
CHAPTER-V

OBSERVATIONS AND FINDINGS

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In study the principle aim is to enquire the Labour Remuneration (Wage and Salary administration) adopted by Warana Sahakari Sakhar Karkhana Ltd., Warananagar, Taluka Panhala, Dist. Kolhapur.

Under this study is made by analysing the statistical information collected from different aspects and components of the wage structure from the records maintained and annual reports prepared by Warana Sahakari Sakhar Karkhana Ltd., Warananagar and interview the head of departments, and permanent workers. Informal questionnaire have been prepared and used for eliciting the views of the workers and employees.

V.1) Personal Information :

In this personal data the researcher has focussed his attention on various important matters. Which are the directly or indirectly affects the wage and salary. In personal data regarding Name, Age, Sex, Department, Address, Religion, Number of family member depending, education, designation, experience, native place, distance from factory, mode of conveyance, type of work (job description) are included in the personal data.

a) Age :

It is observed that the majority of the workers of this sugar factory i.e. 57% belong to 31% of the workers are above the age of 50 years. The management of this sugar factory have succeeded in maintaining young, matured, experienced and dynamic human resources. The persons in the age group of above 50 years workers are regarded as disable to work economically. But the number of workers in this sugar factory are less in number, which is the good work in the time.

b) Education :

The data collected revealed that the majority of the respondents have obtained education secondary and higher secondary and college or degree education i.e. 62% of the respondents. 15% have achieved primary education, 23% have obtained technical education. Very few workers have obtained no education at all, they are mazdoor, sweepers etc.

It can be concluded that this sugar factory has succeeded in collecting trained and qualified staff.

c) Number of family members depending upon their income :

It is observed that the most of the respondents are having 4 to 7 persons depending upon their income. They are 75%. Some workers are from joint family also i.e. 8% workers are having 10 and above persons depending upon their income. This is clearly shows that most of the workers are recruited

from the area of rural, where joint family system is favourite. Because of having large number of dependents depending upon their income, the workers are unable to meet the basic needs and services.

d) Experience or Length of Service :

In the collecting data bring out clearly that absolute majority of the workers of this sugar factory having the experience of more than 10 years in sugar factory. Only 25% of worker are having less than 10 years experience.

This shows that the management of this sugar factory has maintained the experienced staff. The rate of labour turnover is less and this sugar factory prefers experienced workers. This means that organisation's retainment of personnel policy is sound and organisation prefers to young blood while recruiting the workers.

e) Mode of Conveyance :

The majority of workers i.e. 61% of this sugar factory are using their own bicycles and motor cycles, and 8 % of workers are coming by State Transport's Bus. 61% of workers coming bicycles and motor cycles that means they are from local area. This data also focus attention on the fact that the factory is utilising the local manpower. Only 31% of workers are coming on foot, that they are living on the factory site and coming from much nearer villages around this sugar factory.

V.2) Categorisation of Workers :

There are about 480 total permanent workers of the factory for the interview purpose the researcher has selected 10% samples workers as respondents i.e. 48.

They are three types of grades i.e. operatives, clerical and supervisory.

In operative grade includes unskilled, semi-skilled, skilled 'C', skilled 'B', skilled 'A' and highly skilled workers. They are working mainly in stores, vehicles, Guarrage, Agriculture, Manufacturing, engineering, godown and civil engineering departments and all the departments as helpers guest house attendant, peon, mazdoor, achari, dresser, sweeper, issue boy, mukadam etc.

The clerical grade include various clerks working in all departments, maintaining clerical records. This grade also includes clerk grade I, II, III. This clerical grade also includes purchase incharge, typists, meeting clerk, assistant accounts, assistant cashier, Head time-keeper, time-keeper, Nurse, Sanitary inspector, Compounder, Sectional incharge, Cane yard Supervisor, godown keeper, assistant godown keeper and a montessory lady teacher etc.

In the supervisory grade includes all supervisory staff having supervisory grade A, B and C. This includes a Officer, Superintendent, an accountant, a cashier, an assistant accountant, a vehicle incharge, a godown incharge, a security

officer, overseers, manufacturing chemists, laboratory chemists, pans incharge, a deputy chief engineer, assistant engineers, workshop foreman, electrical foremen, Civil overseers and a welfare officer.

Out of the above various categorised workers 29 employees are working under the administration department under the Secretary as the head of department and the Office Superintendent as incharge. 59 employees are maintaining records of accounts department under Chief Accountant as the Head of Department. 5 employees are working in Godown Department under Godown Keeper as the Head of Department, Who is working under manufacturing department. 24 employees have engaged in maintaining the labour records and observing the various provisions of factory act, payment of wages act, payment of bonus act and maintaining provident fund record under the labour and welfare as head of department. Taking into consideration the work load of this department a post of welfare officer, having supervisory grade 'B' have been newly created. He is assisting the labour and Welfare Officer. 25 workers are working under Civil Engineer in the Civil Department. 10 workers have been engaged in time office under the Head Time-keeper as Head of that department. This department is maintaining leave records, over-time, sheets at the end of every month.

The 26 workers especially Watchmen are engaged in Watchmen are engaged in watch and ward department and watching

the security work of the factory and of its property day and night.

A well equipped medical and sanitation department is taking care of the health of the workers and of their departments, relatives under a trained and well qualified medical officer and 16 employees are under his supervision. 21 workers and employees are engaged in Stores Department under a Store-keeper as Head of the Department and maintaining the stock of machinery spares, stationary, gunny bags, which is required for continuous and uninterreipted flow of sugar production. 32 workers are engaged in vehicle department under a vehicle incharge, driving, maintaining the vehicles.

68 employees and workers are engaged in agriculture department. An agriculture officer is head of this department. This is the third biggest department in this factory. The main job of this department is to harvest transport and supply of sugarcane in season period and advising the sugarcane growers in off season period. This department is important because the regular flow of fresh sugarcane is very necessary to maintain the production continuously and to have high percentage of the recovery.

5 workers are engaged in Irrigation Department. 9 employees and workers are engaged in Guest House Department. 4 workers are engaged in Purchase Department. 10 employees are engaged in time office.

24 workers and employees are working in manufacturing department under the Chief Chemist as Head of the Department. To research count the recovery and to try to produce white crystal, quality of sugar is the main task of this department.

Lastly engineering department is the all of a biggest department. 145 workers and employees are under the Chief Engineer as the Head of Department, manufacturing and running the machinery in season period and over hauling, replacing the required machinery in off season period.

Managing Director is the top executive office of the sugar factory. The meeting of the Board of Directors are held regularly as and when required. The policies decided and forwarded to all the heads of the departments for further implementation through the Managing Director. The administrative department is to have co-ordination amongst all the departments and to conduct meetings of the Board of Directors regularly and a annual general meeting once in a year of share holders.

In this way this Sugar Factory is trying to progress since last 30 years.

V.3) WAGE STRUCTURE OF W.S.S. KARKHANA LTD. :

The Warana Sahakari Sakhar Karkhana Ltd., Warananagar is a very good sugar factory established under the co-operative principle. The researcher is glad to say that it is paying

more than need based minimum wages defined by the minimum wages Act 1948. They are paying well according to the decisions given by the various State and Central level Committee, appointed to consider the demands of the employees in the Sugar factories or industries. But in these days of inflationary pressure, the wages of employees in sugar industry seem to be very low. The basic wages are fixed by Shri Patil Committee for operative clerical and supervisory grades. The disparity between the price rise and the cost of living is tried to minimise by special allowance at the rate of Rs.22.16 per employee per month. The Union demands that the elements that determine the cost of living index number must be changed.

The wage structure of this sugar factory, the workers are rated by the time rate method, wages are paid monthly. They get bonus plus ex-gratia. It is found that 73% of the workers are getting wages and salaries between Rs.1501 to Rs.2000 per month, 6% of the workers are getting wages and salaries between Rs.2001 to Rs.2500 per month, only 8% of the workers are getting wages and salaries between Rs.1000 to Rs.1500 per month, and the 13% of the workers are getting wages more than Rs.2500 per month, they are heads of the all departments and sections. On the account of provident fund, C.T.D., Insurance, Family pensions, House Rent, Income-Tax, recovery of loans' instalment etc. The respondents are of the opinion that the wages shall be linked with the cost of living and crushing capacity of the sugar factory and not with

the production made by them. It has been strongly demanded by the workers, during the course of interview. That they should get more Rs.1500 per month for even unskilled workers with minimum increment of Rs.10 per year per month. 85% of the workers are of the opinion that they have their wages adequate and the 15% of the workers are of the opinion that their wages are not sufficient, it is a inadequate.

The majority of the workers are having land as one of the major source of income that is 73%. 10% of the workers having their side business and remaining 17% workers are having income from house property, lottery agency and some are doing over-time in factory. The majority of the workers are not only depending upon their wages and salaries. These source of income have helped to increase their real and total income. Some of the workers are allowed to work over-time work with the prior permission of their head of departments.

Dearness allowance is the one of big amount of total amount of wages and salaries. Now a days this sugar factory is paying dearness allowance to all the workers and employees, according to the consumers price index number declared by the Central Government circulated through National Federation of Co-operative Sugar Factories Ltd., New Delhi. There are two types of dearness allowance first fixed dearness allowance, which remains fixed and second is variable dearness allowance which varies with the increase or decrease in the Consumers

Price Index number from time to time.

V.4) BONUS :

Bonus is generally regarded as monetary incentives . It is only by virtue of monetary incentives that the workers can satisfy their fundamental requirement of food, clothing and shelter according to their sweet well. It has been well recognised by Government of India and it had fixed rate of bonus by making amendments in the payment of Bonus Act 1965 @ 8.33% which evers is higher subject to a maximum of Rs.750. In accordance with the decision of the Government of India to this effect, this sugar factory is paying bonus at the rate of 20% per year. In 1985 - 86 the factory has paid 20% bonus plus 10% ex-gratia and distributed Rs.32.86 lacs on account of bonus. In 1986-87, the rate of bonus remained 20% plus 10% ex-gratia and distributed Rs.44.19 lacs, on account of bonus. In 1987-88 the factory has paid 20% bonus plus 10% ex-gratia and distributed Rs.47.39 lacs on account of bonus. In 1988-89 it has been provided to pay 20% bonus and 13% ex-gradia and distributed Rs.64.19 lacs on account of bonus. It is clear that factory has strictly observing all the provisions of the payment of Bonus Act.

The Bonus is calculated on the total amount of payment or wages received during the last year excluding the amount of without pay leaves, by an individual workers. The Bonus is

paid before Diwali festival every year. Bonus is paid to permanent, seasonal permanent and too badli workers also.

It is closely observed and concluded from the response of the sample respondents that majority of the workers and Trade Union leaders are also satisfied with the rate and method of bonus payment adopted by the management of this sugar factory. In short this sugar factory is paying satisfactory bonus.

Utilisation of Bonus :

The 60% of the workers have utilised the amount of bonus received for Diwali festival and 15% of the workers have spent amount of daily expenses. The remaining workers saved in bank, post, investment and the payment of old debts. The some of the workers have purchased durable goods, payment of medical charges, repairs of their house, purchase of agriculture inputs.

It makes clear that either the workers have not reached the expected level of habit of saving and profit. In short, the wages and salaries are not sufficient to meet their daily expenses.

V.5) Borrowings of the Workers :

All the workers of this Sugar Factory i.e. 100% have to borrow from some where, 42% of the borrow to meet festival expenses, 21% have to borrow to meet monthly expenses, 6% to

meet educational expenses their children, some of the workers borrows such as purchase of durable goods, purchase of property, purchase of vehicles and other to meet unexpected expenses such as guests, sickness, party, marriage etc.

The above workers borrow from friends, relatives, workers co-operative society, money lenders and banks, only 6% of the workers need not to borrow. Majority of the workers borrow from the above sources (i.e. 94%).

It is the workers Co-operative Society is paying an important role in meeting the credit needs of the workers because the majority of the workers, borrow from this society i.e. 80%.

The special feature of this society is that the society is advancing loans to the workers at right time and without external help of any other bank. It is raising the finance through deposits, contribution from workers and share capital. This society is advancing loans for marriages, purchases of house, vehicle to the workers.

The general opinion of the workers was favourable regarding the functioning of the society during the course of interview.

V.6) INCENTIVES :

This sugar factory has not introduced incentive schemes to induce the workers to work more and more. Neither financial

nor non-financial scheme has been introduced. This sugar factory paying wages, salaries, bonus and ex-gratia not as monetary incentives. But as legal requirements. Job security is offered not as non-monetary incentive but as a part of Trade Union movement. No recognition or pride of job is given to worker, no participation at shop level, no delegation of authority, no training facilities are available, no prize system for good work, no attendance bonus is paid. The sugar factory is providing welfare activities under factories Act, 1948 but they are insufficient.

During the course of interview the workers demanded that suggestions scheme should be adopted. The organisation should also provide training and development facilities to the workers after and before employment. All the workers thought that it is necessary to provide non-monetary incentives along with monetary with the employees to make the wages and salaries are effective.

V.7) LEAVES :

The workers of this sugar factory are very much conscious about the leave facility. According to the decision given by Industrial Court the sugar factory is extending following types of leaves.

<u>Particulars</u>	<u>Privilege leave</u>	<u>Casual leave</u>	<u>Sick leave</u>
1. Permanent workers	24 days	12 days	10 days
2. Seasonal permanent workers	For per 20 days one day's leave	7 days	7 days

85% of the workers are satisfied about the leave facilities available and only 15% of the workers are not satisfied about the facilities of leaves mainly because of their agriculture work.

The permanent workers are allowed to consume the privilege leave as and when required for they can encash the balance of privilege leave not less than 24 days at the end of year, casual and sick leaves are not encashed. They are demanding the facility of encashment of casual and sick leaves also.

V.8) WORKERS PARTICIPATION IN MANAGEMENT :

It is observed that only 6% respondents have participated in the management. 94% of the respondents throughout that they do not participate in the management. No Joint Committee System, no suggestion scheme, no co-sharing, no co-partnership, no joint management councils, neither shop nor plant councils. Only the representative of employees has been taken on the Board of Directors of this sugar factory as required by laws and bye-laws of this sugar factory. It has been argued that the employees Director has no voice on the Board of Directors, because although he is a member of the Board of Directors, in which the personnel policies are framed and executed. The workers demanded that the employees' Director should be a member of the Executive Committee to make the participation of the workers in Management in the real sense.

V.9) RETENTION ALLOWANCE :

The skilled, unskilled, semi-skilled, skilled A,B,C and clerical employees are paid retention allowance.

Every workers of this factory can take weekly off. 46% of the workers are utilising the weekly off for the purpose of agriculture work and for domestic purpose. The remaining 54% of the workers used their weekly off for rest and to meet their relatives.

V.10) OVER TIME :

Over-time is regarded as extra time worked by worker and an employee after his working time or regular office.

Taking into consideration the increasing purchase of work load the managing director is empowered to allow the over-time work to the workers. But now a days the over-time period is controlled by the Managing Director considering the bad habit of workers not to work at regular time and to do the pending work at over-time. The over-time payment is done under supervision of the sectional incharge or head of the departments. Over-time is paid at double the rate than the regular rate of pay, per hour to the workers working inside the factory premises and the regular rate to the office employee. Generally the over-time has to be paid to the workers working in the watch and ward, manufacturing agriculture and engineering department.

This factory has to pay overtime at the time of starting the crushing season because of repairing work and at this time of general holidays.

V.11) COMPENSATION AND ACCIDENT :

In the Warana Sahakari Sakhar Karkhana Ltd., Warananagar the life of the workers specially in manufacturing, engineering, vehicle, godown and stores department is always in danger because they have to deal always with machinery, chemicals, acids, vehicles, heap of sugar bags and stores. In manufacturing department and engineering department there are some high danger zones. In these departments accidents increase late in night. They do not usually occur during the hours of the work day. They are more frequent during the night shifts. This is partly to the fact that night is the period and partly to fatigue, when one requires rests.

During to course of interview, the researcher has found that no major accident was involved in case of any respondent under study. Some minor types of accidents were involved during the course of employment in case of some respondents. They were compensated with free medical aid and not special leave, medical allowance or other benefits.

The trade Union leaders and the workers demanded that in case of accident. The workers must be sanctioned special leave, required for rest and speedy recovery, until the workers

becomes fit to join his duties as before. While the working in this sugar factory. It is also observed that most of the minor accidents, such as eye-injury, breaking hand, small wounds, are due to humes, dusts and effluvia. So this sugar factory should be kept free from effluvia and clean.

V.12) OTHER FACILITIES :

This sugar factory has the some other facilities to the workers and their families i.e. sugar of concessional rate, montessory education, high schools, tailoring course, medical facilities, housing facilition etc. The very workers whether he may be a seasonal or permanent is entitled to receive 3 Kgs. sugar every month at the rate of Rs.2/- per Kg.