A Report on the History of the Bombay (Mumbai) Textile Industry

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Bombay Textile Industry

Bombay emerged as a major industrial hub during the colonial period, owing to its cotton textile industry. The first cotton mill was set up by the **Bombay Spinning and Weaving Company in 1854,** followed by several others, in turn laying the foundations of an industrial town. These cotton mills shaped the economic and social landscape of Bombay in the 1850s, with the mills acting as the largest employers and mill labourers forming the working-class citizenry.

Capital

In the initial period, merchant capital was channelised in the cotton mills to hedge against the fluctuating price of raw cotton. Bombay's mercantile elites, like Parsis, Bhatias, and Baghdadi Jews, played a pivotal role in raising capital through joint stock companies and agency management. The 1880s and 1990s saw expansion in the number of mills, machinery usage and workforce size. In the late 19th century, the fortunes swelled for the cotton mills. The prosperous spans were interspersed with trade slumps, famine and global depression. Moreover, the mill owners were more interested in gaining short-term profits, reluctant to invest in the upgrade of machines and technology and dependent on casual labourers.[2]

Labour

The cotton mill workers were mostly migrants from nearby villages as well as far-off rural areas. The rural-urban wage gap was the predominant factor in their migration. The large-scale migration was responsible for making up the city's "outsiders" population. These migrant workers, even after securing urban employment, maintained their rural ties to families back in the villages. The migrant workers often visited their villages annually and relied on their rural counterparts during economic hardships. In the aftermath of the

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[2] Chandavarkar, R. (1994). The development of the cotton-textile industry: a historical context. In *The Origins of Industrial Capitalism in India: Business Strategies and the Working Classes in Bombay, 1900–1940* (pp. 239–277). chapter, Cambridge: Cambridge University Press.

1982 General Strike, around 80% of these migrant workers went back to their villages to do agricultural work.[3]
Social Networks played an important role and were based on caste, kinship and village affiliations. These networks were crucial to secure employment, housing and credit access. Most workers lived in crowded settlements called “chawls”.

Labour Market Structure and Employment in the Mills

The distinct hiring process of the mill workers was marked by the presence of the two following systems.

The Jobbers System: The “Jobbers” were like “intermediaries” between the mill owners and the mill workers. They were influential in the hiring process. They selected “new hires” from the migrants and tried to maintain worker discipline. It served as an important screening and regulatory mechanism.

The Badli System: The mills recruited a large number of *badli* workers. The badli workers were “temporary” workers hired on a day-to-day basis. It was a casual or substitute type of employment in the mills, alongside the permanent hires. The badli workers often failed to secure permanent employment even after working as badli for two years. These temporary or contractual types of hires ensured the stable supply of excess labour for the mills. There was no shortage of workers for the mills.

In general, working hours were long, wages were low and managerial controls characterised these sites of production.

Wages in the mills were higher than agricultural wages, but they were lower than those in sectors like chemical, pharmaceutical and engineering industries.

In 1947, the Industrial Court enforced “Wage Standardisation” to leave no room for bargaining powers. However, the system broke down in the 1960s with wide disparities in the inter-mill wage rates. “Badli” workers were paid less than permanent workers. Blatant corruption and nepotism in the wage determination process in the mills prevailed. The Rashtriya Mill Mazdoor Sangh (RMMS), the only recognised union, had an upper hand; the affiliated members enjoyed higher wages in comparison to the other union members.

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[3] The Times of India (Bombay), 28 June 1982. As cited in Lakha, S. (1988). Organised labour and militant unionism: The Bombay textile workers' strike of 1982. *Bulletin of Concerned Asian Scholars, 20*(2), 42–53.

Technological advancement made the working conditions even more precarious for the workers. The modernisation increased workload and intensity for the workers, without any commensurate financial benefit. Meanwhile, the mill owner appropriated the surplus from the advanced methods of production.

Organisation Among Mill Workers

Table: Key Unions in Bombay Textiles

Union Name	Details
Girni Kamgar Union (GKU)	Formed during the struggles in the 1920s. Affiliated to the AITUC, the union wing of the Communist Party of India.
Rashtriya Mill Mazdoor Sangh (RMMS)	Formed in 1945. Affiliated to the INTUC, the union wing of the Congress Party.
Mill Mazdoor Sabha (MMS)	Formed in 1948. Affiliated to the Socialist Party. Merged with GKU in 1953.
Mumbai Girni Kamgar Union	Organisation of opposition unions formed in 1959. By 1970 all unions leave except the GKU.
Kapad Kamgar Sangathna (KKS)	Formed in 1968 by the Lal Nishan Party, a regional-based left-wing party.
Lal Bayta Mill Mazdoor Union (LBMMU)	Formed in 1970 when the Communist Party of India (Marxist) was formed. Affiliated to the CITU.
Girni Kamgar Sena (GKS)	Trade union wing of the regionally-based communal party, the Shiv Sena.
Maharashtra Girni Kamgar Union (MGKU)	Formed by Datta Samant on the eve of the 1982 strike. Later forms the basis of the KAP.

Source: Bhattacherjee, D. (1989) (EPW article)

The early strikes in the Bombay Textile Industry

Labour strikes were a part of the Bombay Textile Industry since the early period after its inception. However, the most prominent of all strikes was the Great Bombay Strike of 1982 led by Datta Samanta. The strikes in the early 20th century also resonated with causes other than immediate labour demands.

Table: Early labour strikes in the Bombay Textile Industry

Year(s)	Strike/Event	Main Cause
1892–1893	Early textile mill strikes	Delays in payment; poor work conditions
1908	General strike over Bal Gangadhar Tilak's arrest	Solidarity with nationalist movement
1919–1920	Rowlatt Act and labour rights protests	Oppression and demands for better hours & wages
1924–1925, 1928	Repeated mill work stoppages	Wage cuts and colonial labour policies
1938 (Nov 7)	Protest against Bombay Trades Bill	Defense of union rights
1946 (Feb)	Royal Indian Navy mutiny	Racial injustice, food quality, working conditions, with cross-sector support

Source: (Mukherjee, 2016) (Hindustan Times article)

The General Strike of 1982 - A watershed movement in the Labour history of India

The Bombay textile workers' strike of 1982, a giant milestone in the history of Indian industry, was initiated in January 1982 and lasted more than a year, engaging about 250,000 workers. [4]It was a record labour strife in India for its duration and popularity. This strike was a culmination of long-standing grievances of the workers, dissatisfaction with their recognised union, and a growing tide of national labour unrest.

[4] Lakha, S. (1988). Organised labour and militant unionism: The Bombay textile workers' strike of 1982. *Bulletin of Concerned Asian Scholars, 20*(2), 42–53.

The workers' dissatisfaction came from several sources, mainly low wages and unstable working conditions. The minimum wage in the textile industry stayed very low, increasing only from Rs 30 in 1947 to Rs 40 per day in 1962. Even with a Dearness Allowance, wages in the textile sector were much lower than in industries like chemicals, pharmaceuticals, and engineering, where they were 60 to 100 per cent higher. Workers in those fields often had better housing. Most textile workers earned about Rs 700 a month, with very few making Rs 800-900, despite mill owners claiming a wage of Rs 937.[5] Furthermore, textile workers had worse vacation benefits compared to employees in other major industries.

Adding to the insecurity, around 40 per cent of the workforce was on the badli system, meaning they worked temporarily without much chance of getting permanent positions. These badli workers earned much less, from Rs 200 to Rs 350 a month, and were reportedly a major force behind the push for an extended strike.[6] Many faced material hardships, with an estimated 80 per cent in debt, and even skilled workers saw their real wages decline over the years. Many had to support their families in villages because of poor housing in Bombay. It was common for fifteen to thirty workers to share a small room in overcrowded tenements known as 'chawls' on a rotating-shift basis.

In certain mills, technological advancements worsened working conditions. Despite an increase in production, mill owners kept the majority of the profits without raising wages for their employees. Employee weariness, stress, and absenteeism rose as a result. The mills' high temperatures, humidity, cotton dust, loud noises, and hazardous chemicals also posed major health risks.

RMMS and Government Nexus

One of the main causes of the workers' growing dissatisfaction was their belief that the Rashtriya Mill Mazdoor Sangh (RMMS), the only recognised union, was weak and corrupt. The RMMS was supported by the Congress (I) party, which was in power at the time. Employee support was not as crucial to its dominance as its solid legal base, especially the Bombay Industrial Relations (BIR) Act of 1946. Only one representative

[5] Bhattacherjee, D. (1989, May 27). Evolution of Unionism and Labour Market Structure: Case of Bombay Textile Mills, 1947-1985. *Economic and Political Weekly*, *24*(21), M67–M76.
[6] The Times of India (Bombay), 13 March 1982 as cited in Bhattacherjee, D. (1989, May 27). Evolution of Unionism and Labour Market Structure: Case of Bombay Textile Mills, 1947-1985. *Economic and Political Weekly*, *24*(21), M67–M76.

union was permitted if 25% of workers supported it, and strikes were forbidden during the three to four-year court battles needed to contest this status. The failure of previous attempts to change RMMS's status in 1950 and 1959 as a result of these issues eroded workers' trust in the legal system.[7] The RMMS was charged with adopting technological modernisation without making sure that workers were fairly compensated, leading to increased workloads and a lack of a clear plan to deal with industry changes.

The Rise of a New Leader and Early Strikes (Pre-1982)

The decline in trust in the RMMS paved the way for the militant unionism of Datta Samant, a relatively new player in the textile industry. Datta Samant's entry into the textile industry was greatly facilitated by his involvement in a dispute at Empire Dyeing Mills, where he helped workers secure a Rs 150 raise after a 77-day strike that claimed a life.
The first clear sign of a storm brewing across the industry came on September 27, 1981, when Bombay textile mills workers went on strike for one day in demand of improved working conditions, a wage revision, and a larger bonus. The bonus deal that the Bombay Mill Owners Association and the RMMS announced on October 20, 1981, was deemed insufficient by the employees. The very next day, workers from fifteen mills staged a sit-down "dharna." Consequently, the Communist Party of India-affiliated Mumbai Girni Kamgar Union announced an indefinite strike.

On October 23, 1981, hundreds of Standard Mills workers marched to Datta Samant's house, demanding that he led their battle. Samant was initially apprehensive due to his existing responsibilities, but he ultimately agreed and swiftly cultivated relationships with thousands of workers by criticising the RMMS's monopoly. His leadership quickly inspired workers from mill after mill, establishing him as an undisputed leader in labour mobilisation.

Following the rejection of the bonus agreement and Samant's intervention, workers in seven mills went on strike over the bonus issue on October 20, 1981. Due to a local problem, another mill went on strike. Since the dispute was still unresolved and the prospects for a settlement appeared bleak, the striking workers—particularly the Badli employees and Samant's younger supporters—pushed him to declare an industry-wide strike.

[7] Bhattacherjee, D. (1989, May 27). Evolution of Unionism and Labour Market Structure: Case of Bombay Textile Mills, 1947-1985. *Economic and Political Weekly, 24*(21), M67–M76.

Prior to the main indefinite strike in January 1982, Samant called for a one-day strike on January 6, 1982, demonstrating both his immense popularity and the RMMS's crisis of credibility. Despite the RMMS's warnings against joining, a sizable section of the workforce took part in the strike, which essentially shut down the cotton textile sector. The RMMS's membership dwindled to around 50,000 workers, while Datta Samant claimed a membership of 175,000 for his union. Datta Samant founded the Maharashtra Girni Kamgar Union (MGKU).[8]

To sum up, the major causes leading up to the 1982 strike:

Economic cause - The issues of low wages and the deteriorating working conditions in the mills. Technology made work more intense without any remunerative gains for the workers. The “badli” workers were frustrated with their employment status and pay.

Political cause - The Government enacted legislative measures that allowed only one union recognition. The Rashtriya Mill Mazdoor Sangh (RMMS) - the workers wing of Congress(I) gained that recognition. However, most workers did not support the puppet union that acted in favour of the ruling government rather than the workers. Due to the non-recognition of other unions, the rest of the unions were left out of the bargaining process. There was growing frustration among workers regarding the state of unions in the Bombay textile industry.

The Culmination: The General Strike of 1982

The indefinite strike was officially launched on January 18, 1982, and it received strong worker support despite continued opposition from the RMMS. During a large rally the day before, Datta Samant denied any political motivation and said the strike would be a peaceful struggle until their demands were met. He clarified that the inability to make progress on their issues was the reason behind calling the strike.

One significant incident during the strike was the August 18 Bombay police strike, in which police officers, identifying as members of the working class, demonstrated against government actions that hindered their organizing efforts. This led to widespread chaos and riots in the city, akin to the Royal Indian Navy (RIN) strike in 1946, marking the

[8] Bhattacherjee, D. (1989, May 27). Evolution of Unionism and Labour Market Structure: Case of Bombay Textile Mills, 1947-1985. *Economic and Political Weekly, 24*(21), M67–M76

second time in Bombay's history that the blood of uniformed men and civilians flowed together.[9]

To summarise, the demands were: a hike in wages, an increase in bonus, permanent employment of badli workers, leave and travel allowance, and housing rent.

These demands were immediately rejected as "totally unacceptable" by the Bombay Millowners' Association, which maintained that the 1979 wage agreement was still in force until 1984 and that the bonus paid was already greater than the recommended amount. Crucially, the central government feared that if the millowners gave in, it would have a major effect on the other 106 government-managed mills in India, so it did not want them to. The chief minister of Maharashtra declared the strike illegal and declined to negotiate with Datta Samant or other unrecognised unions, citing the RMMS's opposition to it. Datta Samant responded by refusing to recognise RMMS's representative status, claiming that it was not obtained through a secret ballot. He even demanded that the government nationalise the mills.

The millowners' intransigence was also influenced by economic considerations; it is said that they made money off the strike by reducing costs, selling accumulated stock, and inflating cotton prices without anticipating how long it would last. Due to the overlapping economic interests of private capital and the state, the striking workers encountered fierce opposition.

Thus, this long-lasting dissatisfaction with the union's current representation and severe economic grievances served as the catalysts for this massive strike, which was notable for its length and scope. A direct confrontation with the government and industrial capital marked its conclusion. The militant unionism of Datta Samant, which reflected the striking workers' unwavering attitude, marked an unprecedented turning point in the Indian industrial conflict.

Aftermath of the 1982-83 Strike

Despite being a turning point in labour movement history, the 1982 General strike led by Dutta Samanta did not result in the adoption of a favourable resolution for the workers. The momentum of the strike slowly started to decline over time.

[9] Babu, H. *Death of an industrial city: Testimonies of life around Bombay textile strike* [Project Report]. Integrated Labour History Programme of VVGNLI’s Archive of Indian Labour.

Social disintegration and widespread unemployment were the immediate outcomes in working-class communities like Girangaon. The cohesive communities that had previously been defined by class solidarity were now fragmented, and workers were displaced. Male workers either moved to informal jobs or remained unemployed for a long time, women took up domestic work, and children dropped out of school, causing many families to fall into poverty. The collapse of traditional unionism and mill-based livelihoods led to the emergence of identity-based politics, particularly regional and communal mobilisation through organisations such as the Shiv Sena.

At the same time, the closure of mills brought 500 acres of centrally located land into the real estate spotlight. The Maharashtra government responded to the rising land values during the liberalisation era by enacting the Development Control Regulation (DCR) 58 in 1991. This made it possible to redevelop sick and closed mill lands, provided that 33% go to public open spaces and 27–37% go to the Maharashtra Housing and Area Development Authority (MHADA) for affordable housing. Mill owners were compensated for the commercial exploitation of the remaining land through the use of Transferable Development Rights. [10]

DCR 58 was put into place with serious flaws, even though it aimed for redistribution. The focus was mainly on high-end residential and commercial projects, and very few workers received housing through MHADA. Piecemeal, builder-driven development got in the way of good planning, so the promised public spaces and affordable homes never appeared as planned. The failure of the strike not only wiped-out Bombay's last industrial stronghold but also led to the city's growth into a major international metropolis with a strong base in real estate and finance. Working-class neighbourhoods were pushed to the edges of gentrified former industrial areas. The mill collapse ended the city's reputation as a labour metropolis; this was more than just an economic event; it also caused changes in the city's layout and politics.

To sum it up, the aftermath of the strike was:

- Decline of the Bombay Textile Industry and Massive Jobs losses for the Mill workers
- The unemployed mill workers were absorbed into the “urban poor”, doing odd jobs in the informal sector, and induced reverse migration where a section of displaced mill workers returned to their native villages.
- Disintegration of working-class or labour districts like Girangaon.

[10] Salvi, R., & Trivedi, N. (2023). Redevelopment of mill land: Constructive addition or commercial exploitation? *Samriddhi: A Journal of Physical Sciences, Engineering and Technology*, *15*(1), 27–30.

- Emergence and popularity of right-wing, identity-based political groups like Shiv Sena
- The union-based militant organisation was no longer preferred or enjoyed the earlier popularity
- In 1991, the country embraced liberalisation of the economy. The mill land was noticed by real estate sector and was taken over through policies like Development Control Regulation.
- Redevelopment under the Maharashtra Housing and Area Development Authority was lopsided. The mill workers barely receive any housing benefits. The scheme favoured the rich and big development projects.
- Mumbai emerges as a global city. The old Bombay loses its working-class characteristics and is now known as the hub of finance and services.

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