopted as under:

<table>
<thead>
<tr>
<th>i.</th>
<th>Executives</th>
<th>Conduct Discipline &amp; Appeal Rules of NTC(MN) Ltd., 1975</th>
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<tbody>
<tr>
<td>ii.</td>
<td>Other than Operatives/ Clerical Staff</td>
<td>Model Standing Orders</td>
</tr>
<tr>
<td>iii.</td>
<td>Workers /Operatives</td>
<td>Certified Standing Orders</td>
</tr>
</tbody>
</table>

1.3.4 Critical Study of Present & Past Disciplinary Proceedings Cases

The institutions of disciplinary proceedings, a very vulnerable and unenviable task, calls for strict norms and each case not only justice must be done but it must also seen to be have been done. A punishment has to be weighted against the offence has to be corrective and constructive. In every case the right officer has to order proceedings, the right officer has to conduct enquiry; the right officer has to take
decision so that there is no charge of arbitrariness. The right of appeal has to be honored. The Government / employer cannot afford to have its proceedings or findings set aside in a court of law.

Master & Servant relationship reveals that every servant impliedly undertakes to obey the just and reasonable commands of the master. Under the contract of service, an employer is entitled to give orders to the employee not only as to the nature of work to be done, but as to the manner of its performance, and it is the duty of employee to obey all proper orders of his employer. Both the parties i.e. master & servant should follow some rules and regulations for smooth day-to-day functioning of the organisation. In absence of standardized rules governing both-employer and employee it will become jungle raj.

1.3.5 To Attend the disciplinary proceedings and evaluating the same.

A breach of duty by employee is always disapproved, such disapproval being based on the purpose, which may be governed by social values morality, justice.

Thus, determined disobedience or defiance of authority is a serious fault and constitutes a just cause for dismissal. Willful insubordination or disobedience of any lawful and reasonable orders of a superior officer, regarding work, service conditions etc. constitutes a grave misconduct under Employment Standing Orders legislation warranting dismissal of the employee. In service jurisprudence, the
Disciplinary Authority commands full control over the employees under its administrative control and jurisdiction. All above decisions are in his full discretion.

The researcher has attended few disciplinary proceedings cases, which are in progress in various unit mills of NTC (MN) Ltd. and in corporate office. As such the critical. Study of present & past disciplinary proceedings cases of NTC (MN) Ltd., and its mills is carried out.

1.3.6 To study the Problems faced by the management as well as by charged employee during the Disciplinary Proceedings

A. Labour Problems:

National Textile Corporation (Maharashtra North) Ltd. [A Govt. of India Undertaking] have hard working class i.e. unskilled unqualified, illiterate employees not aware of the consequences for act of commission and omission, code of conduct applicable to them nor they are aware of it under which they are working. Some of the officers do not follow the rules and interpret them according their will and wish.

a] Employees - In NTC (MN) Ltd., most of the employees are hard working class i.e. unskilled / unqualified / illiterate employees not aware of the consequences for act of commission & omission of code of conduct applicable to them nor they are aware of it under which they are working

b] Management - In the present scenario any organisation has to compete globalization environment of the market. They always try to minimize the production cost so that they can stand in the
market. But generally unions interfere day-to-day working of the organisation subsequently increasing the product cost. Therefore management is compelled to initiate the disciplinary action which also is again harmful to the organisation.

c] Trade Union – Most of the organizations, have the outside leaders who are politically motivated. These leaders are not aware of practical difficulties faced by the employees. To protect their own interest they instigate the employees for unlawful acts viz. strike, gheraos, agitation, abusing, manhandling which ultimately leads to disciplinary proceedings which cause loss to the organisation. In such circumstances some times it becomes the prestige issue of the leader and though employees are aware that they are wrong but still they are forced to act in wrong direction.

In some cases the management is so powerful that they do not bother of trade unions/ union representatives/ employees.

1.3.7 To Study of Court Cases

The thorough study of the decisions given by various courts viz. Tribunals, labour Commissioner, Labour Court, Industrial Court, High Court & Supreme Court relating to disciplinary proceedings cases is carried out.
1.3.8 To Study Code of Conduct supposed to be followed by employees.

National Textile Corporation (Maharashtra North) Ltd. (A Govt. of India Undertaking) consist of three types of employees i.e. Workmen, Clerical & executives governed by Standing Orders & Conduct & Discipline Rules 1974 respectively.

1.3.9 Control & Supervision of Judiciary in Departmental Disciplinary Proceedings

The Supreme Court held that “the law is well settled.” The disciplinary authority on receiving the report of inquiry officer may or may not agree with the findings recorded by the latter. In case of disagreement, the disciplinary authority has to record the reason for disagreement and then record his own findings if the evidence available on record were sufficient for such exercise or else to remit the case to the inquiry officer for further inquiry report. Strict rules of evidence are not applicable for departmental inquiry proceedings. The only requirement of the law is that the allegation against the delinquent officer must be established by such evidence acting upon which a responsible person acting reasonably and with objectivity may arrive at a finding of upholding the gravemen of the charge against delinquent officer. The court exercising the jurisdiction of judicial review cannot not interfere with the findings of the fact arrived at in the departmental inquiry proceedings excepting in a case of malafide or perversity i.e.
where there is no evidence to support the findings or where a finding is such a that no man acting reasonably with objectivity could have arrived at that finding. The court cannot embark upon re-appreciating the evidence or weighting the same like an appellate authority.

1.3.10 To suggest appropriate Remedy Measures

The Govt. of India as a whole and partially as National Textile Corporation is a super employer in charge of the largest community of employees of all types i.e. Ministerial, Supervisory, Executive and Managerial. National Textile Corporation, being a cotton industry, employed different categories of the employees i.e. workers, clerical, technical, supervisory, managerial and director level. As a model employer National Textile Corporation has to observe all the laws of the land in dealing with employee's right from their recruitment to retirement. And they have to be treated differently from the private sector. Because National Textile Corporation Ltd. (A Govt. of India Undertaking) has the moral responsibility towards the public with whom they come into the contact in their public dealings.

Disciplinary authority should act as quasi-judicial authority and take suitable decision while applying his own mind based on documentary evidence and inquiry reports placed before him. Even if he do not agree with the report of inquiry authority he may use his own decreptive power or may order for conducting another inquiry proceedings by appointing another inquiry officer if he is not satisfied with the inquiry proceedings.
1.4 Study Area

1.4.1 Formation of National Textile Corporation

(North Maharashtra)

After the formation of National Textile Corporation Ltd. (A Govt. of India Undertaking) on 01.04.74 the N.T.C. Ltd. has divided its Mills in 9 subsidiaries for proper control and communication and kept 5 mills under its direct control. Since Maharashtra is biggest center of textiles, having highest number of textile units under NTC Ltd.. Therefore for better control 2 subsidiaries are established

1. National Textile Corporation – Maharashtra North
2. National Textile Corporation – Maharashtra South

NTC-Maharashtra North-Subsidiary started functioning with the eleven mills; and its registered office is at NTC House-15 N.M. Marg, Ballard Estate, Mumbai- 400001.

All the mills were under the control of the authorized controller before taking over by the NTC Ltd.. Fortunately after the taking over it was boom period and the performance of these mills were not bad for few years. But later on from 1980 onwards the losses increased in spite of partial modernization and workload fixation.

In the year 1982 due to mass strike called by Maharashtra Girni Kamgar Union led by Lt. Dr. Datta Samant in Bombay along with NTC Mills many other running private textile mills also became sick and Government of India had take over following such mills to protect the interest of the employees.
Table 1.1

<table>
<thead>
<tr>
<th>S.No</th>
<th>Name of Mills</th>
<th>Location</th>
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<tbody>
<tr>
<td>1</td>
<td>Tata Mills</td>
<td>Mumbai</td>
</tr>
<tr>
<td>2</td>
<td>Kohinoor Mills No 1</td>
<td>&quot;</td>
</tr>
<tr>
<td>3</td>
<td>Kohinoor Mills No 2</td>
<td>&quot;</td>
</tr>
<tr>
<td>4</td>
<td>Kohinoor Mills No 3</td>
<td>&quot;</td>
</tr>
<tr>
<td>5</td>
<td>Sitaram Mills</td>
<td>&quot;</td>
</tr>
<tr>
<td>6</td>
<td>Jam Mills</td>
<td>&quot;</td>
</tr>
<tr>
<td>7</td>
<td>Podar Mills</td>
<td>&quot;</td>
</tr>
</tbody>
</table>

Thus the number of National Textile Corporation (MN) Ltd. (A Govt. of India Undertaking) mills rose to 18 in the year 1996.

Table 1.2

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Mills</th>
<th>Location</th>
<th>District</th>
<th>Year Of Estb.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India United Mills No. 1</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1893</td>
</tr>
<tr>
<td>2</td>
<td>India United Mills No. 2*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1868</td>
</tr>
<tr>
<td>3</td>
<td>India United Mills No. 3*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1882</td>
</tr>
<tr>
<td>4</td>
<td>India United Mills No. 4*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1888</td>
</tr>
<tr>
<td>5</td>
<td>India United Mills No. 5</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1888</td>
</tr>
<tr>
<td>6</td>
<td>India United Mills No. 6</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1895</td>
</tr>
<tr>
<td>7</td>
<td>Tata Mills</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1910</td>
</tr>
<tr>
<td>8</td>
<td>Kohinoor Mills 1*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1896</td>
</tr>
<tr>
<td>9</td>
<td>Kohinoor Mills 2*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1896</td>
</tr>
<tr>
<td>10</td>
<td>Kohinoor Mills 3*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1896</td>
</tr>
<tr>
<td>11</td>
<td>Podar Mills</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1892</td>
</tr>
<tr>
<td>12</td>
<td>Sitaram Mills*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1875</td>
</tr>
<tr>
<td>13</td>
<td>Jam Mills*</td>
<td>Mumbai</td>
<td>Mumbai</td>
<td>1908</td>
</tr>
<tr>
<td>14</td>
<td>Model Mills*</td>
<td>Nagpur</td>
<td>Nagpur</td>
<td>1892</td>
</tr>
<tr>
<td>15</td>
<td>R.S.R.G.*</td>
<td>Akola</td>
<td>Akola</td>
<td>1903</td>
</tr>
<tr>
<td>16</td>
<td>Savatram</td>
<td>Akola</td>
<td>Akola</td>
<td>1885</td>
</tr>
<tr>
<td>17</td>
<td>R.B.B.A Mills</td>
<td>Hinganghat</td>
<td>Wardha</td>
<td>1912</td>
</tr>
<tr>
<td>18</td>
<td>Vidarbha Mills*</td>
<td>Achalpur</td>
<td>Amravati</td>
<td>1927</td>
</tr>
</tbody>
</table>

*These mills are closed in the year 2004-05 while giving the benefit of Modified Voluntary Retirement Scheme to the employees.