

CHAPTER - I I - " A "

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INTRODUCTION

TO THE

ORGANISATION

1. INTRODUCTION TO THE RAHURI SAHAKARI  
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2. THE WORK OF SUGAR FACTORY.
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## CHAPTER - I I - " A "

### INTRODUCTION TO THE ORGANISATION

The subject selected, for the ensuing research in partial fulfilment of the requirements for the degree of Master of Philosophy in Social Work is entitled as " A Comparative Study of Personnel Practices in Co-operative and Private Sugar Industries in Ahmednagar and Sangli Districts of Maharashtra." The data collection was done at 'The Rahuri Sahakari Sakhar Karkhana Limited,' Rahuri, District Ahmednagar and 'The Shetkari Sahakari Sakhar Karkhana Limited, Sangli, District Sangli. These two sugar factories are co-operative sugar factories.

### INTRODUCTION OF THE RAHURI SAHAKARI SAKHAR KARKHANA LIMITED, RAHURI, DIST. AHMEDNAGAR.

Ahmednagar though presently is a region very much developed for sugarcane cultivation, it was known as famine belt and district during time of British Rule in early 19th century. Nagar was known as "Ahmednagar" and it was the seat of the capital of the medieval dynasty "Nijamshahi" branch of famous Bahamani Kingdom. The district place and the region was also culturally rich and supposed to be the part of Yadav Kingdom of Deogiri. Besides, the construction of shrines<sup>1</sup> took place in the district. There is a reference about

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1. Maharashtra State Gazetters History Part-I Page 12-15 published by Directorate of Govt. Printing, stationery & publication M.S.

richness of temple architecture and vividity of temples dedicated to Mahadev were constructed in the District Ahmednagar was later on became the head quarter of the district and it contains thirteen talukas viz. 1. Nagar 2. Rahuri 3. Shrirampur 4. Nevase 5. Shevgaon 6. Pathardi 7. Jamkhed 8. Karjat 9. Shrigonde 10. Parner 11. Akole 12. Sangamner 13. Kopergaon.

Rahuri is one of the Tehsil head quarter. The population of the Tehsil increased during last two census in 1980 it was 1,59,343 in 1981 it was 2,06,354 and in 1990 it is approximately 27,08,309.

The Rahuri Sahakari Sakhar Karkhana Limited is situated in Taluka Rahuri, Dist. Ahmednagar of West Maharashtra. This factory is situated 40 kms. away from Ahmednagar city. The factory and its campus is known as, "Shri Shivaji Nagar". This factory established in October, 1954. The total area of this factory was reported as about 450 acres containing surrounding with attractive trees and greenary. At the entrance of factory a statue of Shivaji the great is installed. The administrative office and factory premises are separated from each other.

The functioning of the factory is done by a Board of Directors, Chairman together. The line and staff organisation is given in Appendix No.

There are executive committees and sub-committees, viz. I) Board of Directors. II) Executive Committee III) Purchase Committee IV) Sugarcane supply Committee V) Sugar sell Committee VI) Distillery Management Committee VII) Civil Works Committee VIII) Paper Karkhana Management Committee. Though the routine functioning is supposed to be done under the supervision of executive committee, in reality The Board of Directors perform the duties about policy, planning and the implementation is done by the executive director and as such we do not wish to detail out minor aspects of management function at the juncture. As we are very much concerned with understanding aspects of personnel practices the facts and areas of decision making will be discussed in the third chapter.

The members are sugarcane growers agriculturist in the surrounding area. No farmer is liable to become shareholder of a co-operative sugar factory unless he is cultivator and produces the evidence that he cultivates sugarcane. The strength of 'A' grade manufacturer members is 14,660, co-operative societies 'B' grade is 141 and Maharashtra Government is also one of the members of this factory.

The factory has 1 distillery which manufactures rectified spirit and country liquor. In this distillery for molasses fermentation instead of batch fermentation process, continuous fermentation process is used. This is useful for

production of rectified spirit and deduction in production expenses.

The factory has sister concern, "Rahuri Paper and Pulp Mill", which manufactures papers. In this mill 1.75 metric ton production per hour is the highest record in the history of the mill. The total capacity of production is 25 metric ton per day though 35 to 36 metric ton per day is the production rate at present. Thus, the mill is giving the best results and helpful to the sugar factory.

THE WORK OF SUGAR FACTORY :

The work of the factory is divided into nine departments.

1. Engineering.
2. Manufacturing.
3. Agriculture.
4. Account Section.
5. Civil Work.
6. Store.
7. Medical.
8. Transport.
9. Security.

Each department has specified task which are performed under the guidance and supervision of its head. There are six categories of staff- i) Managerial ii) Supervisor iii) Clerical iv) Skilled v) Semi-skilled vi) Unskilled.

Each department is composed of personnels belonging to all these categories. Although proportion depends on the nature of its work. Each department has a certain line structure in the sense that order passed from the senior to the junior level and reports of the compliance with these orders are submitted by the subordinates to the supervisor. Each department has personnel with different skills may be found in more than one department. The total strength of the employee in the factory including seasonal worker is reported about 2300.

Working days of the factory are less half of the total working days, in a year . Major portion of its employee is seasonal except skilled and semi-skilled. During the off-season the seasonal workers receives very less payment. The crushing season varies from region to region and also from year to year. In the factory sugar is manufactured by modern vaccume pan system. By this white sugar is prepared from sugarcane juice. This method includes three main processes viz, i)defecation ii) sulphitation iii) corbonation. The 1st is used to produce raw sugar for subsequent refining usually by animal charcoal. The second to produce direct composition of white sugar. The object of all the above three processes is to work-up the canes for sugar as rapidly as possible to avoid loss of sugar percentage by de-composition and to avoid as much as impurity. The begining process of sugar manufacture is known as 'Milling'

process under which cane is crushed and juice is extracted. The raw juice is limed in order to recentralise the juice to litmus. It is then heated to about 212° F and pumped into settling tanks, in order to maintain the temperature are steam heated. These are 2 processes of classifying the juice

a) Sulphitation Process.

b) Carbonation Process.

a) SULPHITATION PROCESS :

Under this process juice is clarified with lime and Sulphur-di-oxide gas. This gas is obtained from the heating of good quality sulphur, in sulphur furnaces and passed through scrubbers and then through juice forming sulphate of lime under carbonation process.

b) CARBONATION PROCESS :

The raw juice is heated to about 150° F and proper amount of lime is added. Carbon-di-oxide gas is then bubbled through the juice until juice is neutralised. It is then heated to boiling point and filtered. The juice is some times carbonated twicely to give better purity. The juice after settling is sent to evaporators.

At the crystallisation stage the evaporation is continued to the point where sugar crystals formed and separated from the remaining water and impurity. Sugar produced under the carbonation process is of superior quality. It does not decompose very soon. It can with stand to adverse weather

conditions successfully is percentage of sugar recovery is 11.05 of the factory.

The Rahuri Sahakari Sakhar Karkhana Limited, as per the authority, given by the sugarcane cultivators transferred their right of sugarcane cutting and its transport to the 'Krishak Sahayyak Seva Samiti Trust'. The factory utilises their 648 tyre bulluck carts for sugarcane transport.

The factory also helps to their members for development of agriculture.

- i) With the help of Khadi Gramodyog Commission, Bombay in 1987-88, 771 and 1988-89 44 bio-gas projects were built.
- ii) In the work field of the factory from 1977, 5 centres and 7 sub-centres of cattle breeding are established. This is useful for the agriculturist member and not members.
- iii) Due to cattle breed scheme the number of cattle increased so that the factory renders veterinary services.
- iv) The factory has taken a lion's share in development of non cultivated agriculture. For this purpose it supplies plants of Eucalyptus, bor etc. The factory owns seen nursery of sugarcane and also grants subsidies for fertilisers, pesticides etc.
- v) The factory enhances agriculturists in digging wells. For this purpose it purchased two blasting machines and



hires it. In addition to this there are two boring units, one surface unit and second in well unit.

- vi) The factory owns three bulldozers. With the help of this the maintenance of roads and, as and when required levelling is done.

WELFARE FACILITIES FOR EMPLOYEE :

- i) The factory built near about thousand residential quarters for its employees. These allotted as per needs and seniority basis.
- ii) Recreation club names as Shri Shivneri Club is available for the employees. Sports, games, cultural activities etc. are conducted by this club. In addition to this labour welfare centre is also available.
- iii) The factory had established gymnasium named as Shri Chatrapati Sambhaji Vyayamshala. Daily near about 200 persons take the advantage of the gymnasium.
- iv) The factory had also built one Mangal Karyalaya with all equipments which are useful for marriage purpose. It is hired at negligible rent to its employees and shareholders. The factory conducts montesary school, primary school and high-school. Many children take the advantage of these facility.

INTRODUCTION OF THE SHETKARI SAHAKARI SAKHAR KARKHANA LTD.

SANGLI

Sangli is situated near Krishna River, which was a 'Sansthan' before independence. Sangli District is surrounded by Satara, Solapur, Kolhapur, Ratnagiri districts and Karnataka State. It is well recognised for cultivation of rice, sugarcane, grapes, tobacco, turmeric and wheat, jawar, maize etc. It is also known as green belt of South Maharashtra. It contains nine talukas and 708 villages. The names of talukas are- i) Khanapur ii) Sangli iii) Shirala iv) Valva v) Tasgaon vi) Jat vii) Miraj viii) Kavthe Mahankal ix) Atpadi. The population of Tal. Sangli in 1981 was 1831212 and in 1990 it is approximately 18,31,212. The main industrial products in Sangli Districts are pumps, agricultural machinery, sugar, gur, handicrafts etc. Three railway tracks pass through the district viz. Pune-Miraj-Kolhapur- Broad gauge. Miraj-Londha - Metre gauge and Miraj-Kurduwadi- Narrow gauge. National highway No.4 i.e. Bombay-Pune- Kolhapur passes through Sangli.

Freedom fighter and the great politician Ex-chief Minister of Maharashtra and Ex-Governor of Rajasthan Late Padmabhushan Dr. Vasantdada Patil is the gift from Sangli to India.

The Shetkari Sahakari Sakhar Karkhana Limited is a co-operative Sugar Factory which is known as largest unit

of sugar manufacturing i.e. 5000 tonnes capacity, in India. The factory is established in October, 1956. The registration number under Bombay Co-operative Act, 1925 is G.278 dated- 8-10-1956. The founder of the factory is Padmabhushan Dr.Late Vasant Rao Dada Patil. At present son of Shri Vasant Rao Dada Patil, Shri Prakash Rao Patil, Member of Parliament is chairman of the factory.

This factory is situated in Sangli City. The total area and campus of the factory is reported about 400 acres. The administrative office and factory premises are separated from each other.

The functioning of the factory is done by Board of Directors, Chairman together. The line and staff organisation is same as The Rahuri Sahakari Sakhar Karkhana Limited, which is given in Appendix No.

The members are sugarcane cultivators, in the surrounding area. The total number of the members of the factory is 32,145, out of which 32,044 are 'A' grade manufacturer members, 57 are 'B' grade society members and 44 are 'B' grade individual members. Scheduled Caste members are 2,234 and Scheduled Tribe Members are 4,207. As per the above data it is concluded that the factory belongs to ordinary poor, farmer members. In the year 1988-89 the factory worked 170 days out of 365 days. It crushed 833685 metric tonnes sugarcane and manufactured 9,82,500 quintals of white

sugar. The average recovery of sugar is 11.69%

The factory has two sister concerns- i) Distillary and liquor ii) Acetic an hydride project. For manufacturing of alcohol in distillary unit, mollasses is used as raw material. From 1.10.1988 to 31.3.89, 3758709 litres denatured spirit is manufactured. In liquor unit from 1.10.1988 to 31.3.89 1524106 liters of contry liquor and 87811 liters of foreign liquor is manufactured. From alcohol, sterene monomer an industrial chemical- manufacturing plant is proposed. In the second unit of acetic an hydride project from 1.10.88 to 31.3.89 acetaldehyde 870 metric ton, acetic 985 metric ton, acetic an hydrid 280 metric ton manufactured.

The cattle feed division of sugar factory produces food for cattle which is nutritious and popular in Maharashtra. The production of the cattle feed is 80 metric ton per day in two shifts of working. This cattle feed is sold in reasonable price to the members of the factory and other individuals in the society.

#### WORKING OF SUGAR FACTORY

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The manufacturing of sugar is seasonal. For production of white sugar three main process viz. defecation, sulphitation and carbonation are used.

First is mainly used to produce raw sugar for subsequent refining usually by animal charcoal. The second to produce direct composition of white sugar. The object of the above 3 process is to work up the canes for sugar as rapidly as possible to avoid loss of sugar percentage. The remaining production methods are same as we have discussed previously.

DIFFERENT WELFARE SCHEMES CONDUCTED BY THE FACTORY :  
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In the campus of the factory different types of Welfare Schemes are worked for members and employees. For this purpose the factory finances. The houseless and poor persons in the factory premises had been allotted prefabricated ready houses named as "Vasant Gharkul". Up-till-now 1423 houses are allotted and permanent residential facility is given.

In the factory premises primary schools and high-schools are conducted by the factory. The factory always supplies finance for Chief Minister Fund. A Labour Welfare Centre works for employees. Under this centre, wrestling training gymkhana, library etc. facilities are available. Many employees and their children take the advantage of this centre.

The sugar factory sponsors on behalf of 'Shetkari Shikshan Mandal' Polytechnic College and Technical Institute

named as, "Padmabhushan Vasantrao Dada Patil Institute of Technology, Budhgaon. The factory gives 50% concession in fees of the children of the employees of the factory. The factory also conducts education scheme in drawing and painting of which 184 students are taking this education. This facility is available in Sangli only after Pune.

ACTS APPLICABLE TO CO-OPERATIVE SUGAR INDUSTRIES  
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The following Acts are applicable to the co-operative sugar factories.

1. Industrial Dispute Act, 1947.
2. Bombay Industrial Regulation Act, 1946.
3. The Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971.
4. Payment of Gratuity Act, 1972.
5. The Factories Act, 1948.
6. The Apprentices Act, 1961.
7. The Contract Labour (Regulation and abolition) Act, 1970.
8. Workmen's Compensation Act.
9. Maharashtra Co-operative Societies Act, 1960 and rules thereunder.

In addition to these acts the factory has to follow the rules and regulation framed by 1) National Federation of Co-operative Sugar Factories Limited, New Delhi. and 2) The Maharashtra Sahakari Sakhar Karkhana Sangh, Bombay.

CHAPTER - I I - " B "

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RESEARCH METHODOLOGY

1. Selection of Topic.
2. Title.
3. Aims and objectives of the study.
4. Coverage.
5. Hypothesis.
6. Methods of data collection.
7. Duration.
8. Report writing.

The researcher has selected the topic for his dissertation ' A Comparative Study of Personnel Practices in Co-operative Sugar Industries in Maharashtra.'

After studying of relevant literature thoroughly such as documents, texts, reference books, news paper reports etc. the research design was prepared.

Research design serves the purpose of guideline to the researcher and broadly consists the following points.

1. Selection of Topic.
2. Title.
3. Aims and objectives of the study.
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8. Report writing.

The primary data containing information about co-operative sugar factories, role of directorate of sugar and applicability of labour legislation etc. were collected prior to selection and finalisation of theme of Research.

#### 1. SELECTION OF THE THEME :

In view of development of sugar industry in Western and Southern part of Maharashtra, some sort of imbalance has been created from the perspective of growth ratio of the



industrial products and agricultural produces. An application of desirable licencing policy and direct intervention are pre-requisites of sound industrial relations. In view of the course specialisation at the Master's Degree in Social Work i.e. 'Labour Welfare and Personnel Management' the Researcher was required to select and concentrate the theme connected with the course specialisation which he opted at Post Gratuation Level. Hence the topic entitled as, " A Comparative Study of Personnel Practices in Co-operative Sugar Industries of Maharashtra," was considered as logical and useful for preparation of Dissertation at M.Phil level. Thereafter few sugar factories in the District of Ahmednagar and Sangli were considered as significant from the perspective of data collection.

Out of 17 co-operative sugar factories in Ahmednagar the researcher selected as the agency for data collection by selective sampling method.

Ahmednagar being part of Western Maharashtra, Rahuri is treated as the marketing centre for sugar at the state and national level. One of the aspect for selecting Rahuri than other centres of co-operative sugar factory is being discussed in the next section. Like Ahmednagar District Sangli is known as another centre of co-operative activity

since the formation of the state of Maharashtra due to its importance in History and due to the contribution of political and social workers. Sangli became centre of co-operative movement in the Southern part of Maharashtra. There are about 11 sugar factories in the district and out of them The Shetkari Sahakari Sakhar Karkhana Limited being pioneering one. The researcher decided to select it by applying 3 tests.

1. a) SELECTION OF AGENCIES :

As there were just ten co-operative sugar factories during the 1st decades after the formation of new State of Maharashtra. The entire situation from location, recruitment, management and production, Shetkari Sahakari Sakhar Karkhana of Sangli, Pravara Co-operative Sugar Factory of Kopergaon were looked upon as early pioneering factories which were able to stimulate the process of organisation co-operative sugar factories. Obviously the researcher opted for one of these two factories and the selection for Ahmednagar District was done by way of applying remaining two tests viz. location, organisation, management and production. However, the researcher opted for Rahuri instead of Kopergaon as it was originally organised and managed by the devoted co-operative leaders and followers. At this stage we wish to

mention that originally we have thought of comparing co-operative and private sugar industry from the stand-point of Personnel Management or realisation and introduction of Personnel Practices. However, at the time of pilot study, the researcher was told that now there is no private sugar factory currently as working in the District of Ahmednagar.

2. TITLE :

" A Comparative Study of Personnel Practices in Co-operative Sugar Industries in Maharashtra."

3. AIMS AND OBJECTIVES OF THE STUDY :

The following are the aims and objectives of the Research Study.

1. To investigate the Personnel Policies and Practices applied to the Supervisory Cadre including Technical Qualified Personnel.
2. To know, the knowledge, awareness and opinion of the selected employees who understand the roles and views of managerial and supervisory personnel towards various Personnel Practices.
3. To understand the role of managerial and supervisory staff who contribute personnel practices.
4. To understand and record their opinion towards the field

of Personnel Practices.

5. To investigate the role and utility of technical and non-technical personnel towards routine and occasional functioning of the sugar industry in their organisational hierer and to offer suggestion based on personnel communication.

6. To know and record the suggestion of the Board of Directors towards running and managing sugar industry.

4. COVERAGE :

This dissertation deals with, " A Comparative Study of Personnel Practices in Co-operative Sugar Industries in Maharashtra " the following co-operative sugar factories were selected for the collection of data.

1. The Rahuri Sahakari Sakhar Karkhana Limited,  
Rahuri, Dist. Ahmednagar.

2. The Shetkari Sahakari Sakhar Karkhana Limited,  
Sangli, Dist. Sangli.

5. THE HYPOTHESIS OF THE STUDY :

No hypotheses were taken as the sample taken is judgement sample and this sample cannot serve as base for any statistical testing of hypotheses. It may be <sup>useful</sup> to point certain hypotheses. Thus, this study is mainly exploratory.

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6. METHODS OF DATA COLLECTION :

a) Sampling Method :

The present study deals with, " A Comparative Study of Personnel Practices in Co-operative Sugar Industries in Ahmednagar and Sangli Districts of Maharashtra." The two industries mentioned in coverage were selected as representative ones. In selecting the industries for study the judgement sample was used; i.e. "typical units" were used as representative of the whole population. All the Selected Personnel within these industries were contacted, by census method.

b) Interview Schedule :

It is the most important tool generally used in social surveys. It is a form containing some questions, blank tables, which are to be filled by the researcher, after getting information from the respondents. The purpose of the interview schedule is to maintain uniformity and order and to attain objectivity. It facilitates the work of classification, tabulation and analysis.

For the present study a format of questions dealt with the day-to-day working of selected personnels, their role in strike and lockouts, their attitude towards workers, their participation in framing labour policies,

their advice towards implementation of statutory and non statutory welfare facilities for workers etc. The worker's opinion about Selected Personnels, formation and participation of the employees. So also does the Selected Personnels help in solving problems of workers ? All these questions were framed into questionnaires and a person to person contact was established in order to fill in each such interview schedule, one for the selected personnels and another for workers/ employees.

c) Narrative Interview Method :

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The researcher personally interviewed the Selected Personnels and workers also to get required information. It is certain that the data collected is reliable and dependable. It was possible to trust on the attitude of the person concerned. Due to this method it was possible to ask probe questions and findout the facts related to respondents and finally proper inferences could be easily drawn.

7. DURATION :

The initial period of 9 months was spent in reading as much possible the available material on the topic of dissertation various texts reference books, documents and other literature was thoroughly studied and then on this base a rough schedule was prepared, which was used for

pilot study and from time to time relevant and necessary changes were made after discussion and consultation with the respondents and it helped to formulate the main schedules for data collection.

The next four months were spent in visiting the industries and conducting interviews, holding discussions with the respondents, tackling paper sources available in the industries and observation were also made side by side. A total 25 selected personnels from Supervisory and Managerial Cadre were interviewed.

After collection of data, it was tabulated and analysed and various findings and observations were made. The last 8 months were devoted in completing of the whole research work.

#### 8. REPORT WRITING :

Report writing is an important and fundamental stage of research work. The present report is arranged in chapter system/scheme as noted below-

CHAPTER - I - Introduction to the subject.

CHAPTER -II-A-Introduction to the organisations(Historical Background of the Industries.

B-Research Methodology.

CHAPTER-III- Statistical tables, Analysis and Interpretation.

CHAPTER- IV -Findings, Conclusions and Suggestions.