Chapter – II

REVIEW OF LITERATURE AND RESEARCH METHODOLOGY

2.1 INTRODUCTION

Singareni Collieries Company Limited (SCCL) where the present study is undertaken is one of the largest public sector undertakings in India. It is jointly owned by the Government of Andhra Pradesh and the Government of India with equity participation in the ratio of 51:49. The company’s accredited function is to explore and exploit coal deposits in the Godavari Valley Coal Field Area, which includes the four districts of Telangana Region namely, Adilabad, Karimnagar, Khammam and Warangal in Andhra Pradesh. The company markets its coal to several thermal power plants including NTPC (Ramagundam), APGENCO power stations, and power stations in Karnataka, Maharashtra, and Gujarat. It is to be noted that the power sector consumes 78 per cent of its coal while around 50 cement plants situated in the States of Andhra Pradesh, Karnataka, and Tamilnadu consume 13 per cent of coal. The balance 9 per cent coal is marketed to about 3,400 small and medium scale industries. With spurt in industrial growth in Southern States and the resultant huge increase in demand for electricity, the SCCL has been playing a key role in empowering the economies down south of the country. Further, with the new Electricity Act providing opportunities for independent production and distribution, the demand for coal has increased phenomenally leading to its improved performance as evident from the huge profit of Rs.268.11 crores it made in 2009-10. In fact, it has been making profits
continuously since 1997-98. Further, it contributed a huge amount of Rs.886 crores to the State Government and Rs.541 crores to the Central Government in the form of taxes and dividends in 2009-10. The good performance of the SCCL can be largely attributed to its strong will power and determination, teamwork and commitment to pre-defined goals. All the same, the visionary political leadership of the state, smart management, qualitative and motivated work force also contributed a lot to the growth and development of the company. Above all, the welfare-cum-social security oriented corporate philosophy of management helped it to achieve outstanding performance. It is no exaggeration to state that SCCL is the only public sector undertaking in the entire country, which shares its profits with employees from 1999-2000 onwards. Around 10 per cent of the company’s profits will be paid every year as special incentive to employees.

2.2 NEED FOR THE STUDY

Employees play an important role in the industrial production of the country. Hence, organisations have to secure the cooperation of employees in order to increase the production and to earn higher profits. The cooperation of employees is possible only when they are fully satisfied with their employer and the working conditions on the job. In the past, industrialists and the employers believed that their only duty towards their employees was to pay them satisfactory wages and salaries. In course of time, they realised that workers require something more important. In addition to providing monetary benefits, human treatment given to employees plays a very important role in seeking their
cooperation. Further, human resource managers realised that the provision of welfare facilities contribute a lot towards the health and efficiency of the workers. All the same, organisations need to provide various social security benefits such as medical care, mortality benefits, pension etc., as specified by law. It is a fact that the provision of social security benefits is a kind of wise investment that offers good social dividends in the long run. The company having realised the importance of welfare and social security measures introduced several welfare schemes for its workers and the families. For instance, the company provides statutory welfare facilities like drinking water, conservancy, medical appliances, canteen, rest shelters, crèches etc. It also provides various non-statutory welfare facilities such as medical, education, recreation, housing/quarters, consumer co-operative stores, consumer co-operative credit society etc. Further, it provides social security measures like provident fund, gratuity, pension, dependent employment etc. It is to be noted that the company spent a huge amount of Rs.32,090 lakhs on total employees welfare and the average welfare expenditure per employee stood as high as Rs.46,478 in 2009-10. It shows that the SCCL is highly employee welfare-cum-social security oriented. In short, due to the welfare and social security measures provided by the company, its employees have been working with involvement and commitment. Consequently, the performance of the company is quite commendable. Against this background, a study has been undertaken on the research topic-A Study on Welfare and Social Security Measures in Singareni Collieries Company Limited, Khammam District, Andhra Pradesh (with reference to Kothagudem Mines).
2.3 REVIEW OF LITERATURE

Though public sector undertakings are the biggest employers in the country, very few studies dealing with either employee welfare or social security measures have been carried out. In fact, in-depth studies on the provision of employee welfare and social security measures in public sector undertakings especially in coal mining organisations are negligible. However, some useful literature is available in textbooks and published theses. Further, a good number of articles published in various academic magazines and journals are also available. In this regard, the available literature has been outlined hereunder.

REPORTS OF SURVEYS, COMMITTEES AND COMMISSIONS

The plight of the coal miners was brought to light by the reports of several surveys, committees and commissions. The first report on coal miners was made by Luby\(^1\) in 1917 who investigated into the housing conditions of colliery labour in Bihar and Orissa. In his report, Luby stated that the housing conditions of colliery labour in Bihar and Orissa were so poor and needs immediate improvement. Later, the report submitted by the Royal Commission on Labour\(^2\) represented the first systematic and comprehensive attempt in this field. But in view of its wide coverage, it could not deal with the problems of coal miners properly. Hughes\(^3\) investigated into the level of wages and the changes in the cost of living of labourers in the Jharia coal field in the wake of second world war. ILO\(^4\) in its publication, “Approaches to Social Security” stated that social security relates to those services which provide the citizen with benefits designed to prevent or cure disease to support him, when unable to earn and to restore him
to gainful activity. The Labour Investigation Committee\(^5\) while appointing 38 different Industrial sub-committees entrusted the work on coal sector to Deshpande who made an exhaustive investigation into the work life of coal miners and brought out their miserable conditions in 1945.

Mahindra Committee\(^6\) dealt with the problems of coal industry rather than those of the problems of coal miners. But the report of the Coal Mines Labour Enquiry Committee\(^7\) concentrated its efforts only on the collieries of the Hyderabad state. Anyhow, the Labour Bureau\(^8\) conducted a sample survey during 1962-63 to study the living conditions of labour employed in the coal industry. The findings were published in two separate reports out of which one dealt with the public sector coal mines and the other covered all the Indian coal mines. Fortunately, the National Commission on Labour\(^9\) appointed separate study groups for knowing the problems of coal workers in different coal mines. The study groups on coal made certain important suggestions to improve the conditions in collieries. The Committee on Labour Welfare\(^10\) made various recommendations to the Government about the need for the provision of a minimum standard of welfare to coal miners.

**TEXT BOOKS**

Joshi (1927)\(^11\) in his book, “Trade Union Movement in India” felt that welfare work covers all the efforts which employers make for the benefits of their employees over and above the minimum standard of working conditions fixed by
the Factories Act and over and above the provisions of the social legislations providing against accident, old age, unemployment, sickness etc.

Seth (1940)\textsuperscript{12} in his book “Labour in Indian Coal Industry” discussed the agonies of Indian Coal miners under colonial rule.

Radha Kamal Mukerjee (1945)\textsuperscript{13} in the book, “The Indian Working Class” dealt with the problems of low earnings and the sad state of housing then prevalent in the Indian Collieries.

Srivastava (1970)\textsuperscript{14} in his book, “A Socio-Economic Survey of the Workers” in the Coal Mines of India (with special reference to Bihar) studied the socio-economic conditions of coal workers in Bihar. The study found that the socio-economic conditions of miners in Bihar are so poor due to high indebtedness, low wages and poor welfare facilities.

Hasan (1972)\textsuperscript{15} in his book, “The Social Security System of India” felt that social security schemes have characteristics such as provision of cash and medical relief and also the active involvement of the State in the provision of social security. He further stated that social security benefits are provided to employees as of right.

Kudchelkar (1979)\textsuperscript{16} in his book, “Aspects of Personnel Management and Industrial Relations” felt that the need for labour welfare arises from the very nature of the industrial system. He felt that employers need to provide welfare
facilities to employees as the latter are exposed to various risks and at the same
time they have to work in an entirely strange atmosphere.

discussed the labour welfare practices in India such as the provision of intra-
mural and extra-mural welfare facilities. He also discussed the various agencies
involved in labour welfare. However, the study is totally theoretical in nature.

Relations” stated that organisations provide three types of welfare facilities.
According to him, the first type of welfare facilities is related to the provision of
subsidised canteens, crèches and medical facilities while the second type of
welfare facilities is related to consumer cooperative stores, cooperative credit
societies and educational assistance. The third type of welfare facilities is
provided by community centres, welfare centres etc.

Ahuja (1988)\textsuperscript{19} in his book, “Personnel Management” emphasised the
need for labour welfare and social security in India. He felt that provision of
welfare and social security measures makes the employees satisfied with their
jobs leading to their improved performance.

Arun Monappa (1990)\textsuperscript{20} in his book, “Industrial Relations” discussed labour
welfare and social security measures in detail. He also explained the various
problems faced by the enforcement machinery in the implementation of these
welfare and social security measures.
Tripathi (1998)\textsuperscript{21} in his book, “Personnel Management & Industrial Relations” explained the principles of labour welfare services, types of labour welfare services, different legislations and Acts. He also discussed the social security measures in terms of medical care, sickness benefit, unemployment benefit, maternity benefit etc., besides explaining the social security system in India.

David, A Decenzo (2001)\textsuperscript{22} and Stephen P. Robbins in their book, “Personnel / Human Resource Management” explained the various benefits and services provided by the companies to their employees. According to them, the legally required benefits and services include social security premiums, unemployment compensation, workers compensation and state disability programs. They felt that the cost of the voluntary benefits offered appears to be increasing.

Michael (2001)\textsuperscript{23} in his book, “Human Resource Management and Human Relations” said that the provision of intra-mural and extra-mural welfare facilities help in improving the quality of work life of employees thereby good human relations will develop among different cadres of employees.

Kannan (2001)\textsuperscript{24} stated that the ever increasing demand for welfare funds for each and every sub-sector of the informal sector may be viewed as a desperate reaction of the workers for a measure of social security in an unprotected labour market.
Pylee and Simon George\textsuperscript{25} in their book, “Industrial Relations and Personnel Management” stated that companies should provide retirement benefits such as provident fund, gratuity and pension to employees. They felt that the provision of these benefits assists employees to be free from fear of want and fear of starvation besides instilling in them a feeling of security.

Punekar, Deodhar and Sankaran (2004)\textsuperscript{26} in their book, “Labour Welfare, Trade Unionism and Industrial Relations” stated that labour welfare is anything done for the comfort and improvement, intellectual and social-well being of the employees over and above the wages paid which is not a necessity of the industry.

Shashi, K. Gupta and Rosy Joshi (2005)\textsuperscript{27} in their book, “Human Resource Management” discussed “labour welfare” in detail. The book covers all the aspects of labour welfare such as types of labour welfare, statutory provisions concerning welfare, approaches to welfare and also the significance of labour welfare.

Mamoria \textit{et al.},(2005)\textsuperscript{28} in their book “Dynamics of Industrial Relations” discussed the welfare facilities provided by various organisations such as cotton mills in Mumbai, Jute mills, steel plants, mines, plantations, railways, postal & telegraphs, ports and dockyards. They also discussed the employee welfare measures undertaken by the Government from the First Five Year Plan to Eighth Five Year Plan period.
Singh (2005)\textsuperscript{29} in his book, “Industrial Relations: Emerging Paradigms” stated that social security is an attack on five giants such as wants, disease, ignorance, squalor and idleness. According to him, social security is not a burden but a kind of wise investment that offers good social dividends in the long run.

Venkata Ratnam (2006)\textsuperscript{30} in his book, “Industrial Relations” discussed the provisions made for social security in the constitution of India, labour legislations, collective agreements and voluntary arrangements for the organised sector. He also discussed the key issues in social security in the context of the emerging socio-economic environment.

Micheal Armstrong (2006)\textsuperscript{31} in his book, “A Hand Book of Human Resource Management” discussed the various welfare services provided to employees in detail. He stated that the provision of welfare services in terms of individual services, group services and employment assistance programs help in improving the identification of employees with the companies in which they are employed.


Aquinas (2007)\textsuperscript{33} in the book, “Human Resource Management” explained the intra-mural and extra-mural welfare benefits provided to employees. He stated that some welfare benefits are provided as per legislation while some
other welfare benefits are provided voluntarily by management or as a result of bi-partite settlements between the Management and Trade Unions.

Scott Snell and George Bohlander (2007)\textsuperscript{34} in their book, “Human Resource Management” throw light on the various benefits especially social security benefits such as provident fund, gratuity, pension and insurance cover provided to employees.

Gary Dessler and Biju Varkkey (2009)\textsuperscript{35} in their book, “Human Resource Management” discussed the benefits and services provided to employees in India. They also discussed the benefits to be provided as per Central or State Law besides the discretionary benefits provided by employers.

John M. Ivancevich (2010)\textsuperscript{36} in his book, “Human Resource Management” stated that an employer has no choice about offering mandated benefits programs and can not change them in any way without getting involved in the political process to change the existing laws. According to him, the three mandated programmes are unemployment insurance, social security and workers compensation.

Aswathappa (2010)\textsuperscript{37} in his book, “Human Resource Management” discussed the various types of benefits and services provided to employees in terms of payment for time not worked, insurance benefits, compensation benefits, pension plans etc. He also discussed the ways to administer the benefits and services in a better way.
THESES

Chattopadhyay Ramakrishna\textsuperscript{38} in his thesis, “Social Perspective on Labour Legislation in India” discussed in detail about the importance given to social security in various legislations, which are enacted from time to time by the Government of India.

Punekar Sadanand Dattatreya (1942-49)\textsuperscript{39} in his thesis, “Social Insurance of Indian Industrial Workers” stated that social insurance aims at granting adequate benefits to the insured on a compulsory basis in times of unemployment, sickness and other contingencies with a view to ensure a minimum standard of living. He concluded that social insurance is absent in almost all the industries barring a few.

Srivastava (1953)\textsuperscript{40} in his thesis, “Labour Welfare in India” detailed upon the labour welfare measures undertaken by select public and private sector companies in India. He found that public sector companies are far better than their private counterparts in the provision of welfare facilities to workers and employees.

Agarwal Amarnarain (1957)\textsuperscript{41} in his thesis, “Insurance in India with reference to Social Security” explained the role of insurance in providing social security to people. He felt that huge scope exists for insurance business in India as the penetration of insurance business among the masses is highly low.
Shanti Arora (1957)^42 in the thesis, “The Social Security in India” felt that the various Acts and legislations made by the Government failed to provide social security to the masses.

Verma Omprakash (1958-65)^43 in his thesis, “Labour Welfare and Industrial Peace in India” stated that many industries failed to provide adequate welfare facilities to their employees due to which industrial unrest had become a common phenomenon among various industries.

Badhwan (1959-64)^44 in his thesis, “Workmen’s compensation Act, 1923 - with special reference to coal Mining Industry in India” stated that the compensation paid to coal miners who died in mine accidents is very low. Hence, he felt the need for increasing the compensation payable to employees.

Kapoor Suraj Krishan (1961-64)^45 in his thesis, “Social Security for Industrial Workers in Madhya Pradesh” explained the various social security measures provided to industrial workers by the Central Public Sector enterprises, State level public sector enterprises and unorganised sector. The study found that unorganised sector employees are deprived of almost all the social security measures.

Dharam Veersingh (1963-67)^46 in his thesis, “Social and Economic Welfare Services in Uttar Pradesh” felt that the successive governments after independence could not provide the required social and economic welfare services to the needy people due to which many people were living below the poverty line.
Ranjan Bhattacharya (1965)\textsuperscript{47} in his thesis, “Social Security Measures in India” stated that the Government enacted various Acts to provide social security to industrial workers. But the Government Machinery failed to implement the various Acts related to social security in India.

Sharma (1974)\textsuperscript{48} in his thesis, “Living Conditions of Colliery Workers in Jharia Coal Field’s” examined the working and living conditions of workers and employees in Jharia coal fields. The study found that the working and living conditions of workers and employees who are working in the mines are very poor and hence the living conditions need to be improved a lot.

Saktipada Dutta (1976)\textsuperscript{49} in his thesis, “A Study of Labour Productivity, Wages and Profits in the Coal Mining Industry of Bihar” discussed the productivity and profits of coal mining industry in Bihar. The study found that the productivity and profitability in the coal mining industry are quite low due to various factors and forces such as high absenteeism, militant trade unionism, and high turnover of employees.

Mishra (1978)\textsuperscript{50} in his thesis, “History and Working of Trade Unions in the Coal Mining Industry of Bihar” discussed the history, growth and development of trade unions in the mining industry. He also discussed the role of trade unions in mitigating the problems of workers and employees.
Viswakarma (1978)\textsuperscript{51} in his thesis, “An Economic Survey of Labour Conditions in Penchavalley Coal Fields of Madhya Pradesh” explained the working and living conditions of workers in detail. The study found that labour conditions in the Penchavalley coal fields are so miserable as health and safety facilities are not provided up to the required extent. In view of this, he felt the need for improving the working conditions, health care and safety facilities.

SubbaRao (1980)\textsuperscript{52} in his M.Phil. dissertation, “Women Welfare in Jute Industry (A Study on Welfare Programmes in selected Jute Mills Eluru in Andhra Pradesh)” explained the welfare facilities provided by companies such as Shri Bhajaranga Jute Mills, Guntur, Shri Krishna Jute Mills, Eluru to their employees in detail. The study revealed that these companies have to do a lot in the area of welfare for the betterment of women employees.

Narayana Murthy (1992)\textsuperscript{53} in his thesis, “Employee Welfare in Public Sector – A Study on Selected Units in Visakhapatnam” discussed the various welfare facilities provided by public sector companies like - BHPV Ltd, Hindustan Shipyard Limited, Visakhapatnam, Port Trust, and Dredging Corporation of India. The study concluded that all the four public sector enterprises are highly employee welfare oriented with insignificant differences.

Tanna Mona (1993)\textsuperscript{54} in her thesis, “Social Security Schemes for Industrial Workers: A Study of Employee’s State Insurance Scheme in Madhya Pradesh” detailed about the various social security measures provided to employees with
special emphasis on the benefits provided to employees under Employees State Insurance Scheme.

Krishnaiah (1994)\(^{55}\) in his thesis, “Work Life and Welfare of Coal Miners in SCCL” studied the work life of coal miners comprehensively. The study found that the work life of employees is poor. However, it is being offset by the provision of welfare facilities.

Kishore babu (1994)\(^{56}\) in his thesis, “Social Security Measures in Public Sector-A Study of Selected Industries in Visakhapatnam” discussed the various social security measures provided by HPCL, BHPV and Hindustan Shipyard Limited to their employees. The study showed that all these three public sector enterprises have been highly employee-oriented in terms of the provision of social security measures.

Anita Kumari (1994)\(^{57}\) in her thesis, “Terminal Benefits to Industrial workers with special reference to India” pointed out the wide variations across various industries in the provision of terminal benefits to industrial workers in India.

Aruna Valli (1995)\(^{58}\) in her thesis, “Social Assistance for Industrial Labour in India” analysed the social assistance programs undertaken by the Government of India and also various state governments for the benefit of industrial labour in India.

health, safety and welfare measures provided by various cement companies in the Guntur district of Andhra Pradesh. The study found that large cement companies provide better health, safety and welfare measures as compared to small and medium scale cement companies.

Moulvi (2003)\textsuperscript{60} in his thesis, “Impact of Social Security-cum-Labour welfare Measures on Production, Absenteeism and Attitudes of Industrial workers - A Comparative Study of KSRTC Regional Work Shops of Hubli and Bangalore” found that the productivity of the workers has increased with the provision of welfare facilities. Further, employees have formed positive attitudes. However, provision of social security and welfare measures has not helped in the reduction of absenteeism.

Srinivasa Rao (2004)\textsuperscript{61} in his thesis, “Functioning of Trade Unions in Indian Coal Mining Industry: A Case Study of Singareni Collieries Company Limited” studied the functions of trade unions at length. He also explained the role of trade unions in improving the quality of work life of employees in SCCL.

Rama Vani (2006)\textsuperscript{62} in her thesis, “Incentive Schemes in Coal Industry: A Case Study of Singareni Collieries Company Limited” discussed the various incentives provided by SCCL to its employees so as to improve the productive performance of the company. She concluded that the incentives provided by the company helped in improving the productive performance of the company.

Srivastava (2007) in his thesis, “Study of Labour Welfare and Social Security in the Industrial undertakings of RaiBareilli District” discussed comprehensively about the various welfare and social security measures provided by various companies in the district. The study found that a majority of the companies is employee welfare and social security oriented.


MAGAZINES AND JOURNALS

Kerr et al. (1960) in their article, “Industrialism and Industrial Man: The Problems of Labour and Management in Economic Growth” felt that a committed worker is he who has broken his links with the village economy, and has become a permanent member of urban industrial wage earner and does not hope to return to his village. Further, they felt that all the aspirations and expectations of workers should be fulfilled through the industrial job.

Veldkamp (1973) in his article, “The Coherence of Social Security Policy” emphasised that coherence of social security systems is not just desirable, it is
an absolute necessity. With increased prosperity, there is now a very much stronger need for an even higher standard of social security. He also stated that various systems are expanding rapidly and as a result, the financial and administrative burdens involved are also steadily growing. Hence, there is a strong need to simplify the policies and practices involved in social security arrangements.

Garewal, K.S. (1978)\textsuperscript{68} in his article, “Dimensions of Welfare in Coal Industry” stated that the nationalisation of coal industry in 1973 has brought about a major change in its operating philosophy and as a result employee welfare has been accorded top priority.

Vijay, G (1999)\textsuperscript{69} in his paper, “Social Security of Labour in New Industrial Towns” felt that social security in the formal sector has an institutionalised expression. He felt that social security is a complex issue since it involves migration of labour from rural areas to new townships. He also felt that the labour in the new industries is recruited on contractual or casual basis. He also mentioned about various institutions through which social security finds expression. Further, he analysed the attributes that would enable access to these institutions.

Madhumathi and Desai (2003)\textsuperscript{70} in their article, “Analysis of Pre and Post Reform Security and Labour Welfare Expenditure in Karnataka State Road Transport Corporation” analysed the social security and labour welfare measures provided by KSRTC in detail. The study found that labour welfare expenditure in
KSRTC had grown year after year under pressure as well as the changing relations between employees and management. They further found that per capita labour welfare expenditure had increased substantially during the post-reforms period.

Nalini Nayak (2005)\textsuperscript{71} in her article, “Social Security for the Unorganised Sector” felt that the bill assuring social security for workers in the unorganised sector does not go far assuring access rights to natural resources enjoyed as per tradition by certain groups or organisations. She also stated that in the state of Kerala, workers agitated in a sustained manner for recognition of their rights. However, for lack of state support, these organisations are dwindling in number.

Raju and Jena (2005)\textsuperscript{72} in their article, “Pioneering Welfare Practices in Oil and Natural Gas Corporation Limited-Rajahmundry Asset” stated that the labour welfare practices adopted by ONGC contributed to the economic development in total by moulding workers into a productive, efficient and committed labour force. Further, it has tremendous potentialities for fostering good industrial relations.

Sakthivel, S. and Pinaki Poddar (2006)\textsuperscript{73} in their article, “Unorganised Sector Workforce in India” stated that the pro-rich and pro-capital policy of the present regime is reflected in the recent downward revision of the interest rate of the subscribers of provident fund. Further, the move towards defined contributory schemes away from defined benefit scheme of pension funds is not good. In short, given the poor affordability and lack of institutional mechanism, any design of social security that relies heavily on a contributory basis is bound to fail dismally.
Ravi Duggal (2006)\textsuperscript{74} in his article, “Need to Universalise Social Security” stated that those who can afford it get their own social security through a public mandate and those who can not afford it have to buy or arrange their own social security. Further, he stated that the malaise can only be overcome by universalising social security.

Venkateswara Rao and Rajesh (2007)\textsuperscript{75} in their article, “Singareni Collieries Company Limited: The Great Turnaround Story” analysed the reasons for the sickness of SCCL. They also discussed the various measures taken by the company for the successful turnaround of the company.

Debashish Sengupta (2007)\textsuperscript{76} in his article, “Responsibility for Sustainability – The Changing Face of Corporate Social Responsibility” stated that organisations should design welfare schemes keeping in view the well-being of employees. This is because, the provision of welfare facilities leads to a motivated and happy work force, who are obviously more productive, efficient and creative, ultimately leading to the formation of a performing organisation.

Anjali Ganesh and Vijayi D. Souza (2008)\textsuperscript{77} in their article ”Social Security and Welfare Measures at New Mangalore Port Trust - A Case Study” felt that employees at NMPT are quite satisfied with the social security benefits provided by the organisation. They also stated that the provision of welfare facilities and social security benefits has a greater influence on the working of employees through psychological and social satisfaction.
Kala (2008)\textsuperscript{78} in her article, “Social Security of Unorganised workers” felt that people who are employed in shops and establishments, handlooms and power looms, agriculture, construction are not covered by social security measures and hence the government introduced Aam Admi Bima Yojana and Indira Gandhi National old Age pension scheme to help the unorganised sector employees as well as the old people who are above 65 years of age.

Deepika (2008)\textsuperscript{79} in her article, “A Relook into the Measurement of Human Welfare and Happiness” stated that Governments should measure the gross National Happiness (GNH) rather than Gross National Product (GNP) as gross national happiness is a better indicator of human welfare and happiness.

Venkateswarlu (2008)\textsuperscript{80} in his article, “Social Security Measures for the Empowerment of the Aged” highlighted the various social security measures provided by the Government in terms of old age pension, old age homes, mobile geriatric measures, marginal subsidies on train and flight tickets for empowering the old age people.

Sudansu Rath (2008)\textsuperscript{81} in his article, “Public Choice, Public Policy and Social Welfare in a Democratic Country: A Theoretical Analysis” felt that Governmental intervention is required in the case of market failure. Public choice, public policy and social welfare concepts are relevant in the context of a democratic welfare state. He also stated that public policy determined by political behaviour misrepresents public choice and deviates from maximum social
welfare. Finally, assessment of social welfare and social justice rests on value judgement.

Paromita Goswami (2009) in the article, “A Critique of the Unorganised Workers Social Security Act” made an attempt to discuss the unorganised workers security Act, 2008. The writer felt that the Act does not make it mandatory for the Government to introduce new welfare schemes. It unfairly divides unorganised workers into those below the poverty line and those above, and is silent on a national minimum wage, improving working conditions, and the problems of women workers like unequal pay, sexual harassment at the work place etc.

Mukul, G. Asher (2009) in his article, “Pension Plans, Provident Fund Schemes and Retirement policies: India’s Social Security Reform Imperative” stated that the major objectives of any social security system are consumption smoothing over an individual’s life time, insurance against longevity and inflation risks, income redistribution for society as a whole and poverty relief. He felt that these have to be traded off against economic growth, labour market efficiency and labour market flexibility.

Hitesh I. Bhatia (2010) in his article, “Social Security for the Most Overlooked Human Resources in India” stated that the formal social security support is available to only a small fraction of India’s labour force working in the organised sector. A massive 93 per cent of the labour workforce in the unorganised sector continues to remain uncovered by any social security programs despite its huge contribution to the GDP.
Jeya A. and Kirubakaran Samuel (2010)\textsuperscript{85} in their article, “A Study on Impact of Social Welfare Schemes on Rural women in Cuddalore District” dealt with the impact of social welfare schemes on rural women. It also outlined the extent of benefit availed by the rural women based on field survey. The result is that rural women are greatly benefited by the provision of social welfare schemes.

Poongavanam (2011)\textsuperscript{86} in his article, “A Study on Labour Welfare Facility (with reference to AFT, Pondicherry) made an attempt to study the Welfare facilities provided by a large, well-recognised Government enterprise in Pondicherry, namely Anglo French Textiles. The study found that welfare measures will improve the physique, intelligence, morality and standard of living of workers, which in turn will improve their efficiency and productivity.

2.4 RESEARCH GAP

A comprehensive review of the aforementioned literature reveals that most of the reports of surveys, committees and commissions are aimed at knowing the working and living conditions of coal miners in different states so as to recommend the employers and also the government about the need for improved welfare and social security measures. With regard to the literature collected from textbooks, it is mostly theoretical in nature and provides broad guidelines to the proposed research study. Even the research output of individual researchers are related to living conditions of coal miners, labour productivity, work life and welfare, incentive schemes, functioning of trade unions etc. Though some researchers carried out their researches on welfare, social security many of the
researches are not related to coal mining organisations. In case of articles published in various magazines and journals, they are narrow in their scope. In other words, no comprehensive study has been undertaken to discuss welfare and social security measures in public sector organisations and in particular coal mining organisations. In view of this, an attempt has been made to study the topic chosen for the research titled-A Study on Welfare and Social Security Measures in Singareni Collieries Company Limited.

2.5 HYPOTHESES

- Welfare measures help in improving the standard of living of employees directly and increase their real incomes indirectly thereby these measures create a contended workforce leading to improved performance of the company in terms of achievement of targets, increased production, productivity etc.

- The provision of social security benefits protects employees against contingencies of modern life such as sickness, old-age, invalidity, unemployment etc due to which employees develop emotional bondage with the company leading to industrial peace and reduced absenteeism.

- There is no significant difference in the opinions of executives and non-executives with regard to the provision and adequacy of statutory and non-statutory welfare facilities.
• There is no significant difference in the opinions of executives and non-executives with regard to the provision and adequacy of social security benefits.

• There is no significant difference in the opinions of executives and non-executives with regard to the positive fall out of welfare and social security measures on the performance of employees and the resultant performance of the company.

2.6 OBJECTIVES

The main objective of the study is to inquire into the welfare and social security measures provided to employees and the specific objectives are as follows.

• To study the organisational framework and operational policies of Singareni Collieries Company Limited, Kothagudem Mines, Khammam District, AP.

• To know the opinions of employees about the provision of welfare and social security benefits and also to know the adequacy of these facilities.

• To find out the extent to which employees are satisfied or dissatisfied with the various welfare and social security benefits.

• To collect the opinions of employees so as to know whether the provision of welfare and social security benefits and their adequacy helps in improving the performance of the company or not.
• To make appropriate and relevant recommendations to the management for improving the welfare and social security benefits further so as to improve the quality of life of employees.

2.7 METHODOLOGY OF THE STUDY

Application of appropriate methods and adoption of scientific techniques is a sine-qua-non of systematic enquiry. This has an important bearing on the collection of reliable and accurate information as well as on the outcome of the study. The present study is a combination of historical, case study and survey methods. The historical method is used in tracing the genesis, policies and practices relating to the management of SCCL. The case study method is adopted in order to explore and analyse the various welfare and social security benefits provided by the company to its employees. In the present study, SCCL, Kothagudem Mines is taken as the unit of study and almost all the facets of welfare and social security measures have been studied in depth. The collection of opinions of employees constituted the survey method in the study.

2.8 SELECTION OF SAMPLE ORGANISATION AND RESPONDENTS

As it was felt to take up a study on employee welfare and social security measures in a public sector company, the investigator wrote to a number of public sector companies in Andhra Pradesh. The companies include Singareni Collieries Company Limited, Kothagudem; Bharat Heavy Plate and Vessels Limited, Visakhapatnam; Rashtriya Ispat Nigam Limited, Visakhapatnam and Hindustan Shipyard Limited, Visakhapatnam. With lots of efforts, the researcher
could get the permission from the management of SCCL to collect the necessary data. The company also permitted the researcher to elicit the views of employees on employee welfare and social security measures in Kothagudem mines. Hence, the study is confined finally to SCCL, Kothagudem mines.

A sample of 328 respondents, who include 76 executives and 252 non-executives have been chosen from the two opencast and five underground mines of Kothagudem using stratified random sampling technique or method. Executives were selected from the levels covering different cadres from E0 to E9. Similarly, non-executives were also selected from almost all the departments and sections of the company. The non-executives include welders, fitters, electricians, drill operators, dozer operators, dumper operators, mining sardars, overman, shot firers etc. It is to be noted that clerical staff have also been included in the non-executive category. The details of the sample size are presented in table 2.1.

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Manpower cadre wise</th>
<th>Manpower (In number)</th>
<th>Sample size taken (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Executives</td>
<td>1,520</td>
<td>76</td>
</tr>
<tr>
<td>2</td>
<td>Non-executives</td>
<td>5,040</td>
<td>252</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6,560</td>
<td>328</td>
</tr>
</tbody>
</table>

Source: Compiled from the publications of SCCL, Kothagudem mines
2.9 SOURCES OF DATA COLLECTION

Data were collected both from primary and secondary sources. The researcher personally visited the SCCL between August 2010 and April 2011 and collected first hand information through personal contacts, and extensive interviews. Data collection was a pains-taking effort, and all endeavours were made to collect the relevant information with missionary zeal. Secondary sources of data were also used. They include annual reports, office records, files, brochures and other published and unpublished material of the company as well as books, and Government reports. Data were collected through the principal tools of questionnaires, interviews and observation. A questionnaire on employee welfare and social security measures has been designed and developed after referring various standard text books and magazines and it was used as the principal instrument for data collection. The sample is found suitable to serve the purpose of the present enquiry and the questionnaire was administered to all the sample respondents. Interview technique too was used to supplement the data obtained through questionnaires. An interview is sure to be qualitatively better than any other tool. Convenient timing for the interviews has been fixed in advance mostly during the early hours of the shift or during the lunch breaks and at times in the houses of respondents. Extensive personal interviews were conducted with all the respondents. The interviews were often prolonged and spread-over multiple sessions. Since the interviewer personally visited the company, the technique of non-participant observation was also used,
which enabled the researcher to get better perception and more insight into the phenomenon.

2.10 STATISTICAL TECHNIQUES USED

In the present study, both the F-test and Chi-square test have been used. The F-test has been applied to find out the difference in the views of executive and non-executive employees with regard to the provision and adequacy of social security benefits. Further, the F-test has been applied so as to know whether the provision of welfare and social security benefits helps in improving the performance of the company or not. The chi-square test is also applied for the data on the distribution of the responses of executive and non-executive employees on different welfare and social security measures in the company. It is to be noted that $\chi^2$ describes the magnitude of discrepancy between theory and observation. These methods have been applied as per the need and appropriateness to lend the data greater precision and systematisation. In this regard, the statistical tools are explained hereunder.

A) F–test or the Variance Ratio Test

The F-test is named in honor of the great statistician R.A. Fisher. The F-test is based on the ratio of two variances. Hence, it is also known as variance ratio. The ratio of two variances follows a distribution called the F distribution. The object of the F-test is to find out whether the two independent estimates of population differ significantly, or whether the two samples have the same
variance. For carrying out the test of significance, the F is calculated in the following way.

\[ F = \frac{S_1^2}{S_2^2} \]

Where

\[ S_1^2 = \frac{\sum (X_1 - \bar{X}_1)^2}{n_1 - 1} \]

\[ S_2^2 = \frac{\sum (X_2 - \bar{X}_2)^2}{n_2 - 1} \]

Note: \( S_1^2 \) is always the larger estimate of variance, i.e., \( S_1^2 > S_2^2 \)

\[ F = \frac{\text{Larger estimate of variance}}{\text{Smaller estimate of variance}} \]

\[ V_1 = n_1 - 1 \text{ and } V_2 = n_2 - 1 \]

\( V_1 \) = Degrees of freedom for sample having larger variance.

\( V_2 \) = Degree of freedom for sample having smaller variance.

The calculated value of F is compared with the table value for \( V_1 \) and \( V_2 \) at 5% or 1% level of significance. If the calculated value of F is greater than the table value, then the F ratio is considered significant and the hypothesis is rejected. On the other hand, if the calculated value of F is less than the table value the hypothesis is accepted. It is inferred that both the samples have come from the population having the same variance.
B) The $\chi^2$ test

The Chi-square ($\chi^2$) test is one of the simplest and most widely used non-parametric tests in statistical work. The symbol $\chi^2$ is the Greek letter chi. The $\chi^2$ test was first used by Karl Pearson in the year 1900. The quantity $\chi^2$ describes the magnitude of discrepancy between theory and observation.

$$\chi^2 = \frac{\sum (O - E)^2}{E}$$

Note: O refers to the observed frequencies and E refers to expected frequencies.

2.11 SCOPE OF THE STUDY

The present study is an attempt to make an enquiry into the various facets of employee welfare and social security measures in Singareni Collieries Company Limited, Khammam District, Andhra Pradesh (With reference to Kothagudem Mines). The scope of the present study is both wide and narrow. It is wide because it covers almost all the components of welfare and social security measures.

Organisations should develop sound policies in regard to human side of enterprise. Such policies are not only a statement of management intentions and indicate the basic organisational approach towards human factor, but also provide the much needed frame work to guide actions of all functionaries in taking important decisions on employee welfare and social security measures.
The scope of the study could also be viewed as narrow for it covers only one public sector organisation i.e., SCCL. This need not be a limitation of the study as an in-depth enquiry lends itself to incisive analysis and comprehensive coverage to get better insight into the issue relating employee welfare and social security.

2.12 PERIOD OF THE STUDY

The study is qualitative in nature as it focuses its attention on the study of employee welfare and social security measures in SCCL with reference to Kothagudem mines, Khammam District, A.P and the study areas include statutory welfare facilities, non-statutory welfare facilities and also the social security measures provided by the company to its employees. However, secondary data were collected for a period of 12 years from 1998-99 to 2009-10 and the same has been presented in the research work. Wherever data are found to be scarce, the study period was restricted to nine years from 2001-02 to 2009-10 in few areas like number of family planning operations conducted, monthly monetary compensation cases settled and number of cases settled under lump sum payments. All the same, the study period was restricted to 10 years from 2000-01 to 2009-10 in case of number of mines. Further, the study period was limited to 6 years from 2004-05 to 2009-10 in case of dependent employment.
2.13 SIGNIFICANCE OF THE STUDY

The study is of great significance for it ascertains the opinions of employees on welfare and social security measures in a big public sector undertaking like Singareni Collieries Company Limited. The assessment of employee welfare and social security measures will be of immense help to the management of the company and also the government for the formulation of sound employee oriented policies in future. The study with a large sample of 328 respondents provides scope to find out how the views of different groups of executives and non-executives coincide or differ on the issues relating to the topic understudy. Further, the study provides scope for implementing changes in the policies relating to employee welfare and social security measures. The study would be highly helpful for further research in related areas of welfare and social security measures with reference to any public or private enterprise.

2.14 LIMITATIONS

The study has the following limitations. The researcher has to make indefatigable efforts to collect relevant information by running from pillar to post. Employees were hard pressed for time in view of the job demands, and rigorous work schedules. Hence, the researcher has to persuade them for sparing time for responding to the questionnaires and interviews. When he found that the respondents were not able to spend adequate time for the purpose, he had to request them to allot time after the shift timings. In fact, establishing rapport with the respondents posed a problem initially. To develop rapport with sample respondents and also to overcome their suspicion, the researcher took the help
of the personnel officer, welfare officer and other staff in establishing identity and also to explain the nature and purpose of the study. As mentioned earlier, the study period had been 12 years from 1998-99 to 2009-10. But due to non-availability of data, the study period has been limited to 9 years in few study areas like family planning operations conducted, monthly monetary compensation and number of cases settled under lump sum payment. It is to be noted that in case of dependent employment the study period has been limited to 6 years. Further, as the research work is a case study with reference to Kothagudem mines, it has all the limitations associated with it. The generalisations of the study can not be expected to have universal application. Even when one tries to apply to the organisation of similar nature, these must be applied with caution and care. In spite of the above limitations, all the efforts have been made to make the study comprehensive and analytical. But analytical deficiencies in any form cannot be ruled out in the study.

2.15 PRESENTATION OF THE STUDY

For clarity and comprehension, the study has been presented in six chapters. The first chapter is devoted to developing the conceptual framework of welfare and social security. Review of literature and Research Methodology is discussed in the second chapter. The third chapter discussed the organisational framework and operational policies of Singareni Collieries Company Limited. The fourth chapter throws light on the various welfare and social security benefits provided by the company. The fifth chapter analysed and interpreted primary data. The last chapter presented the Summary of Findings along with important Suggestions.
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**MAGAZINES AND JOURNALS**


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