ANNEXURE
Mr. A. K. Srivastava  
Labour Officer,  
Lal Imli Mills, Kanpur  

QUESTIONNAIRE

Q. 1. What is Voluntary Retirement Scheme (V.R.S.) ?
Q. 2. Is it really successful in Lal Imli Mills ?
Q. 3. How many workers have opted for this scheme ?
Q. 4. Why management and trade unions are not able to induce discipline in labour ?
Q. 5. Why work culture has deteriorated in Lal Imli ?
Q. 6. Is conciliation machinery of State Government and officers of Lal Imli successful in solving labour disputes ?
Q. 7. What were the recommendations of Pandey Award ?
Q. 8. What is the role of C.I.T.U. regarding the industrial relations in Lal Imli ?
Q. 9. What is the role of floor level committees in solving labour disputes?
Q. 10. What steps were taken by management to solve industrial disputes?
Q. 11. Please tell about the position of the scheme of workers participation in Lal Imli ?
Q. 12. Was this scheme has been given importance in BIC ?
Q. 13. Why worker's representative now are not able to create appointed create interaction between labour and management ?
Q. 14. Is there any government policy regarding recognition of trade unions?
Q. 15. Are the concepts "one industry one union" or "one factory one union" applicable in Lal Imli ?
Q. 16. What is the basis of recognition of trade unions in Lal Imli ?
Q. 17. Why in early stages formal recognition was not given to any trade union in Lal Imli?

Q. 18. How multi-union system has harmed the mills?

Q. 19. Do the workers in Lal Imli get wages equivalent to other textile centres?

Q. 20. Why there is no common labour policy in the country?

Q. 21. Mill management is not able to establish link with workers due to multiplicity of unions. Do they have adopted any other means?

Q. 22. Is establishment of floor level committees successful?

Q. 23. Apart from multiplicity, are there any other reason for failure of trade unions in Lal Imli?

Q. 24. What are the main areas of activities of trade unions in Lal Imli?

Q. 25. Why inspite of producing eminent labour leaders of national repute disputes in Lal Imli are confined only to these two area?

Q. 26. Why trade unions are not able to work for overall betterment of the mill?

Q. 27. Why trade unions were not able to keep their promise of rationalisation of work load?

Q. 28. Do trade unions adhere to national policies?
Mr. S. Mitra,
Retired General Manager,
Lal Imli Mills, Kanpur.

**QUESTIONNAIRE**

Q. 1. Will you please throw some light on various local issues of Lal Imli?

Q. 2. As you said that there had been a separate wage structure in Lal Imli, was any demand raised by the union leaders to bring it at par with other central government undertakings?

Q. 3. Please tells something about Raj Mangal Pandey Award?

Q. 4. Why workers hesitated to accept it?

Q. 5. Give me some idea of another local issue which was regarding the demand for payment of house rent allowance to those workers who were not provided accommodation by the mill.

Q. 6. Please tell about the strike which took place in 1971 regarding the demand for increase in percentage of bonus?

Q. 7. Was there any other local issue?

Q. 8. Will you kindly tell me about the strikes which were staged between the years 1983-89?
Mr. P. C. Jain  
Retired Secretary,  
BIC Limited, Kanpur

**QUESTIONNAIRE**

Q. 1. Who administers the affairs of labour-Central or State Government?

Q. 2. When did the Central Government and other financial institutions acquired financial interest in BIC Limited?

Q. 3. Did the Central Government, at any time regulate the labour policies of BIC Limited?

Q. 4. What is the role of the State Government in this regard?

Q. 5. Are you satisfied with the role played by the State Government?

Q. 6. Please tell some thing about the rehabilitation plan made by the management of BIC Limited and members of International Wool Sectariate.
Mr. T. N. Srivastava,
Retired General Manager,
Lal Imli Mills, Kanpur

QUESTIONNAIRE

Q. 1. Was there any labour problem just after nationalisation?
Q. 2. What was the reason of strike staged in 1981-82.
Q. 3. What were the causes of strike in May 1983?
Q. 4. What was the role of trade unions in this strike?
Q. 5. How management tackled the situation?
Mrs. Subhashini Ali, Trade Union Leader CITU.
Mr. R. K. Rawat, Trade Union Leader Textile Mazdoor Union.
Mr. Vimal Mehrotra, Trade Union Leader, INTUC.
Mr. Dwarika Prasad, Trade Union Leader BMS.
Mr. M. Y. Rehman, Trade Union Leader Suti Mill Mazdoor Sabha.

QUESTIONNAIRE

Q. 1. Is there any government policy regarding recognition of trade unions?
Q. 2. The concept of 'one industry one union' is applicable to Lal Imli or not.
Q. 3. What about the concept of 'one factory one union'?
Q. 4. What is the basis of recognition of trade unions in Lal Imli?
Q. 5. Why in early stages no formal recognition to any trade union was given in Lal Imli?
Q. 6. How multi-union system has harmed the mills?
Q. 7. Do the labourers in Lal Imli get wages equivalent to other centres?
Q. 8. Do trade unions adhere to national policies?
Q. 9. Why there is no common policy for labour in the country?
Q. 10. As you said that mill management is not able to establish link with the labour due to multiplicity of trade unions. Do they have adopted any other measure?
Q. 11. Is establishment of floor level committees successful?
Q. 12. Apart from multiplicity, are there any other reason for failure of trade union in Lal Imli?
Q. 13. What are the main areas of activities of trade unions in Lal Imli?

Q. 14. Why inspite of producing eminent labour leaders of national repute, the disputes in Lal Imli confined only to these two areas?

Q. 15. Why trade unions are not able to work for overall betterment of the mill?

Q. 16. Why trade unions were not able to keep their promise of rationalisation of work load?
ANNEXURE-VI.

Mr. A Dubey
Chief Labour Officer,
Employers Association of Northern India (ENI), Kanpur.

QUESTIONNAIRE

Q. 1. Please tell about the various employer's federations in India?
Q. 2. What are the main functions of employer's federations?
Q. 3. What is the role of these federations as far as Kanpur is concerned?
Q. 4. What is the role of Employers Association of Northern India in industrial relations?
Q. 5. Is it really successful in solving labour disputes?
Q. 6. What is the present position of E.N.I.?
ANNEXURE-VII.

(Late) Shri Jamuna Prasad Dixit
Union Leader - INTUC

QUESTIONNAIRE

Q. 1. When for the first time a worker director was appointed in BIC?
Q. 2. Was this step taken by other units in Kanpur?
Q. 3. What was the procedure of appointment, adhocism or election?
Q. 4. Was appointment of labour director in other subsidiaries of BIC helped to solve disputes in BIC?
Q. 5. What role was played by (Late) Shri Surya Prasad Awasthi as a labour director?
Q. 6. Did government appoint any worker director in BIC?
Q. 7. What were the benefits after appointing a worker director in BIC?
Q. 8. What was the role of Mr. Ram Nagina Mishra?
Q. 9. Please tell when trade unions made their appearance in Lal Imli?
Q. 10. What are the specific political ideologies which these unions represent?
Q. 11. To which extent the development of trade unions in Lal Imli was helpful to solve labour disputes?
Mr. S. L. Bhagat  
Retired Labour Officer  
Lal Imli Mills, Kanpur

QUESTIONNAIRE

Q. 1. Mr. Bhagat can you tell me when the trade unions made their appearance in Lal Imli?

Q. 2. What are the specific political ideologies which these unions represent?

Q. 3. To what extent the development of trade unions in Lal Imli was in line with the national scenario?
ANNEXURE-IX

Mr. R. K. Pandey,
Labour Welfare Officer.
Lal Imli Mills, Kanpur.

QUESTIONNAIRE

Q. 1. Please tell about the various welfare facilities given to workers.
Q. 2. Do workers get washing facilities?
Q. 3. Are they satisfied with it?
Q. 4. What facilities are given to workers for storing and drying clothes?
Q. 5. Are workers allowed to sit and work?
Q. 6. Is there sufficient provision in the mill regarding this?
Q. 7. What provisions are their in the mill for first aid?
Q. 8. Do workers actually get its advantage?
Q. 9. Is there any dispensary?
Q. 10. What is the position of dispensary in the mill settlement?
Q. 11. Is there any canteen in the mill?
Q. 12. What is the present position of canteen?
Q. 13. Do you take any action when proper food stuff is not provided by the licensee?
Q. 14. Is their any rest room for workers?
Q. 15. Please tell something about sports activities?
Q. 16. Has management taken any care for workers education?
Q. 17. What is the present state of school in McRobert's Ganj Colony?
Q. 18. Is there any arrangement for celebration of festivals in the mills?
Q. 19. Is there any welfare fund?
Q. 20. Are workers satisfied with the present state of amenities?
Q. 21. What is your opinion regarding this?
Q. 22. Do workers have job satisfaction?

Q. 23. What Lal Imli Management has done to increase the level of job satisfaction in the mill?

Q. 24. What is the impact of the facilities given to workers to increase job satisfaction?

Q. 25. Can you suggest other measures to improve level of job satisfaction.

Q. 26. What is the present position in this regard?
ANNEXURE-X.

Mr. Tulsi Ram,
Mr. Ram Naresh,
Mr. Chhote Lal,
Mr. Roop Singh,
Mr. Shiv Kumar
Mr. Jagdish Prasad and
Workers of Lal Imli Mills, Kanpur

QUESTIONNAIRE

Q. 1. What welfare facilities are provide by the mill?
Q. 2. Do you get any facility to wash your cloths which become dirty in manufacturing process in the factory itself?
Q. 3. Are you satisfied with the present state of this facility?
Q. 4. Do you get any facility to keep your clothes which are not worn during the working hours?
Q. 5. Do you get any facility for drying your clothes?
Q. 6. Are you allowed to sit and work?
Q. 7. Is there sufficient provision for this?
Q. 8. Do you get first aid facility?
Q. 9. Is there any other provision for medical treatment?
Q. 10. Is there any canteen?
Q. 11. Do you get free refreshments?
Q. 12. Where do you eat your lunch?
Q. 13. Is there any rest room for you?
Q. 14. Do you take active interest in sports?
Q. 15. Is there any facility for education?
Q. 16. Where do your children study?
Q. 17. Why not in the school run by the management?
Q. 18. Is there any arrangement for celebration of festivals in the mill?
Q. 19. Is there any welfare fund?
Q. 20. Do you contribute in this fund?
Q. 21. Are you satisfied with what you are getting?
Q. 22. Do you have job satisfaction?
Q. 23. What the management has done to increase the level of job satisfaction?
Q. 24. What is its impact?
Q. 25. Can you suggest something in this regard?
SCALES OF PAY
ADMISSIBLE TO RESPECTIVE POSITIONS
IN THE LAL IMILI MILL, KANPUR

   Rs. 220-25-470-EB-30-800.

2. Section Leader, Finished Cloth Examiner, Sulzer Cloth Examiner.


4. Senior Mistry, Exam. Mistry, Examiner, Ist. Cl. Boiler Attendants,
   Motor Mechanics, Perchers, Die & Punch Maker, Senior Pin Setter,
   Checker & Watch Repairer.


6. Weaving Mistryes.
   Rs. 130-7-193-8-281-EB-10-331-EB-386-18-446.

7. Electrician.
   Rs. 115-4-135-5-160-6-190-EB-7-225-8-265.

8. Subedar.
   Rs. 140-8-204-EB-10-284-12-344.

   Rs. 113-7.50-173-EB-9-245-11-300.

10. Havildar.
    Rs. 106-6-154-EB-8-128-10-268.

11. Naiks & Head Sweeper.
    Rs. 98-6-146-EB-7.50-191-9-245.
12. **Dressers, Shop Attendant, Motor Mechanics, Dye Weighmen, Weighman, Nurse, Daftaries, Card Checkers.**

Rs. 95-6-131-EB-8-195-10-275.


Rs. 92-6-152-EB-6.50-217.

**High Cost Allowance payable to Clerical Staff only.**

- **Upto basic salary**
  - Rs. 145/-
  - Rs. 7.50 p.m.

- **From salary Rs. 146/- to Rs. 245/-**
  - Rs. 2.50 p.m.

- **From salary Rs. 246/- to Rs. 345/-**
  - Rs. 22.50 p.m.

- **Above salary to Rs. 345/-**
  - Rs. 25.00 p.m.
Ref. No

Shri Inder Kumar Gujral,
The Hon'ble Prime Minister of India,
South Block,
New Delhi.

Respected Prime Minister,

Re: British Indra Corporation Ltd. and its subsidiaries.

As your honour is no doubt aware, the British Indra Corporation Ltd., a Government Company, owning premier woollen mills like Lalimili and Dhariwal, was at one time a leading industrial group of northern India. Having been associated with the said Company in responsible capacities for almost about 3 decades and having seen its most glorious period, I feel anguish to see a news item in the newspapers that the BIFR has recommended the winding up of the BIC Ltd. as well as its two subsidiaries namely the Elgin Mills Co. Ltd. and the Cawnpore Textiles Ltd.

It may kindly be recalled that the BIC Ltd. was taken over by the Central Government on 11-6-1981 because of two reasons namely the need for modernising the woollen units which required large funds and to provide it an efficient management. The nationalisation was done through an Act of the Parliament by which the entire private shares stood vested and transferred to the Central Government.

During the last 5 years before the date of nationalisation the woollen mills were running with a capacity utilisation ranging between 85% to 65%. The Over-Draft in the Cash Credit Account of the State Bank of India, Company's bankers, ranged between 7 crores to 10 crores during this period. As on today, after the Government
and the financial institutions having inducted about Rs. 40 crores in the modernisation of these units and after sinking about Rs. 300 crores by way of reimbursement of losses, these units are running hardly at 10 to 15% capacity utilisation. The over draft with the State Bank of India has risen to about Rs. 110 crores. It is apparent that the affairs of these companies have taken a sharp decline during the control of the Government and its appointed Board of Directors. It will not be out of place to mention that during the last one decade, other woollen mills in the country have earned sizeable profits. Is it not strange that these two woollen mills, with most modern technology and machines and after induction of such a huge amount of public funds, have now reached to the brink of closure? In my opinion the administrative ministry and the Board of Directors appointed by the said ministry are fully to be blamed for the present state of affairs. Some of the instances of mis-management are being quoted for your honour's information.

1. The Ministry of Textile has not been able to give even a stable management to the BIC. The post of the Chairman-cum-Managing Director has been lying vacant due to obvious clash of interest between the bureaucracy and the political heads of the ministry. For the last 2 years and even before that a Joint Secretary has been holding the concurrent charge and has been looking after the job from Delhi. The Government has been constituting the Board only by invoking Sec. 4 of the BIC (Acquisition of Shares) Act, 1981. The power given under this Section was intended to meet any emergent situation but the Government made it a regular practice to invoke the Section.

2. It is a matter of surprise as to the type of people who have been brought on the boards of these companies. A perusal of their qualification, experience, credentials and the role played by them in directing the affairs of these companies would reveal that it is probably the political consideration which has weighed in the matter of their selection. Can such people be really entrusted with the sensitive job of corporate governance?

3. The theory of adhocism has not only pervaded in the
constitution of Boards but had also engulfed the executive positions also. Can you imagine Sir, that a General Manager (Marketing) of the BIC Ltd. is simultaneously holding the charge of the post of Director Incharge of Elgin Mills, Occupier of the two factorics of Elgin Mills. In the parlance of the Companies Act, Director Incharge means the Managing Director. Such instances in the BIC are many. Your honour will appreciate that such an adhocism at the level of the senior executive positions is bound to create chaos and mismanagement.

4. As I submitted earlier, the Government of India and the financial institutions invested about Rs. 40 crores in the modernisation of the two woollen mills. Was it done with a proper planning? I submit that the modernisation is a double edged weapon, which, depending on the related circumstances, can bring the prosperity to the unit or may kill it. While deploying Rs. 40 crores, the additional financial burden in terms of interest and repayment fell on the Company was Rs. 8 crores per annum. This additional profit could be generated only by augmenting high value added products and a strong marketing base. The Ministry and the Board of Directors failed to strengthen these two areas and on the contrary destroyed even the existing facilities.

5. The BIC management has completely ruined the work culture of these mills by making the workers to sit idle almost for the last 10 years and paying them their wages without work. Both the mills of Elgin are closed, Lalimili and Dhariwal are running at about 15% capacity, it will be a hard task to restore the work culture in these mills. This can only be done by a committed management which is inspired to rehabilitate these units.

6. The Board of Directors of the BIC and the two subsidiaries have been guilty of committing serious breaches of law. Time and again I have been writing to them about siphoning of funds, irregularities /s 370 of the Companies Act 1956 and also certain alleged offences touching the Penal provisions under the Indian Penal Code. Your honour will perhaps be surprised to learn that the
BIC has withheld Rs. 1.04 crores of its subsidiary the Cawnpore Textiles Ltd. for the last 7 years without even paying the interest on this amount. Needless to say that this is an offence under the provisions of the Companies Act. The Directors and the Government has not even considered necessary to acknowledge my letters on these matters.

7. Under the banner of the Central Government and its appointed Board of Directors, the corruption has been rampant at various levels in the BIC. I learnt that several vigilance enquiries are pending but the concerned officers have been allowed to retire and have been paid their full retiral benefits.

An open enquiry into the role played by the Board of Directors, the administrative ministry and the senior officers is bound to substantiate the above charges. In the interest of this Corporation which I served for such a long time, I am quite prepared to bring for all the facts. Under such conditions how can these thousands of workers and staff and lacs of their family members be made to suffer by the closure of these units. What is their fault after all that they are being thrown out of employment? If not legal, a moral issue is certainly involved in this matter. They certainly expect justice from a person of your standing and understanding, who is known for keeping up the human values in private and public life.

The question arises whether these companies are really sick and deserved to be closed down. My submission is that a Company like Cawnpore Textiles which had a brilliant record on earning profits in northern India and which is still capable of taking care of itself, cannot be closed down. A close study of the financial position of this Company would reveal that the Government and Company's management have misled the BIFR and AAIPIR. This Company is to recover large amount from BIC and Elgin which were clandestinely transferred from this Company by the Government Directors. In all fairness this amount should be returned back to the Company by the Government.
BIC had agreed to sell 4,00,000 yrs. of land along with building to the Tannery & Footwear Corporation of India in the year 1969. The final transaction took place and this whole land which is valued at Rs.200 crores, still belongs to the BIC. I understand that BIFR has already recommended the winding up of TARCO. I had written to the Secretary, Ministry of Textiles drawing his attention to this fact and requesting him to include this property in the rehabilitation plan of the BIC. I learnt that it has not been done. Besides this BIC has large surplus land and buildings which if sold in the open market will fetch not less than Rs.200 crores. With the surplus assets amounting to between Rs.400 to 500 crores can BIC be deemed as sick.? I submit that for the reasons best known to the Ministry and the higher management of the BIC, the case of the BIC has not been put properly to the BIFR and no serious attempt has been made to rehabilitate this viable company.

Sir, you will agree with me that the Government has completely failed in running the BIC and its subsidiaries. The next alternative is that the Government should take over complete responsibility for the payment of liabilities which it has incurred during its regime. It will be against equity and natural justice to force this liability caused by mismanagement of the Government on the Company. There are three alternatives:

1) Without the above liabilities the executives and the workers may be offered to manage the Company subject to the condition that they will also put some token stake in the Company from their retirement benefits and would assure a professional management with full accountability.

2) In case the workers and the staff are not prepared to take up the responsibility, the Company may be offered for management to the previous share holders against their furnishing proper guarantees.

3) As a last resort, it should be given to some progressing industrial houses subject to their offering suitable guarantee and assurances.

I am writing this letter not with any personal motive but only with one motivation that a large industrial complex like BIC, which is fully viable should not be allowed to be closed
down, which will throw thousands of people unemployed. Needless to say that the crime graph of Kanpur city has already gone up and with this massive unemployment, the conditions may become very difficult. As a resident of this city, I am requesting you to intervene into the matter and give justice to this city and to these thousands of workers.

With love, 23 Jan -

Yours faithfully,

P. C. JAIN