ORDER

Whereas, the management of M/s. Swadeshee-Bharathe Textile Mills Limited (A Government of Puducherry Undertaking), has submitted an application in Form O-3, dated 06-12-2019 to the Secretary to Government, Labour Department, Puducherry, seeking permission to Lay-off workmen for a period of 6 months in respect of M/s. Sri Bharathi Mill, Puducherry, under section 25-M of the Industrial Disputes Act, 1947, read with rule 75(B) of the Industrial Disputes (Central) Rules, 1957;

Whereas, the views/replies of the Management, Trade Unions and the relevant documents/issues were examined;

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Whereas, on perusal of the Lay-off application, dated 06-12-2019 of the management, it is observed that the management has stated various reasons for seeking permission for the extension of Lay-off such as:


(ii) The SITRA, Coimbatore, has studied the Techno-Economic viability of M/s. Sri Bharathi Mill, Puducherry and concluded that the Mill is beyond any kind of financial revival. The existing machineries in the Mill are so old that they have to be replaced completely. The existing buildings are more than 100 years old and therefore, to house the new machineries, new buildings will have to be constructed by demolishing the existing ones. Hence, the report recommended for closure of the Mill.

(iii) The Government of Puducherry constituted an Expert Committee to study the viability of restoring the financial health, etc., of the State owned loss making public sector undertaking/autonomous Bodies under the chairmanship of Thiru B. Vijayan, I.A.S. (Rtd). The Expert Committee recommended that the Mill should be closed forthwith under section 25FF of the Industrial Disputes Act, 1947.

(iv) The Mill has undertaken job conversion work on contract basis from the year 2014. However, since the Mill was unable to function to its full rated capacity losses were incurred despite undertaking job works. Hence, at present the job conversion works are not undertaken and the Mill is in idle status since March, 2019.

(v) At present, the Mill neither has any job conversion works nor financial resources for procurement of raw materials to operate the Mill.

(vi) The machineries have become obsolescent and cause frequent breakdowns, which is tedious to repair any further.

(vii) The Inspector of Factories issued an order, dated 03-01-2020 under section 40(2) of the Factories Act, 1948 to prohibit the use of shop floor buildings, including the Blow Room, Carding Section, Drawing section, Simplex Machine area, Ring Frame Machine area, Cone Winding area, Dye House, Boiler House, Yarn Godown, etc., as the buildings are in such conditions which pose imminent danger to human life and safety.

Whereas, on summarizing the above reasons, shortage of financial resources for procurement of raw materials to operate the Mill, breakdown of machinery and damaged buildings are the reasons for the proposed Lay-off;

Whereas, on examination of the application, it is found that the management has applied for permission to Lay-off regular employees and their application is in accordance with the Industrial Disputes Act, 1947;

And whereas, the management has requested to Lay-off workmen for a period of 6 months in respect of M/s. Sri Bharathi Mill, Puducherry;
Now, therefore, in exercise of the authority delegated vide G.O. Ms. No. 177/80-Lab., dated 1st September, 1980 of the Labour Department to exercise the powers conferred by the sub-section (1) of section 25-M of the Industrial Disputes Act, 1947 (Central Act 14 of 1947), the Secretary to Government (Labour) hereby grant permission to Lay-off 135 workmen in M/s. Sri Bharathi Mill, Puducherry, as defined under section 2(s) of the Industrial Disputes Act, 1947 (Central Act 14 of 1947), for a period of 6 months with effect from the date of issue of the Order.

ASHOK KUMAR,
Secretary to Government (Labour).