

Geneva, 9 June 2020

To Mr. Sivaramakrishnan Ganapathi  
Managing Director  
Gokuldas Exports Ltd.  
[siva.ganapathi@gokaldasexports.com](mailto:siva.ganapathi@gokaldasexports.com)  
CC. [lars-ake.bergqvist@hm.com](mailto:lars-ake.bergqvist@hm.com)

## IndustriALL Global Union calls on Euro Clothing Company to immediately withdraw the illegal lay-off and pay outstanding wages

Dear Mr Sivaramakrishnan,

I am writing this letter to you on behalf of [IndustriALL Global Union](https://www.industriall-union.org), representing more than fifty million workers in the manufacturing supply chain, including the textile and garment sectors, in 140 countries, including India, to urge you to immediately withdraw the illegal lay-off in Euro Clothing Company – 2 (ECC-2), which is part of the Gokuldas Exports Ltd. group, and pay outstanding wages. We urge you to enter into good faith dialogue with the Garment and Textile Workers Union (GATWU) and its federation, Unions United, which is an affiliate of IndustriALL Global Union in India.

On 30 May 2020 in the late evening, the management started to remove machinery from the premises of ECC-2 without any information to the workers or the union. The majority of the workers in ECC-2 are members of the GATWU. The workers objected and gathered at the gate of the factory. Local government and police administration got involved and the removal of machinery was stopped. In addition, the factory re-opened after the lockdown on 5 May 2020, only 30% of the workers were provided with work, and those workers were paid only 50% of the wages. The other workers have not been paid for the lockdown period and after.

On 6 June, a lay-off notice was displayed at the factory after the close of working hours and a copy sent to the union on 8 June 2020 to the effect that all workers would be laid-off indefinitely and paid 50% of the wages. This is an illegal lay-off as the management is required to take prior permission of the government for lay-off as there are more than 100 workers working in the factory. An earlier notice had intimated that 50% of the workers would be laid-off and the others transferred to other factories belonging to Gokuldas Exports. This clearly indicates that the illegal lay-off is being done in order to bust the union that is active in ECC-2.

We are aware that your factory is a supplier of H&M, among other brands. IndustriALL Global Union and H&M have a Global Framework Agreement (GFA) in which Freedom of Association is a core principle. Your action of attempting to illegally close ECC-2 is a violation of the GFA as well as Indian labour law.

I therefore call upon Gokuldas Exports, the management of ECC-2 factory to immediately withdraw the lay-off notice at ECC-2, and pay outstanding wages. We urge you to enter into good faith dialogue with the Garment and Textile Workers Union (GATWU) and its federation, Unions United.

I look forward to your response and positive action.

Sincerely,

A handwritten signature in black ink, appearing to read "Sanches". The signature is stylized with a large, sweeping initial letter.

Valter Sanches  
General Secretary