

CHAPTER-IINTRODUCTION AND RESEARCH METHODOLOGYSECTION-IINTRODUCTION :

The sugar industry occupied a prominent position in the national economy which is, an agro-based industry. Nearly 3.25 lakhs of skilled, unskilled, seasonal and permanent workers are employed in the industry, which, can be considered as one of the biggest as about 2.50 to 3 crores of farmers and workers are engaged in plantation and harvest of cane. Prior to the year, of 1932, there was a few sugar industries in our nation worth the name. But, however, after our country attained independence a wide expansion of sugar industry has been developed in the cooperative field. The sugar factories in operation in our country are 365, of which 203 are being operated in the cooperative sector and remaining are in private and in the public sector.

In the prosperity of the nation sugar industry is playing a vital role and also sugar producing capacity of the country is the highest in the globe. The Maharashtra State stands first in respect of production of sugar in India and as much as it stands 10th in respect of production of white sugar in the world.

The area under sugarcane cultivation in the State of Maharashtra has shows a tendency of rapid increased as it has gone upto 4 lakh hectares as at present as against 1.82 lakh hectares in the year 1972-73.

The total production of sugar of Maharashtra State stands at 26,29,000 tonnes during the crushing season of 1988-89, which comes to 35 to 40% of the total production of the country.

However, the yield and quality of sugar in India cannot be said to be satisfactory. On the other hand, it may be considered as poor. The sugarcane yield in U.P. and Bihar is 50.2 tonnes and 43.2 tonnes per hectare respectively. As against 81.1 tonnes that in Maharashtra 107.6 tonnes in Tamil Nadu, 71.2 tonnes in Andhra Pradesh and 78.3 tonnes in Karnataka. The sugar recovery of 9.48% in U.P. and 9.16% in Bihar is considered satisfactory whereas recovery of 11.05% or above is easily obtained in the State of Maharashtra. Some factories in the Maharashtra State obtained recovery of 12.5% and over as an average for a season of six months.

As a result of high recoveries, sugar factories have been shifted more in number to the Deccan side from their original places of the north. For many years U.P. produced 50% of the sugar produced in India. However, during the last some years of the centre of sugar production is shifted to the

south. Presently, the State of Maharashtra contributes 35 to 40% in the total population of sugar in the country.¹

Sugar industry occupies an important place among organised industries in India. It ranks third largest industry in terms of its contribution to the net value added by manufacture and employs, employing nearly 3.25 lakhs workers, besides creating extensive indirect employment for 25 million cultivators of sugarcane, the various agencies of distributive trade and through subsidiary industries such as confectionary. It is also an important source of excise duty for the Central Government.²

2) HISTORY AND PROGRESS OF SUGAR FACTORY BEFORE 1947 :

In 1931-32, there were about 31 factories producing about 1.6 lakh tonnes of sugar. India had to import 6 lakh tonnes. The industry was granted tariff protection in 1932. As a result the production rose to 10 lakh tonnes by 1937, the number of operating factories rose to 137 and employment exceeded 75,000 workers. From only a few factories before the protective duty, there were already 134 sugar factories by 1934, and the sugar production shot up to 12.42 lakh tonnes by 1939-40 when it was only 2,95,000 tonnes a few years back. The second world war created unsteady conditions and the production fell to 7.9 lakh tonnes during 1941-42.

Progress after 1947 -

In 1951-52 sugar production reached a figure of 15.2 lakh tonnes. In 1951, the Government provided incentives by raising the minimum prices of cane and maximum prices of sugar. The result was a rise output and then rationing came to an end. This was followed by reduction in cane prices to discourage cane production. These contradictory policies resulted in increasing the deficit of sugar. Since the policy of decontrol stimulated consumption and the policy of reducing cane prices resulted in lower production. The Government again adopted the policy of production and raised minimum cane prices in 1954. As a result, sugar output rose to 15 lakh tonnes in 1954-55 and imports became unnecessary.

Because of the policy of Government that of control, decontrol and recontrol upto 1957-58. The sugar industry in India faced instability in the level of production. Both the production and consumption were growing until they stood at 20 lakh tonnes each. In the year 1957-58 control was withdrawn and production decreased to 19.5 lakh tonnes in the year 1958-59. The Government responded by giving incentives for higher production and the output progressively increased to 30 lakh tonnes in 1960-61. During the decade of 1960 to 1970 there was a tremendous increase in the production of sugar. For example, sugar production averaged 30 lakh tonnes during

1970-71. However, India had a record output of 91.10 lakh tonnes of sugar during the year 1987-88.³

Though India is leading in the manufacture of sugar, the cost of manufacture is higher comparatively. Because of the higher cost of manufacture we can't give good prices to sugarcane as well as we can't compete other countries in the sale of sugar in world market only to get foreign currency we give export subsidy and bear the loss. In the manufacture of sugar the cost of manufacture is more due to different factors. 1) Cost of sugarcane 2) Taxes, 3) Weages, bonus, 4) Packing, 5) Depreciation, Insurance, Research and development, 6) Electricity, fuel, storage, export etc. and these costs are persistently increasing.

Demand of sugar is increasing in India in spite of having new 16 modern and progressive factories we got only 87 lakh tonnes of sugar in 382 factories in 1988-89. The production decreased by 4 lakh tonnes and the demand was 100 lakh tonnes for the whole year. This happened when our output of sugarcane was more. So it is discrediting. The population is increasing fastly and that is why the demand of sugar is also increasing fastly. In this year, the demand of sugar has increased by 5 lakh tonnes but the production has decreased by 15 lakh tonnes. On one side the production is decreasing and the cost of production is increasing. Because of this the

farmer and Agriculture is found in critical situation.⁴ There has been, however, variation in the output year by year as below.

TABLE No.1.1

Total Production of Sugar in India from
1979-80 to 1988-89

Year	in '000' tonnes	
	Total production of sugar figures in lakh tonnes	
1979-80	38.58	
1980-81	51.50	
1981-82	84.37	
1982-83	82.29	
1983-84	59.17	
1984-85	61.44	
1985-86	70.16	
1986-87	85.02	
1987-88	91.10	
1988-89	87.52	

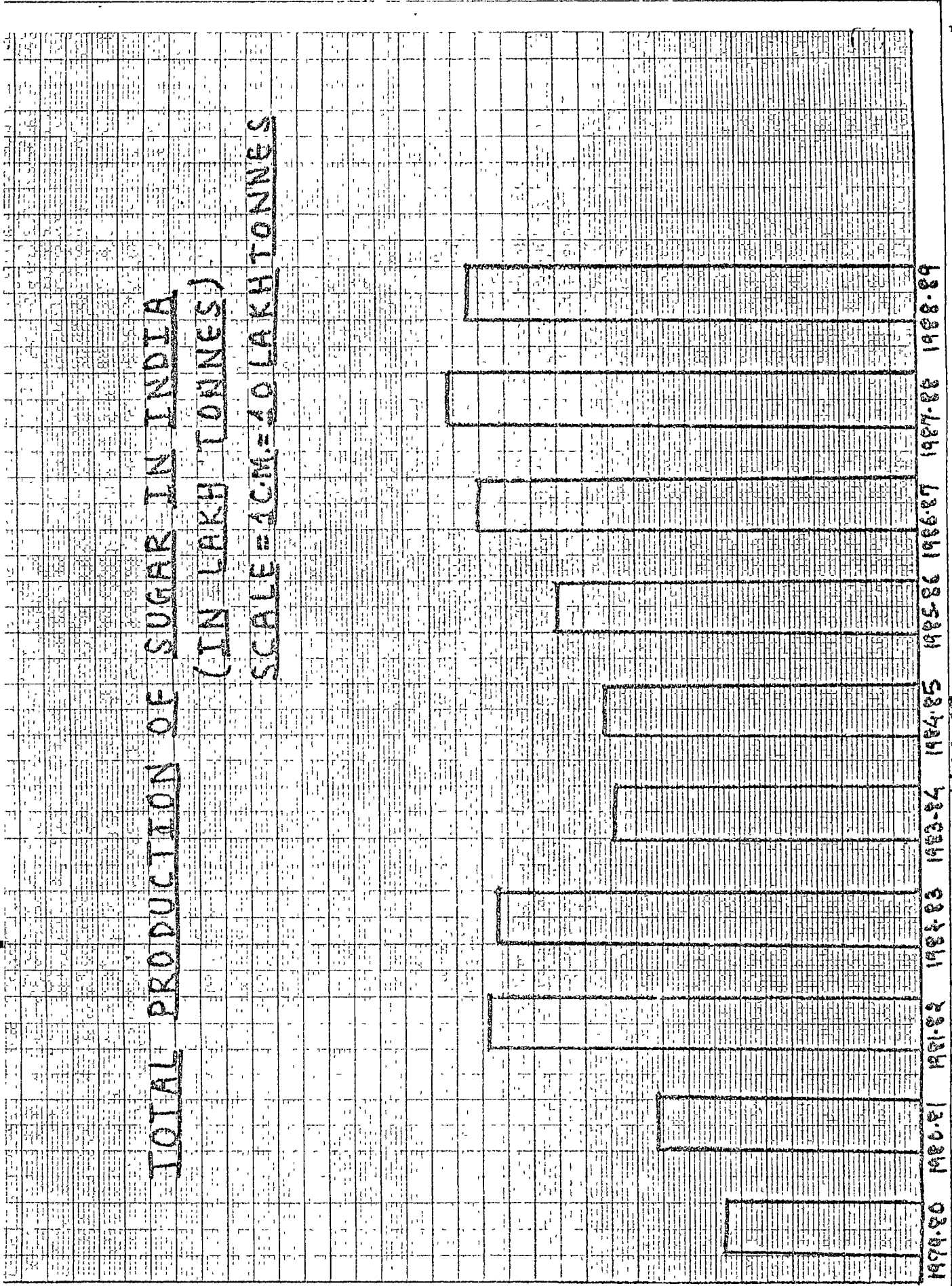
(Source : Cooperative Sugar, New Delhi,
Nov. 1989.)

The above table shows the total production of sugar. During the year 1987-88 the highest sugar production was recorded. In 1979-80 the total production of sugar of 38.48 lakh tonnes was the lowest during the period from 1979-80 to 1988-89.

TOTAL PRODUCTION OF SUGAR IN INDIA
(IN LAKH TONNES)

SCALE = 1CM = 10 LAKHTONNES

L A K H T O N N E S



years

FIGURE - 1.1

TABLE No.1.2

Table showing area under sugarcane,
production of sugarcane and yield of
sugarcane per hectare

('000' in)

Year	Area under sugarcane	Production of sugar- cane	Yield of cane per hectare
1979-80	2610	128833	49.4
1980-81	2667	154248	57.8
1981-82	3193	186358	58.4
1982-83	3358	189505	56.4
1983-84	3110	174076	56.0
1984-85	2953	170319	57.7
1985-86	2850	170648	59.9
1986-87	3079	186090	60.4
1987-88	3279	196737	60.0
1988-89	3373	204625	60.7

(Source : Cooperative Sugar, New Delhi,
Nov. 1989.)

TABLE No.1.3

Table showing yield of sugarcane in
Maharashtra State

Year	Production of sugarcane in '000' tonnes	Yield of cane per hectare
1979-80	19819	89.3
1980-81	23591	92.3
1981-82	28780	96.9
1982-83	31360	96.3
1983-84	26549	90.2
1984-85	26367	90.1
1985-86	23706	89.4
1986-87	24091	86.1
1987-88	24984	85.6
1988-89	25500	81.1

(Source : Cooperative Sugar, New Delhi,
Nov. 1989).

The total production of sugarcane area under sugarcane cultivation in India and yield of sugarcane per hectare in India and similarly in Maharashtra is shown in the above table.

Sugar industry is an agro-based industry and therefore, the fluctuations in production of sugarcane depends upon climatic conditions from year to year, affecting the level of sugar production from season to season.

The following table gives the number of sugar factories in each State in India :

TABLE No.1.4

Table showing Statewise sugar factories in operation

Sr. No.	State	No. of sugar factories
1.	Andhra Pradesh	30
2.	Assam	2
3.	Bihar	27
4.	Goa	1
5.	Gujarat	11
6.	Haryana	8
7.	Karnataka	26
8.	Kerala	2
9.	Madhya Pradesh	8
10.	Maharashtra	95
11.	Nagaland	1
12.	Orisa	5
13.	Punjab	13
14.	Pondichery	2
15.	Rajasthan	3
16.	Tamil Nadu	27
17.	Uttar Pradesh	103
18.	West Bengal	1
Total :		365

(Source : Cooperative Sugar, New Delhi, March 1990.)

Private sugar factories started the production of sugar in 1930. However, the first cooperative sugar factory was started at Pravaranagar by late Dr. Padmashri Vithalrao Vikhe Patil and Dr. Dhananjayrao Gadgil, in 1950 and later on the principles of co-operation was widely followed for establishment of sugar factories.

The number of sugar factories in Maharashtra from 1979-80 to 1988-89 is given below :

TABLE No.1.5

Total No. of sugar factories in
operation in Maharashtra

Year	Number of sugar factories
1979-80	70
1980-81	77
1981-82	78
1982-83	78
1983-84	78
1984-85	87
1985-86	88
1986-87	91
1987-88	90
1988-89	95

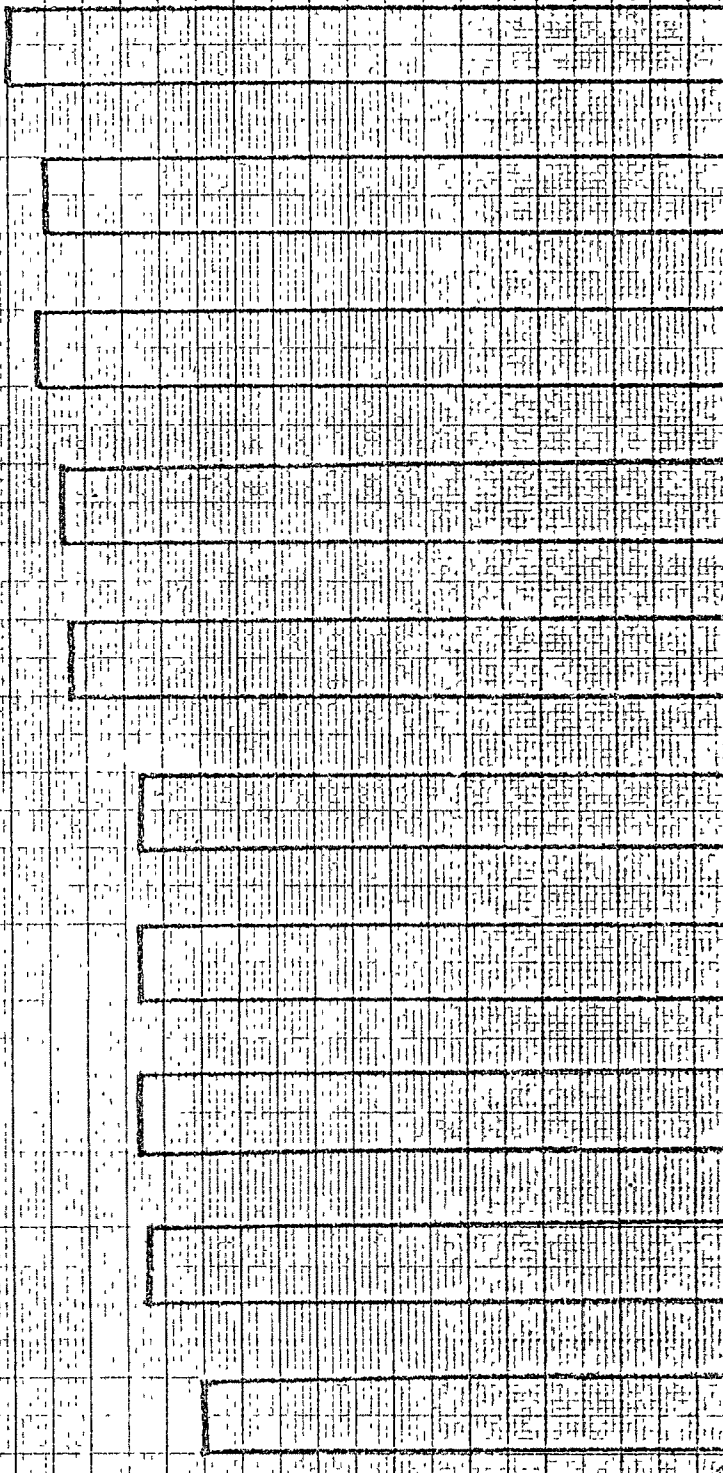
(Source : Cooperative Sugar, New Delhi,
March, 1990.)

TOTAL SUGAR FACTORIES IN OPERATION
IN MAHARASHTRA

SCALE - ICM = 10 FACTORIES

FACTORIES

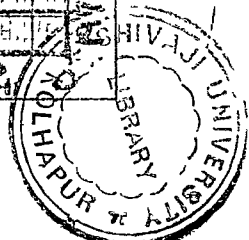
100
90
80
70
60
50
40
30
20
10
0



1980 1981 1982 1983 1984 1985 1986 1987

years

FIGURE - 1.2



The above table shows that in Maharashtra State the number of sugar factories is increasing year after year. At present there are 95 sugar factories out of which 90 sugar factories are working on cooperative basis and remaining are working on joint stock company system. In Sangli District, we find that all the sugar factories are run on cooperative basis.

TABLE No.1.6

Table showing total sugar factories
in Sangli District

Sr. No.	Name of sugar factory
1.	Vasantdada Shetkari Sahakari Sakhar Karkhana Ltd., Sangli.
2.	Mahakali Sahakari Sakhar Karkhana Ltd., Kavathemahankal, Dist. Sangli.
3.	Rajarambapu Sahakari Sakhar Karkhana Ltd., Walwa, Dist. Sangli.
4.	Hutatma Kisan Ahir Sahakari Sakhar Karkhana Ltd., Walwa, Dist. Sangli.
5.	Managanga Sahakari Sakhar Karkhana Ltd., Atpadi, Dist. Sangli.
6.	Yashavant Sahakari Sakhar Karkhana Ltd., Khanapur, Dist. Sangli.
7.	Vishwas Sahakari Sakhar Karkhana Ltd., Shirala, Dist. Sangli.

The present study is concerned with the Vasantdada Shetkari Sahakari Sakhar Karkhana Ltd., Sangli-416 416.

3) THE ROLE OF THE COOPERATIVE SUGAR FACTORIES :

First idea of sugar production by processing sugarcane was put by Justice Mahadeo Govind Ranade in 1899 in 'Times of India' yet the sugar industry developed after 1932. The first cooperative sugar factory in India was set up in 1933. Pravara which is the first cooperative sugar factory in Maharashtra was set up in 1948.⁵

The number of factories under cooperative sector was more than one-third of the total number of the sugar factories in this country in 1974-75. The most significant development in the Indian Sugar Industry during the last 25 years is the emergence and rapid growth of the cooperative sector primarily due to the preferential treatment given to this sector by the government in according licence and giving financial assistance. Of the 96 factories working under cooperative sector in India in 1974-75 more than one-third were established in Maharashtra.⁶

The set up of sugar factories in rural areas became the means of economic development of the rural folk. The sugar industry help for the development of other allied industries, such as paper mills, distilleries, acetic projects and several other trades. It also helped to bring about social and economic changes in the rural community by providing employment to thousands of people.

During recent years, the cooperative sector has been of almost important in the sugar industry. Presently there are 211 cooperative sugar factories producing over 60% of total output of sugar. Cooperative sugar factories have two positive advantages in their favour. First, they get maximum supply of sugarcane as almost all the sugarcane cultivators are the members of the cooperative sugar factories. And, secondly, the profits of the cooperative institutions are distributed among the members of the factories instead of going into the hands of a few sugar barons. 7

TABLE No. 1.37

Table showing opening stock of sugar, consumption of sugar and export of sugar during the last 10 years

Year	Opening	Production	Total	Consumption	Export
1979-80	21.47	38.58	61.85	52.08	2.90
1980-81	6.87	51.48	60.50	49.80	0.61
1981-82	10.09	84.37	94.46	57.11	3.83
1982-83	33.52	82.29	115.81	64.79	4.22
1983-84	46.80	59.17	106.61	75.70	7.06
1984-85	23.85	61.44	97.46	80.20	0.20
1985-86	17.06	70.15	103.47	83.13	0.54
1986-87	19.80	85.02	114.33	87.45	0.26
1987-88	26.62	91.10	118.43	93.01	0.28
1988-89	25.14	87.52	112.66	98.66	0.28

(Source : Cooperative Sugar, New Delhi, March, 1990.)

The table given above shows that in 1983-84 the export of sugar is highest as compared to other seasons and consumption is highest in the year 1988-89.

The following table gives the average capacity tonnes per day and recovery of sugar percent cane and crushing days in India.

TABLE No. 1.8

Table showing average capacity tonne per day, recovery of sugar percent cane and crushing season days in India

Year	Average capacity tonne per day	Recovery of sugar percent	Crushing season day
1979-80	1651	9.88	86
1980-81	1718	9.98	104
1981-82	1721	9.66	173
1982-83	1779	9.95	158
1983-84	1779	10.02	111
1984-85	1824	10.22	106
1985-86	1885	10.23	116
1986-87	1862	9.98	141
1987-88	1888	9.70	152
1988-89	1925	10.22	133

(Source : Cooperative Sugar, New Delhi, March, 1990.)

TABLE No. 1.9

Table showing production of sugar and
crushing season days in Maharashtra

Season	Sugar Production in '000' tonnes	Crushing season days average
1979-80	1394	111
1980-81	2085	145
1981-82	3026	203
1982-83	3025	189
1983-84	1993	122
1984-85	2311	142
1985-86	2389	132
1986-87	2388	128
1987-88	2795	156
1988-89	2629	133

(Source : Cooperative Sugar, New Delhi, March, 1990.)

The above table shows that in the year 1981-82 the sugar production is highest. From the above table No. 1.8 and table No. 1.9 it is clear that the crushing season days in India are comparatively less than the average crushing season days in Maharashtra.

4) IMPORTANCE OF SUGAR INDUSTRY :

The sugar industry is different from other agro-based industries, such as, jute, cotton etc., because of its special feature. The sugarcane is a perishable product and so it was necessary to start sugar factories in rural areas, where sugarcane is produced. As a result of this the sugar industry became a well organised business in rural areas.

The set up of sugar factories in rural areas became the means of economic development of the rural folk. The sugar industry help for the development of other allied industries, such as, paper mills, distilleries, Acetic projects and several other trades. It also helped to bring about social and economic changes in the rural community by providing employment to thousands of people. Mainly three types of workers are employed in the sugar factory. They are -

- 1) Permanent workers
- 2) Seasonal workers, who work in the sugarcane crushing period and
- 3) Bullock cart owners and/or workers.

Sugarcane is the raw material needed for the sugar factory which is perishable and therefore, it is necessary to carry the sugarcane to the factory for immediate crushing. However, many a times transportation of a sugarcane is neglected resulting in considerable reduction in recovery

of sugar. In this connection bullock cart transportation is of importance. The bullock cart owners work on contract basis i.e. bullock cart owners transport sugarcane from sugar farms to the factory sight for which they receive payment fortnightly.

This research study is connected with the seasonal workers who work only during the season when crushing is continuing. The seasonal workers are also classified into skilled, unskilled and also of clerical cadres and those workers working on daily wage basis, weekly wage basis and monthly wage basis.

SECTION-II

RESEARCH DESIGN

A) SELECTION OF THE TOPIC :

There are 95 sugar factories in the State of Maharashtra. Out of these factories 90 are established on co-operative principle. It is seen that about 60 to 70% of the whole workers are employed seasonally and only 30 to 40% of the workers are employed on permanent basis. These seasonal workers are discontinued every year after the closing of the sugar production that is from may to October. As such the seasonal workers are employed only for 6 to 7 months and the other 5 to 6 months they have to seek another job or spend

it idly. If they are not well paid and they are not able to meet their expenses for the whole year there is a possibility of their seeking another job and perhaps they may go elsewhere and do not turn to the factory again. Under this circumstances experienced workers will not be available to the factories. If unexperienced and unskilled workers are employed the quality and the quantity of the production may be affected.

The seasonal workers work from the stage of cane supply to the final disposal of sugar bags to customers. They work in various processes of the factory and their number is considerably large and therefore, the condition of the production in our sugar factory will depend upon the attitude and working of these seasonal workers.

The success of any enterprise depends upon the skill and experience of the workers. However, efficiency and ability of workers depends upon the working conditions and facilities provided to them. The job security of the workers is the most important factor, which creates the loyalty among the workers. If the workers are paid satisfactorily and other facilities are made available to them, they are likely to work hard.

Their problems and difficulties may hamper the efficiency in working. The present study is an attempt to understand the problems and difficulties of seasonal workers in the sugar factories, such as recruitment, training, wage structure, working conditions, welfare facilities and employment problem during the off season. The problem will be stated as "A Study of Seasonal Workers Working in Vasantdada Shetkari Sahakari Sakhar Karkhana Ltd., Sangli."

B) TITLE :

"A STUDY OF SEASONAL WORKERS WORKING IN
VASANTDADA SHETKARI SAHAKARI SAKHAR KARKHANA
LTD., SANGLI."

C) DEFINITION OF THE SEASONAL WORKER :

"Seasonal worker means a worker who is appointed in writing by the Managing Director to do seasonal work mainly and/or also for the period necessary for cleaning and overhauling either before and/or after the season."

The above definition is given in 'Bombay Industrial Relation Act, 1946' and this definition also gives a clear idea about the seasonal worker.

D) AIMS AND OBJECTIVES OF THE STUDY :

The following are some of the objectives of the study of the seasonal workers.

- 1) To know the working conditions of seasonal worker.
- 2) To study the education background of the seasonal workers.
- 3) To know wage structure and nature of salary of seasonal workers.
- 4) To study the leave facilities of seasonal workers.
- 5) To study the recruitment, training, promotion method of the seasonal workers.
- 6) To study welfare facilities provided by the factory to the seasonal workers.
- 7) To study the employment problems of the seasonal workers during the off season period.
- 8) To know the provision of residential and other facilities to the seasonal workers.
- 9) To study the workers attitudes to their services, factory administration and their trade unions.

E) SCOPE OF THE STUDY :

This study has been undertaken in the area of Vasantdada Shetkari Sahakari Sakhar Karkhana Ltd., Sangli. As it is not possible to study the total number of seasonal workers who work in this factory a sample of 100 respondents that is about 10% of the total number 893 seasonal workers will be selected for the purpose of the study.

F) METHODS OF DATA COLLECTION :

In order to fulfil the requirement of this study the investigator has used different methods of data collection, as under.

i) Direct Method -

The investigator used the interview schedule method as the primary method of the collection of data.

ii) Indirect Method -

a) Observation Method - Observation method was also used by the research worker to get the additional information. The investigator observed the respondents where they actually work.

b) Discussion - Personal discussion with labour and welfare officer and other members of the staff of the sugar factory.

c) Group Discussion - Group discussions with the workers was also found useful for getting the information regarding their common views.

g) Sampling Method - There are different types of seasonal workers in the factory. For proper study of the universe 'stratified random sampling' is used. According to stratified random sampling selection assures each individual of that strata has an equal chance of being chosen. In this factory, there are, 893 seasonal workers and 24

departments so the researcher selected every department as strata. And from every strata employees were selected for interview in ratio 8:1. It means, if there are 45 employees than researcher selected any 5 employees of that department.

A stratified random sampling is more suitable and more homogeneous and larger groups. Moreover, these are other advantages of this method as follows :

- i) It is free from bias, therefore, not affected by choice of the research worker.
- ii) It is very simple.

For the purpose of the study, the investigator has taken 100 samples from the universe of 893 seasonal workers by using stratified random sampling method.

h) Problems in Data Collection - At first respondents were hesitating to give information, but with the help of heads of respective departments and their staff investigator was able to collect the information. But still the investigator gave the assurance to the respondents that the information will be kept confidential and would be used only for the purpose of the study. While investigating the respondents the investigator found that the respondents hesitated to give information about various aspects regarding personal economic condition.

i) Analysis and Interpretation - The investigator completed the data collection work between 7 November, 1989 to 18 November, 1989; and 18 June 1990 to 23 June 1990 and after the data collection material was shown to the guide for further instructions. Then the investigator prepared Master-Sheet. Attempts have made to make the data clear by putting down the facts and figures with the help of statistical tables and by interpreting them.

j) Report writing - The report writing is an important and fundamental stage of research work. The arrangement of chapters is made according to the following orders :

- 1) Introduction and research methodology.
- 2) History and Development of Organisation.
- 3) Theoretical Background of the study.
- 4) Statistical Tables and Interpretation.
- 5) Observation, Conclusion and Suggestions.

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Vasantdada Shetkari Sahakari Sakhar Karkhana
Ltd; Sangli.

