ANNEXURE - 1

RECOMMENDATIONS OF RAJINDER SACHAR COMMITTEE
(1978)

The committee while recommending workers' participation at the highest level i.e. Board of Management, suns up as under -

(1) Workers' participation at the Board level is recommended. This would apply both to Government and non-Government companies.

(2) Every company proposed to be covered under the scheme of workers participation recommended by the committee should arrange to hold. A secret ballot in which all workmen who have been in service of the company for six months would participate to decide whether or not to have workers participation.

(3) Decision regarding the proportion of worker directors on the Board requires detailed consultation with companies unions and workers representatives be made.

(4) The method of nomination for elections is to be made by workers directly.

(5) Arrangements should be made for the casting of votes by all the workmen conveniently.
(6) The choice of the workers director will be only from amongst the workmen belonging to the company.

(7) The tenure of a worker director would be for a period of three years.

(8) Vacancies in the office of the workers directors will be treated as casual vacancies and will be filled with the approval of the other sitting worker directors.

(9) No distinction will be made between a holding and subsidiary company.

(10) In order to ensure effective participation by workers representatives at the Board level, Section 292 should be amended.

(11) For proper performance of their duties, the workers directors should be imparted training and be made familiar with subjects like commercial law Elements of Accountancy.

(12) The Committee is hopeful that the participation of workmen at the top management level in a company will lead to greater industrial harmony and mutual trust and genuine endeavour by both to work in the larger interests of the economy and welfare of the country.
PARTICIPATION OF WORKERS IN MANAGEMENT BILL, 1990
(BILL NO. XXVIII OF 1990)
(As Introduced in Rajya Sabha on 30th May, 1990)

A bill to make provisions for the participation of workers in the management of undertakings, establishments or other organizations engaged in any industry and to provide for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Forty-first Year of the Republic of India as follows:

1. Short title, extent and commencement:

   (1) This Act may be called the Participation of Workers in Management Act, 1990.

   (2) It extends to the whole of India.

   (3) It shall come into force on such date as the Central Government may, after giving not less than three months' notice its intention so to do, by notification, appoint and different dates may be appointed for different provisions of this Act and for different classes of industrial establishments.

2. Definitions: In this Act, unless the context otherwise requires-

   (a) "Appropriate Government" means -
(i) In relation to an industrial establishment;

1) In respect of which the appropriate Government under the Industrial Disputes Act, 1947 (14 of 1947), is the Central Government.

2) Carried on by a company in which not less than fifty-one percent of the paid-up share capital is held by the Central Government.

3) Owned by a body corporate having industrial establishment in more than one State, the Central Government, and

(ii) In relation to any other industrial establishment, the Government of the State in which that other establishment is situated;

(b) "Board of Management", by whatever name called, means a body which is entitled to exercise all or any of such powers and to do all or any of such acts and things as the body corporate is authorized, by law under which it is incorporated, to exercise and do in relation to the industrial establishment or establishment owned by it;

(c) "Council" means a Shop Floor Council or an Establishment Council constituted under Section 4;

(d) "Notification" means a notification published in the Official Gazette;
"Other Worker" means a worker other than a workman;

"Prescribed" means prescribed by rules made by the appropriate Government;

"Scheme" means a scheme framed under section 3;

"Shop Floor" means a unit of an industrial establishment where any activity severable from other activities is carried out at a single place or contiguous places;

"Worker" means any person employed in any industrial establishment to do any manual, unskilled, skilled, technical, operational, clerical, supervisory, managerial or administrative work for hire or reward, whether the terms of employment be express or implied, but does not include any such person -

(1) Who is subject to the Air Force Act, 1950 (45 of 1950), or the Army Act, 1950 (46 of 1950), or the Navy Act, 1957 (62 of 1957); or

(2) Who is employed in the police service or as an officer or other employees of a prison;

"Workman" means any worker but does not include any such worker -

(1) Who is employed mainly in a managerial or administrative capacity, or
(2) Who, being employed in a supervisory or administrative capacity, draws wages exceeding rupees one thousand six hundred per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers to them in that Act.

(k) Words and expressions used but not defined in this Act and defined in the Industrial Disputes Act, 1947 (14 of 1947), shall have the meaning respectively assigned to them in that Act.

3. Participation of Workers in Management Schemes - The Central Government may, by notification frame one or more schemes for giving effect to the provisions of this Act.

4. Constitution of Council -

(1) There shall be constituted in every industrial establishment one or more Councils at the shop floor level and a Council at the establishment level in accordance with the provisions of the Scheme.

(2) Notwithstanding anything contained in sub-section (1), Councils at the shop floor level shall not be constituted in an industrial establishment having only one shop floor.

(3) Each Council at the shop floor level (hereinafter in this Act referred to as the "Establishment Council") shall
consist of equal number of persons to represent the employer and the workmen.

(4) The appropriate Government shall, in consultation with the employer and after taking into account the following factors, namely -

(a) Total number of workmen in the shop floor or industrial establishment;

(b) Total number of representative of the employer including the other workers in the shop floor or establishment;

(c) The number of levels of authority in the shop floor or establishment;

(d) The number of shop floors in an establishment; and

(e) Such other factors as may be specified in the Scheme, determine the number of persons who shall represent the employer and the workmen in a Council.

(5) The persons to represent the employer shall be nominated by the employer in such manner as may be specified in the Scheme.

(6) The persons to represent the workmen shall be elected by, and form amongst, the workmen of the industrial
establishment, by secret ballot or nominated by the registered trade unions, in accordance with the Scheme.

Provided that a person representing the workmen shall ceases to be a member of the Council when he ceases to be workman in that industrial establishment and the vacancy so caused shall be filled in such manner as may be specified in the Scheme.

(7) The chairperson of each Shop Floor Council and Establishment Council shall be chosen by, and from amongst the members thereof.

(8) The term of office of the members of each Council shall be three years from the date of the constitution of the Council.

(9) The procedure to be followed in the discharge of their functions by, and the manner of filling vacancies amongst, the chairpersons and other members of the Councils shall be such as may be specified in the Scheme.

(10) The Shop Floor Council and Establishment Council shall meet as and when necessary but not less than four meetings of a Council shall be held every year.

(11) Every Council shall conduct its business in such manner as may be specified in the Scheme:
Provided that in a case where a matter under consideration is beyond the jurisdiction of -

(a) A shop Floor Council, the said matter shall be referred to the establishment Council;

(b) An Establishment Council in relation to a body corporate, the said matter shall be referred to the Board of Management;

Provided further that in a case where the representatives of the employer and the representatives of workmen fail to agree on any matter, such matter shall be referred to the employer for decision.

5. **Powers and Functions of Councils** -

(1) A Shop Floor Council shall exercise such powers and perform such functions as it may deem necessary in relation to the matters specified in Schedule I.

(2) An Establishment Council shall exercise such powers and perform such functions as it may deem necessary in relation to the matters specified in Schedule II.

Provided that where no Shop Floor Council is constituted the Establishment Council shall exercise such powers and perform such functions as it may deem necessary in relation to the matters specified in Schedule I also.
6. **Board of Management**

(1) Notwithstanding anything contained in any other law for the time being in force, the Board of Management of every body corporate owning an industrial establishment or establishments shall include persons to represent workmen and other workers employed in that establishment or those establishments and the persons representing the workmen shall constitute thirteen per cent and the person representing other workers shall constitute twelve per cent of the total strength of such Board of Management.

Provided that in case of a fraction of a number, such number shall be rounded off to the nearest whole number and, for this purpose, where such fraction is one-half or more, it shall be increased by a whole number and if such fraction is less than one-half, it shall be ignored.

Provided further that where the total strength of the Board of Management is not sufficient for giving representation to any workman, the Board of Management shall include in at least one such person.

(2) The persons to represent the other workers shall be elected by, and from amongst, the other workers of the industrial establishment or establishments, by secret ballot, in accordance with the Scheme.
(3) The persons to represent the workmen shall be elected by, and from amongst, the workmen of the industrial establishments, by secret ballot, or nominated by the registered trade unions, in accordance with the Scheme.

(4) The term of office of the representatives of the workers shall be three years from the constitution of the Board of Management.

Provided that a person representing the workmen or, as the case may be, other workers shall cease to be representative on the Board of Management when he ceases to be a workman or other worker in an industrial establishment owned by the body corporate and the vacancy so caused shall be filled in such manner as may be specified in the Scheme.

(5) For the removal of doubts, it is hereby declared that every representative of the workers shall exercise all the powers and discharge all the functions of a member of the Board of Management and shall be entitled to vote.

(6) The Board of Management shall review the functioning of each Shop Floor Council and the Establishment Council of the industrial establishment or establishments concerned.
## ANNEXURE-III

### Working Co-operative Sugar Mills in U.P.

<table>
<thead>
<tr>
<th>Zone</th>
<th>Name of the Mill</th>
<th>Distt.</th>
<th>First Crushing Year</th>
<th>Present Crushing Capacity (T.C.D.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Zone</td>
<td>Kisan Sahkari Chini Mills Ltd. Baghpat</td>
<td>Baghpat</td>
<td>1960-61</td>
<td>2,500</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Sarsawa</td>
<td>Saharanpur</td>
<td>1661-62</td>
<td>2,750</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Anup Shaker</td>
<td>Bull and Shaber</td>
<td>1977-78</td>
<td>2,500</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Ramala</td>
<td>Baghpat</td>
<td>1978-79</td>
<td>2,750</td>
</tr>
<tr>
<td></td>
<td>Ganga Kisan Sahkari Mills Ltd. Morna</td>
<td>Muzaffar Nagar</td>
<td>1984-85</td>
<td>2,500</td>
</tr>
<tr>
<td>Central Zone</td>
<td>Kisan Sahkari Chini Mills Ltd. Majhola</td>
<td>Pilibhit</td>
<td>1965-66</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Kaimganj</td>
<td>Farrukhabad</td>
<td>1975-76</td>
<td>1,250</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Satha</td>
<td>Aligarh</td>
<td>1976-77</td>
<td>1,250</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Beesalpur</td>
<td>Pilibhit</td>
<td>1977-78</td>
<td>2,750</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Bilaspur</td>
<td>Rampur</td>
<td>1977-78</td>
<td>2,550</td>
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<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Budayun</td>
<td>Budayun</td>
<td>1977-78</td>
<td>1,250</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Belrayun</td>
<td>Khiri</td>
<td>1980-81</td>
<td>5,000</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Tilhar</td>
<td>Shahjahanpur</td>
<td>1980-81</td>
<td>2,500</td>
</tr>
<tr>
<td></td>
<td>Kisan Sahkari Chini Mills Ltd. Gajraula</td>
<td>Jyotibaphule</td>
<td>1983-84</td>
<td>2,500</td>
</tr>
<tr>
<td>No.</td>
<td>Kisan Sahkari Chini Mills Ltd.</td>
<td>Mills Ltd.</td>
<td>Year</td>
<td>Production (m)</td>
</tr>
<tr>
<td>-----</td>
<td>-------------------------------</td>
<td>------------</td>
<td>------</td>
<td>----------------</td>
</tr>
<tr>
<td>1.</td>
<td>Kisan Sahkari Chini Mills Ltd. Aurai</td>
<td>Sant Kabir Nagar</td>
<td>1971-72</td>
<td>1,250</td>
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<tr>
<td>2.</td>
<td>Kisan Sahkari Chini Mills Ltd. Rasra</td>
<td>Ballia</td>
<td>1975-76</td>
<td>1,250</td>
</tr>
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<td>3.</td>
<td>Kisan Sahkari Chini Mills Ltd. Sathiyao</td>
<td>Azamgarh</td>
<td>1975-76</td>
<td>1,250</td>
</tr>
<tr>
<td>5.</td>
<td>Kisan Sahkari Chini Mills Ltd. Sultanpur</td>
<td>Sultanpur</td>
<td>1983-84</td>
<td>1,250</td>
</tr>
</tbody>
</table>

**Eastern Zone**

<table>
<thead>
<tr>
<th>No.</th>
<th>Kisan Sahkari Chini Mills Ltd.</th>
<th>Mills Ltd.</th>
<th>Year</th>
<th>Production (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>Kisan Sahkari Chini Mills Ltd. Semikhera</td>
<td>Bareilly</td>
<td>1984-85</td>
<td>2,750</td>
</tr>
<tr>
<td>11.</td>
<td>Kisan Sahkari Chini Mills Ltd. Pilibhit</td>
<td>Pilibhit</td>
<td>1985-86</td>
<td>2,500</td>
</tr>
<tr>
<td>12.</td>
<td>Sarju Sahkari Chini Mills Ltd. Sampurna Nagar</td>
<td>Khiri</td>
<td>1985-86</td>
<td>5,000</td>
</tr>
<tr>
<td>13.</td>
<td>Kisan Sahkari Chini Mills Ltd. Powayan</td>
<td>Shahjahanpur</td>
<td>1987-88</td>
<td>2,125</td>
</tr>
<tr>
<td>14.</td>
<td>Kisan Sahkari Chini Mills Ltd. Snehroad</td>
<td>Bijnor</td>
<td>1989-90</td>
<td>3,000</td>
</tr>
</tbody>
</table>

**Source:** UPCSPF. Ltd. Lucknow